United Nations Development Programme

Programme of Assistance to the Palestinian People

PROJECT DOCUMENT

Project Number:	PAL/00/J13/A/53/31
Project Title:	Rehabilitation of Tulkarem Hospital Phase III
Duration:	18 Months
Project Site:	Tulkarem, West Bank
ACC/UNDP Sector & Subsector:	1300 Health 1310 Health System Structure
Local Implementing Institution:	P.A. Ministry of Health
Executing Agency:	UNDP/PAPP
Estimated Start Date:	August 2000

UNDP & Cost Sharing Financing:

Trust Fund:

Government of: Japan	$2,129,630
PAPP Support Cost: (8%)	$ 170,370
Total:	$2,300,000

Project Description:

This project is the third phase of the construction of the New Government Hospital to serve the Tulkarem District in the West Bank. The first two phases of the project implemented by UNDP with funding from the Government of Japan comprised the building of the basement and ground floor of the new hospital. During this phase of the project, the first floor with a capacity for 84 beds will be constructed. In addition, the old Tulkarem Hospital will be renovated in order to accommodate the Operating Theater, Pharmacy, and Outpatient Clinics.

On behalf of:	Signature:	Date:	Name/Title:
United Nations Development Programme	T. S. Rothermel	26 Sept. 2000	Timothy S. Rothermel Special Representative

UN Official Exchange Rate at the date of Signature of Project Document: U.S $4.00 = NIS

Table of Contents

Introduction

The project described in this document will finance the third stage of the planned expansion and modernization of the Tulkarem Government Hospital in the West Bank through a contribution of US$ 2,300,000 made available by the Government of Japan. UNDP through its Engineering Department will serve as Executing and Implementing Agency for the project. The project represents a major step in the implementation of the Palestinian Authority's Master Plan for the Development of Eight Government Hospitals in the West Bank.

Tulkarem Hospital has been selected as the first hospital to be assisted for the following reasons. Tulkarem District is among the most heavily populated of the West Bank, with a present population estimated at about 202,000, which is projected to grow to about 290,000 by the year 2002. The hospital-bed /population ratio in the district is the lowest in the West Bank, namely 0.45 per 1000 population, versus an overall average for Palestine of close to 1/1000. The ratio of physicians to population is also the lowest in the West Bank, namely 0.53 per 1000 persons, and third lowest in availability of nurses.

The existing hospital is an old, poorly equipped and over-crowded facility with a present bed - capacity of 64 and is incapable of providing the quality of care which the residents of the district require. It is a district hospital which is reserved as a secondary referral facility for an extensive network of Primary Health Care Centers throughout the district, and in turn is supported by Nablus Hospital for more complicated treatment needs.

The full Master Plan for Tulkarem Hospital has been revised downward from the planned construction of a 6 floor facility with a bed-capacity of 136 to a well equipped three floor facility with a bed capacity of 84. The funds available under this project will permit completion of the first floor of the planned building, providing much needed space for essential support departments now crowded in the old building. As part of the revised master plan, all wards will eventually be located in the new building, except for the outpatient clinics, operating theaters, and pharmacy. The total cost of the new hospital is estimated at US$ 6.225 million, which will have been covered in total by the Government of Japan.

Context

A.1. Description of the Health Sector

In spite of formidable data problems, a fairly broad consensus exists regarding the general outlines of health conditions in the Gaza Strip and in the West Bank. Life expectancy, infant mortality and patterns of morbidity in the West Bank and Gaza are believed to be fairly similar to those typically found in lower-middle income countries. Palestinian and Israeli experts agree that life expectancy at birth is 65 to 66 years. The infant mortality rate is 40-45 infant deaths per thousand live births, which is high by international standards. Gastrointestinal and respiratory infections are reported as major problems in the Gaza Strip but not in the West Bank. High rates of respiratory and skin infections continue to be reported by residents of refugee camps due to crowded housing and poor environmental sanitation. The communicable diseases of childhood --mumps, whooping cough, tetanus, measles and polio-- have been largely controlled through a successful child immunization program. Moderate and severe malnutrition are virtually unknown. Food supplies are adequate in quantity and fairly well distributed. The customary diet is rich in proteins and fiber and low in animal products but provides too little of some micronutrients --particularly iron. Weaning practices generally are also sound. The West Bank reports high prevalence rates for cardiovascular diseases, hypertension, diabetes and cancer-- diseases usually associated with highly developed countries. However, these findings may reflect the selectivity of the sample produced by well-equipped clinics and by the aggressiveness of diagnostic efforts at these facilities. The pattern of disease is somewhat different in the Gaza Strip than in the West Bank. The two areas are distinct in terms of environmental conditions, economic circumstances, social situations and social services. Nonetheless, the reports that are available do not reveal major differences, except in the area of chronic, adult-onset diseases.

Major weaknesses in the current system of health care services have been identified in the National Health Plan (April 1994) as follows:

* Selective rather than comprehensive services are provided which translates into inequality in the distribution of health care services.

* The cost of health services for the consumers is high.

* Lack of coordination among major health providers impedes the process of developing efficient health services capable of satisfying rapidly the needs of the Palestinians.

* Lack of integration between health and social services, and, within the health sector, between Primary Health Care and Hospital Care.

* Only approximately 20% of the population benefits from the health insurance plan.

* In the Primary Health Care System, general practitioners do not act as "gatekeepers" and that results in a high proportion of direct referrals to hospitals.

* The patient's choice of facilities is limited.

* There are insufficient incentives for health personnel to improve their productivity and efficiency.

* Public awareness of health hazards, disease protection, health facilities, and methods for an effective use of available health services is low.

* Environmental hazards are not properly addressed.

* There is a lack of proper and reliable data on health and health related conditions.

* Poor management of existing facilities are leading to low efficiency as well as low quality of care and patient satisfaction.

* Finally, there are significant variations in health status and health care geographically, socially and among different occupations within the Palestinian Territories. The ratio of hospital beds, physicians and other medical personal per 1000 population varies considerably from district to district.

Achievement of greater coordination and economic efficiency in the health sector is complicated by the fact that health services are provided by four clusters of providers who act independently of one another to a large extent. These are: (a) the Palestine National Authority's Ministry of Health; (b) UNRWA, as regards health care of refugees; (c) numerous voluntary NGO's; and (d) for profit providers (private physicians and clinics).

Serious efforts are now underway by the PNA to improve the functioning of the system. Towards this goal a National Health Plan has been formulated, which is complemented by a Master Plan for the Development of the eight Government Hospitals in the West Bank. The goals and strategies are summarized in the following section.

A.2. Host Country Strategy

The policy and strategy of the PNA for the development of the health sector in the West Bank and Gaza Strip are set out in detail in the document entitled "The National Health Plan for the Palestinian People: Objectives and Strategies, published by the Planning and Research Center in April, 1994.

The point of departure for the strategy is the recognition that health is a multi-disciplinary subject involving five related but distinct factors, namely: (a) human biology; (b) the environment; (c) human behavior; (d) health care services; and (e) economic factors. The first three of these are considered to be the most significant, leading to the conclusion that an effective health strategy must deal not only with medical care and treatment but also with disease prevention, health promotion and health protection.

Against this background the goals of the National Health Plan are as follows:

* Forming the foundation for an action plan for all health providers;
* Reducing health disparities among Palestinians;
* Increasing and promoting greater access to preventive services for all Palestinians;
* Encouraging cost effectiveness in health care delivery;
* Regulating health personnel by adhering to specific criteria;
* Coordinating existing health programs;
* Establishing a comprehensive health insurance system.

The strategies for achieving these goals include the following:

* Integrating national health goals with local health goals;

* Focusing on improving the health status of the people who live in the health service area;

* Using data describing health status to express goals and objectives in ways that permit evaluation of progress toward achievement;

* Treating health services as an integrated system and evaluating the impact of proposed changes in any portion of the system on other portions of that system;

* Considering the effects of the environment and personal behavior on health status;

* Setting targets and priority needs in such a manner that they may be used to govern subsequent decisions and actions of health providers;

* Influencing national policy;

* Considering and influencing the actions of planning agencies and others that have an influence on the health system of the Palestinian people.

The National Health Plan is intended to provide a basis for the health providers to review proposed changes in the health system, to reduce deficiencies and inefficiencies, and to promote achievements to meet identified community health needs. Additionally, the National Health Plan is expected to pinpoint areas of excess and/or unnecessary duplication, and to provide guidance to address the problem of health care cost increases.

With regard to the expansion of health care facilities and hospitals in particular, it is recognized that both the increasing competition for resources and the high cost of health care are major issues, and that it is therefore necessary to plan the development of such facilities in a coordinated way based on a careful analysis of priorities.

The Health Plan is accordingly supplemented by a Master Plan which has been formulated jointly with the Israeli Civil Administration and which includes detailed proposals for the expansion and up-grading of Government hospitals in the eight districts of the West Bank[1]. The Tulkarem Hospital, which is the subject of the present project proposal, is one of these.

The goals of the Hospital Master Plan are:

* to improve the quality of services provided by the hospitals;

* to expand their bed-capacity to bring it into better proportion to the size of the population in the various districts; and

---

[1] Published under the title Development of the Government Hospitals in Judea and Samaria by the Israeli Civil Administration Health Services (November 1994) 2 Volumes.

* to reduce the significant disparities in hospital access that presently prevail among the various districts of the West Bank.

As regards the institutional framework for the delivery of health care, the strategy is to continue to foster a pluralistic and decentralized system comprising a mix of governmental and non- governmental providers (page 86 of the National Plan). Recognizing that a certain degree of central guidance is necessary to ensure effective and efficient management of the health sector, a Palestine Council of Health has been established, whose functions are described in section A.4 below.

It may be noted that the principles of decentralization and community participation have been followed in the preparation of the National Health Plan. Prior to its drafting a lengthy process was followed over some 14 months using the Nominal Group Technique (NGT). Nineteen meetings and workshops were held throughout the West Bank and Gaza Strip in which about 215 persons participated representing a mix of different community social stratus considered to be representative of users, and potential users of health services as well as health care providers in Palestine. The aim was to determine how these participants perceive health sector problems and possible approaches to their solution.

A.3. Prior and On-going Assistance

The health care sector in the Palestinian Territories has attracted a substantial amount of international donor assistance during the period of Israeli occupation and since the initiation of the Peace Process.

The largest single source of support has been UNRWA which provides basic health care to some 1 million refugees. The UNRWA budget is supported by some 60 governments and about a dozen charitable organizations. Approximately 60% of the budget for the West Bank and Gaza has been devoted to primary prevention and health promotion activities, and the remaining 40% to hospital care.

Bilateral assistance has been provided by several donors such as, Italy, Japan, Sweden, Norway and USAID.

UNDP has served as the channel and executing agency for a substantial portion of the funds provided by bilateral donors. UNDP has provided assistance of approximately US$ 1.8 million from its own resources for health - related activities, particularly concentrating in two areas, women's health care and integrated rural development. In addition, UNDP has rehabilitated and expanded three hospitals in the West Bank, as well as a number of clinics and hospital wards in the Gaza Strip with funding provided by the Government of Italy.

UNICEF has provided assistance through health project activities, mainly on education, sanitation and youth project programmes.

WHO has assisted the Palestinian Health Authority in several health areas, and cooperated with the World Food Programme to meet the most urgent needs in health.

NGO assistance in the sector has been provided principally by local Palestinian NGO's among the most active of which have been the Red Crescent Societies, the Patient's Friend Societies, MAP UK and the very active grassroots organizations, such as the Palestinian Health Relief Committees, the Health care Committees and the Health Work Committees.

In the hospital sub-sector, the main projects assisted by international donors have been:

(a) The UNRWA supported hospital in Qalqilia in the West Bank.

(b) The UNDP has provided the following assistance:

(b.1.) expansion of three hospitals in the West Bank, namely Ittihad Hospital in Nablus, Beit Jala Hospital and Princess Alia Hospital in Hebron. The total project cost amounts to US $ 9.3 million and is funded by the Government of Italy.

(b.2.) construction and rehabilitation of several hospital wards for Nasser Hospital in Khan Younis, as well as the Shifa Hospital and the Psychiatric Hospital in Gaza City. This project, amounting to US $ 1,000,000 is part of the employment generation programme funded by the Government of Sweden.

(b.3.) procurement of hospital equipment and supplies, such as kitchen and laundry equipment, medical surgery instruments, cleaning supplies and other items to Nasser Hospital in Khan Younis and Shifa Hospital in Gaza City. This activity, amounting to approximately US $ 730,000 was funded by the Government of Norway.

(b.4.) Completion of phase I of Tulkarem Hospital, the construction of the basement floor of the planned 3-floor facility. The project activity, which amounted to US $2,050,000, was funded by the Government of Japan.

(b.5.) Completion of phase II of Tulkarem Hospital which included the construction of the ground floor of the planned 3-floor facility. The project activity, which amounted to US $2,000,000, was funded by the Government of Japan.

(b.6) beginning of construction of the Northern Wing of the Princess Alia Hospital in Hebron which will house the emergency room and intensive care units, and will contribute to enlarge the bed capacity. The project activity is being funded through a US $7,000,000 grant from the Government of Italy.

A.4. Institutional Framework for the Health Sector

During the period of Israeli occupation, the Israeli Civil Administration was in charge of health services in the West Bank and the Gaza Strip. With the advent of Palestinian self-rule, responsibility for the sector has been transferred to the Palestinian Authority and its Ministry of Health. A National Health Council was established to promote development and coordination of the health sector. The responsibilities of the Council were as follows:

- Development of a strategic health plan and/or a health agenda for future action
- Advising stakeholders on significant policy issues and priorities affecting both public and private health care programmes.
- Monitoring and evaluating progress towards solving health problems.
- Presenting a health perspective on social, environmental and other issues affecting both public and private health care programmes.

- Serving as a buffer between the health providers and the political forces in the areas still occupied.

As mentioned above, the health care delivery system is a mix of public and private institutions, comprising, the PA, UNRWA, NGOs and for profit providers.

Government Hospitals number nine in the West Bank with a total of about 1000 beds. Eight of these are general hospitals (680 beds) and one a psychiatric hospital (320 beds).

In the Gaza Strip, the PA operates two general hospitals (615 beds), and three specialized hospitals (ophthalmic, orthopedic and psychiatric) with a combined bed capacity of 204.

In addition to these hospitals, the PA Ministry of Health manages approximately 300 primary health centers throughout the West Bank and Gaza Strip.

UNRWA operates one hospital in the West Bank (62 beds) and has contractual arrangements with five NGO hospitals and two government hospitals, plus a large number of PHC clinics in the refugee camps.

NGO general and specialized hospitals in the West Bank number 11 with a total of 989 beds, and two in the Gaza Strip (98 beds).

Maternity Hospitals number ten in the West Bank and one in the Gaza Strip with a combined bed-capacity of 181. Eight of these are private institutions, with the remaining three operated by NGOs.

Note: The above data are for the year 1993, the latest data available. Readers interested in more detailed information regarding distribution of health care institutions by district, physicians, population ratios and other aspects of the Palestinian health care system are referred to the numerous tables included in the National Health Plan for the Palestinian People, as well as the Palestinian Health Services in the West Bank and Gaza Strip: Facts and Figures, published by the Planning and Research Center (August 1994).

B. Project Justification

B.1. Problems to be Addressed: the Present Situation

This project is intended to address three inter-related problems which presently constitute serious obstacles to adequate health care in Tulkarem District. First: the acute shortage of hospital beds presently available to the population of Tulkarem District. This population is presently estimated at about 202,000, for whom only 90 hospital beds are currently available (64 in the Tulkarem Government Hospital, and 26 in a Maternity Hospital run by the Red Crescent). The ratio of beds per 1000 persons is accordingly 0.45, the lowest in any of the 8 Districts of the West Bank and far lower than the average for the West Bank and Gaza Strip, which is about one bed for 1000 population. The ratio in neighboring countries of the region, is up to two beds per thousand, and in several three per thousand.

The Planning and Research Center in Jerusalem (April, 1994) forecasts an increase in the population of Tulkarem District to 290,000 by 2002. If not dealt with on an urgent basis, hospital care and treatment in the District will only deteriorate steadily over the next few years.

The Hospital operated by the Red Crescent in Tulkarem has a 26-bed maternity hospital. A third 120-bed private hospital sponsored by the Al-Zakat Committee, is presently under construction in Tulkarem town, but is not expected to be completed for several more years, if then, because of funding difficulties. Successful completion of this hospital, together with the planned expansion of Tulkarem Hospital would bring the bed/population ratio in the Tulkarem District to 1 per 1000, a great improvement over the present situation, and an acceptable ratio. It should be noted, however, that more than half of these beds would be in the private sector and hence more expensive to patients and less accessible to the poorer sectors of the population.

The second problem to be addressed by this project is the need to update the quality of care that is presently being provided by Tulkarem Hospital, which is lower than it should be because of the inadequate space and facilities presently available. The hospital is now functioning in two old and partially deteriorated buildings plus several smaller auxiliary buildings. One of the two main buildings was built nearly a hundred years ago in the days of the Ottoman Empire and the other in the 1980s. As the bed capacity of the hospital has increased, these quarters have become totally inadequate. The hospital area per bed is presently only 27 square meters whereas about three times this area is needed to ensure adequate working conditions for the staff and efficient functioning of a modern medical facility. As a consequence, the wards are over-crowded, the hospital administration functions in two small crowded rooms without adequate space for storage of charts and other medical records; and the two operating rooms, the hospital laboratory, intensive care unit and other basic support facilities lack adequate space. Much of the hospital equipment is up to 25 years old, and to a considerable extent out-dated. Having evolved in an ad hoc manner the design is very inefficient, causing serious delays in moving patients from one department to another. All these factors, place the staff in very difficult working conditions. Fluctuations in the occupancy rate often require that patients sometimes be dismissed earlier than good medical practice requires in order to make room for more urgent cases. Such conditions make it difficult to attract and retain highly qualified medical and nursing staff. During 1995, the hospital lost four physicians.

A third issue to which the proposed expansion of Tulkarem Hospital is related concerns the future of the Primary Health Care (PHC) system in the District. This system now comprises a network of 68 Primary Health Clinics and will need to be expanded as the population of the area grows. While the main function of a PHC system is to provide preventive and not curative health care, one of its important functions is also to detect needs for treatment at an early stage and arrange for hospitalization if necessary. A well-functioning and expanding PHC system accordingly requires adequate secondary therapy and referral facilities. Because of its low bed-capacity and occasional high occupancy rate, Tulkarem Hospital occasionally has to refuse admission to patients, a situation, again, that will grow more serious as population and the PHC network expand.

B.2. Expected End of Project Situation

The Original Master Plan for the development of the Tulkarem Government Hospital originally called for the construction of a 6-floor building with a bed-capacity of 136 beds. However, the plan has been recently changed (see attached letter) by the Ministry of Health to reflect the current situation, which is that the construction of one additional 84 bed capacity floor is sufficient. In addition, rather than tearing down the old hospital, funds from this project

will be utilized to rehabilitate and renovate the old facility. The Site and Floor Plans as well as a Section and Elevation drawing are attached as Annex I. The project described in this document (phase III) provides for the completion of the first floor at an estimated cost of US$ 2,300,000 provided by the Government of Japan[2]

At the end of phase III, the situation will be as follows:

(a) Addition of one new story encompassing roughly 2000 square meters, with a bed capacity of 84, including four in the intensive care unit.

(b) Rehabilitation of the operating theaters, pharmacy, and outpatient clinics in the old hospital building.

(c) The basement floor will comprise of the following units:

- Emergency Room, Kitchen and Dining Room, Central Sterilization Unit, Machinery, and Stores

(d) The ground floor will comprise of the following units:
- Laboratory, Radiology, Obstetrics and Gynecological Surgery, Archives, Administration, and Pediatric Unit

(e) The first floor (this project) will comprise of the following units:
- Internal Medicine, Intensive Care Unit, Female Surgery Department

The net result of these developments will be greater access of the people of Tulkarem District to hospital treatment and care; an improvement in the quality of the care provided by the hospital; and improved working conditions for the medical, nursing and technical hospital staff resulting in greater job satisfaction and ability of the hospital administration to attract and retain qualified staff. It is expected that the cost effectiveness of the hospital will improve. The World Bank estimates that for maximum cost- effectiveness a modern hospital should have about 150 beds, or somewhat fewer in developing countries where staff costs are lower. The planned expansion of Tulkarem Hospital to 84 beds falls within this range. The savings in operating costs resulting from this improvement may permit a reduction in patients' fees now set at 300 shekels per night.

From a broader social and political point of view, implementation of this project will provide a highly visible demonstration that the Peace Process is beginning to contribute to significant improvements in basic services and related infrastructure in the West Bank.

B.3. Target Beneficiaries

The beneficiaries of this project will be the following:

(a) The people of Tulkarem District, who will have increased access to hospital treatment and care of higher quality than is presently available to them;

---

[2]For full development and construction details, See Development of the Government Hospitals in Judaia and Samaria, Vol. 1 , Chapter 7 and Vol. 2, Section 3. (State of Israel, Civil Administration Health Services, Judaia and Samaria, November 1994)

(b) The administrative and medical staff of the hospital who will be able to carry out their professional duties in a more professional manner and in a better human and technical environment;

(c) The Palestinian Authorities at both the national and district level, who will be able to cite the project as a tangible sign of progress in a vital sector, as the West Bank returns to Palestinian self-rule.

B.4. Project Strategy and Implementation Arrangements

The selection of Tulkarem Hospital for expansion and modernization with external donor assistance is fully consistent with the PNA's overall strategy for the health sector as set out in the National Health Plan, and summarized section A-2 above. The hospital is one of the eight included in the Master Plan for hospital development in the West Bank and accordingly does not represent a random or arbitrary choice, but a link in a coordinated network of priority health facilities planned by the PA. Also, as noted in Section A.2 above, a key goal of the PA's health sector strategy is to reduce health disparities among the Palestinian people. As the most under-served district in the West Bank in terms of access to quality hospital care, Tulkarem is a logical choice for the next hospital to be expanded under the Master Plan.

The construction strategy to be adopted, namely phased upgrading of the institution, is based on the consideration that the hospital will have to continue functioning throughout the building phase. It is therefore necessary to proceed in stages.

As regards implementation arrangements, UNDP will serve as the Executing Agency through its Engineering Department in close consultation with the Palestinian Ministry of Health and the Municipality of Tulkarem.

The Ministry of Health will provide all necessary information on the needs and priorities, as well as facilitate the implementation of the various project activities to be undertaken.

Construction will be carried out under contract with one or more building contractors selected under UNDP's normal competitive bidding procedures.

UNDP/PAPP's Environoment and Infrastructure Unit will have overall responsibility of the Management of the Project through a designated Programme Management Officer (PMO).

UNDP's staff engineers will supervise the work and provide the other services listed in Section D, Project Activities below.

Following completion of the work, the Palestinian Ministry of Health will be responsible for the operation and maintenance of the hospital.

B.5. Reasons for UNDP and Japanese Assistance

The expansion and renovation of Tulkarem Hospital has been designated by the PA as high priority project that will signal the beginning of the implementation of the Master Plan for the Development of Government Hospitals in the West Bank. The PA does not have the funds to implement the project and is obliged to call upon the international community for help.

From the viewpoint of UNDP, an adequately functioning health care system is one of the essential and most basic requirements for sustainable human development. The project also has a strong poverty alleviation dimension, one of UNDP's primary objectives in Palestine, as in all countries where the Program is working. To be poor does not only mean to have a low income; it also means being deprived of essential services or to be dependent on inadequate low - quality services, of which health services are among the most important.

It is therefore appropriate that UNDP accept the responsibility for the implementation of the project and management of the funds which the Government of Japan has generously agreed to provide. UNDP and Japan have developed a highly productive partnership in the implementation of construction projects of this type, facilitated in great part by the special expertise available through UNDP's highly experienced Engineering Department. In principle the Israeli Government should have provided funds for the implementation of the Master Plan. Plans for all eight hospitals were completed as early as 1987. The development of the eight hospitals was initially supposed to be completed by 1995. It is stated that this did not happen due to budgetary constraints (Master Plan, Vol. I. P.6). All this not withstanding it is appropriate that members of the international community with greater concern for the welfare of the Palestinian people now step-in to help.

6. Special Considerations

An important consideration relating to this project is that it will be of particular benefit to women of Tulkarem District. A large proportion of the patients who seek health services and treatment are women of the area and their children. Deliveries number 100-120 per month in the 15-bed maternity department. Access to more spacious, clean modern facilities that can provide obstetrical, gynecological and pediatric services of high quality, will be a great benefit to the female population of Tulkarem District and their children.

A second consideration of a more political nature is the fact that as Palestinian self-rule is extended to the major towns of the West Bank it is important that the local population see tangible improvements in the infrastructure and services that directly affect the quality of their daily lives. Few projects are more visible than a new major hospital.

B.7. Coordination Arrangements

Coordination of the actual construction work including phasing of the work, timely supply of the necessary equipment and materials, etc. will be the responsibility of the building contractors who are awarded the contract, under the supervision of UNDP's own engineers.

As the newly constructed first floor facilities become available, the shifting of the various departments from the existing to the new quarters will be managed by the hospital administration. Since the first floor is being constructed while the hospital is in full operation, coordination of the activities to ensure no interruptions of the services or no annoyance to the patients will be ensured by UNDP, the contractor and the hospital administration.

UNDP will assist in drawing up specifications of the new items of hospital equipment and furniture that will be needed.

UNDP will also ensure full coordination with relevant Palestinian institutions, such as the Ministry of Health, as well as the project design firm.

The Palestinian Ministry of Health will be asked to nominate a representative to act on a special coordination committee with UNDP in order to ensure all issues technical and other are dealt with in the most efficient way.

B.8. Counterpart Support Capacity

Tulkarem Hospital is presently administrated by a professionally trained and experienced Administrator and Medical Director who have been managing the institution for years. Any back-up support that will be needed from them and their staff as the work progresses will be available.

Furthermore, the Ministry of Health has a technical department with experienced engineers. UNDP will coordinate with them very closely, particularly during the design period and during the construction period.

As the bed-capacity of the hospital is expanded with a corresponding increase in the patient load, it will become necessary to increase the number of physicians, nurses, technicians and other hospital staff. This question was discussed with the hospital administration and it is their judgment that the additional personnel are available and they will be able to recruit them, as needed.

The recurring costs of the completed facility will be met partly from patients' fees largely covered by their insurance, and partly from the budget of the Ministry of Heath. It is expected that the necessary budgetary allocation will have been made by the time the construction work is completed.

C. Development Objective

The longer-term development objective of this project is the improvement of the health of the population of Tulkarem District by expanding access of residents of the region to a larger, fully equipped and modernized district hospital, linked closely, on the one hand, with the Primary Health Care network of the district, and on the other, to Nablus Hospitals as tertiary referral facilities for more complicated care and treatment.

D. Immediate Objectives

The immediate objective of the project is to continue implementation of the PA's Hospital Development Master Plan for the West Bank, through the construction of Phase III of the Tulkarem District Hospital comprising the first floor facilities mentioned above.

Objectives:	Outputs:	Activities:
1.	1.1 Detailed engineering designs, working Drawings, etc. prepared on the basis of the preliminary drawings contained in the Master Plan.	1.1-1 Tenders for the design work prepared by UNDP; bids solicited and reviewed; design consultant selected and contract negotiated.
	1.2 Tender documents for the construction work prepared and issued, including bills of quantities, etc	1.2-1 Prepare and issue documents (UNDP); select bids and screen them, select contractor(s); prepare and negotiate contracts.
	1.3 Construction works implemented	1.3-1 Site preparation, procurement of construction equipment and materials, construction of the building by the selected contractor(s).
	1.4 Progress reports prepared at appropriate intervals during the above process and submitted to the donor.	1.4-1 Prepare and submit reports.

As the final Output of the above activities

* The first floor of the new planned 3-story hospital building completed, and equipped.

* Rehabiliation and Renovation of the existing old Hospital.

E. Inputs

1. By the Palestinian Authority

The PA will provide:

a) All necessary licenses and permits.
b) Any other logistical or administrative support that may be required to facilitate the work.

2. By the Government of Japan

a) The Government of Japan, as the Donor, will provide funding in the amount of US$ 2,300,000 to cover construction costs of the works. This total amount is subject to a flat 8% Administrative and Operational cost of US $170,370.

3. By UNDP

UNDP through its Engineering Unit will provide:

a) The support services described in Section D, Project Activities above.

UNDP through its Environment & Infrastructure Unit will provide:

a) Management of all aspects of the project, including reporting, coordination, negotiations, site visits, etc.
b) Assistance in the procurement of equipment and furniture as needed.
c) Financial management and accountability for the funds provided by the Donor.

F. Risks

No risks are foreseen that are likely to prevent or seriously delay the actual construction of the hospital. However, some questions need to be considered regarding its operation following completion of the construction phase. The one issue that comes into question is the staffing requirements, and whether the necessary number of additional trained specialist physicians, residents, nurses and other personnel will readily be available;

In regard to this, the existing 64 bed hospital presently has a staff of 14 medical specialists; 13 resident physicians and 45 nurses in addition to laboratory technicians and other technical staff. If bed capacity is expanded to about 90 beds or so, additional medical and other staff will obviously have to be recruited. The question arises as to whether the required number of staff with the requisite professional qualifications will be available on a timely basis and at a reasonable cost. All indications are that the additional personnel will be available.

G. Project Budget

Description	Budget (US $)
Construction of 2000 sq. m. First floor of New Hospital Building	1,600,000
Renovation and Rehabilitation of 1166 sq. m. Old Hospital Building	350,000
Site Engineer/civil (18 months)	48,000
Part Time Electrical Engineer (12 months)	14,400
Part Time Mechanical Engineer (12 months)	14,400
Design Costs (First Floor as well as Rehabilitation)	50,000
Project Vehicle (UNDP)	20,000
Evaluation	10,000
*Contingency	22,830
Subtotal	2,129,630
UNDP AOS (8%)	170,370
Total	**2,300,000**

* The contingency item will only be utilized if there is a need to within the planned activities under this project. In the case the item was not utilized consultations with the donor country will take place to decide on the programming of any saved amount under the project.

The $1,600,000 set aside for the **construction** of the 2000 square meter first floor is broken down accordingly: (see attached breakdown of works)

Cost Estimate Breakdown

■ Civil Works ■ Electrical Works □ Mechanical Works

In addition to the construction works, it is estimated that the **rehabilitation works** which are to encompass an area of approximately 1166 square meters is based on an estimated cost $300 per square meter.

Finally, it is anticipated that the project, which is not an employment generation project, will create roughly 10,000 workday opportunities, thus in fact assisting to alleviate the underemployment situation in the Tulkarem District. This figure is calculated by assuming that on average there will be 30 workers at any one time working on either the construction or rehabilitation portion of the project for a period of approximately 330 days.

H. Project Reporting, Review and Evaluation

H.1. Reporting

UNDP will:

- Prepare biannually financial and operational progress reports to be submitted to the Donor.
- Prepare any additional report, as requested by the Donor.
- Prepare a comprehensive terminal report not later than two months after project completion.

H.2. Review and Evaluation

The project will be subject to joint review by representatives of the Ministry of Health, and UNDP at least once every 12 months, the first such meeting to be held within the first 12 months of the start of the implementation.

Approximate Cost Estimate

	DESCRIPTION	Percentage	Total $
	Concrete works	8.00%	128,000
	Construction Works	3.00%	48,000
	Sealing Work	3.00%	48,000
	Metal works	2.00%	32,000
	Stone Works	7.00%	112,000
	Carpentry & steel Works	6.00%	96,000
	Plaster work	5.00%	80,000
	Tiling Work	6.00%	96,000
	Paint Work	4.00%	64,000
	Aluminum Work	3.00%	48,000
	Prefabrecated works	4.00%	64,000
	Furniture	2.00%	32,000
	Site preperation works	2.00%	32,000
	Total civil works	55.00%	880,000
	Electrical Work	13.00%	208,000
	Sanitary Work	9.00%	144,000
	Air Conditioning	12.00%	192,000
	Heating Work	6.00%	96,000
	Medigal Gazes	5.00%	80,000
	Total Mechanical works	32.00%	512,000
	Total$		1,600,000

Rehabilitation Works

Total area of old buildings to be rehabilitated/remodeling= 1166m2 — 350,000

at a cost 0f US$ 300 per m2

Grand Total..$ — 1,950,000

Main Source of Funds: 53 - UNDP/PAPP Trust Funds
Executing Agency: UNOPS - UNDP Office for Project Services

SBLN	Description	Implementing		Total	2000	2001	2002
010.	***PERSONNEL***						
017.	***National Consultants***						
017.01	Site Engineer	UNOPS	Net Amount	48,000		32,004	15,996
			AOS	3,840		2,560	1,280
			Total	51,840		34,564	17,276
017.02	Electrical Engineer	UNOPS	Net Amount	14,400		14,400	
			AOS	1,152		1,152	
			Total	15,552		15,552	
017.03	Mechanical Engineer	UNOPS	Net Amount	14,400		14,400	
			AOS	1,152		1,152	
			Total	15,552		15,552	
017.99	***Line Total***		Net Amount	76,800		60,804	15,996
			AOS	6,144		4,864	1,280
			Total	82,944		65,668	17,276
019.	***PROJECT PERSONNEL TOTAL***		Net Amount	76,800		60,804	15,996
			AOS	6,144		4,864	1,280
			Total	82,944		65,668	17,276
020.	***CONTRACTS***						
021.	***Contract A***						
021.01	Sub Contract - Construction Works	UNOPS	Net Amount	1,600,000		1,200,000	400,000
			AOS	128,000		96,000	32,000
			Total	1,728,000		1,296,000	432,000
021.02	Renovation Works	UNOPS	Net Amount	350,000		300,000	50,000
			AOS	28,000		24,000	4,000
			Total	378,000		324,000	54,000
021.03	Design Costs	UNOPS	Net Amount	50,000	30,000	20,000	
			AOS	4,000	2,400	1,600	
			Total	54,000	32,400	21,600	
021.99	***Line Total***		Net Amount	2,000,000	30,000	1,520,000	450,000
			AOS	160,000	2,400	121,600	36,000
			Total	2,160,000	32,400	1,641,600	486,000

Main Source of Funds: 53 - UNDP/PAPP Trust Funds
Executing Agency: UNOPS - UNDP Office for Project Services

SBLN	Description	Implementing		Total	2000	2001	2002
029.	***SUBCONTRACTS TOTAL***		Net Amount	2,000,000	30,000	1,520,000	450,000
			AOS	160,000	2,400	121,600	36,000
			Total	2,160,000	32,400	1,641,600	486,000
040.	***EQUIPMENT***						
045.	***Equipment***						
045.01	Project Vehicle	UNOPS	Net Amount	20,000	17,000	3,000	
			AOS	1,600	1,360	240	
			Total	21,600	18,360	3,240	
045.99	***Line Total***		Net Amount	20,000	17,000	3,000	
			AOS	1,600	1,360	240	
			Total	21,600	18,360	3,240	
049.	***EQUIPMENT TOTAL***		Net Amount	20,000	17,000	3,000	
			AOS	1,600	1,360	240	
			Total	21,600	18,360	3,240	
050.	***MISCELLANEOUS***						
052.	***Reporting Costs***						
052.01	Evaluation	UNOPS	Net Amount	10,000			10,000
			AOS	800			800
			Total	10,800			10,800
052.99	***Line Total***		Net Amount	10,000			10,000
			AOS	800			800
			Total	10,800			10,800
053.	***Sundries***						
053.01	Contingencies	UNOPS	Net Amount	22,830	1,000	15,830	6,000
			AOS	1,826	80	1,266	480
			Total	24,656	1,080	17,096	6,480
053.99	***Line Total***		Net Amount	22,830	1,000	15,830	6,000
			AOS	1,826	80	1,266	480
			Total	24,656	1,080	17,096	6,480

Main Source of Funds: 53 - UNDP/PAPP Trust Funds
Executing Agency: UNOPS - UNDP Office for Project Services

SBLN	Description	Implementing		Total	2000	2001	2002
059.	***MISCELLANEOUS TOTAL***		Net Amount	32,830	1,000	15,830	16,000
			AOS	2,626	80	1,266	1,280
			Total	35,456	1,080	17,096	17,280
099.	***BUDGET TOTAL***		Net Amount	2,129,630	48,000	1,599,634	481,996
			AOS	170,370	3,840	127,970	38,560
			Total	2,300,000	51,840	1,727,604	520,556

Main Source of Funds: 53 - UNDP/PAPP Trust Funds
Executing Agency: UNOPS - UNDP Office for Project Services

SBLN	Donor	Funding		Total	2000	2001	2002
999.	***NET CONTRIBUTION***		Net Contrib.	2,129,630	48,000	1,599,634	481,996
			AOS	170,370	3,840	127,970	38,560
			Total	2,300,000	51,840	1,727,604	520,556

III. Recommendations:

Recommendation:	Designated Person to Follow Up:	Action Completed:
Remove the section regarding risks and recurring costs. Already covered in Section B.8	Nader	Completed
Create Evaluation Budget Line	Nader	Completed
Coordination arrangements	Lana, Nader, Engineering Unit	Continuous Basis