creative commons

COMMONS DEED

저작자표시-비영리-변경금지 2.0 대한민국

이용자는 아래의 조건을 따르는 경우에 한하여 자유롭게

- 이 저작물을 복제, 배포, 전송, 전시, 공연 및 방송할 수 있습니다.

다음과 같은 조건을 따라야 합니다:

저작자표시. 귀하는 원저작자를 표시하여야 합니다.

비영리. 귀하는 이 저작물을 영리 목적으로 이용할 수 없습니다.

변경금지. 귀하는 이 저작물을 개작, 변형 또는 가공할 수 없습니다.

- 귀하는, 이 저작물의 재이용이나 배포의 경우, 이 저작물에 적용된 이용허락조건을 명확하게 나타내어야 합니다.
- 저작권자로부터 별도의 허가를 받으면 이러한 조건들은 적용되지 않습니다.

저작권법에 따른 이용자의 권리는 위의 내용에 의하여 영향을 받지 않습니다.

이것은 이용허락규약(Legal Code)을 이해하기 쉽게 요약한 것입니다.

Disclaimer

dCollection

Master's Thesis of Public Administration

The Impact of Foreign Aid on National Development in Palestine:

An Evaluation of Donor-Funded Transport Infrastructure Projects in Gaza Strip, 2012-2016

팔레스타인 발전을 위한 해외원조의 영향평가:

가자지구 사회간접자본 지원 평가 2012-2016

August 2018

Graduate School of Public Administration
Seoul National University
Global Public Administration Major

Mahmoud R. H. Alnajjar

The Impact of Foreign Aid on National Development in Palestine:

An Evaluation of Donor-Funded Transport Infrastructure Projects in Gaza Strip, 2012-2016

Academic Advisor Kown Huck Ju

Submitting a master's thesis of Public Administration

April 2018

Graduate School of Public Administration
Seoul National University
Global Public Administration Major

Mahmoud R. H. Alnajjar

Confirming the master's thesis written by
Mahmoud R. H. Alnajjar

June 2018

Chair Koo Min Gyo (Seal)

Vice Chair Ko Kil Kon (Seal)

Examiner Kown Huck Ju (Seal)

Abstract

The Impact of Foreign Aid on National Development in Palestine:

An Evaluation of Donor-Funded Transport Infrastructure Projects in Gaza Strip, 2012-2016

Mahmoud R. H. Alnajjar
Global Public Administration Major
Graduate School of Public Administration
Seoul National University

The study has examined the impact of foreign aid on national development in Palestine, the study has taken donor-funded transport infrastructure projects in Gaza strip between 2012-2016 as a case to investigate the impact of foreign aid on national development in Palestine. DAC 5 criteria (relevance, efficiency, effectiveness, impact and sustainability) were employed to evaluate the donor-funded transport infrastructure projects in Gaza strip. Both primary and secondary data have been used, theoretically and empirically the data has been analyzed in the evaluation process.

By facts and numbers, the study has reviewed the amount of foreign aid to Palestinians since Oslo1993. The data shows that, Palestinian people and Palestinian national authority have received more than 33$ billion of foreign aid between 1993-2016. The study has reviewed the infrastructure in palatine and the transport infrastructure in Gaza strip by facts and numbers, the data shows that donor-funded infrastructure portfolio in Gaza strip between 2012-2016 is approximately 2.331$ billion worth of projects in social, public and

economic infrastructures as well as early recovery and reconstruction. Between 2012-2016, 438 donor-funded transport infrastructure projects have been implemented in Gaza Strip with total cost 307$ million, or 11.60% of the total foreign fund for infrastructure projects during that period.

The evaluation has found out that, donor-funded transport infrastructure projects in Gaza between 2012-2016 have met the 5 criteria (relevance, efficiency, effectiveness, impact and sustainability). The study has concluded that, donor-funded transport infrastructure projects in Gaza strip between 2012-2016 are doing their work to contribute the national development in Gaza Strip - Palestine. So, foreign aid to Palestinian people has a positive impact on national development process. To increase the effectiveness and the impact of foreign aid to the occupied Palestinian territories, the study has recommended that both donors and Palestinian authority should increase their partnership and work more jointly to enhance their efforts to bridge the national developmental gaps in Palestine, they should re-develop a comprehensive national development plan which includes the priorities and needs of Palestinian people, they should re-direct their efforts in a positive and integrated way in the light of a comprehensive national developmental plan to meet the requirements of national development process in the occupied Palestinian territories.

Keywords: Foreign Aid, National Development, Gaza Strip, Occupied Palestinian Territories, Relevance, Efficiency, Effectiveness, Impact, Sustainability.

Student ID: 2016-27875

TABLE OF CONTENTS

Chapter One: Introduction……...……...……... 01
1.1 Background of The Study……...……...……..…...…… **01**
1.2 Statement of Problem……...……... **03**
1.3 Purpose of The Study……...……... **04**
1.4 Scope and Methodology of The Study…… **05**

Chapter Two: Literature Review and Analytical Framework…… 07
2.1 Definition of The Study Terms……..……...……...…... **07**
2.2 Evolution of Foreign Aid and National Development …… **11**
2.3 Previous Literature of Foreign Aid and National Development…. **14**
2.4 The Analytical Framework…….…..…..……..... **22**
2.5 Structure of The Study……...….……...…..…… **23**

Chapter Three: Foreign Aid to Palestine …….……..….. 24
3.1 Foreign Aid to Palestinian People and Palestinian Authority…..… **24**
3.2 Historic Evolution of Foreign Aid to Palestine……...…...…… **25**
3.3 Structure and Mechanism of Providing Foreign Aid to Palestine... **27**
3.4 How Much Foreign Aid to Palestine……..... **28**

Chapter Four: Infrastructure and Transport Infrastructure in Palestine……..…….. 41
4.1 Infrastructure in Palestine ...……...…. **42**
4.2 Infrastructure in Gaza Strip: Facts and Numbers…… **43**
4.3 Transport Infrastructure in Gaza Strip …….……...… **45**

Chapter Five: Evaluation of Donor-Funded Transport Infrastructure Projects in Gaza Strip Between 2012-2016….…..… 49
5.1 Overview of The Evaluation Process……...…… **49**
5.2 Framework for The Evaluation…… **55**
5.3 The Analysis of Data (The Evaluation Process) ……..… **64**

CONCLUSION, RECOMMENDATIONS AND SUGGESTIONS FOR FUTURE STUDIES…….…….…. 84
BIBLIOGRAPHY……...……. 88

LIST OF TABLES

Table (1): Palestinian GPD and The Contribution of Foreign Aid to Nominal GPD Between 2012-2016 ……..… **29**

Table (2): The ODA to Palestinian National Authority Over the Period 1993-2016 in (USD Million) ……..…….…….. **31**

Table (3): The Top 10 Donors to Palestinians and Their Total Aid Over the Period 2012-2015 ……..…….…… **32**

Table (4): The Allocation of Foreign aid to Palestinian Between 2012-2016 by Sectors in (USD)…….. **35**

Table (5): The Infrastructure Losses in Gaza Strip After Israeli Military Operation, 2014 in (USD)…….. **43**

Table (6): Development and Operating Expenditures in the Infrastructure Sector 2014-2016 in (Million USD)……..… **46**

Table (7): The Matrix of the Covered Questions and Criteria of the Evaluation ……. **56**

Table (8): The Evaluation Questions and Sub-Questions …….…… **57**

Table (9): The Evaluation Indicators …… **62**

Table (10): The Infrastructure Losses in Gaza Strip After Israeli Military Operation, 2014 in (USD)…….…… **66**

Table (11): The Distribution of Transport Projects Across The Years and The Areas Gaza Strip Between 2012-2016…….…..……. **69**

Table (12): The Disbursement and Completion Rate of 5 Transport Infrastructure Projects in Gaza Strip Between 2012-2016 …… **70**

Table (13): A Comparison of The Traffic Capacity of Salah-Elden and Al-Rasheed Streets Before and After The Improvement …….. **77**

Table (14): Transport Sector Contribution to the GDP (%) in Palestinian Territories, 1994 and 2005 …… **78**

Table (15): Number of Projects, Contracting Companies and Labor Operating in Transport Projects in Gaza Strip Between 2012-2016 …..… **78**

Table (16): AFD Project's Additionality to The Targeted Beneficiaries... **79**

LIST OF FIGURES

Figure (1): The Map of the Palestinian Occupied Territories……. **9**

Figure (2): The Map of Gaza Strip ...……. **11**

Figure (3): The Poverty Trap…….. **16**

Figure (4): Role of Foreign Aid in Breaking Poverty Trap in Developing Countries……. **17**

Figure (5): The Contribution of Foreign Aid to Nominal GDP (Percent), 2012-2016…….……. **30**

Figure (6): Net ODA and Aid Received Between 1993-2016 in (USD Million) for the Palestinian Territories…….……. **31**

Figure (7): The Allocation of Foreign Aid to PNA Between 2012-2016 in (USD billion) …….…… **32**

Figure (8): The Top 10 Donors to Palestinians and Their Total Aid to Over the Period 2012-2015. …….. **33**

Figure (9): The Allocation of ODA to Palestinian Occupied Territories Between 2012-2016 by Sectors …… **34**

Figure (10): PEGASE Direct Financial Support to the Palestinian Authority Between 2012-2016 ……... **36**

Figure (11): The Total Pledges Announced at Cairo Conference (in Million USD) ……. **37**

Figure (12): The Actual Disbursements of Cairo Conference Support to Gaza by Category as of July, 2017 (in Million USD) …….. **38**

Figure (13): The Actual Allocation of Disbursements of Cairo Conference Support to Gaza Strip ……. **38**

Figure (14): Foreign Aid for Infrastructure in Gaza Strip Between 2008-2012 in (million USD) …… **44**

Figure (15): The Regional Map of the Gaza Strip ……. **47**

Figure (16): Foreign Aid for Transport Infrastructure Projects in Gaza Strip 2012-2016 …… **48**

Figure (17): The Annual Increase Rate of Population in Gaza Strip Between 2012-2016 …….….. **65**

Figure (18): The Distribution of Transport Projects Across The Years and The Areas of Gaza Strip Between 2012-2016. …….…… **69**

Figure (19): Unit Costs per km of Roads Construction in The Developing Countries on The basis of The Cost Between 2005 and 2007……... **71**

Figure (20): Traffic Accidents in Gaza Strip Between 2012-2016…… **77**

ABBREVIATIONS AND ACRONYMS

DAC: Development Assistance Committee

EU: The European Union

GDP: Gross Domestic Product

GIZ: Gesellschaft für Internationale Zusammenarbeit

GTZ: German Technical Cooperation Agency

IMF: International Monetary Fund

INTERPOL: The International Police Organization

JICA: Japan International Cooperation Agency

KFW: Kreditanstalt für Wiederaufbau

MAS: Palestine Economic Policy Research Institute

MoF: Ministry of Finance

MPIC: Ministry of Planning and International Cooperation

MoLG: Ministry of Local Governance

NGOs: non-governmental organization

OECD: Organization for Economic Co-operation and Development

ODA: Official Development Assistance

oPt: occupied Palestinian territory

PNA: Palestinian National Authority

PCBS: Palestinian Central Bureau of Statistics

PLO: Palestine Liberation Organization

PNDP: Palestinian National Development Plan

R&D: Research and Development

UN: The United Nations

USA: The United States of America

UNDP: United Nations Development Program

UNRWA: United Nations Relief and Works Agency for Palestine Refugees in the Near East

UNSCO: United Nations Educational, Scientific and Cultural Organization

WbG: The West Bank and Gaza Strip

Chapter 1: Introduction

1.1 Background of the Study

The most critical challenge facing the national development in the developing world is how to fulfill the budgetary deficit to meet the exceed demands of development process. As international community works tirelessly on reducing poverty and promoting economic growth in the underdeveloped world, foreign aid has been found as an instrument to accelerate processes towards achieving the development targets (Mavrotas, 2006).

Foreign aid plays a substantial role in stimulating the national development process of the recipient countries, it is expected to enhance the developmental investment opportunities by directing, mobilizing and utilizing the domestic resources to address the demands of development process. It also plays a significant role for donor countries because "the poverty anywhere is a threat to prosperity everywhere" (Jhingan, 2004).

As most of poor developing countries lack the necessary financial resources to finance the developmental investment opportunities. Thus, foreign aid – the only source of income in many of developing countries – can play an important role in bridging the funding gap to reach the level of necessary investment, or the required growth rate (Akramov, 2006), then stepping on the underdevelopment cycle towards the national development process.

Foreign aid has become a principal component of development paradigms of the majority of the developing countries. After the deceleration of Oslo peace accords in September 1993 and the establishment of the Palestinian National Authority (PNA) as the first sovereign Palestinian government in West Bank and Gaza Strip, Palestinian people have started to receive foreign aid, more than 42 donor countries and multilateral organizations met in Washington D.C. and agreed to provide all the required financial and technical aid to the Palestinian people and the Palestinian national authority to support the development process in Palestinian occupied territories in order to make the

peace process successful between Palestinians and Israelis. Donors have pledged to provide 2.4 billion dollars (500 million per year) for a period of five-year interim which are between 1994 and 1999. Since then, foreign aid has continued rapidly to inflow to Palestinians form many counties in different forms via multiple channels, Palestinians have received more than 33 billion dollars since the establishment of Palestinian national authority in 1993.

Foreign aid has been a prominent issue in the Israeli- Palestinian conflict. Within it, the international community seek a stake in shaping the future of the independent state of Palestine by providing all technical and financial requirements. Foreign aid inflows to Palestinian from bilateral donors such as: USA, EU, UK, Germany, Norway and Qatar, and from multilateral organizations such as: The World Bank, UN, UNRWA, UNDP, USAID, OTCHA and OXFAM.

Foreign aid to Palestinians has been channeled to different developmental sectors such as: social and economic infrastructure, health, education, agriculture and democracy. Foreign aid has been focused mostly for building the Palestinian infrastructure and institutions as prominent components of the future national development process of Palestine. For example, donor-funded infrastructure portfolio in Gaza Strip between 2012-2016 is approximately 2.331$ billion worth of projects in social, public and economic infrastructure as well as early recovery and reconstruction, 11.6% of the foreign aid for that portfolio went just to transport infrastructure projects.

Transport infrastructure development has occupied a remarkable part of the donors' interest in Palestine, as it is a major contributor of the economic growth and development by facilitating people and good mobilities within the separated Palestinian territories and with the outside world. Between 2012-2016, Gaza Strip has witnessed conducting more than 438 donor-funded transport infrastructure projects; containing activities of construction, reconstruction and maintenance of roads and streets network, these projects have come after a decade of Israeli blockade and 3 Israeli military operations;

resulting in a mass destruction of social and economic infrastructure as well as a miserable humanitarian situation in that strip, that led to re-intensifying the international efforts to achieve development in the occupied Palestinian territories.

1.2 Statement of the Problem

Developing countries are vary on how much they comparatively benefit from foreign aid and its ability to bring about the requirements of development process (Morrisey, 2001). Despite the long history of foreign aid since World War II, we still see many developing countries have remained backward struggling with poverty and underdevelopment while others are being developed and becoming aid donors like South Korea (Lee, 2014).

Foreign aid and its impact on national development process has been a subject of extensive debates among academics, policymakers, donors and recipients alike. Foreign aid is becoming a very prominent issue, its implications have been given for development enhancing or rooting dependency and poverty. The issue has been approached and studied from various prospective generating mixed results on its impact on national development process (Elkanayake, 2007).

Many reports claim that, Palestinian people is the largest foreign aid receiver in the world. According to OECD reports, Palestinian people in West Bank and Gaza Strip have received more than 33 billion dollars of foreign aid since the coming of the Palestinian national authority to the occupied Palestinian territories in 1993, which translates into 6947$ per Palestinian. Comparing to Marshall plan in Europe, it just distributed 272$ per European in participant states (Clawson, 2002). Palestinian people have received the highest level of foreign aid per capita in the world. In other word, "They lost Marshall Plan by getting more than four times as much as the Europeans got from the Marshall Plan" (Clawson, 2002).

Despite the huge amount of foreign aid channeled to Palestinian people and the Palestinian national authority since Oslo1993, there has been a

controversial argument weather that foreign aid is feasible, effective and working to achieve the national development in Palestine or it is a waste of money, highly politicized and never achieved its goals of bringing about development for Palestinian people. Theoretically, foreign aid works as an instrument to bridge the budgetary financing gapes by rising the inflowing capital then increasing the economic growth rate and other developmental indictors, so it is a very outstanding for the national development process.

Foreign aid covers a remarkable portion of the Palestinian capital/developmental expenditures, about 40% of the total budgetary expenditures of the Palestinian national authority in the fiscal year 2016 have been covered by foreign aid, in 2016 also foreign aid has contributed by 5.7% of the total nominal GDP of the Palestinian economy. It is really hard to deny the function of foreign aid in supporting the financial position of PNA. However, in spite of the mass amount of inflowed foreign aid to Palestinians the main complaint remains "why Palestinian national is not able to achieve national development in Palestine and the Palestinian economic indicators are constantly declining?.”

Logically, the optimal and opportune directing, mobilizing and utilizing the foreign aid could achieve the effectiveness of that aid, and then the national development process will be attainable. For the effective utilization of the foreign aid it is necessary to empirically study about the foreign aid (Bhattarai, 2014), its aim, implications, volume, forms and what is its impact on the national development in Palestine?

1.3 Purpose of the Study

The main aim of this study is to examine the impact of foreign aid on national development in Palestine for the period 2012 - 2016. As it has been considered as an outstanding indicator of national development process, the study has chosen the donor-funded transport infrastructure projects in Gaza Strip for the period 2012-2016 as a case to examine and to analyze the impact of foreign aid on national development in Palestine. During the study period,

donors have implemented more than 438 transport infrastructure projects in Gaza Strip which account about 11.6% of the allocated foreign aid of the infrastructure during that period in Gaza Strip, the 438 projects have come after very critical years of Israeli blockade and 3 Israeli military operations on Gaza Strip; resulting in a mass destruction of the social and economic infrastructure, that led foreign donors to re-intensifying their efforts towards achieving national development in Palestinian occupied territories through rising the provided foreign aid to Palestinians.

The study will trickle the history, the size and the amount of foreign to Palestinians as well as its mechanisms, structure of disbursement on different sectors, the study will identify the contribution of donor-funded transport infrastructure in the national development process in Palestine through evaluating the package of donor-funded transport projects in Gaza Strip during the study period, the study will work as a reference for donors who are involved in the development process in Palestine , it will help in determining policies, priorities of the national development process in Palestine , the study will be useful for Palestinian decision makers on how to effectively use the foreign aid to achieve national development in Palestine. Furthermore, the findings of the study will open study will open new avenues to carry out further studies for the researchers who are curios and interested the subject area.

1.4 Scope and Methodology of the Study

The study will examine the impact of foreign aid on national development in Palestine through evaluating the package of donor-funded transport infrastructure projects in Gaza Strip during the period of 2012 to 2016, as a case study. To carry out the evaluation process for the donor-funded transport infrastructure projects in Gaza Strip, the study will use the DAC 5 criteria *(relevance, efficiency, effectiveness, impact and sustainability),* as they are commonly being used by many bilateral and multilateral donors to evaluate the developmental projects.

The descriptive and analytical approach will be adopted for the study. Through this approach, a description and interpretation of the facts will be provided based on the availability of the data about the study problem within the study period of time, the approach will include a detailed explanation of the impact of foreign aid on national development in Palestine through analyzing the chosen case study, the approach also will include a view of the findings which will be resulted from the analysis. Finally, the conclusions will be drawn in the light of the study results.

In order to collect the data needed for this study, both primary and secondary resources will be used in procuring the data, the study will use the semi-structured. Secondary sources such as: books, reports, dissertations, articles and statistics will be used. Internet is another excellent source data and a very timely mean to contact with other international institutions inside and outside Korea to collect recent and updated data for the study subject, unfortunately time and budgetary constraint as well as my physical location far from the Palestinian territories don’t give me the opportunity to much rely on the primary data.

Chapter 2: Literature Review and Analytical Framework

2.1 Definition of the Study Terms:

- **Foreign Aid**

The term "Foreign aid" as integrated concept is being used commonly and interchangeably with "international aid," "foreign fund," "economic assistance," economic aid," "development aid," "development assistance," "development cooperation," or "economic cooperation" and so on (OECD, 1999). In the fact, there are many ways to define the foreign aid as inflowing of fund from one part to another. Generally, foreign aid: is a "transfer of resources on concessional term which is undertaken by official agencies both bilateral and multilateral; has an aim of promoting economic and social development and welfare (Ehrenfeld, 2005). The term also could be defined "as a voluntary transfer of resources (financial, technical as well as policies or, equipment or services from one government to another, with the objective of benefiting the recipient part" (Todaro, 2008).

The Development Assistance committee (DAC) defines the term of foreign aid as the official development assistance(ODA), it consists of disbursements from official agency to another one with aim of promoting social and economic development and welfare of the recipient part. ODA inflows to recipients from bilateral donors, or through multilateral agencies such as: World Bank, UNDP and UNRWA. Official development assistance which is provided under the DAC terms and conditions includes: grants, soft loans (with a grant element at least 25% of the total) and technical assistance. According DAC, ODA to be recognized by the committee, it must meet three main requirements; first: aid must be channeled officially from official agency to another official agency (bilateral or multilateral), second: aid must have

developmental aims (promoting economic and social growth and welfare of the recipient part), third: the aid must be a grant (at least 25% of the total).

Foreign aid might implicate different objectives. So, it could be channeled from donors to recipient through different mechanisms, taking different forms, that could vary depending on the donors' capabilities and interests as well as the recipients' priorities and needs. Forms and mechanisms of disbursing foreign aid often are regulated between donors and recipients with The Paris Declaration on Aid Effectiveness which are (Ownership, Alignment, Harmonization, Managing for Results, Mutual Accountability). The principles were declared in Paris 2005, and are commonly being used by OECD member countries, where the countries have agreed to provide an effective foreign aid to the recipients with the above 5 principles.

- **National Development**

The term" Development" is commonly used in public life. In General, the word "Development" means an "event constituting a new stage in a changing situation" (Oxford English Dictionary). Practically, development is a dynamic process consists of set of structural actions to achieve improvements and changes of the current situation of a specific system to another favorable one with a specific period of time.

In social science, national development is a process consists of a set of structural actions and functional changes of the society which occurs due to some taken actions by single agents or by some authority to redirect the available resources to achieve improvement to favorable circumstances of the society (Lorenzo B., 2011). National development process includes actions of reutilizing the available resources to attain the maximum and optimal of the resources to achieve a favorable social, political, economic and environmental circumstances of the society. Then, the national development process is a continues process with aim of attaining prosperity and welfare for the society by optimal use of the available resources.

- **Palestine "Occupied Palestinian Territories" (oPt)**

The term of "Occupied Palestinian Territories" has been used since signing of the Oslo peace accords in 1993 by united nations and international community to refer the lands which are under the control of the new Palestinian National Authority. Occupied Palestinian territories mainly consist of two main areas: The West Bank (including East Jerusalem) and the Gaza Strip, these territories have been occupied by Israel since 1967 until the establishment of the Palestinian national authority, now the territories are under the control of the PNA except the Israeli settlements in the West Bank and some parts of Jerusalem.

In term of area, the occupied Palestinian territories is 6220 km2, The West Bank (including East Jerusalem) is 5860km2, Gaza strip is 360 km2, oPt is only 23% from all historical Palestine which 27000 km2. The boundaries of the occupied Palestinian territories are defined by the 1976 boundaries or the green line which separates between the land of 1948(the Israeli areas) and land of 1967(the occupied Palestinian territories). According to the UN resolutions and the peace agreements between Palestinians and Israeli, the supposed future independent state of Palestine will be established on the occupied Palestinian territories with Jerusalem as its capital.

The total population of the Palestinian Occupied Territory are about 4.95 million, 3.01 million in the West Bank and 1.94 million in Gaza Strip, the GDP growth of Palestinian territories is 10$ billion or 5.9% (PCBS, 2016).

Figure (1): The Map of the Palestinian Occupied Territories.

Source: (Source: BBC www.bbc.com)

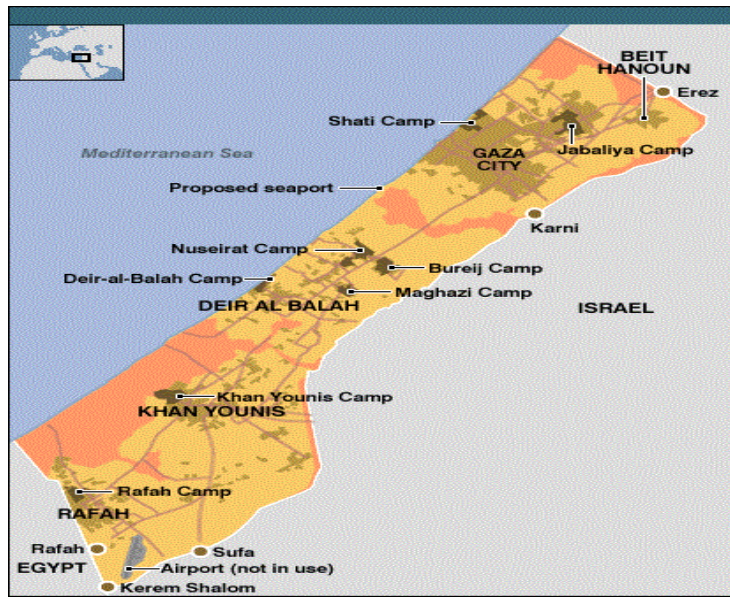
- **Gaza Strip**

It is an occupied Palestinian territory with total area 365 km2, on the eastern border of Gaza Strip is the Mediterranean Sea, the south of that territory is Egypt, east and north are the Israeli borders. Gaza strip has been under the Israeli occupation since 1967 until the Oslo 1993 and the coming of the Palestinian national authority.

Gaza strip is known as the most densely populated places on earth with total population 1.94 million, 86% of the them are “refugees” from the green line (lands1948), most of them live in low-cost housing refugee camps which are mainly run by the UN, 21% of the population are living under the poverty line, less than $500 a month. The unemployment rate in the Strip is 41%%, GDP per capita of Gaza strip is 876$, which is less than the west bank 1924$. (PCBS, 2015).

Against the backdrop of Israeli occupation, in the last decade Gaza Strip has been subjected to 3 Israeli horrific military operations in 2008, 2012, 2014, as well as severe years of blockade since 2007, that is resulting a very miserable situation in term of economy, poverty, unemployment and deaths.

Figure (2): The Map of Gaza Strip.



Source: UN, 2013.

2.2 Evolution of Foreign Aid and National Development

Foreign aid as financing instrument for development has been dated back to 1940s, after the chronic crises that hit the world, such as the great depression and the collapsing of the international system as well as war-ravaged Europe after the Second World War. Since then, many forms of foreign aid from bilateral and multilateral resources have been provided to face the global crisis such as the shortage of capital for reconstruction of Europe after the Second World War (Wickstead, 2015).

That period has witnessed two major events regards foreign aid and national development; first: the American initiative to aid Western Europe after the Second World War in or what is known as “the European Recovery Program or Marshall Plan in 1948” the plan was to bilaterally aid Europe to reconstruct war-devastated regions, revive trade and industry in Europe once more to achieve development and prosperity. Second: the establishment of the United Nations and the International Monetary Fund (IMF), which plays important role as multilateral resource of foreign aid to different nations. Certainty, the role of foreign aid at that time from both bilateral and multilateral resources aimed to reconstruct the destruction of wars, globalize the, economies, trades and industries to achieve economic growth, prosperity and development everywhere (Foreign aid for development, 2010).

In 1950s and 1960s, after achieving development and prosperity in the developed world, industrial nations had started to turn to the newly independent nations in the developing world, foreign was inflowing to the developing world from both bilateral and multilateral resources with aim to reduce poverty and increase economic growth through raising inflowing of capital for removing either a saving deficiency or foreign exchange constraint (the saving and trade gap) (Wickstead, 2015). In that period, foreign aid focused on investment in developmental projects from modernization and development.

In 1970s, foreign aid tended to be more multilateral, it was tufty inflowing to the developing nation from multilateral sources like: UN and World Bank. At that period, foreign aid focused on investment in macroeconomic projects and basic human needs like employment, income distribution and poverty alleviations as essential objectives of national development (Foreign aid for development, 2010).

In 1980s, many economic crises swept the world during that period such as the debt crisis and the oil prices crisis, that affected negatively on the development process in the developing world, foreign aid was a help tool to salvage that countries to stepping on form the global economic crisis. It

focused on conditionality strategy to encourage implementation of appropriate public reforms and policies through conditions attached to foreign aid programs (Wickstead, 2015). Foreign aid during that period paid attention to the market forces through h investment in the macro small enterprises to raise the living condition of citizens and the role of non-governmental institutions and the role of the private sector as well as policy transfer and the governmental reforms as engines of the modern national developmental process.

In 1990s, the end of the Cold War; that period was marked by a remarkable increase of the disbursement of the foreign aid to the developing countries. Many reasons behind the increase of inflowing ODA to the developing world such as the Collapse of the Soviet Union, the Second Gulf War and the Israeli -Palestinian Peace Process in 1993 as well as the political tensions in some of the African countries such as Rwanda After the collapse of Soviet Union, capitalistic nations had a chance to gain some of the pre-soviet poor countries to the capital axis by disbursing foreign aid to that countries, Foreign aid at that period was based on the conditionality strategy of the donor countries , that could increase the undesirable dependency of the recipient countries (Akromove, 2006).

In 2000s, there have been three main events which remarkably affected the development and foreign aid tends in the globe. First, the Millennium declaration 2000, international community agreed and committed to achieve 8 global developmental goals such as: eradicating poverty , achieving universal primary education, promoting gender equality, ensuring environmental sustainability, and global partnership for development. Second: the events of September 11, 2001 and the war on the terrorism, that encouraged the international community to increase its developmental efforts by inflowing more foreign aid to the poor nation and encouraging the prosperity as a global strategy to assure the global security(Akromove,2006). Third: The Paris agreement of global warming 2005, the international community agreed to take more care about the global environment by

enhancing the development everywhere in the world, foreign aid was focused on investments in developmental projects for environment protection such as the projects of clean energy.

Development and foreign aid cooperation are being consciously changing over the years and still considered as one of the key factors of the global development (Ajwa, 2011). Developed world have realized the need for a close cooperation with governments of developing countries to assure the global development and security as underdevelopment anywhere is a threat of prosperity and security everywhere.

In spite of the fact that several trillions of dollars have been given since developed countries started presenting foreign aid to poor countries to enhance prosperity and facilitate economic and institutional development in developing world, majority of people in the developing world are still living in underdevelopment circumstances. According to OECD, since 1960, at least 4$ trillion have been given as foreign aid from developed to underdeveloped nations.

The issue has become a controversial among development specialists, researchers, governments, policy makers, aid donors, fund raisers as well as recipients, many of them agree with the view that says the foreign aid impacts positively on national development and contributes effectively to achieve its requirements, while others argue and believe that foreign aid is not active toward the national development or at least is not important actor in achieving national development, clearly we will see that different view in both the theoretical and empirical literate review of development and foreign aid.

2.3 Previous Literature of Foreign Aid and National Development

The community of donor countries has now accumulated more than 60 years of experience in providing development aid to developing countries (Haroon, 2003). Over that period, the literature review of

foreign aid has witnessed massive outpouring theoretical and empirical studies on assessing its impact in promoting the national development in the underdeveloped world.

The studies vary along with the period, method, data resources and variables, their results have been conflicting, some studies suggest that foreign aid is successful in promoting the national development of the developing countries, as the others find no relationship between foreign aid and national development, even they suggest that it also retards development in developing countries by leading to the structural distortions of the economy.

Under this section, the study reviews of the major theoretical and empirical perspectives on the relationship between foreign aid and development.

Theoretical Literatures

Poor countries have traditionally been net importers of capital, most developing countries lack financial or technical capital to match the investment needs to promote growth and then to achieve the required national development. Thus, foreign aid can be a source of capital to attain the needed investment level and targeted economic growth and then the required national development.

As role of foreign aid is influenced by, and thus has to be examined in the light of development thinking(Akromove,2006), following are the main prevalent models utilized by analysts of the aid-development relationship.

- **The Harrod–Domar Model**

It is a classical approach of development for macroeconomics, the model has been developed independently by Harrod in 1939, and Domar in 1946. The model has been used to calculate the volume of finance needed to fill the gap

between the available saving and the required level of finance that must be channeled to achieve the target growth rate (Easterly, 1998).

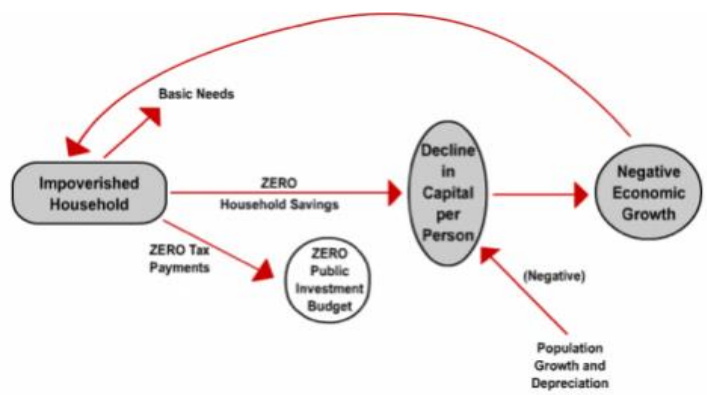
Normally, most of poor developing countries have a relatively low level of investment due mainly to their limited capital. Hence, the role of foreign aid is to alleviate the countries capital constraints, raise investment and leading to a greater growth and then achieving the national development (Mcgillivray et al.,2005).

- **Poverty Trap**

It is a theoretical framework for national development, the theory argued the problem of capital constraint of the poor countries as an obstacle of national development and the role of foreign aid to break the underdevelopment trap.

Jeffrey Sachs (2005), argued that "The basic mechanics of capital accumulation in poor countries fall into a poverty trap. Since all household income goes to consumption, there are no taxes and no personal savings. However, rising population and depreciation leads to a fall in capital per person and a negative growth rate of per capita income. This further impoverishes the poor households in the future and leads to a vicious circle of falling incomes, zero savings and taxes, private and public investment, and falling capital per capita".

Figure (3): The Poverty Trap.

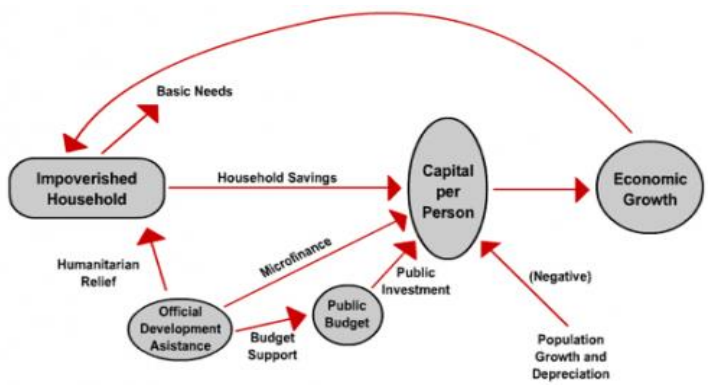


Source: Sachs, Jeffrey. “The End of Poverty: Economic Possibilities for Our Time”.

Sachs sees the solution of falling in poverty tape is the foreign aid, as an instrument for capital accumulation or development. He said that “foreign aid feeds into three channels. A little bit goes directly to households, mainly for humanitarian emergencies, much more goes directly to the budget to finance public investment, and some is also directed towards private businesses (for example, farmers) through microfinance programs and other schemes in which external assistance directly finances private small business and farm improvements” (Sachs 2005).

He argued that “If the foreign assistance is substantial enough, and lasts long enough, the capital stock rises sufficiently to lift households above subsistence. At that point, the poverty trap is broken, and the figure comes into its own. Growth becomes self-sustaining through household savings and public investments supported by taxation of households. In this sense, foreign assistance is not a welfare handout, but is actually an investment that breaks the poverty trap once and for all” (Sachs 2005).

Figure (4): Role of Foreign Aid in Breaking Poverty Trap in Developing Countries.



Source: Sachs, Jeffrey. “The End of Poverty: Economic Possibilities for Our Time”.

- **Two -Gap Model**

It is another classical theory of development in the poor developing countries, the model has been initiated by Chenery and Strout (1966), they suggested the pre-conditions for development and growth. The model talked about two financial gaps (saving gap and trade gap) as barriers in the front of development process and the role of foreign aid in bridging those gaps to attain the required national development level, the scholars see the foreign aid as a tool to bridge the both gaps to raise the level of investments in the different developmental projects to move the rudder of national development process.

- **The Big Push Model**

It is a classical proposition of development in the poor countries, it has been suggested by Rodan in 1943. The scholar argued that "Underdeveloped countries need large amounts of investments (strong big push) to escape from the status of backwardness to the path of development.

This proposition emphasized that "a 'bit by bit' investment programme would not be useful as much as is required for national development process. Injections of small quantities of investments will merely lead to a wastage of resources" (Jhingan, 1997). To embark the path of national development, the underdeveloped countries need large efforts to mobilize and utilize the resources and due to capital inflow's constraint, foreign aid is the tool which can give a big bush and accelerate development process (Binod, 2014).

- **The New Theory of Development (Endogenous Model)**

It is the latest theory of growth initiated by Romer (1994), the theory argued that the national development process is dominated by f key endogenous actors of the economic system, not forces that act outside (Todaro, 2012). The

model emphases the role of internal factors in achieving the national development, not only the fiscal actors but the physical and technical actors are important for the national development process, the theory talked about the human capital (labor quantity and quality), innovation, R&D, policy reforms, technology, democracy, civil society as endogenous actors which play an important role in achieving the national development process. Foreign aid in its both financial and technical forms is the instrument to improve the quality and quantity of these endogenous actors to achieve the national development process.

In spite of the huge volume of theoretical studies of development and foreign aid, the development scholars have failed to have common sense regard the development process and the question of whether aid is effective or not remains empirical issue, the following section is a review of some empirical studies including different perspectives about the impact of foreign aid on national development process.

Empirical Literatures

Hatemi and Manuchehr(2005), examined the impact of Swedish foreign aid on economic growth of a panel of developing countries (Botswana, Ethiopia, India, Kenya, Sri-Lanka, and Tanzania) over the period 1974-1996, tests for panel unit roots and panel cointegration have been used in the study to examine the long run elasticity relation between foreign aid and real economic growth, the study results showed that foreign aid has a positive and significant effect on economic activity for each country in the sample. The estimated long-run elasticities (both individual and group) indicated that the Swedish foreign aid has a positive and a significant impact on economic activity for all countries in the sample. The study concluded that foreign aid flows can have a favorable effect on real income by supplementing domestic savings.

Lee and Tobin (2013), studied the role of government to achieve developmental goals, they explored the relationship between aid dependence on government expense and government effectiveness from the perspective of government competitiveness and the mediating effect of corruption as well. The analysis draws upon a data set of 82 developing countries over the period 2004- 2013. The findings of the study illustrated that, dependence on ODA in government expenditure reduces government effectiveness in developing countries. In addition, ODA funds from donors have an adverse effect on the control of corruption, and it, in the end, impedes government effectiveness. They recommended to increase aid effectiveness in promoting growth and development, governments of developing countries need to improve their government competitiveness.

Papanek (1973), examined foreign aid, foreign investment, other flows and domestic savings as explanatory variables, in a cross-country regression analysis of 34 countries in the 1950s and 51 countries in the1960s, the study revealed that foreign aid has a substantially greater effect on growth than the other variables. He said that "Aid can fill the foreign exchange gap as well as the savings gap", he stressed on that "Aid is supposed to be specifically designed bridge both gaps (saving gap and trade gap), so fostering growth and, more importantly, is biased toward countries with a balance-of-payment constraint".

Al-Shorafa (2016), did an empirical study which aimed to assess the impact of foreign aid through NGOs on economic development in Gaza Strip. The study tried to answer the question, to what extent foreign aid contributed on the economic development in Gaza Strip. The study was undertaken with selected respondents drawn from NGOs who work in the field of development. Both qualitative and quantitative research approach were used. Data were collected by structured questionnaire from a total of one hundred and fifty (150) respondents. The study found that the majority of the respondents perceived foreign aid as political dominance tool rather than promoting economic development. The study found out that, most of the donor aided programs/

projects are imposed by foreign donors to serve their agenda and not relevant to national plans to combat poverty and reducing unemployment and inequality. The foreign aided programs/projects resources are not efficiently distributed and they are also unproductive, fragmented and uncoordinated to achieve economic development. These donor-aided programs/ projects created dependency culture and a consumption mentality among the beneficiaries. Further, most of the aided programs/ projects focus more on relief than development and most of them were unlikely to be sustained, as they were purely dependent and tagged to the foreign donors rather than the real needs of the poor people and unemployed.

The study concluded that, there is no relationship between foreign aids and economic development, the study recommended that, a collaborative approach should take place among the foreign donors, NGOs, government and other stakeholders to design the poverty and unemployment alleviation programs based on the real needs of the beneficiaries and in full compliance with the national economic development plans.

Ajwa (2011), examined the impact of international aid in promoting economic development and identify the Palestinian priorities in economic development, the study applied quantitative descriptive analytical method. Also, the study shed the light on the international aid to PA and theoretical economic theories. The study findings showed that there is a positive relationship between the international aid and GDP per capita; the infrastructure sector aid did not affect the economic development on GDP per capita, there is positive relationship between the aid and the production and economic development via GDP per capita. The study recommended the Palestinian government has to set national development plans and priorities that cover the development sectors, PA should coordinate with NGOs to plan and implement real development projects in order to create job opportunities and reduce the poverty level, NGOs should focus on the developmental projects which have developmental impact rather than those projects of relief type. Also, the study recommended that donors should provide their aid according to the

Palestinian development needs not according to their policies and also donors should exercise more pressure on the Israeli side to protect the achievements of the international aid from destruction.

Bargoth (2013), did a comprehensive empirical study which aimed to identify the evaluation of infrastructure projects funded by the international organizations in Gaza Strip from partners' perspective. A descriptive analytical method was used and a questionnaire designed specifically for data collection based on the international standards for projects evaluation (Relevance, Effectiveness, Efficiency, impact and sustainability). The study showed a range of important results. The level of participation between the international organizations and the partners necessitates to be improved in the development of strategies; programs and plans. This shall ensure that the response of international organizations for development will cope with any possible changes. The study demonstrated the weakness of risk expectations and a particular desire of the partner's to be involved in the process of defining the responsibilities and roles, in addition to the constraints of the funded infrastructure projects caused by the international organizations. The study concluded that the necessity to develop mechanisms help in raising the level of participation and coordination between the international organizations(Donors) and partners. The study recommends the decision makers to develop a comprehensive national development plans for infrastructure sector in Gaza Strip. They have to steer the foreign intervention in a positive and integrated way.

2.4 The Analytical Framework

To examine the impact of foreign aid on national develop in Palestine, the study chooses the donor-funded transport infrastructure projects in Gaza strip between 2012-2016 as a case study, the study will evaluate these projects using the 5 DAC criteria (relevance, efficiency, effectiveness, impact and sustainability).

The study is going to answer the question: "*What is the impact of foreign aid on national development in Palestine*". The study takes the evaluation of the case of donor-funded transport infrastructure project to answer the study main question. So, in the light of the used 5 criteria the study sub questions will be:

- *Are the donor-funded transport projects in Gaza strip between 2012-2016 relevant to the national development in Palestine?*
- *Are the donor-funded transport projects in Gaza strip between 2012-2016 efficient in achieving the national development in Palestine?*
- *Are the donor-funded transport projects in Gaza strip between 2012-2016 effective to achieve the national development in Palestine?*
- *Are the donor-funded transport projects in Gaza strip between 2012-2016 effective in term of impact to achieve the national development in Palestine?*
- *Are the donor-funded transport projects in Gaza strip between 2012-2016 sustainable to the national development in Palestine?*

2.5 Structure of The Study

The structure of the study is organized as follows. Chapter1 covers the background of the study and the statement of the problem, purposes of the study as well as the scope and the methodology of the study. Chapter 2 deals with the literature review and the analytical framework of the study. Chapter 3 describes foreign aid to Palestine in term of history, structure, mechanisms of the disbursement as well as the amount of that foreign aid since Oslo, 1993 until 2016nd. Chapter 4 overviews the infrastructure in Palestine and the transport infrastructure in Gaza strip by facts and numbers. Chapter 5 provides the analysis and the evaluation of the donor-funded transport infrastructure in Gaza Strip between 2012-2016. Finally, the study has conclusion and recommendation as separated section of the study.

Chapter 3: Foreign Aid to Palestine

3.1 Foreign Aid to Palestinian People and Palestinian National Authority

Foreign aid has been a significant factor in the peace process of the Israeli-Palestinian conflict, international community has provided a significant amount of economic, humanitarian and technical aid to Palestinian people over the years to help in crystalizing their own resources to enhance the national development process in the Palestinian occupied territories.

Foreign donors have started providing foreign aid to the Palestinian government after convening a joint conference in Washington D.C immediately after signing Oslo accords in 1993. In which, more than 40 states and international agencies have promised to provide both financial and technical aid to the PNA with aim of supporting both the peace process and the Palestinian people to enhance the national development in the oPt as a cornerstone for building the hopeful independent state of Palestine.

International community has showed a very clear interest in supporting the peace efforts by providing all the necessary requirement for that, that period has witnessed a mass flow of foreign aid through many channels, in many forms with various mechanisms of disbursement, Palestinians have received more than 33$ billion since Oslo 1993.

However, Israeli policies of sabotaging the peace process has undermined the national development process, the failure of Camp David conference for peace 2000 and the outbreak of the Palestinian Second Intifada (uprising) accompanied with Israeli military escalations, siege and embargo of the oPt, resulting in a depression in the economy and destruction of the infrastructure, all that pushed the international donors to support the humanitarian emergency status instead of development and prosperity. However, the Palestinian authority has not been leaving its efforts in redirecting the foreign

aid again to the area of development and prosperity to realize the Palestinian dream of building the independent states of Palestine.

3.2 Historic Evolution of Foreign Aid to Palestine

Following is the phases of foreign aid to Palestinian people and Palestinian national authority since Oslo 1993 until 2016, based on the critical political events that Palestinian cause has experienced during that important period of foreign aid to Palestine.

Before Oslo,1993

Foreign aid to Palestinians before Oslo,1993 had been confined only to the humanitarian and emergency projects, where the Israeli occupation was the responsible for running the lives of the Palestinian people in the Palestinian territories, and there are no any accurate statistics or figures on the volume, structure and the technics of foreign aid to the Palestinians at that phase.

1993-2000

One month after the declaration of the peace agreements between Palestinians and Israelis in 1993, foreign donor community (bilateral and multilateral) met in Washington D.C to mobilize support for the peace process, they have pledged $2.4 billion to the Palestinian national authority over the next five years.

At that phase, international community was fully aware of the necessity of providing all the needed financial and technical resources to make the peace process successful, the world has understood the importance of supporting the new Palestinian authority financially and technically to stand in the face of daily challenges on the ground especially in term of security and economy. Therefore, foreign aid to Palestinian at this stage aimed to fuel the Palestinian economy to keep the stability and the peace process on going (Alshrafa A, 2016).

2000-2007

During this phase, Palestinian occupied territories had experienced a set of critical events which negatively affected on sustainably and trend of foreign aid and its impact national development process in Palestine.

September 2000, the outbreak of the Palestinian Second Intifada (uprising) accompanied with Israeli military invasion to the Palestinian lands (West Bank and Gaza Strip) and demolishing the infrastructure, that led to miscarriage the national development process and changing in donors' attitudes and trends to support the humanitarian emergency and relief projects rather than development which vividly affected the course of Palestinian development plans.

Hamas win in the Palestinian Legislative Council Elections, 2006 and the international community's refusal to recognize its legitimacy that led to impose an international boycott on the Palestinian government formed by Hamas and cut off the foreign aid to Palestinians. These actions have led to undermine both the Palestinian economy and Palestinian national development process as well (Hamdan, 2016).

2007-Ongoing

Since Hamas controlled Gaza strip by force and establishing two Palestinian governments in 2007, one in Gaza strip led by Hamas movement and another one in west bank led by the Palestinian authority (Fateh movement), the international community has resumed providing aid to Fateh government in west bank while remaining Gaza strip under siege and economic boycott. This period also witnessed 3 Israeli military operations and armed clashes with Hamas in Gaza strip which led to mass destruction in the infrastructure and a very outrageous economic, social and political conditions in Gaza strip.

At this phase, the international community has dedicated the aid to follow the regular development plans which adopted by PNA in west bank while dedicating the aid in Gaza strip for emergency and relief projects to address the outrageous human and economic conditions that followed the Israeli

military operations by conducting infrastructure projects, alleviate and poverty reduction through the international non-governmental agencies rather than the direct fund.

3.3 Structure and Mechanism of Providing Foreign Aid to Palestine

International community provides foreign aid to Palestinian people and Palestinian national authority through a certain mechanism within a designed structure to ensure the exact inflow of fund to achieve the desired objectives of that money.

- **Mechanism of Foreign Aid to Palestine**

Foreign aid inflows to Palestinian people and Palestinian National Authority through the following mechanism:

1. The pledge: Is the declaration by the foreign donors of the total amount or value of the aid they intend to provide, without any formal obligation, or details of how it is to be provided, or the ultimate purpose thereof. This will be left to a later stage when matters relating to the grant or assistance are being negotiated.
2. The commitment: Is the advanced phase or stage of aid delivery which comes immediately after the signature of the agreement between the parties following the pledge stage, which resulted from the negotiations between the parties and after submitting the projects proposal by the recipient party and approving it by the donor party.
3. The disbursement: Is the process of actual payment of the agreed aid through financial fund allocated to it. The fund is always managed and controlled by the World Bank, the donors transfer the amount direct to that fund and the recipients withdrew from the amount to the funded project under the control of the World Bank.

- **Structure of Foreign Aid to Palestinians**

For each grant, an advisory staff is always formed, the staff consists of number of experts from different fields and officers who are representing donors and recipients (Palestinian authority). The staff holds meetings before, during and after disbursing the grant to discuss and to assess the progress of the developmental projects. The staff identifies the amount and the form of the grant in accordance with the needs and priorities of Palestinian people. Palestinian national Plan and Palestinian Investment Plan are looked at by the advisory staff, the interest of the donor is taken into consideration to identify the nature of the provided grant.

The Coordination Committee and the Ad-Hoc Liaison Committee (1) are also part of the structure of foreign aid to Palestine. Generally, the committees consist of representatives from donors and the Palestinian national authority, the committees do the following functions:

- Coordinating and supporting the international developmental effort.
- Monitoring and evaluating the donation processes to ensure the transparency and the credibility of the foreign aid.
- identifying the or any obstacles (such as Israeli obstacles) which hinder the international efforts and how to overcome that.
- The committees submit periodic reports to both donors and Palestinian authority.

3.4 How Much Foreign Aid to Palestine?

Palestinian people is the largest foreign aid receiver per capita in the world, as Israel-Palestinian conflict is a prominent issue within the international community, the governments around the world seek a stake in shaping the

(1) The Ad-Hoc Liaison Committee has been established in 1993 as principle policy-level coordination mechanism for development assistance to the Palestinian people. The committee consists of 15 members, it is chaired by Norway, cosponsored by the European Union and the United States, and includes the Palestinian National Authority, Israel, Russia, Canada, Saudi Arabia, International Monetary Fund, Egypt, Jordan, United Nations, Tunisia and Japan as its member states (AHLC, 1993).

future of independent state Palestine by providing all needed financial and technical requirements.

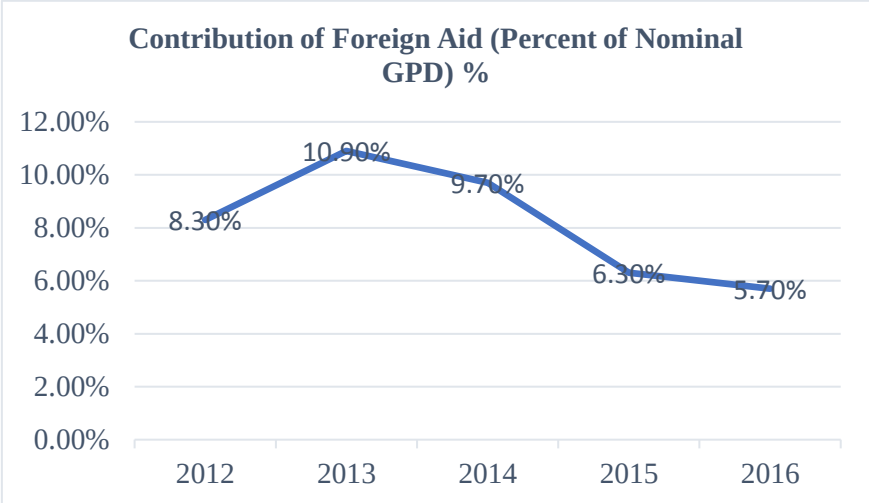
Following Oslo 1993, foreign aid has started to inflow to Palestinians through different channels in different forms. Through 23 years of continued foreign aid to support the Palestinians national development, Palestinians people have received more than 33$ billion of grants or financial, economic and technical aid which distributed to various sectors, including economy and infrastructure.

Table (1): Palestinian GPD and the Contribution of Foreign Aid to Nominal GPD Between 2012-2016 in (USD million).

Item	**2012**	**2013**	**2014**	**2015**	**2016**	**Total**
Real GPD	7314.8	7477	7463.4	7719.3	8037	38011.5
Nominal GPD	11279.4	12476	12715.6	12673	13397.1	62541.1
Contribution of foreign aid to nominal GDP	936.1902	1359.884	1233.413	798.399	763.6347	5091.521
Contribution of foreign aid (percent of nominal GPD) %	8.30%	10.90%	9.70%	6.30%	5.70%	-

Source: Palestinian Monetary Authority, 2017.

Figure (5): The Contribution of Foreign aid to Nominal GDP (Percent), 2012-2016.



Source: Palestinian Monetary Authority, 2017.

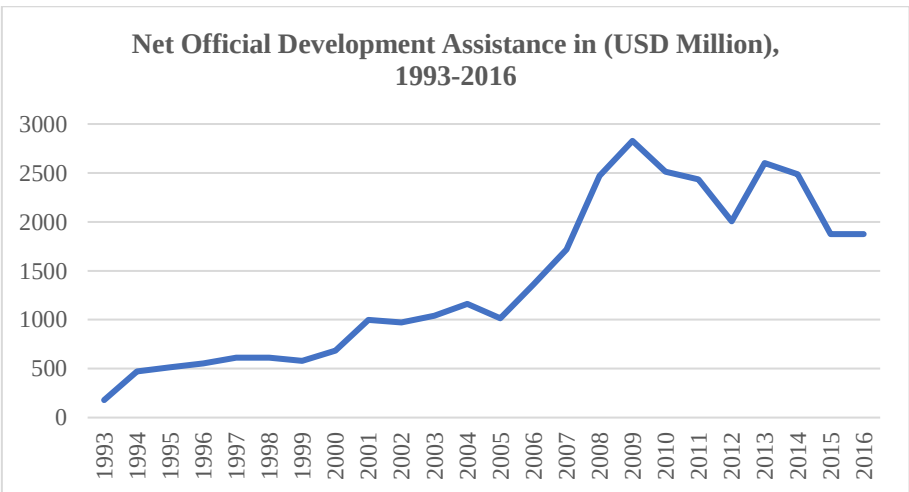
According to OECD, Palestinian people has received more than 33.50$ billion during the period from 1993 and 2016. OECD database shows that, Palestinians have received 24$ billion during the period between 2006-2016 since Hamas win in the Palestinian Legislative Elections, with average 2.4$ billions or 595$ per capita yearly. However, OECD database is not accurate, for example the data does not include the donation which comes from Saudi Arabia, Qatar and other non-member donors in the OECD (Tartir &Wildman, 2016). In the Palestinian case, they are considered from the top donors. That means the amount of foreign aid to Palestinians exceed 33.5$ billion between 1993-2016.

Table (2): The ODA to Palestinian National Authority Over the Period 1993-2016 in (USD Million).

	Net Official Development Assistance in (USD million), 1993-2016											
ODA	**1993**	**178.74**	**1997**	**613.03**	**2001**	**997.59**	**2005**	**1015.71**	**2009**	**2827.67**	**2013**	**2602.33**
	1994	**471.98**	**1998**	**612.57**	**2002**	**971.61**	**2006**	**1360.25**	**2010**	**2512.56**	**2014**	**248.72**
	1995	**514.11**	**1999**	**580.55**	**2003**	**1041.84**	**2007**	**1717.11**	**2011**	**2434.74**	**2015**	**1873.15**
	1996	**552.41**	**2000**	**684.50**	**2004**	**1160.84**	**2008**	**2470.08**	**2012**	**2006.11**	**2016**	**1873.20**
TOTAL	**33559.88**											

Source: World Bank, 2016.

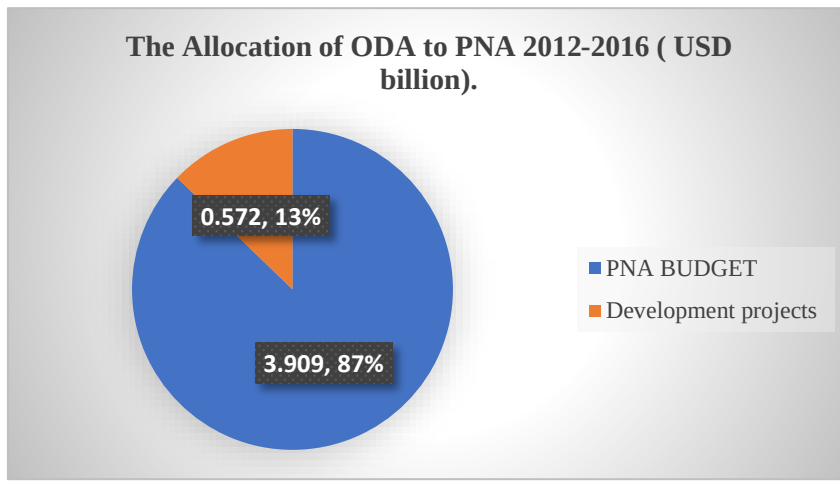
Figure (6): Net ODA and Aid Received Between 1993-2016 in (USD Million) for the Palestinian Territories.



Source: World Bank, 2016.

According to the Palestinian ministry of finance, the government of the Palestinian National Authority(PNA) has received 4.481$ billion during the period 2012-2016, 39% from Arab donors like Qatar, Saudi Arabia and Kuwait, 61% from other international donors. 87% of that aid(3.909$billion) has been allocated directly to the PNA budget, while the remaining 13% (0.572$ billion) has been allocated for development projects [(2)].

Figure (7): The Allocation of Foreign aid to PNA Between 2012-2016 (in USD Billion).



Source: MoF-PNA, unpublished data, 2016.

According to OECD database, the largest 10 donors to Palestinians have provided 89% of the total aid during the period 2012-2015. The largest 5 donors to Palestinians are USA, EU, UNRWA, Norway and Germany, respectively. Taking into consideration that the OECD's database does not include non-member countries in the organization such as Qatar and Saudi Arabia.

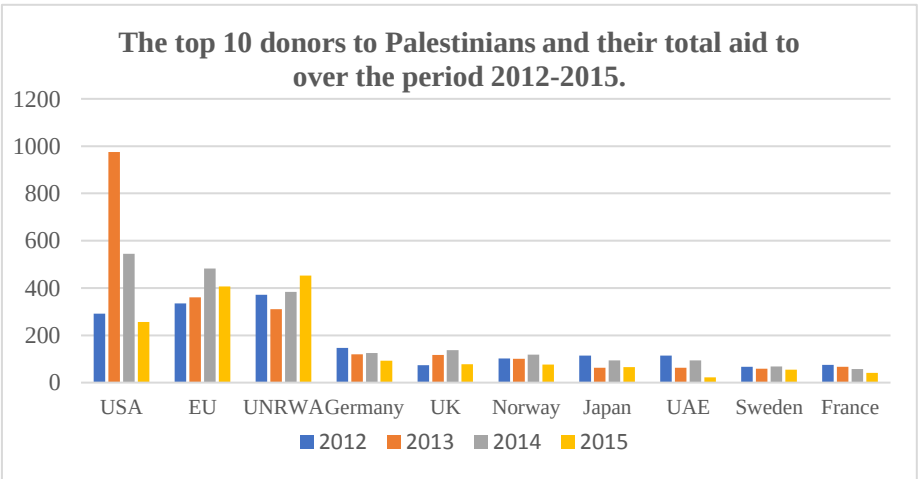
Table (3): The Top 10 Donors to Palestinians and Their Total Aid Over the Period 2012-2015.

(2) Palestinian finance ministry-Palestinian authority, unpublished data.

Donor	2012	2013	2014	2015	Total
USA	292	975	545	256	2068
EU	335	361	483	407	1586
UNRWA	372	311	384	453	1520
Germany	147	119	125	92	483
UK	73	117	137	78	405
Norway	102	101	118	77	398
Japan	114	63	94	66	337
UAE	114	63	94	22	293
Sweden	67	59	68	55	249
France	75	67	58	41	241

Source: OECD, 2017[(3)].

Figure (8): The Top 10 Donors to Palestinians and Their Total Aid to Over the Period 2012-2015.



Source: OECD, 2017.

The financial reports of the Palestinian Ministry of Finance show that, the top 4 donors of the government of the Palestinian authority between 2012-2016 are EU (981$ million), Saudi Arabia (908$ million), World Bank

(3): Data for 2016 is still not available at OECD website.

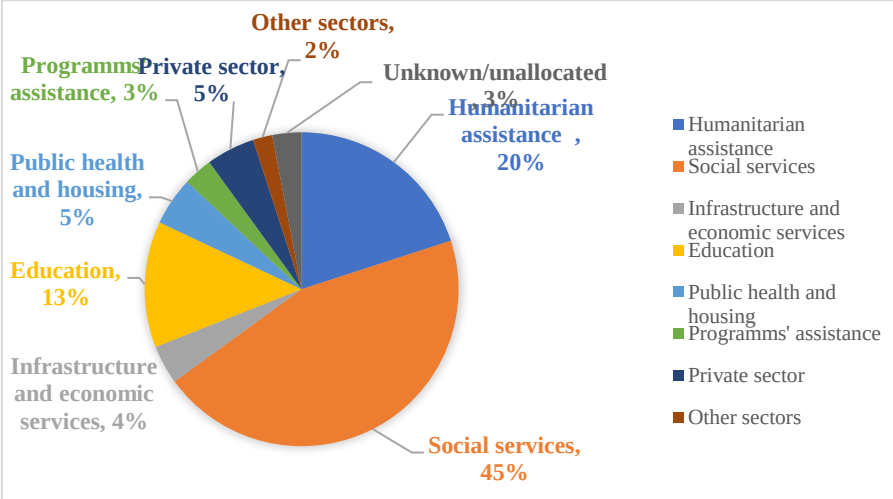
(872$ million) and USA (477$ million) [4]. Clearly, we can see the decline of US assistance in that period to Palestinian authority, American administration has not transferred any fund direct to the government of PNA during the years in which the Palestinians were seeking to gain international support toward their state-building, such as in 2102 when the Palestinian Authority sought to be recognized by the United Nations as a state member, and in 2015 when it applied to join the International Criminal Court, UNSCO, INTERPOL and other international organization.

The financial reports of the Palestinian Ministry of Finance indicate four main divisions of ODA to PNA: (1) capacity building of Palestinian institutions, (2) fund for support health and education and development in the Palestinian territories, (3) support for the ministries and security forces and (4) for other uses. 80-85% of aid has been allocated for" other uses", that means the majority of foreign aid to Palestinian authority goes to non-development uses (MoF, 2016).

According to OECD data, 65% of the $10.842 billion spent between 2102 and 2106 were allocated to humanitarian assistance and social services, 20% to public health, housing and education, and only 4% to infrastructure and economic services.

Figure (9): The Allocation of ODA to Palestinian Occupied Territories Between 2012-2016 by Sectors.

(4) Palestinian Ministry of Finance, unpublished Data.



Source: OECD, 2017.

Table (4): The Allocation of Foreign aid to Palestinian Between 2012-2016 by Sectors in (USD).

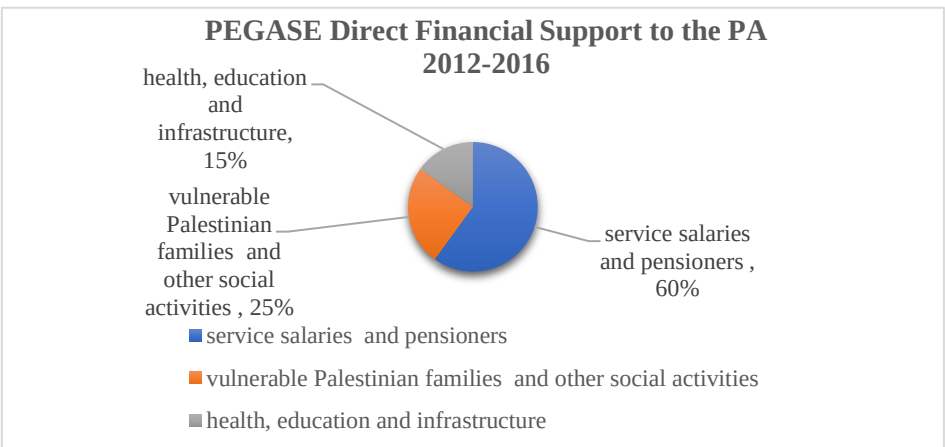
Sector	2012	2013	2014	2015	2016
Humanitarian assistance	401222000	520466000	497440000	374630000	374640000
Social services	902749500	1171048500	1119240000	842917500	842940000
Infrastructure and economic services	80244400	104093200	99488000	74926000	74928000
Education	260794300	338302900	323336000	243509500	243516000
Public health and housing	100305500	130116500	124360000	93657500	93660000
Programs' assistance	60183300	78069900	74616000	56194500	56196000
Private sector	100305500	130116500	124360000	93657500	93660000
Other sectors	40122200	52046600	49744000	37463000	37464000
Unknown/unallocated	60183300	78069900	74616000	56194500	56196000
Total	2006110000	2602330000	2487200000	1873150000	1873200000

Source: OECD, 2017.

Since 2008, EU has provided more than €2,21 billion to the Palestinians through the PEGASE direct financial support program [(5)]. The program has been lunched by EU and its institutions to support the Palestinian Authority, the program aims to support the PNA national development and reforms plans as well as supporting a substantial proportion of the PA's running costs (such as public servants' salaries, pensions and other public expenditures), as well as enabling the Palestinian public institutions to help prepare the PNA for statehood in the future (EU, 2017).

According to EU's reports between 2012-2016, 60 % of PEGASE Direct Financial Support (DFS) mechanism has been allocated to support civil service salaries and pensioners of the Palestine authority, 25% to vulnerable Palestinian families and other social activities and 15% to health, education and infrastructure.

Figure (10): PEGASE Direct Financial Support to the Palestinian Authority Between 2012-2016.

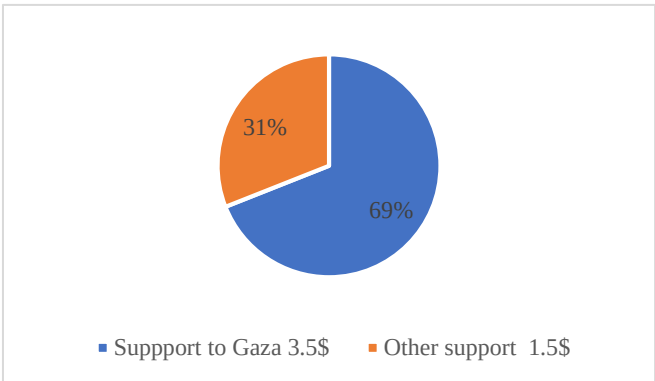


Source: the world Bank, 2017.

(5) PEGASE (DFS) is the EU mechanism to support the PA's recurrent expenditures and was established in 2008. EU Office (Palestinian occupied territories, UNRWA), 2017.

Another wave of foreign aid has come to Palestinians after the Cairo Conference on Palestine -Reconstructing Gaza 2014 [6], the conference has pledged 5$ billion to the Palestinian people, 3.5$ billions of that fund have been intended to support Gaza (World Bank, 2017).

Figure (11): The Total Pledges Announced at Cairo Conference (in Million USD).



Source: The World Bank, 2017.

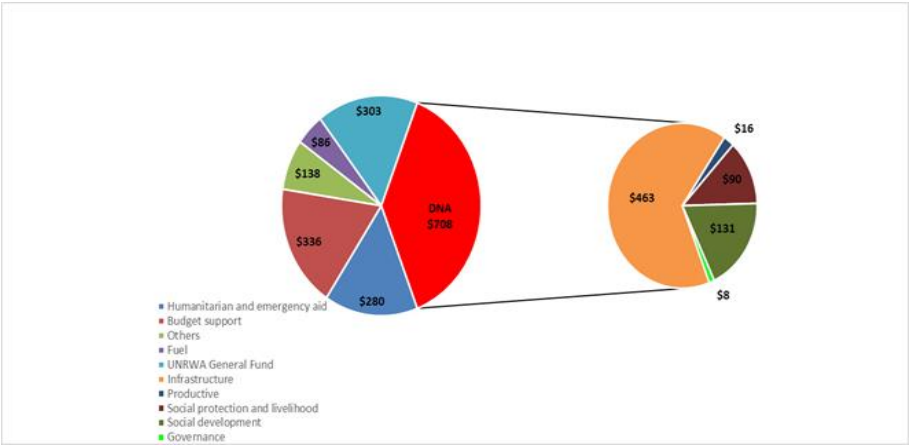
As of July, 2017, (53%), 851$ billion of the pledged foreign aid to Gaza at the Conference have disbursed, 708$ million have allocated to priority interventions outlined in the Gaza Detailed Needs Assessment (DNA) and Recovery Framework [7], which covered 18% of total recovery needs across five sectors impacted by the Gaza2014 war [8] (infrastructure, productive, governance, social development and social livelihood) (World Bank, 2017).

(6) The Conference held in Egypt on October 12th, 2014, the conference was sponsored by Norway. the conference was to support the PNA to finance the Gaza re-construction process following the 2014 war. The financial support is to be provided over a period of three years (2014-2017) to strengthen the Palestinian Authority's ability to assume its responsibility in the recovery and reconstruction of the Gaza Strip.

(7) Gaza Detailed Needs Assessment (DNA) and Recovery Framework provides a thorough analysis of each sector, which details the pre-war context, a full description of the impacts of the 2014 Israeli war on Gaza and the calculations of the economic cost of damage and loss, as well as a set of recovery frameworks that provide clear priorities and costed recovery needs in every sector.

(8) Gaza war 2014 is a military operation launched by Israel on 8 July 2014 against Gaza Strip and continued 51 days, the operations included mass air strikes and ground invasion to Gaza strip, more than 2,100 Palestinians were killed, 10.000 were injured in Gaza strip, in addition to mass destruction in the infrastructure of the Palestinian economy.

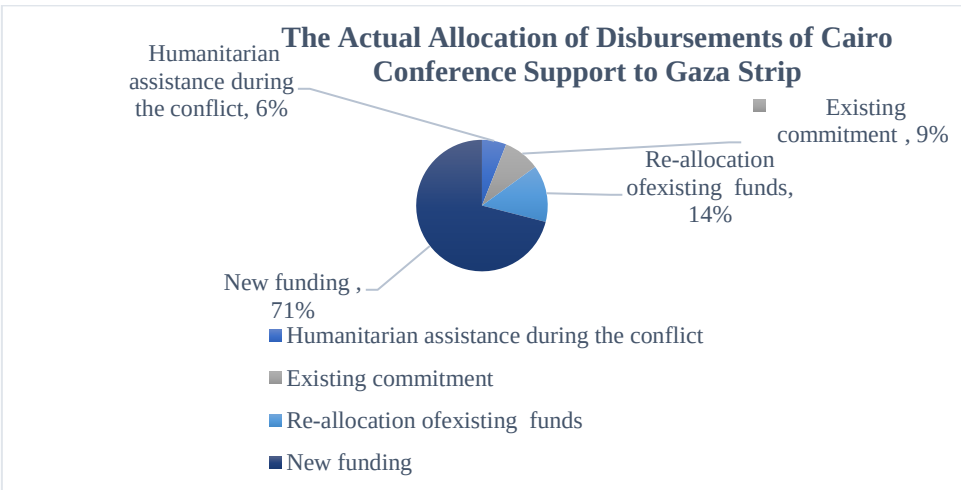
Figure (12): The Actual Disbursements of Cairo Conference Support to Gaza by Category as of July, 2017 (in Million USD).



Source: World Bank, 2017.

Out of total support to Gaza (3.5$ billion), new 2.5$ billion was new funding pledged at Cairo Conference Gaza re-building, 194$ million was already disbursed for humanitarian assistance during the conflict. 3.6$ million is existing commitment while 477$ million was re-allocation of funds to support Gaza (The world bank, 2017).

Figure (13): The Actual Allocation of Disbursements of Cairo Conference Support to Gaza Strip.



Source: World Bank, 2017.

The amount of foreign aid provided to Palestinians in 23 years has been reviewed. Vividly, the data above are confusing, there are huge gaps in the databases of the large sum of foreign aid to Palestinian which is more than 20 years old and exceed 30$ billion, including a wide range of international and non-international parties, as well as a large list of multilateral bodies in charge of supervision on various aspects of the process of providing aid to the Palestinians.

Data on foreign aid to Palestinian people and Palestinian authority is unreliable, incomplete and contains many gaps. Regardless the reasons, the existence a significant amount of unregistered data on foreign aid to Palestinian, that impedes aid planning process and its effectiveness in the Occupied Palestinian territories. As there is no a reliable central database, that really makes the task of studying and analyzing foreign aid to Palestine and understanding its impact on Palestinian national development very difficult and almost impossible (Tartir and Wildman, 2016).

Despite the existence of wonderful mechanisms which are supposed to act as comprehensive and central database, however they contain un-structured data which does not meet the required role. Such as the D-Portal or OECD databases don’t include the foreign aid provided by Qatar, Saudi Arabia and other non-members of OECD, in spite they are considered from the top donors to Palestinian people and Palestinian authority. On the other hand, the Palestinian Development Support and Reform Program(PDSRP) and its database which is being managed by MPIC is incomplete and longer works since the Palestinian authority has merged the structure Of MPIC with the Ministry of Foreign Affair In 2015, as well its data does not include some aspects of Gaza ministries due the Palestinian political division after Hamas control of Gaza strip since 2007.

Palestinian authority and international donors who agreed the principles of aid effectiveness (such as Paris Declaration and Accra Agenda for Action) should work jointly to improve a comprehensive, central and reliable database, also

they should register and publish their data on foreign aid in a clear, organized and accessible manner and available for public in several languages. In addition, these data should be managed by independent and neutral institutions which are capable to provide a comprehensive, complete and reliable data on foreign aid to Palestinians. That is considered the first step toward understanding and improving the effectiveness of foreign aid to Palestinian people and Palestinian authority.

Chapter (4): Infrastructure and Transport Infrastructure in Palestine

Social and economic infrastructure has been as precondition of economic growth and national development of the civil societies, it works as a guiding principle of the development process at all levels as wells it is a crucial to the operation of societies and their institutions (Abu Rass A.,2016). The adequate supply of infrastructure has been a vital factor of both social and economic transition in underdeveloped world. Thus, the infrastructure quality has occupied an important space in the agendas of the decision makers and those who are related to development due to its fundamental role at all levels of national development process.

The role of infrastructure in initiating and accelerating the process of national development has been well recognized by the Palestinian decision makers. Since its establishment in 1993, PNA has designed the Palestinian national development plans with remarkable priority to the improvement of social and economic infrastructure as a necessary precondition of economic growth and national development in the Palestinian occupied territories.

Investment in infrastructure is has been as a major strategy of the foreign donors for promoting the national development process in the oPt. hundreds of infrastructure projects have been conducted by international donors in the Palestinian territories after Oslo Accords 1993. International community has showed a profound interest to support the Palestinian social and economic institutions, 49% of the foreign aid between 2012-2016 have been allocated to improve both social and economic infrastructure in the Palestinian territories.

The contribution of donor-funded infrastructure projects seems to in the oPt seem to be a remarkable, however few studies have examined the relationship between foreign aid that allocated for infrastructure projects and national development in a comprehensive manner in the Palestinian territories. The present work is a modest attempt in this direction. The study will try to

examine the impact of foreign aid on national development though evaluating donor-funded transport infrastructure projects in Gaza city during the period from 2012-2016.

4.1 Infrastructure in Palestine

Palestinian occupied territories have severely suffered from inadequate public and social infrastructures during the Israeli occupation and even after the establishment of the Palestinian national authority in 1994. In spite of the remarkable improvement in the infrastructure sector in the Palestinian territories after 1994 and the mass infrastructure projects which have been conducted by foreign donors to enhance the Palestinian development, nevertheless the status of infrastructure sector has still remained weak and inadequate to meet the Palestinian society's needs especially in the light of continued growing of Palestinian society and the significant increasing in its development demand (Bargoth, 2013).

The remarkable development of infrastructure sector after the establishment of the Palestinian authority has had a positive impact on the devolvement process in the Palestinian territories, however the Palestinian infrastructure has been affected negatively due to Israeli policies against Palestinians, where Israeli occupation has launched a systematic expedition which has targeted all the Palestinian life aspects and that really has inhibited the development process in the Palestinian society.

Since the eruption of the second intifada in 2000, the Israeli occupation has intentionally targeted the Palestinian infrastructure through systematic destruction as well as the restrictions on flowing of construction materials for development projects and infrastructure, as Israeli occupation is the controller of all the Palestinian commercial crossings, it is imposing an entire blockade on Palestinian territories especially Gaza strip since 2007 as well as three military operations which has led to weakening and destroying the infrastructure sector in the Palestinian society(Bargoth, 2013).

4.2 Infrastructure in Gaza Strip: Facts and Numbers

Last decade, Israeli occupation has aimed to systematically paralyze all the life facilities in Gaza strip through weakening the Palestinian economy as well as destroying social and economic infrastructure in that territory. Since 2007, Israeli occupation has imposed an entire siege and embargo on Gaza Strip as well as three military operations resulting a completely demolished infrastructure, public services, creating scarcity of water, energy, food and shelter (UNDP, 2014).

Israeli policies have affected the Palestinians lives and have put the process of development at a standstill in the oPt, that also have led to disrupt the international developmental efforts in Gaza strip, that makes international donors to redirect their financing tendencies and projects to address the human and emergency crises crisis in Gaza Strip by limiting the foreign aid on emergency and human projects instead of investing that donation in different developmental fields like infrastructures.

Essential infrastructure in the Gaza Strip have been devastated by the lack of construction materials, equipment and spare parts resulting from the blockade, and the destruction incurred during the recent military operation. The result is that many are left without water, electricity, transport and communications. In addition, governmental, municipal buildings and schools have damaged or destroyed and roads rendered inoperative (UNDP, 2014), resulting in ineffective infrastructures which have become in dire need of maintenance, rehabilitation and improvement, particularly the transport network which needs to be improved to service new areas, to help in urbanization process as well as to be in line with natural demographics increase in the thin coastal area (Gaza Strip) (Abu Rass, 2016).

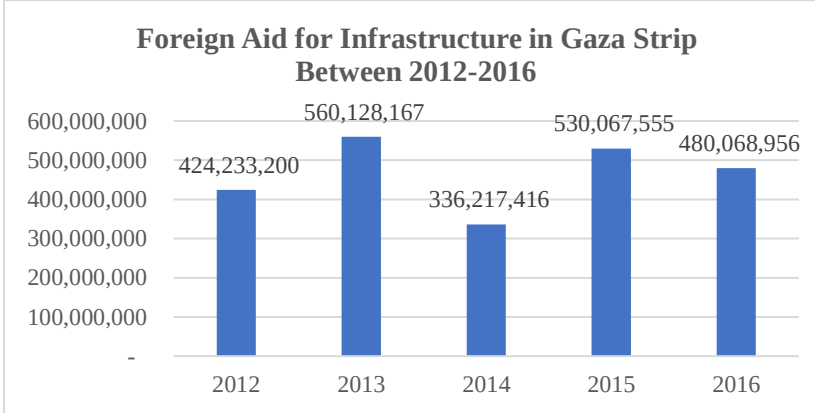
Table (5): The Infrastructure Losses in Gaza Strip After Israeli Military Operation, 2014 in (USD).

Sector	Total cost (USD)
Housing (housing units)	**195806620**
transport (road network) length in Km	**20171031**
energy (power plants, warehouse, networks)	**55842582**
Education (universities, schools, libraries…etc.)	**16397254**
health (hospitals and clinics)	**12241052**
Waqf (mosques, churches...etc.)	**38947460**
municipal infrastructure (Garden, Garage, Market, Buildings, Solid Waste, cemetery)	**5650967**
public buildings (ministries, crossing, NGOs, Cultural heritage)	**1050846**
total cost (USD)	**346107812**

Source: UNDP,2014.

Donor-funded infrastructure portfolio in Gaza strip between 2012-2016 is approximately 2.331$ billion worth of projects in social, public and economic infrastructure as well as early recovery and reconstruction. The volume of foreign- fund for theses project has reached to 89%, while the self-financing is only 11% during that period (MoLG, 2016). Clearly, we can see how much the Palestinian government's dependency on foreign fund to finance the infrastructure projects, as mention above the international donations has the lion's share of infrastructure portfolio in the Palestinian occupied territories.

Figure (14): Foreign Aid for Infrastructure in Gaza Strip Between 2008-2012 in (million USD).



Source: MoG, 2017.

From the figure above, we can see how remarkably foreign aid contributed in infrastructure improvement in Gaza Strip, nevertheless these contributions are still insufficient to meet the basic Palestinian requirements of infrastructure and still the status quo of infrastructure in Gaza Strip is miserable and deteriorated.

4.3 Transport Infrastructure in Gaza Strip

Transport infrastructure's impact has become significant on national development, many governments commit significant portions of their budgets for building and maintaining transportation infrastructure, nearly 20 percent of the money lent and donation from the World Bank to developing countries is earmarked for transportation infrastructure projects, which is more than education, health and social services combined (Donaldson, 2017).

In the Palestinian national development plan 2014-2016, Palestinian government has prioritized the improvement of infrastructure network to enable growth and development in the Palestinian occupied territories, as that will play a vital role in economic recovery as well as easing access to better quality services.

The plan is going develop integrated and inclusive infrastructure networks and provide uninterrupted infrastructure services as an essential input to enable growth and development. The activities will create new employment

opportunities, contributing to efforts to tackle the high unemployment rate. Over the three years within assistance of foreign donors, 28% of total development budget have be channeled to the infrastructure sector.

The plan also has prioritized the creation of an integrated transportation network, to support the private sector and facilitate the movement of persons and goods both locally and internationally. it has committed US$ 106.5 million, or 25.5% of the total infrastructure sector development budget for investment in the transportation subsector.

These have focused on upgrading the road network and enhancing road safety, the plan has spent priorities include development, construction, rehabilitation and maintenance of local and regional roads across Palestine, and support to upgrade public transportation to link Palestine to regional and international transportation networks (PNDP, 2014-2016).

Table (6): Development and Operating Expenditures in the Infrastructure Sector 2014-2016 in (Million USD).

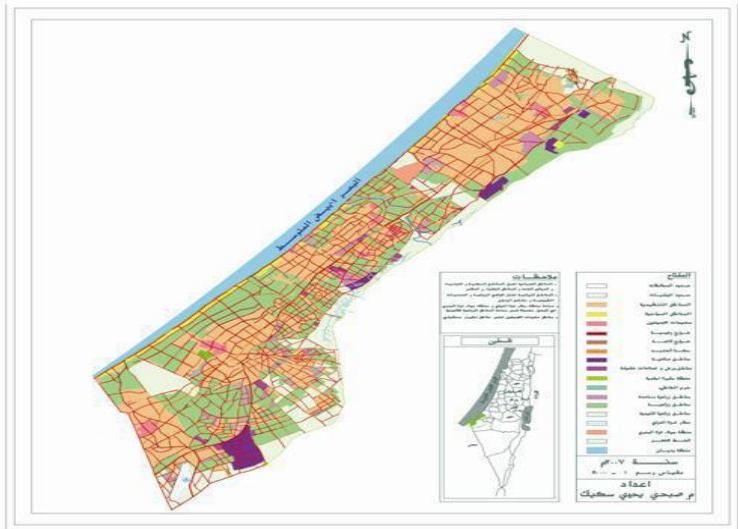
Sub-Sector	2014 expenditures (US$ million)		2015 expenditures (US$ million)		2016 expenditures (US$ million)		Total operating expenditures 2014-16		Total development expenditures 2014-16		
	Operating	Development	Operating	Development	Operating	Development	Operating (US$ million)	% of operating expenditures of infrastructure sector	Development (US$ million)	% of development expenditures of infrastructure development sector	% of development expenditures of total development expenditure
Water	14.6	40.5	15.0	35.0	15.4	36.0	44.9	17.5%	111.5	26.8%	7.4%
Environment*	4.1	6.5	4.2	15.0	4.3	13.2	12.5	4.9%	34.7	8.3%	2.3%
Energy	17.6	40.0	18.1	35.3	18.6	43.0	53.3	20.7%	118.3	28.4%	7.9%
Housing	3.1	2.0	3.2	27.0	3.2	16.7	9.5	3.7%	45.7	11.0%	3.1%
Transportation	44.4	36.5	45.6	27.0	47.1	43.0	137.1	53.2%	106.5	25. 5%	7.1%
Total	83.8	125.5	86.1	139.3	88.6	151.9	257.3	100%	416.7	100%	27.8%

Source: Palestinian national development plan 2014-2016.

In Gaza strip, the transport infrastructure network consists of just roads and streets network, the total length of existing road networks in the Gaza Strip is

1390 kilometers. Among them 700 km are unpaved or not suitable for transportation means.

Figure (15): The Regional Map of the Gaza Strip.



Source: Ministry of Local Governance, 2007.

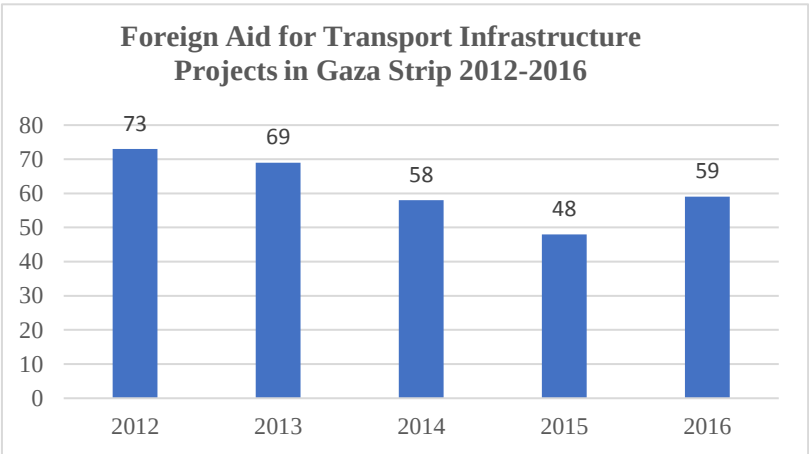
The international donor's contribution in transport infrastructure improvement is just limited building, rehabilitation and improvement of road and streets network and that does not include any bridges, highway, airport or seaports. Ministry of local government, ministry of transport and the municipalities are responsible for transport infrastructure improvement, running and maintenance. International donors work with partnership with these governmental institutions to improve the transport infrastructure in Gaza strip.

Especially last 5 years, roads and streets network in Gaza strip have been severely damaged due to Israeli military invasions and bulldozing, in that period international donors in partnership with related governmental intuitions have conducted tens of projects to improve the roads and streets network in Gaza strip.

Between 2012-2016, donor-funded transport projects in Gaza strip have been 438 projects with total cost 307$ million, or 11.60% of the total foreign fund

for infrastructure projects during that period, the projects contain activates of construction, reconstruction and maintenance of roads and streets network (MoLG, 2016) [9].

Figure (16): Foreign Aid for Transport Infrastructure Projects in Gaza Strip 2012-2016.



Source: OECD data and MoLG data, 2017.

From the data above, we can see clearly the remarkable number of donor-funded transport projects in Gaza strip with remarkable amount of foreign aid, but the question remains to what extent the donors - funded infrastructure projects impact the national development in Palestine? To answer that question, the study is going to examine the relevance, efficiency, effectiveness, impact and the sustainability of these projects in Gaza strip between 2012-2016.

(9) The number 309$ million includes the disbursements for transport infrastructure from Qatar committee for Gaza Re-construction between 2012- 2016.

Chapter (5): Evaluation of Donor-Funded Transport Infrastructure Projects in Gaza Strip Between 2012-2016

5.1 Overview of the Evaluation Process

The prevalent historic believe was that, evaluation is just a final judgment or assessment of successes or failures of the developmental projects assuming the perfect situation of the projects' implementation. evaluation process was understood as an attempt to understand what has gone right or wrong in the project activities without any feedback for directing and improving the future developmental efforts (Othman, 2004). The effective evaluation can play a major role in enhancing the impact of development programs and projects through learning and resurrecting from the past successes and challenges so the current and future ones are better able to improve people's lives and expand their choices (UNDP, 2009).

The notion of measuring the performance of developmental efforts has come as a reaction to the increasing demands for public accountability and transparency on how foreign assistance is used, what results are achieved, and how appropriate these results are in bringing about desired changes in human development (UNDP, 2009).

Evaluation is a main phase of project management, it is being integrated with other project management processes to enhance the developmental contribution through feedbacking the desired information on the progress of the contribution for redirecting and amending the deviations and then improving the future developmental efforts.

- **What is the Evaluation?**

There is no specific definition of evaluation. In general, evaluation is an integrated process based on collective learning and organized knowledge, which aims to understand if the activities really achieved the planned goals or not in order to improve the future performance. The term could be defined also as a periodic and structured testing which aims to measure the progress, achievements and outputs of the projects for future directing and improvement (Hamad, 2010).

UNDP has defined evaluation as "an integrated and independent assessment of the completed or ongoing activities of the developmental projects or programs to identify the degree of achievement of the declared goals and contributing that feedback with decision makers in order to correct any variations to enhance the effectiveness of the developmental initiatives." (UNDP, 2009). A more technical definition of evaluation has been provided by DAC, as "a systematic assessment of on-going or completed aid activities, their design, implementation and results" (DAC, definition). From the definition, the evaluation process of developmental projects includes: a continues assessment of the all activities, achievements and outputs of the project, feedbacking and reporting the data to help the decision makers to redirecting the efforts to improve performance and to achieve planned results.

- **The Purposes of Evaluation**

Evaluation process is an important phase of project management cycle, the process integrates interchangeably with other phases to effectively reach the planned results and goals. Evaluation as a continues and integrated process, it links and coordinates the projects' activities in a way which could allow tracking and feedbacking the performance to best achievement of the planned objectives.

Evaluation can help an organization extract relevant information from past and ongoing activities that can be used as the basis for programmatic fine-tuning, reorientation and future planning. Without effective planning, monitoring and evaluation, it would be impossible to judge if work is going in

the right direction, whether progress and success can be claimed, and how future efforts might be improved (UNDP, 2009). From reviewing the studies about developmental projects' evaluation, we conclude two main functions of the evaluation process:

- ✓ Feedbacking data, evidences and information on the progress of the projects activities to make a right decision regards the activities, plans and strategies of the current and future projects.
- ✓ Investigating if, the results of the projects and outcomes are feasible and achieved the planned objectives or not.

- **Norms for Evaluation (UNDP, 2009)**

According to UNDP, the effective evaluation should be:

- ✓ **Independent**: Evaluation must be free of conflict of interest, or any intervention from the management.
- ✓ **Intentional**: The rationale for an evaluation and the decisions to be based on it should be clear from the outset.
- ✓ **Transparent**: Meaningful consultation with stakeholders is essential for the credibility and utility of the evaluation.
- ✓ **Ethical**: Evaluation must have professional integrity, respect the rights of institutions and individuals to provide information in confidence, and be sensitive to the beliefs and customs of local social and cultural environments.
- ✓ **Impartial**: Evaluation should meet the maximum objectivity and credibility, also it should be avoided from bias.
- ✓ **High quality**: Evaluation should meet minimum quality standards defined in the project.
- ✓ **Timely:** Evaluation should be in and with specific time to ensure the effectiveness.

- ✓ **Used:** Evaluation findings and recommendations should be used, it should be benefited to improve the performance of the developmental projects.

- **Criteria for Evaluation**

UNDP, USAID, JICA, GTZ, GIZ and many other international donors are commonly using the 5 evaluation criteria (relevance, efficiency, effectiveness, impact and sustainability) for evaluating the developmental projects. The criteria have been first initiated the Development Assistance Committee (DAC) as principles for evaluating the development, the criteria now have adopted by many bilateral and multilateral agencies as principles for evaluating the development aid and projects assistance. Following is an explanation for each criterion with some related concepts and questions about how they may be used in practice:

1. **Relevance**

Relevance criterion assess whether the development efforts are in line with needs and priorities of the intended beneficiaries of the developmental initiative. the criterion compares between what is needed as envisioned by the development initiative and the reality of what is needed from the perspective of intended beneficiaries (UNDP, 2009). the criterion also incorporates the responsiveness of the developmental efforts to the changing and the emerging development priorities and needs of beneficiaries. The appropriateness is another related concept to the criterion of relevance, the concept examines whether the development initiative takes into account the local contexts (such as: cultural and religious considerations) of the beneficiaries in planning, designing and implementing the developmental projects (UNPD, 2009).

2. **Efficiency**

Efficiency criterion assess how the development initiative achieved the planned goals in an economic and efficient manner. In other word, how economically resources or inputs of the project (such as funds, expertise and

time) are transfer to outputs or results. The development project is efficient when it uses resources appropriately and economically to produce the desired outputs (UNDP, 2009).

When evaluating the efficiency of project, the following questions will be considered:

Are activities cost-efficient?

Are objectives achieved on time?

The cost, quality of management, partners' inputs, donors' inputs, quality of monitoring are issues should be taken into consideration in evaluating the efficiency of the developmental projects.

3. Effectiveness

Effectiveness criterion examines whether the objectives of the developmental imitative are being attained or not. The criterion analyses the projects contributions toward the intended outcomes, also assesses the causes and effects of the changes which attributed to the projects as well as judges the values of that changes (positive or negative) (UNDP, 2009).

When evaluating the effectiveness of project, the following questions will be considered:

- To what extent are the objectives achieved / are likely to be achieved?
- What are the major factors influencing the achievement or non-achievement of the objectives?

4. Impact

Impact criterion explores the main impacts and effects resulting from the development efforts on the local social, economic, environmental and other development indicators. The impact evaluation should inculpate positive and negative, directly or indirectly, intended or unintended changes produced by development efforts (UNDP, 2009).

5. Sustainability

Sustainability criterion examine whether the benefits of the development efforts are likely to continue after donor funding has been withdrawn. Assessing sustainability involves evaluating the extent to which relevant social, economic, political, institutional and other conditions are present and, based on that assessment, making projections about the national capacity to maintain, manage and ensure the development results in the future (UNDP, 2009).

The assessment of the sustainability of the developmental projects include exploring the availability of : a sustainable strategy of capacity development of the key national stakeholders, financial and economic mechanisms to ensure the ongoing flow of benefits once the assistance ends, policy and regulatory frameworks which is able support continuation of benefits, institutional capacity (systems, structures, staff, expertise, etc.) to ensure the continuous working of the developmental projects(UNDP, 2009).

- **Data Sources for Evaluation**

Carrying out the evaluation requires a data, the sources of these data might be primary sources such as: questionnaires, observations, interviews, focus groups or secondary sources such as: reviewing the projects' reports and budgets or any other related documents to the projects. The evaluator should be accurate and depend on reliable data sources to generate a credible and transparent evaluation which could reflect the status que of the project.

- **Methodology for Evaluation**

In general, the evaluation process for developmental projects contains 3 main phases as following:

1. Planning for evaluation process: this step includes, identifying the objectives of the evaluation, timing, criteria, questions, data sources.
2. Carrying out the evaluation: this step includes the data collections and analyzing the data.

3. Reporting and feedbacking: this step includes summarizing the analyzed data and feedbacking and reporting the findings to the related stockholders. The evaluation also may include recommendations for the decision makers to direct any deviations and to improve the performance.

5.2 Framework for the Evaluation of Donor-Funded Transport Infrastructure Projects in Gaza Strip Between 2012-2016

(The evaluation of donor-funded transport infrastructure projects in Gaza strip during the period of 2012-2016)

The following evaluation is outlined with a set of specific objectives, assumptions and questions. The methodology of this evaluation based on a systematic framework which includes the DAC 5 evaluation criteria (relevance, effectiveness, efficiency, impact, sustainability). Following area further explanation of the adopted framework:

- **Purposes of the Evaluation:**

This evaluation aims to make overall judgment about the success of the donor-funded transport infrastructure projects in Gaza strip during the period of 2012-2016, the evaluation will be used to investigate and to make generalization about the impact of foreign aid inflowed through these projects on national development in Palestine. The evaluation will work as a guideline for donors and Palestinian government to improve the results of their projects to improve the result for development in Palestine.

- **Assumptions of the Evaluation**

For the above purposes, in the light of the adopted DAC 5 evaluation criteria (relevance, effectiveness, efficiency, impact, sustainability), the following assumptions are proposed for this evaluation:

1. Whether the objectives of donor-funded transport infrastructure projects in Gaza strip between 2012-2016 are relevant, responding and appropriate to the Palestinian national priorities and needs.
2. Whether donor-funded transport infrastructure projects in Gaza strip between 2012-2016 are efficient and effective.
3. Whether donor-funded transport infrastructure projects in Gaza strip between 2012-2016 were achieved in terms of sustainable solutions and what the impact of the that projects have been.
4. What lessons could be drawn as a guideline for both doors and PNA to future national development efforts in Palestine.

- **Sources of Data for the Evaluation**

The study has used data from secondary sources such projects' documents, development plans, other infrastructure evaluations as well as other related studies and research, the researcher used one primary source which is the semi-structured interview, interviews had been conducted by phone with the projects manager of AL Zahra municipality in Gaza, interviewee had been asked some question about the donor-funded transport infrastructure projects, the asked questions were related to the used evaluation criteria in this study.

- **Questions for the Evaluation**

Here, the study presents the suggested questions for the evaluation, the question is developed in the light of the objectives of the evaluation. Following is a matrix which summarizes the set of the coved questions and criteria of this evaluation.

Table (7): The Matrix of the Covered Questions and Criteria of the Evaluation.

Criterion	Questions						
	Q1	Q2	Q3	Q4	Q5	Q6	Q7
Relevance	X	X	X				
Efficiency				X			
Effectiveness					X		
Impact						X	
Sustainability							X

Table (8): The Evaluation Questions and Sub-Questions.

Question 1: The rationale of the donor-funded transport infrastructure projects in Gaza strip between 2012-2016. Concept of development, priorities and needs assessment.

Question	To what extent are the donor-funded transport infrastructure projects in Gaza strip between 2012-2016 response to the specified needs and priorities of the PNA.
Reasons for including this question	To understand the rationale behind these projects, especially in transport infrastructure, is it really to meet specific needs of the Palestinian society, to solve or to eliminate a specific a prioritized challenge by PNA which can't be treated by another way of intervention.
Scope	To respond to this question, the evaluation will explore the needs and priorities of PNA, the study will review the Palestinian national development plans, to compare the real identified needs and priorities of PNA with the objectives of these projects.
Evaluation criteria	Relevance
Method(s)	Analyzing and reviewing the projects documents, key indicators, personal interviews with people who are related to these projects.

Sub-question(s)	• Are the Palestinian priorities and needs have been taken into consideration when designing the transport infrastructure projects? • Are different options discussed to meet these needs and priorities before deciding this way?

Question 2: The donor-funded transport infrastructure projects response to emerging priorities and needs of PNA.

Question	To what extent are the Donor-funded transport infrastructure projects in Gaza strip between 2012-2016 are responding to the specific and emerging needs and priorities of the PNA.
Reasons for including this question	To examine if the projects came as a quick response to emerging critical needs and challenges which could affect the national development process in oPt.
Scope	To respond to this question, the evaluation will explore the justification of these projects, the study will review the critical emerging challenges during the study period such as the increased rapid urbanization and growth population as well as the war on Gaza strip, and to check if these projects related to the mentioned emerging challenges to oPt.
Evaluation criteria	Relevance
Method(s)	Analyzing and reviewing the projects documents, key indicators, personal interviews with people who are related to these projects.
Sub-question(s) (if needed)	-

Question 3: The donor-funded transport infrastructure projects are appropriate to the Palestinian context to emerging priorities and needs of PNA.

Question	How appropriate are the Donor-funded transport infrastructure projects in Gaza strip between 2012-2016 to the context, objectives and requirement of Opt.
Reasons for including this question	To examine if the projects are suitable to the Palestinian context and requirement (such as culture, religion. etc.)
Scope	To respond to this question, the evaluation will explore donors choose the design of their projects, an if they take the Palestinian context requirements into consideration.
Evaluation criteria	Relevance
Method(s)	Analyzing and reviewing the projects documents, key indicators, personal interviews with people who are related to these projects.
Sub-question(s) (if needed)	• Are donors design their projects jointly with their partners and beneficiaries? • Are donors choose their projects' design in the light of the beneficiaries' context requirements?

Question 4: The donor-funded transport infrastructure projects in Gaza between 2012-2016 are efficient in term of cost, time and achievement.

Question	To what extent is the cost of Donor-funded transport infrastructure projects in Gaza strip between 2012-2016 reasonable and justified,
Reasons for including this question	To examine if the projects are efficient in term of cost, time and achievement of the objectives according the planned timeframe
Scope	To respond to this question, the evaluation will review some transport infrastructure projects 'budgets, time frame and the mechanisms of management, coordination and monitoring.

Evaluation criteria	Efficiency
Method(s)	Analyzing and reviewing the projects documents, key indicators, personal interviews with people who are related to these projects.
Sub-question(s) (if needed)	• Are the mechanisms followed to manage, coordinate and monitor Donor-funded transport infrastructure projects in Gaza strip between 2012-2016 efficient?

Question 5: The objectives of donor-funded transport infrastructure projects in Gaza between 2012-2016 are objectives achieved / are likely to be achieved.

Question	To what extent is the Donor-funded transport infrastructure projects in Gaza strip between 2012-2016 achieved their objectives.
Reasons for including this question	To examine if the projects are really achieved their planned objectives.
Scope	To respond to this question, the evaluation will review achievement of the completed projects, the evolution is going to ask the partners about the achievement of these projects.
Evaluation criteria	Effectiveness
Method(s)	Analyzing and reviewing the projects documents, key indicators, personal interviews with people who are related to these projects.
Sub-question(s) (if needed)	• What are the major factors influencing the achievement or non-achievement of the objectives (Risk assessment)? • To what extent the donors take into consideration the distribution of the roles and responsibilities with partners or any other related stakeholders? • How about the indicators appropriateness?

Question 6: The impact and effect of donor-funded transport infrastructure projects in Gaza between 2012-2016.

Question	What are the main positive and negative, direct and indirect, intended and unintended impact and changes produced by the donor-funded transport infrastructure projects in Gaza strip between 2012-2016.
Reasons for including this question	To explore the main positive and negative, direct and indirect, intended and unintended impact and changes produced by the donor-funded transport infrastructure projects in Gaza strip between 2012-2016.
Scope	To respond to this question, the evaluation will review some case to explore the main positive and negative, direct and indirect, intended and unintended impact and changes produced by the donor-funded transport infrastructure projects in Gaza strip between 2012-2016.
Evaluation criteria	Impact
Method(s)	Analyzing and reviewing the projects documents, key indicators, personal interviews with people who are related to these projects.
Sub-question(s) (if needed)	-

Question 7: The benefit donor-funded transport infrastructure projects in Gaza between 2012-2016 are sustainable for long time.

Question	To what extent the benefit donor-funded transport infrastructure projects in Gaza between 2012-2016 are likely to continue for long time after donor funding has been withdrawn.

Reasons for including this question	To explore if the donor-funded transport infrastructure projects in Gaza are sustainable in term of benefit after donor funding has been withdrawn.
Scope	To respond to this question, the evaluation will explore if there are sustainability strategies which guarantee the continue of the benefit of the projects.
Evaluation criteria	Sustainability
Method(s)	Analyzing and reviewing the projects documents, key indicators, personal interviews with people who are related to these projects.
Sub-question(s) (if needed)	• Is there a sustainability strategy, capacity development plan of key stakeholders.? • Are there mechanisms to ensure the ongoing flow of benefits once the projects end?

Table (9): The Evaluation Indicators.

Issues(Criteria)	Indicators
Relevance and responsiveness to the national needs and priorities of the beneficiaries	Partners representatives.
	Partners' contribution at all project phases (selection, implementation, operation and maintenance).
	Public consultation and the role of the community in the project identification.

Appropriateness	The design of the projects.
	Name of the streets and other cultural contexts.
Efficiency	Cost of the projects (contracting, material, etc.).
	Timeframe of projects implementation.
	Quality of management, partners' inputs, donors' inputs, quality of monitoring and evaluating.
Effectiveness	Number of the implemented projects.
	Availability of risk management plans.
	The coordination and responsibilities distribution between donors and partners.
Impact	Economic impact (GDP, number of job opportunities, number of operating contracting companies.
	Public impact (traffic jam, auto accidents indicators).
Sustainability	Life span of the projects.
	Availability of strategic sustainability plan of the projects.
	Availability of the fund after the project end.

5.3 The Evaluation of Donors-Funded Transport Infrastructure Projects in Gaza Strip 2012-2016.

1 Relevance

Donor-funded transport infrastructure projects in Gaza strip between 2012-2016 objectives are substantially relevant to the Palestinian national needs and priorities. After reviewing documents of some donor -funded transport infrastructure projects in Gaza Strip during the study period we can conclude two main objectives of these projects: 1) Improving the economic and social conditions of living of Palestinian people through the improvement, maintenance, rehabilitation, and creation transport network infrastructure, 2) Contribute to the local economy through facilitating the movement and mobilization of people, goods and services as well as encouraging the internal and external trade.

The objectives of Donor-funded transport infrastructure projects are fully in line with the Palestinian National Development plans for 2012-2014 and 2014-2016, the Palestine Public Investment plan, the Palestinian Emergency plan, Gaza Reconstruction plan 2014-2017 and the Development Plans of Municipalities in Gaza strip, all these plans have prioritized the improvement of the Palestinians living condition and the Palestinian local economy through development of transport infrastructure in the Palestinian territories.

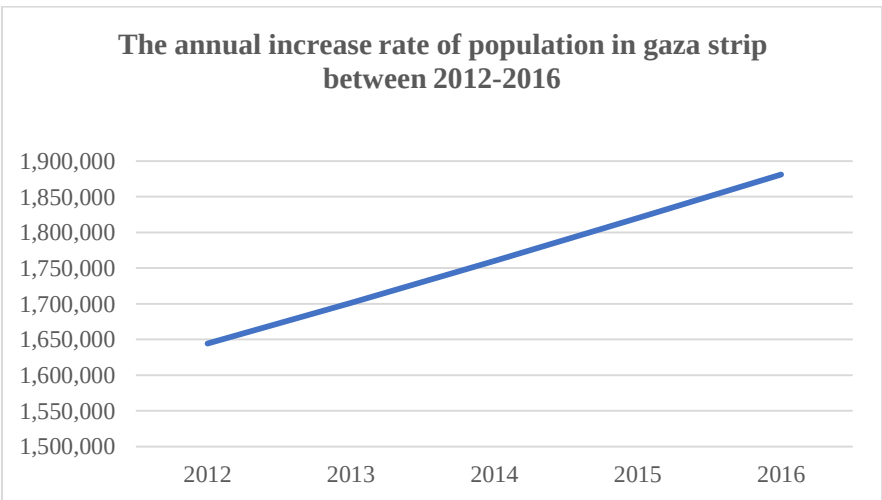
For example, the Palestinian national plan 2014-2014 emphases the priority of the development of an integrated transportation network to support the Palestinian economic system through facilitating the movement and mobilization people, goods and services to and from the Palestinian territories. The plan has committed 25.5% of the total infrastructure sector development budget for investment in the transportation subsector. The plan has spent priorities to construct, rehabilitee and maintain the local and regional roads

across the oPt, as well as to upgrade the public transportation to link Palestine to regional and international transportation networks (PNDP, 2014-2016).

Donor-funded transport infrastructure projects in Gaza strip between 2012-2016 objectives are substantially relevant in light of the emerging needs in the Palestinian occupied territories. With trend of urbanization, rapid population growth and the loses of infrastructure during the last Israeli war on Gaza 2014, making the investment in transport infrastructure fully justified.

Donor-funded transport infrastructure projects in Gaza strip between 2012-2016 have come to respond the recent emerging needs and priorities in the Palestinian territories. According to UN-Habitat, 80% of Palestinian population are residing in urban areas, by 2022 the majority of the Palestinian occupied territories will be full urbanized areas, add to that the rapid growth of the population especially Gaza Strip which is known as one of the most densely populated places on earth with annual increase rate of up to 3.5%, as well as the mass loses of infrastructure due to the Israeli wars on Gaza Strip.

Figure (17): The Annual Increase Rate of Population in Gaza Strip Between 2012-2016.



Source: BEPS, 2017.

Table (10): The Infrastructure Losses in Gaza Strip After Israeli Military Operation, 2014 in (USD).

Sector	Total cost (USD)
Housing (housing units)	**195806620**
transport (road network) length in Km	**20171031**
energy (power plants, warehouse, networks)	**55842582**
Education (universities, schools, libraries…etc.)	**16397254**
health (hospitals and clinics)	**12241052**
Waqf (mosques, churches...etc.)	**38947460**
municipal infrastructure (Garden, Garage, Market, Buildings, Solid Waste, cemetery)	**5650967**
public buildings (ministries, crossing, NGOs, Cultural heritage)	**1050846**
total cost (USD)	**346107812**

Source: UNDP,2014.

Social, public and economic infrastructure projects' portfolio in Gaza strip between 2012-2016 is about 2.331$ billion, 45% of the allocated fund for infrastructure went to transport projects, 89% of that transport infrastructure projects are funded by international donors. It is a real evidence of that, Donor-funded transport infrastructure projects in Gaza strip are justified and have responded and contributed remarkably in meeting the Palestinian national priority and needs of developing the transport infrastructure in Gaza strip during the study period.

Donor-funded transport infrastructure projects in Gaza strip between 2012-2016 objectives are substantially relevant to the Palestinian national needs and priorities in term of appropriateness. These projects are really suitable and have taken into consideration the requirements of the Palestinian local contexts (such as: cultural and religious considerations) of the beneficiaries in

planning, designing and implementing the developmental projects, the project manager of AL Zahra municipality-Gaza says: “Most of donors really pay attention to appropriateness of their projects to the cultural context of the stockholders”, he commented “Donors design the projects jointly with us according to Palestinian culture standards and context, most of the time Palestinian engineers and experts design the projects”. he gave an example of the streets’ names, he emphases that they have a freedom to choose the names of the donor- funded streets in commensurating with Palestinian national culture and language [(10)].

These results have been consistent with and emphasized by many other studies, such as : (UNSCO, 2007) its results illustrate that UNSCO pay high attention to the beneficiaries needs and priorities in its developmental projects , (JICA, 2003) its results show that the donor-funded projects in Palestine are relevant to needs and priorities of the beneficiaries,(UNDP, 2003) it is an Ex -post evaluation of an infrastructure project Palestine, it reveals that project is relevant and takes into consideration the appropriateness to local Palestinian community, and (Ahmed, 2008), (Aydin,2008), (Bargoth, 2013), (Hamad, 2010) all these studies show that the donor -funded infrastructure projects in Palestinian territories have taken into consideration the criterion of relevance. All the studies above used DAC criteria to evaluate the donor-funded projects in the Palestinian territories.

The study has examined the impact of foreign aid on national development in Palestine, the study has taken donor-funded transport projects in Gaza strip between 2012-2016 as a case to investigate the impact of foreign aid on national development in Palestine. DAC 5 criteria (relevance, efficiency, effectiveness, impact and sustainability) were employed to evaluate the donor-funded transport infrastructure projects in Gaza strip. Both primary and secondary data have been used, theoretically and empirically the data has been analyzed in the evaluation process.

(10) Nedal alkahisa the project manager of AL Zahra municipality-Gaza.

The study has overviewed by facts and numbers the amount of foreign aid to Palestinians, Palestinian people and Palestinian authority have received more than 33$ billion of foreign aid between 1993-2016, which is one of the highest amount of foreign aid per capita in the world. The study has overviewed the infrastructure in palatine and the transport infrastructure in Gaza strip by facts and numbers. The data has showed that, donor-funded infrastructure portfolio in Gaza strip between 2012-2016 is approximately 2.331$ billion worth of projects in social, public and economic infrastructure as well as early recovery and reconstruction, between 2012-2016, 438 donor-funded transport infrastructure projects have been conducted in Gaza Strip with total cost 307$ million, or 11.60% of the total foreign fund for infrastructure projects during that period.

2 Efficiency

During the 2012-2016 period, foreign aid allocated for transport development sector have been mainly remarkable, at least with respect to the financial resources allocated for infrastructure projects in Gaza Strip. A review of the allocation of foreign aid to Palestinian people in Gaza Strip revealed that about 307$ million, or 11.60% of the allocated fund to general infrastructure went for transport infrastructure projects. During the study period, 438 transport infrastructure projects have been conducted in Gaza Strip, the cost and number of the projects have distributed fairly across the area of Gaza Strip as well as across years based on the areas' priorities, needs and number of beneficiaries. Following table shows the distribution of transport projects across the years and the areas Gaza Strip between 2012-2016.

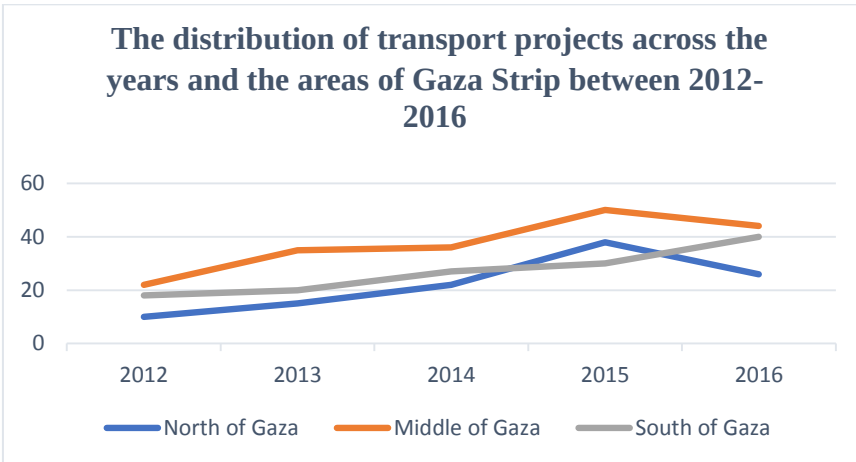
Table (11): The Distribution of Transport Projects Across The Years and The Areas Gaza Strip Between 2012-2016.

Years	Total number of projects	North of Gaza	Middle of Gaza	South of Gaza

2012	50	10	22	18
2013	75	15	35	20
2014	85	22	36	27
2015	118	38	50	30
2016	110	26	44	40
Total	**438**	**111**	**187**	**135**

Source: Palestinian Contractors Union, unpublished data, 2017.

Figure (18): The Distribution of Transport Projects Across The Years and The Areas of Gaza Strip Between 2012-2016.



Source: Palestinian Contractors Union, unpublished data, 2017.

The table shows a reasonable distribution for the projects, areas with the largest population density (middle of Gaza) and years after Israeli military operations (2012, 2016) have taken the largest portion of projects.

The disbursement of foreign aid for transport infrastructure projects in Gaza Strip between 2012-2016 generally was satisfactory, the projects documents show a correspondence between the financial commitments and financial allocations, as well as the analysis of the pace of project implementation and disbursements, has been reflected in the optimum realization of the projects and thereby in the achievement of expected results. Donors provide the fund for the transport infrastructure projects as in the memorandum contract and

the budget of the projects, any expand of the projects should be approved by donors, as that, any saving amount from the project's budgets should be transfer again to the donor's account, because most of the implementing agencies are committed only to the amount in the contract with the contractor.

Table (12): The Disbursement and Completion Rate of 5 Transport Infrastructure Projects in Gaza Strip Between 2012-2016.

Project	Municipality	Project budget (USD)	Sector	Donor	Disbarment %	Completion %	Year
Maintenance and rehabilitation of roads in different areas	Bait Lahia	74556	Transport	Danish Government via MDF	100	100	2015
Maintenance and rehabilitation of roads in different areas -Phase II	Bait Hanon	316,000	Transport	MDF	100	100	2015
AL Karama towers' road improvement	Jabalia	499,687	Transport	IDB	100	100	2013
Improvement of Al-Rashid Street - Phase III	Gaza	6,399,866	Transport	Qatar committee	100	100	2016
Improvement of Salah ad Din Street	Rafah	375000	Transport	Saudi Arabia via UNRWA	100	100	2015

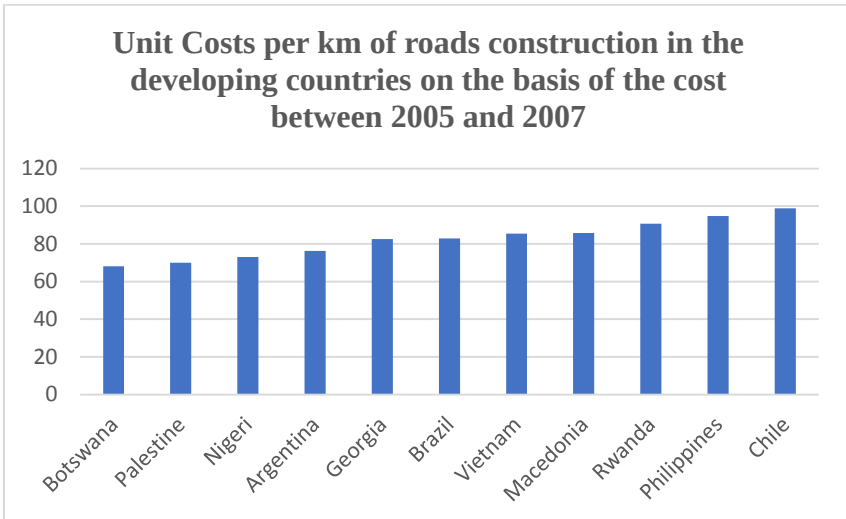
Source: MolG, unpublished data, 2017.

The Contracting costs of transport infrastructure projects in Gaza Strip between 2012-2016 have been judged reasonable. Compared to size, quality and life span of the projects, the costs are very reasonable. Donors implement the projects according to the Palestinian quality standards or the standards adopted in the donors' policy, the procurement processes of the project's

material are carried out according to specific mechanisms followed by the donors through tenders, biddings and price quotations, taking into consideration the best prices and the best quality.

Most of donors such as USAID, UNDP, GIZ and other donors in cooperation with their Palestinian partners award the transport projects implementation contract to local contractors and procuring the material from local providers according to prices in the local markets taking into account the required quality, compared against international benchmark figures. Costs of transport unfractured projects in Gaza Strip are reasonable and justified, according to the World Bank, the ideal average of Unit Costs per km of road construction is between 45,000 - 700,000 $/km, the average of road construction cost of the transport projects in Gaza strip is 70,000$/km (World Bank, 2015), so the cost is within the optimal international average.

Figure (19): Unit Costs per km of Roads Construction in The Developing Countries on The Basis of The Cost Between 2005 and 2007.



Source: World Bank, 2015.

Donors implement their projects with a timeframe work. Reviewing some of donor-funded transport infrastructure projects document revealed that, in most of the projects there is no intended delay in implementing the projects due to negligence from the donors or even from the contracting companies. Most of

delays in the implemented projects in Gaza Strip are due to reasons related to Israeli blockade and lack of construction materials due to the Israeli preventions, or due to the Israeli escalation as what happened during the Gaza War 2014 where most of international projects were stopped during the war.

Donors provide training workshops to their counterparts to explain the procedures of the implementation. Also, the donors fund any workshop or meeting regard the projects, such as the regular meeting with partners, projects follow-up meetings, evaluation meetings and so no. UNDP, USAID, UNRWA, GIZ and other transport infrastructure project's donors in Gaza strip use several monitoring tools like daily, weekly, monthly and quarterly reports in addition to the regular field visits by the site engineer, senior engineer and the project management officer. In most of donation agencies, a central filing system exist to keep information, documents and filed reports (progress, employment and financial). Additionally, a central computerized information system is in place, regularly updated, to reflect all development in the projects. The system allows the program staff – at all locations to closely monitor all development related to the projects, to ensure close financial control and to prioritize necessary actions. It is utilized as a basis for managerial, technical and financial decisions particularly in light of a very fluid situation on the ground. Several systems for recording the percentage of funds used for labor wages and the actual number of workdays generated were being put to test. Th underlying common denominator is the daily records of the workers on site (Othman, 2004) [(11)].

One of the priorities of project management for the planned projects is to achieve the required outputs in the light of effective management and monitoring system which is able to ideally and efficiently invest the available inputs, and through comparing the costs and outputs of the projects with costs and outputs of other similar projects to justify the cost-benefit of the project in order to avoid or at least to minimize any unplanned or unexpected results

(11) everything mentioned in this part has been emphasized by UNDP in a semi-structured interview with an office engineer in USAID, and a project manager at Al Zahra municipality -Gaza, the interviews were carried out by the researcher by phone.

(Hamad,2016). From that we can justify why donors should pay attention to criterion of efficiency as a condition of financing the projects and increasing the fund in the future.

These results have been consistent with and emphasized by many other studies, such as : (UNSCO, 2007) its results illustrate that the donor-funded projects in Palestinian a territories successfully achieved its planned output, (JICA, 2003) it results show that the donor-funded projects in are efficient in achieving their outputs,(UNDP, 2003) it is an Ex -post evaluation of an infrastructure project in Palestine, it reveals that the project is efficient and has an effective and flexible daily management and monitoring system which helped to achieve the project's output efficiently, and (Ahmed, 2008), (Aydin,2008), (Bargoth, 2013), (Hamad, 2010) all these studies show that the donor -funded infrastructure projects in Palestinian territories are efficient. All the studies above used DAC criteria to evaluate the donor-funded projects in the Palestinian territories and the results of efficiency were somewhat satisfactory.

3 Effectiveness

We can conclude two main objectives of the portfolio of donor-funded transport infrastructure projects in Gaza Strip between 2012-2016 projects: 1) Improving the social and economic conditions of living of the Palestinian people through the improvement, maintenance, rehabilitation, and creation transport network infrastructure, 2) contribute to the local economy through facilitating the movement and mobilization of people, goods and services as well as encouraging the internal and external trade.

Palestinian community have noticeability benefited from the transport projects as planned as expected. Conducting 438 donor -funded transport infrastructure projects between 2012-2016 including activities of creation, maintenance, rehabilitation and construction have caused a remarkable improvement of transport network in Gaza Strip. The projects have left a positive impact on

Palestinian society, we can mention some indicators such as contributing to the local economy through facilitating the movement of people, goods and services as well as encouraging the internal and external trade, lamenting some problems such as the traffic jam, bottlenecks, reducing travel times and the traffic accidents in Gaza Strip, clearly that positive impacts could appear in the contribution of the transportation the Palestinian GDP, which has arisen from 10% in 2005 to 13.5% in 2015. According to the project manager of AL Zahra municipality regard the effectiveness of the donor-funded transport project, he said" donor-funded projects are really effective, they achieved their planned objectives, thereby that helped us to achieve large parts of our strategic objectives in improving the transport network in our city".

Donors develop specific indictors in their plans to manage, monitor and evaluate their projects. In case of donor -funded transport infrastructure projects in Gaza Strip, donors develop such indicators to monitor and to evaluate the progress and achievement of their projects such as: the economic effect for the criterion of impact, the needs and priority assessment of the beneficiaries for the criterion of relevance, the long-term impact for the criterion of suitability and so on. These indicators are appropriate to monitor and to evaluate the transport projects.

With regard to the assumptions for risk management, the majority of donor-funded projects in the oPt has a risk management plans which take into consideration the political situation in the oPt. Donors assume that, the political situation could affect the achievement of the projects such as the Israeli siege and the availability of construction material, the Israeli military escalation and the lack of staff, all these assumptions are taken into consideration by the donors, and thy tray to address that by coordination with PNA or the international community or even the Israeli government.

Regarding the Balance of Responsibilities among the various stockholders, the project plans often take into account the distribution of the roles and responsibilities between the donors, partners or any other related stakeholders.

This fact has been confirmed by what said by the project manager of Al Zahra municipality" Yes, since the beginning of any project in the plan we balance our responsibilities with our donors, the coordination between us is high at all phases of the projects, I have never witnessed any overlapping in the work with international donors in my work life in this department, he added the progress of the donor-funded projects has been after according the plan in term of time and cost except of some obstacles related to the Israeli occupation and the restrictions on the required construction materials for infrastructure projects".

These results have been consistent with and emphasized by many other studies, such as : (UNSCO, 2007) its results illustrate that the donor-funded projects in Palestinian a territories effectively achieved its planned output , (JICA, 2003)and (UNDP, 2003) illustrated that their projects have an effective and flexible daily coordination and management system which helped to achieve the project's output effectively, and (Ahmed, 2008), (Aydin,2008), (Bargoth, 2013), (Hamad, 2010) all these studies show that the donor -funded infrastructure projects in Palestinian territories are effective, also some of the above studies showed that there is a high coordination between donors and partners and the plans effectively avoided any overlapping in the roles and responsibilities of the projects .

4 Impact

There has been an incremental impact of the donor-funded transport infrastructure projects in Gaza strip, the ultimate objective of these project is to improve the transport network in Gaza strip in a way that could contribute in the national development in Palestine through the impact directly and indirectly on social, economic and environmental sectors.

Donor-funded transport infrastructure projects in Gaza strip between 2012-2016 have contributed substantially toward building good transport infrastructure network in Gaza Strip, conducting 438 transport projects

including activities of construction, reconstruction, rehabilitation and maintenance of roads and streets networks vividly contributed to the improvement of the roads network and to the development of the civil appearance of the city.

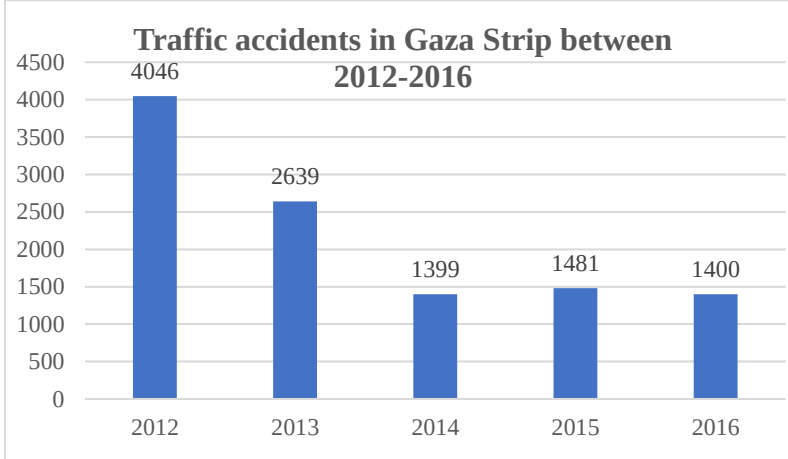
Donor-funded transport infrastructure projects in Gaza strip between 2012-2016 have substantial contributions in sectors other than roads and streets. For example, Gaza Strip as one of the most densely populated places on earth suffers from congestion caused by thousands of automobiles and people who oftenly use the main streets and roads for various services, the projects have remarkably contributed in solving the congestion through improving and increasing the capacity of the roads, as well as through improving and rehabilitation of the traffic signs in the streets that really contributed to reducing traffic accidents in Gaza Strip.

Table (13): A Comparison of The Traffic Capacity of Salah-Elden and Al-Rasheed Streets Before and After The Improvement.

Street	**Traffic capacity before improvement pc/hrs./lean**	**Traffic capacity after improvement pc/hrs./lean**
Salah-Elden St.	1600	2000
AL-Rasheed St.	1300	1650

Source: Ministry of transportation, unpublished data,2017.

Figure (20): Traffic Accidents in Gaza Strip Between 2012-2016.



Source: Ministry of transportation, unpublished data,2017.

Through facilitating people and good mobilities within the separated Palestinian territories and with the outside world, donor-funded transport infrastructure projects in Gaza strip between 2012-2016 have substantially contributed to improving living conditions and economic activities, Palestinian economic indicators revealed a remarkable construction of the transport sector to GDP.

Table (14): Transport Sector Contribution to the GDP (%) in Palestinian Territories, 1994 and 2005.

Sector	2005	2015
Construction	3	N/A
Wholesale and retail trade	8	15
Transport	**10**	**13.5**
Agriculture and fishing	7	N/A

Ministry of economy, unpublished data, 2017.

Donor-funded transport infrastructure projects in Gaza strip between 2012-2016 have substantially contributed for local economy through the merchandising of the constriction materials from the local market and local suppliers and contractors, creating 9100 job opportunity as direct employment and an estimated 13800 job opportunity as indirect employment. In addition, the projects led to remarkable increases in commercial activity through contracting with Palestinian local contractors to implement the transport projects, 151 contracting company were operating in the transport infrastructure projects over the same period.

Table (15): Number of Projects, Contracting Companies and Labor Operating in Transport Projects in Gaza Strip Between 2012-2016.

Year	No. of projects	No. of contracting Co.	Direct labor	Indirect labor
2012	50	25	1000	1500
2013	75	28	1500	2300
2014	85	30	1800	2800
2015	118	35	2500	3750
2016	110	33	2300	3450
-	**438**	**151**	**9100**	**13800**

Source: Source: Palestinian Contractors Union, unpublished data, 2017.

In term of additionality, donor-funded transport infrastructure projects in Gaza strip between 2012-2016 have remarkably added benefit or value to the targeted beneficiaries, the projects have successfully achieved their substantial goal of improving the transport network in Gaza Strip, the projects added benefit to other sectors such economy, social and environmental sectors, all that could contribute in enhancing the national development process in Opt. following is a table which shows a reasonable additionality of **Agence Française de Développement** to the targeted beneficiaries in Palestine.

Table (16): AFD Project's Additionality to The Targeted Beneficiaries.

AFD's additionality on:	Unsatisfactory	Partly unsatisfactory	Satisfactory	Excellent
Business performance (risk/reward-sharing)		AFD having little control on process of selection	Good through MDLF Scheme of delegation approach	
Catalytic (making good projects happen)		AFD having little control on process of selection		
Economic sustainability **(Project viability in medium term)**	AFD is part of a multi-donor approach but cannot commit longer-tenor funding as needed			
Sector development		AFD has limited capacity and time to fully impact on the sector		
Soundness of operating structuring			(Risk/reward-sharing) advantage for AFD. But AFD to provide more expertise, e.g. amalgamation	
administration (timely intervention)	Limited from AFD			
Good development outcomes		Outputs are very good but some outcomes cannot be measured, e. job creation. It sees that some outputs were not clearly designed		
Client satisfaction (Municipalities and citizens			very positive	

Source: AFD.

These results have been consistent with and emphasized by many other studies, such as : (UNSCO, 2007) its results illustrate that the donor-funded projects in Palestinian a territories have impact on the targeted beneficiaries, (JICA, 2003) it results show that the donor-funded projects have impact on

the local society ,(UNDP, 2003) it is an Ex -post evaluation of an infrastructure project in Palestine, it reveals that the project have meet the criterion of impact and (Ahmed, 2008), (Aydin,2008), (Bargoth, 2013), (Hamad, 2010) all these studies show that the donor -funded infrastructure projects in Palestinian territories met the criterion of impact. All the studies above used DAC criteria to evaluate the donor-funded projects in the Palestinian territories and the results of efficiency were somewhat satisfactory.

5. Sustainability

The life span of infrastructure investments is estimated to tens of years, so the impact of these investments is supposed to extend for decades in the future (Abu Rass, 2016). In case of donor-funded transport infrastructure projects in Gaza strip between 2012-2016, donors design and implement their projects taking into consideration the required global and Palestinian standards and quality as well as the technical requirements in the technical design and the quality of the construction materials to ensure the longest possible life span and then that the impact of their projects will continue as long as possible. Since Oslo, donors have established many infrastructure projects before tens of years in Palestine and these projects are still in place and are expected to extend to the long-term future.

Most of transport infrastructure investments could generate income (the transport facilities in particular) that covers the running costs and maintenance expenses. But in case of Gaza strip, the municipalities and local authorities are always suffering from shortage of revenue that could limit their abilities to run and to maintain the infrastructure facilities in general, add to that the facilities that were damaged during the conflicts with Israel (World Bank, 2008). After searching and reviewing many donor-funded transport infrastructure projects documents, international donors don not guarantee any clear future contact to run or to maintain the transport infrastructure projects which are funded by them. However, the municipalities receive grants form other donors who are interested to maintain or to help in the running process of infrastructure

projects. For example, the project manager of AL Zahra municipality said" Recently, the municipality has received a grant from MDF to maintain the sewage network as well as the lights and the traffic signs of the main streets of the city, these streets had been funded by other donors 10 years ago".

There are no clear sustainable strategies for the donor-funded transport infrastructure in Gaza strip, but the partnership between the donors and the direct stockholders could guarantee a sustainable relation regard the funded projects. For example, UNDP does not guarantee a direct sustainability strategy to run or to maintain its projects, however it contributes remarkably in helping the municipalities in the running and management process of the transport infrastructures. UNDP through its Job Creation Program which supplies the municipalities with tens of workers and technicians who contribute in the running process of the projects such cleaning and periodic maintenance. The projects manager in Al Zahra municipality in Gaza strip in a semi-structured interview said "The cooperation and coordination with our donors are full, continued and effective". He emetized that "There is a good and strong relationship and coordination between us and our donors and even after the implementation of the projects, that really increases the partnership between us for the future projects, also that could enhance the sustainability of the projects".

Donors provide training workshops to their counterparts to explain the procedures of the implementation. Also, the donors finance any workshop or meeting regard the projects, such as the regular meeting with partners, projects follow-up meetings, evaluation meetings and so no. The projects manager in Al Zahra municipality in Gaza strip in a semi-structured interview said "Most of donors pay attention to the capacity building and the availability of staff to run their projects, they provide the required training to ensure the availability of staff who knows everything technical about the implemented project".

Sustainability is the most important element of the planning of the development projects, this element is particularly significant in infrastructure projects such as transport projects, where these projects are being a precondition of economic growth and they work as a guiding principle of the development process at all levels as wells crucial to the operation of societies and their institutions (Abu Rass, 2016). Studying the sustainability of the donor-funded projects in Gaza strip is very complicated and different from project to another. In general, the donor-funded transport infrastructure projects in Gaza strip are sustainable in term of impact.

Although sustainability is possible to be measured in infrastructure projects, this is not a common sense in case of Gaza strip as many studies have shown, due to Israeli military operations which destroyed the infrastructure as well as the weak capabilities of the Palestinian authority to run and maintain these projects , add to that the changes of the donors tendencies especially after Gaza war 2014, as most of donors have turned their tendencies toward the emergency and humanitarian projects instead of the sustainable developmental projects such transport infrastructure.

These results have been consistent with and emphasized by many other studies, such as: (Ahmed, 2008), (Aydin,2008), (Bargoth, 2013), (Hamad, 2010), the studies emphasis the importance of sustainability of the donor-funded projects especially the infrastructure, they also emphasis the necessity of the donors and the partners to develop clear plans which can guarantee the sustainability of the projects if they want really to achieve the national development. All the studies above used DAC criteria to evaluate the donor-funded projects in the Palestinian territories and the results of efficiency were somewhat satisfactory.

CONCLUSION, RECOMMENDATIONS AND SUGGESTIONS FOR FUTURE STUDIES

The impact of foreign aid on national development in Palestine is examined, the study has taken the donor-funded transport infrastructure projects in Gaza strip as a case study to examine the impact of foreign aid on national development , the study has evaluated the donor infrastructure projects in Gaza strip by using the DAC five criteria which are relevance, efficiency, effectiveness, impact and suitability, the criteria are widely used by international donor intuitions such as : USAID, UNDP and JICA for evaluating the development projects.

The study has focused on transport infrastructure projects in Gaza strip due to the mass amount of foreign aid inflowed there for infrastructure and transport infrastructure, more than 438 donor-funded transport infrastructure projects have been conducted in Gaza strip between 2012-2016 (the study period), these projects came after 3 Israeli military operations and severe years of blockade on Gaza strip, that has led to almost complete destruction or obstruction in all infrastructure facilities, leading to international intervention for reconstruction and rehabilitation.

The study has overviewed the amount of the allocated foreign aid to Palestinian people and Palestinian national authority, Palestinians have received more than 33$ billion of foreign aid since the establishment of PNA in 1993, which the highest amount of foreign aid received per capita in the world, Palestinian have received $10.842 billion of foreign aid between 2102 and 2106 for different sectors 4% of that amount have been allocated for infrastructure projects.

Donor-funded infrastructure portfolio of Gaza strip between 2012-2016 is approximately 2.331$ billion worth of projects in social, public and economic infrastructure as well as early recovery and reconstruction, 11.65% of that fund has been allocated to transport infrastructure projects. The issue of whether foreign aid leads to national development is remaining a debatable one, the study by and large tried to achieve the study objectives and the key study question was answered through evaluating the chosen case study and therefore the following conclusions have been reached:

First, the study has found that donor-funded transport infrastructure projects implemented in Gaza strip are fully in line with the Palestinian needs, and donors are really responding to the emerging priorities and needs of Palestinian people and Palestinian national authority in term of infrastructure and transport infrastructure development in Palestine, also donors take into consideration the requirements of Palestinian local contexts (such as: cultural and religious considerations) in term of planning, designing and

implementing the developmental projects, then they are appropriate the Palestinian priorities and needs. ***Therefore, it can be concluded that the donor-funded transport projects in Gaza strip between 2012-2016 are relevant to the national development in Palestine.***

Second, the study can conclude that the cost of donor-funded transport projects in Gaza strip is realistic and reasonable compared to size, quality and life span of the projects, the projects are implemented within identified budget and timeframe as planned and designed. Also, the partners or the stockholders participate jointly with donors in all phases of the projects cycle. Transport infrastructure donors prioritize the achievement of the required outputs in the light of effective management and monitoring system that could enable the ideally and efficiently investment of the available inputs to minimize the unplanned or unexpected results, ***Therefore, it can be concluded that the donor-funded transport projects in Gaza strip between 2012-2016 are efficient in achieving the national development.***

Third, the study can conclude that donor-funded transport infrastructure projects in Gaza Strip have achieved their objectives, Palestinian community have noticeability benefited from these projects as planned as expected. Conducting 438 donor -funded transport infrastructure projects have caused a remarkable improvement of transport network in Gaza Strip. Donors develop such indicators to monitor and to evaluate the progress and achievement of their projects such as: the economic effect for the criterion of impact, the needs and priority assessment of the beneficiaries for the criterion of relevance, the long-term impact for the criterion of suitability and so on, these indicators are appropriate to monitor and to evaluate the transport projects. The majority of donor-funded projects in the oPt has a risk management plans which take into consideration the political situation in the oPt. Regarding the Balance of Responsibilities among the various stockholders, the project plans often take into account the distribution of the roles and responsibilities between the donors, partners or any other related stakeholders. ***Therefore, it can be concluded that the donor-funded transport projects in Gaza strip***

between 2012-2016 are effective to achieve national development in Palestine.

Fourth, the study found out that donor-funded transport infrastructure projects in Gaza Strip have achieved their objectives. The projects have left a positive public social and economic impact on Palestinian society. Donor-funded transport infrastructure projects in Gaza strip between 2012-2016 have substantial contributions in sectors other than roads and streets. in term of additionality, the projects have remarkably added benefit or value to the targeted beneficiaries ***Accordingly, it can be concluded that the donor-funded transport projects in Gaza strip between 2012-2016 are effective in term of impact to achieve national development in Palestine.***

Finally, the study found out that the designation and implementation of donor-funded transport infrastructure projects in Gaza Strip have taken into consideration all needed standards, quality as well as technical requirements to ensure the longest possible life span and then that the impact of that projects will continue as long as possible. Donors coordinate and collaborate to enhance the suitability of the funded projects. ***Thus, it can be concluded that the donor-funded transport projects in Gaza strip between 2012-2016 are sustainable to achieve national development in Palestine.***

Generally, donor-funded transport infrastructure projects in Gaza between 2012-2016 have met the 5 criteria (relevance, efficiency, effectiveness, impact and sustainability). The study has concluded that, donor-funded transport infrastructure projects in Gaza strip between 2012-2016 are doing their work to contribute the national development in Gaza Strip - Palestine. So, foreign aid to Palestinian people has a positive impact on national development process. To increase the effectiveness and the impact of foreign aid to the occupied Palestinian territories, the study has recommended that both donors and Palestinian authority should increase their partnership and work more

jointly to enhance their efforts to bridge the national developmental gaps in Palestine, they should re-develop a comprehensive and sustainable national development plan which includes the priorities and needs of Palestinian people, they should re-direct their efforts in a positive and integrated way in the light of a comprehensive national developmental plan to meet the requirements of national development process in the occupied Palestinian territories.

Because the importance of this topic and lack of in-depth studies about this issue especially in the occupied Palestinian territories, further future studies are suggested to be carried out in the following areas: The effectiveness of ODA in Palestine, The impact of foreign aid on economic growth and poverty reduction in Palestine, The politicization of foreign aid to Palestinian people and Palestinian authority, The corruption in the foreign aid to Palestinian authority, The feasibility of the objectives of foreign aid to Palestinian.

BIBLIOGRAPHY

Andrews Nathan (2009), *"Foreign aid and development in Africa: What the literature says and what the reality is", Journal of African Studies and Development Vol. 1(1) pp. 008-015.*

Abu Obaydullah M. (2007), "Impact of Foreign Aid on Development in Bangladesh", *Master Thesis, RMIT University*.

Al-Shorafa A. (2016), "The Impact of Foreign Aid through NGOs on Economic Development in Gaza Strip (1993-2015) ", *Master thesis, The Islamic University–Gaza.*

Abu Hamad, Nahed (2011), "The International Aid and its Impact on the Political Development on Gaza Strip", *Master Thesis, Al-Azhar University, Gaza*.

Ad Hoc Liaison Committee. (1993). Aid coordination. Retrieved fromhttp://www.lacs.ps/article.aspx?id=6.

Ainmelk Georges (2016), "Official Development Assistance in a Colonial Context: Swiss Aid in Palestine (2006-2012)", *Master Thesis University of Ottawa*.

Abu Ajwa Moh. (2011)," Effect of International Aid in Achieving Economic Development in the Palestinian Territories", Master Thesis, Islamic University-Gaza.

Akramov, (2006) "Governance and Foreign Aid Allocation", *The RAND Corporation, Santa Monica-Arlington.*

"*Aid Effectiveness in the West Bank and Gaza*", Draft report,1999.

Abu Rass, A. (2016), "Evaluation and Development of the Criteria used in the selection of development projects for Infrastructure (road projects in

Gaza City Municipality as a case study)*", Master Thesis, Islamic University-Gaza*.

Bargoth Ghada (2013), "Evaluation of Infrastructure Projects Funded by International Organizations in Gaza strip from Partner's Perspective From 2008 to 2012", Master Thesis, Islamic University-Gaza, 2013.

Baro, R., Sala I Martin, X. (2004)," Economic Growth. Cambridge: MIT Press".

C. Ross Anthony and Others (2015), "*The Costs of Israeli- Palestinian Conflict*", *RAND Corporation, Santa Monica, Calif.*

Clawson, Patrick, "Aid to Palestinians Exceeds Marshall Plan Aid to Europe", Jerusalem Post, 9August 2002.

C. Azariadis (2005), "Poverty Traps", Department *of Economics, University of California Los Angeles, 405 Hilgard Avenue, Los Angeles, USA.*

Colin H. (2008) "*Criticisms of The Neo-Classical Development Model".*

Cvetanović, S., Filipović, M., Mladenović, I. (2010)," Tradicionalne i savremene(endogene) teorije ekonomskog razvoja", *Ekonomika, specijalni broj*.

Crawford, P., (2002). " Project monitoring and evaluation: amethod for enhancing the efficiency and effectiveness of aid project implementation". *International Journal of Project Management, 21, 363–373.*

Dev Tapan Kumar (1999), "Infrastructure Development in Assam, An Inter-District Analysis", *Ph. D. dissertation, Gauhati University*.

Durbarry, R., Gemmell N and Greenaway D. (1998), "New Evidence on the Impact of Foreign Aid on Economic Growth", *Centre for Research in Economic Development and International Trade", University of Nottingham.*

Durbarry, Ramesh (1998),” The impact of foreign aid on growth and savings in developing countries”. *PhD thesis, University of Nottingham*.

Dov ZERAH (2011), “AFD Municipal Development Project in the Palestinian Territories”, Ex-post Evaluation. Research Department, Evaluation and Capitalisation Unit, Agence Française de Développement.

Ekanayake M. and Dasha Chatrna (2007), “The effect of foreign aid on economic growth in developing countries”, *Bethune-Cookman University and University of Florida, 2007.*

Ehrenfeld,D.(2004), “Forging Aid Effectiveness, Political Rights and Distribution”, *Article Published by the Journal of Humanitarian Assistant.*

Easterly, Williams (2005), “The White Man’s Burden: Why the West’s Efforts to Aid the Rest Have Done So Much Ill and So Little Good,” *Penguin Press*.

Easterly, Williams (1998), “The quest for growth. How we wandered the tropics trying to figure out how to make poor countries rich”, *The World Bank.*

Ekanayake E. M. (2013) “The Effect of Foreign Aid on Economic Growth in Developing countries”, *Journal of International Business and Cultural Studies, Bethune-Cookman University.*

“Foreign aid and development: lessons learnt and directions for the future” edited by Finn Tarp; editorial assistant, Peter Hjertholm, London; *New York: Routledge, (2000).*

“Foreign aid for development: issues, challenges, and the new agenda” (2010), A Study Prepared for the World Institute for Development Economics Research / edited by George Mavrotas. *Oxford University Press*.

Ghosal Somnath (2013), “Soft or Hard: Infrastructure Matters in Rural Economic Empowerment”, *Journal of Infrastructure Development 5(2) 137–149, India Development Foundation.*

G. Dang and L. Sui Pheng (2015), “Infrastructure Investments in Developing Economies”, *Springer Science+ Business Media, Singapore.*

Hamad R. (2010), “Project Evaluation of the Non-Governmental Organizations in Gaza strip”, *Master Thesis, Islamic University-Gaza.*

Hever Shir, (2015) “How Much International Aid to Palestinians Ends Up in the Israeli Economy”, *Aid Watch.*

Hatmi-J, Abdulnasser and Inandoust, Manuchehr (2005), “Foreign Aid and Economic Growth: New evidences from panel co-integration”, *Journal of Economic Development, Volume 30, Revised Version.*

Iman Zada (2014) “The Impact of External Financing on dependency: non-Governmental Organizations in the1967 Occupied Palestinian before and after the Oslo Accords case study”. *Birzeit university – Palestine.*

Jhingan, M L, (2004), “The Economics of Development and Planning”, *37th Edition.*

Joseph Devoir and Alaa Tartir (2009), “Tracking External Donor Funding to Palestinian Non-Governmental Palestine Economic Policy*” Research Institute(MAS) Governmental Organization in The West Bank and Gaza 1998-2008, Jerusalem and Ramallah.*

Kargbo, P.M. (2012), Impact of Foreign Aid on Economic Growth in Sierra Leone, *World Institute of Development Economics Research, United Nations University.*

Kekic, L. (2008), “Aid to the Balkans: Addicts and pushers”, *Southeast European and Black Sea Studies, London School of Economics, Department of International History Business Economics, Development Economics, International Economics, Britain.*

Lorenzo G. Bellù and Others (2011), “Development and Development Paradigms A (Reasoned) Review of Prevailing Visions”, *EASYPol Resources for policy making for of the food and agriculture organization of the united nations,* www.fao.org/easypol

Lee, Seunghyun (2014), “The Impact of Official Development Assistance on Government Effectiveness: The Mediating Effect of Corruption”, *Master Thesis, Seoul National University*.

Lee and Tobin (2013), “The Impact of Official Development Assistance on Government Effectiveness: The Mediating Effect of Corruption”, *The Korean Journal of Policy Studies, Vol. 30, No. 2 (2015), pp. 193-216, GSPA, Seoul National University, South Korea.*

Morgenthau Hans J. (1962),” A Political Theory of Foreign Aid”.

Mohammad Haroon (2003), “The Impact of Foreign Aid on National Development: A Case Study of Bangladesh”, *Master Thesis, University Halifax, Nova Scotia, Canada*.

Muhammad Abu Obaydullah (2007), “Impact of Foreign Aid on Development in Bangladesh”, *Master thesis, RMIT University, Bangladesh*.

Morrissey, O. (2001),” Does Aid Increase Growth?”, *Progress in Development Studies*.

Mavrotas George and Villanger Espen (2006), “Multilateral Aid Agencies and Strategic Donor Behavior”, *UNU World Institute for Development Economics Research (UNU-WIDER) Katajanokanlaituri 6 B, 00160 Helsinki, Finland*.

McGillivray, M., Feeny, S., Hermes, N. & Lensink, R (2005), “Controversies over the impact of development aid: it works; it doesn't; it can, but that depends*”, World Institute for Development Economics Research.*

Murshed and Khanaum (2014), “Impact of Foreign Aid in The Economic Development of Recipient Country”, *Journal of the Bangladesh Association of Young Researchers (JBAYR): Volume 2, Pages-33-37.*

Michael P. Todaro Stephen C. Smith (2012*),"Economic Development", George Washington University, USA.*

Ngang J. (2008), “The Impact of Foreign Aid on Economic Growth and Economic Development in Cameroon”, *Master Thesis, University of Skovde*.

"Number of Local and Foreign Organizations Registered in the Ministry of Interior in the, Palestinian territories ", *Palestinian Ministry of Interior, PNA, Retrieved from http://www.moi.gov.ps/en/Details.aspx?nid=64182*

Olatujoye Olawale(2016), “Foreign Aid Intervention and National Development in Nigeria: A Study of Akure South Local Government Area of Ondo State”, *Arts and Social Sciences Journal.*

Papanek, G. (1973), “Aid, Foreign Private Investment, savings, and Growth in Less Developed Countries”. *Journal of Political Economy.*

Palestinian Monetary Authority (2017), “The annual report, 2017”, *Department of Research and Monetary Policy.*

Paul Collier, Martina Kirchberger, Måns Söderbom (2015),” The Cost of Road Infrastructure in Low and Middle-Income Countries”, *Development Economics Vice Presidency Operations and Strategy Team, The World Bank.*

Saed Yasen (2014),” The Role of American Aids to the Palestinian Authority in Achieving Political Development in the West Bank (Palestinian

Security Forces as a Case Study)*", Master Thesis, Alnajah University, Palestine.*

Sachs, Jeffrey (2005), "The End of Poverty: Economic Possibilities for Our Time *"The Penguin Press, New York*.

Shir Hever (1988), "Do Palestinians Get the Most Foreign Aid in the World", *News from Within, Vol. XXI, No. 3.*

Slobodan Cvetanović and Others (2015), "Endogenous Growth Theory and Regional

Development Policy", *SPATIUM, University of Niš, Faculty of Economics, Niš, Serbia.*

Sen Amartya," *Handbook of Development Economics*", Volume I Edited by H.Chenery and T.N. Srinivasan Elsevier Science Publishers B.V., Harvard University, 1988.

Suleiman M. Abbadi1(2016), "Economic Development Under Occupation: the Palestinian Case", American Research Institute for Policy Development, *Journal of International Business and Economics, Vol. 4, No. 1, pp. 49-60.*

The World Bank (2007), "Investment Climate Assessment: Unlocking the Potential of the Private Sector", *Finance and Private Sector Development Group, Social and Economic Development Department, Middle East and North Africa Region*.

Tartir A. and Wildman J. (2016), "*Donor Funding for the Palestinian Territories 2012-2015*", *unpublished study.*

Tresp and Murphy (2006), "Government Policy and the Effectiveness of Foreign Aid", *Department of Economics, Boston College, Chestnut Hill, USA.*

Todaro, Michel (2008), Development Economics", *3th, Edition, Dar Almareekh, Al-Reyad, Sudia Arabia.*

UNDP (2009), "Handbook on Planning, Monitoring and Evaluating for development results*", United Nations Development Program.*

West Bank and Gaza Municipal Finance and Service Provision (2010), *The World Bank, Sustainable Development Department Middle East and North Africa Region.*

Wickstead, Myles A. (2015), "Aid and Development: A Brief Introduction", *Oxford University Press*.

Ziara. M. Nigim. Kh. Enshassi. A. & Ayyub. B. (2002). "Strategic Implementation of Infrastructure Priority Projects: Case Study in Palestine*". Journal of Infrastructure Systems, Vol. 8, No.1.*

Websites and links

- The Organization for Economic Co-operation and Development (OECD): http://www.oecd.org/
- United Nation Office for the Coordination of Human Affairs: https://www.unocha.org/
- The World Bank Group: http://www.worldbank.org/
- The United Nations Relief and Works Agency for Palestine Refugees (UNRWA): https://www.unrwa.org/
- UNDP (Program of Assistance to Palestinian People: http://www.ps.undp.org/
- The Palestinian Central Bureau of Statistics:http://www.pcbs.gov.ps/
- Ministry of Public Works and Housing: http://www.mpwh.pna.ps/
- British Broadcasting Corporation BBC: http://www.bbc.com/
- Ministry of Local Governance: http://www.molg.pna.ps/
- Ministry of Transportation: http://www.mot.gov.ps/
- Palestinian Monetary Authority*:* http://www.pma.ps/

국문초록

팔레스타인 발전을 위한 해외원조의 영향평가:

가자지구 사회간접자본 지원 평가 2012-2016

Mahmoud R. H. Alnajjar
서울대학교 행정대학원
글로벌행정전공

본 연구는 팔레스타인의 국가 발전을 위한 해외 원조의 영향을 분석한 결과이다. 본 연구의 사례는 2012-2016 년 가자 지구 교통망 해외원조 프로그램이다. 가자 지구 교통망 지원 프로젝트를 평가하기 위하여 OECD DAC 의 5 가지 기준을 사용하였다(적합성, 효율성, 효과성, 영향, 지속가능성). 연구에는 1 차자료와 2 차자료를 모두 사용하였으며, 이론적, 경험적 자료를 평가과정에서 사용하였다.

Oslo 1993 이후에 팔레스타인에 대한 외국 원조액을 정확한 수치로 확인하였다. 확인한 자료에 의하면 팔레스타인 국민과 정부는 1993-2016 년 사이에 330 억 달러 이상의 외국 원조를 받았다. 이 연구의 사례인 팔레스타인 가자 지구의 복구 및 재건을 포함한 교통 인프라 지원사업, 사회, 공공 및 경제분야에 투입된 정확한 금액을 확인한 결과 2012-2016 년 사이에 23 억 3,100 만 달러가 투입되었다. 2012 년과 2016 년 사이에 공여국의 지원을 받아 438 개의 교통망 프로젝트가 수행되었고, 총 예산 3 억 7 백만 달러가 투입되었으며, 이 기간에 사회간접자본에 지원된 총 지원금에 11.6%를 차지했다.

평가결과 2012-2016 년 가자 지구의 교통 인프라 프로젝트 지원은 앞서 제시하였던 5 가지 기준을 충족 시켰다(적합성, 효율성, 효과성, 영향, 지속가능성). 본 연구는 2012-2016 년 가자지구의 기부 후원된 교통 인프라 프로젝트가 가자지구 및 팔레스타인의 국가 발전에 기여하기 위해 노력하고 있다고 평가하였다. 따라서 팔레스타인 사람들에 대한 외국의 원조는 국가

발전 과정에서 긍정적인 영향을 미친다. 점령된 팔레스타인 영토에 대한 외국 원조의 효과와 효과를 높이기 위해 본 연구는 기증자와 팔레스타인 당국이 팔레스타인의 국가의 지역간 발전 격차를 줄이기 위해서는 협력 관계를 증진하고 공동으로 노력해야 할 것을 제안한다. 팔레스타인 국민의 우선 순위와 필요를 포함하는 포괄적인 국가 발전 계획을 수립해야 한다. 팔레스타인 지역 및 국가 개발과정의 요구 사항을 충족시킬 포괄적인 국가 발전 계획에 맞추어 긍정적이고 통합된 방식으로 그들의 노력을 재조정해야 한다.

주제어: 해외원조, 국가개발, 가자 지구, 팔레스타인 점령지, 적합성, 효율성, 효과성, 영향, 지속가능성

학번: 2016-27875