فلسطين PALESTINE
تـنـهـض EMERGING

HEALTHCARE PARTNERSHIP & TRANSFORMATION

إلى جميع العاملين في مجال الرعاية الصحية

TO ALL HEALTHCARE WORKERS IN THE REGION

PALESTINE فلسطين
EMERGING تـنـهـض

Healthcare Partnership & Transformation is an initiative of PALESTINE EMERGING, a diverse, pro-bono coalition of over 100 leaders, experts and organizations from Palestine and around the world.

PROLOGUE

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A HEALTHCARE BLUEPRINT TO ACCELERATE HUMANITARIAN RECOVERY THROUGH PARTNERSHIPS, HOLISTICALLY TRANSFORMING PALESTINE'S HEALTH SYSTEM WITH THE SUPPORT OF PHARMACEUTICAL AND KNOWLEDGE EXPORT

1.1 ABOUT US

WHO ARE WE?

PALESTINE EMERGING is a diverse, pro-bono coalition of more than 100 leaders, experts and organizations from Palestine and around the world. Together, we focus on reconstructing and developing Gaza and the West Bank, building on existing strengths and fostering new opportunities. In health, we want to help develop a sustainable partnership structure between public and private healthcare providers, with a focus on increasing the quality of care and its accessibility for the greatest number of Palestinian people.

PALESTINE EMERGING expresses its sincere gratitude to the many individuals whose time, insights, experience, and patience have been instrumental in the development of this work.

We are particularly thankful to the Palestinian Ministry of Health, the World Health Organization, the World Bank, the Gaza Health Cluster members, and members of Harvard Medical School for their detailed input.

We also extend our appreciation to the Palestinian private sector players from health and adjacent industries, NGOs, private hospital networks, and unions across East Jerusalem and the West Bank, as well as international NGOs, consultancies, educational institutions, civil society organizations, private enterprises, and innovation centers for their insights and support in delivery planning.

Special thanks go to **Hugo Tay** for his drafting and exceptional leadership in bringing this blueprint to completion. We owe a significant debt to the expert contributions of Dr. Mohammed Abu Zaineh, Dr. Salmaan Keshavjee, Dr. Shwana Novak and Dr. C Ross Anthony, along with many other medical and public health professionals.

Additional support was provided by the core PALESTINE EMERGING team led by Shireen Shelleh, including Chris Choa, Baron Frankal, and David Prais. Credit also goes to members of the working team, Stefanella Julius, Ukyo Yang, and Henry Tian.

Shout-out to Adam Brown, Carmen Garcia, Thomas Penny, and Athene Robertson for their design, reprographics, and editorial support. This work was developed across residencies in Amman, Cambridge, Jerusalem, London, and Ramallah.

THIS DOCUMENT IS:

A long-term strategy for health that complements and strengthens other efforts by providing:

- High-level aggregated data of health demand, supply and finance evolution
- A list of catalysts to accelerate existing transformation efforts
- Options for policy makers
- A financing framework to attract investment into the region

THIS DOCUMENT IS NOT:

- A short-term humanitarian recovery plan for health
- A detailed and exhaustive analysis to map disease burden and healthcare supply
- A complete list of all ongoing interventions in health
- A detailed technical document on different areas of health policy, including insurance

1.2 EXECUTIVE SUMMARY

Healthcare is an essential foundation for a healthy workforce and a thriving society. Projections on increasing population and disease burden suggest a doubling of non-communicable diseases in the West Bank by 2050. The West Bank needs to double its bed capacity to meet regional benchmarks, and the number of specialist doctors needs to increase significantly. The fiscal gap in the West Bank is widening, and healthcare spending by the government is more than its entire deficit, with the gap set to continue growing without significant reform. In Gaza, the entire health system needs to be rebuilt. In the short term, a humanitarian corridor must open to offer a real and rapid solution to the need for more mobile equipment, and for staff to flow in and patients be transferred out.

A patient-centric and regionally differentiated approach is needed. Remote areas require more investment as they have worse health conditions, especially in the north. The needs of women must also particularly be considered. Palestinians, as evidenced in our bespoke survey, say they have a better experience at private hospitals, which provide roughly 17% of all beds. People say they are willing to pay for better quality care, according to actuarial and survey studies. The rollout of hybrid health insurance products could quadruple premium collection by 2030, offsetting the financial burden.

Partnership between existing public and private sector players, as well as potential new entrants, is imperative if demand pressure and supply side challenges are to be met. *Standardised training and accreditation* will upskill Palestinian health workers to help meet the specialist shortfall. An effective *Public Private Partnership framework will enable* the private sector to do more by bearing investment risks, delivering high-quality care to patients and offsetting the load so the public health system can focus on primary care and recovery. An effective *hybrid insurance system* will diversify revenue streams and be part of a long-term solution to the Palestinian healthcare system's current unsustainable funding framework.

Transformation, in particular digital transformation, will optimise health systems, free up capacity and reduce costs. However, successful implementation will require close coordination and sustained investment. Building on existing foundations and investment in patient-focused preventive software, *telehealth solutions* will reduce disease incidence rates, travel times and the cost of care. *Software and data integration* at the enterprise level are needed to consolidate the fragmented system and greatly improve efficiency and patient care.

This PALESTINE EMERGING work provides evidence of the value and benefits of a community-centric, systemic approach to healthcare partnership and transformation. This can best be implemented through a lean, best-practice delivery unit staffed by representatives of organisations seeking beneficial changes, in the immediate term by delivering catalyst interventions. These will help form the robust foundations needed for Palestine's healthcare to meet the 2050 growth case scenario and to deliver a transformed health system which *conducts localized clinical trials, exports drugs, equipment, human resources and knowledge* to the broader region and the world.

1.3 DESIGN PRINCIPLES

Our approach is guided by 10 design principles:

1. **LOCALIZATION**
   Strengthen local capabilities to reduce out-of-country patient transfers and financial arrears.
2. **NO DUPLICATION**
   Work with existing organizations to avoid redundant effort.
3. **ONE SYSTEM**
   Strengthen current institutions and promote efficiency.
4. **DIAGONAL INTERVENTION**
   Incorporate disease-specific interventions with systemic integration.
5. **EVIDENCE-BASED**
   Make decisions using data and evidence to ensure effectiveness.
6. **PILOT FIRST**
   Pilot First, then scale, testing new ideas before expanding them.
7. **COMMUNITY BASED, PATIENT-LED**
   Consider local context to meet differentiated needs.
8. **LEAN, IMPACT-FOCUSED GOVERNANCE**
   Prioritize efficient management focused on tangible results.
9. **BLENDED FINANCE**
   Utilize a mix of financial tools to enhance funding capabilities.
10. **UNIVERSAL HEALTH COVERAGE**
    Ensure quality services are available and affordable for everyone.

PALESTINE EMERGING adopts a long-term view of recovery and reconstruction. The healthcare catalysts in this document will be implemented in tandem with the infrastructure and growth-specific GAMECHANGERS highlighted in our earlier blueprint.

We challenge the scarcity mindset and encourage stakeholders to think beyond current constraints. The entire blueprint considers potential security and stability risks and unique local contexts. Every catalyst has been developed and prioritized on an impact/feasibility matrix based on extensive consultation with local stakeholders and international colleagues.

1.4 ASSUMPTIONS AND ECONOMIC PROJECTIONS

As set out in full in PALESTINE EMERGING's Economic Reconstruction and Development blueprint, two macroeconomic scenarios have been modelled: the Base Case and the PALESTINE EMERGING (PE) Case.

- Base Case: Assumes the continuation of the current status quo.
- PALESTINE EMERGING Case: Shows how key "Gamechanger" interventions can more than double Gross Domestic Product (GDP), reaching approximately $36bn by 2050, compared to $19bn in the base case. This implies an annual growth rate of 2.9%, versus 0.7% in the base case.

This Healthcare Partnership and Transformation blueprint elaborates on interventions in this area, drawing on extensive consultation and further research and development. In particular, the catalyst measures set out here will both strengthen the healthcare system and stimulate economic growth.

SEE ALSO

RAND—Building a Successful Palestinian State, Health Chapter, 2007: Outlines the foundational health system requirements for a stable and sustainable Palestinian state. RAND estimates that the Palestinian health system would require $125 – 160 million per year in external support for over a decade before it could become sustainable.

PALESTINE EMERGING Economic Reconstruction & Development Blueprint, Social Assets Chapter, 2024: Focuses on social infrastructure development to support economic recovery and resilience in Palestine. The study outlines short-, medium and long-term priorities for healthcare excellence and highlights the potential for a telehealth game-changer to optimise select cost drivers by nearly 50%.

PALESTINE EMERGING has identified enabling and impact-health catalysts to accelerate recovery and drive sustainable growth.

CATALYSTS

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2.1 ENABLING CATALYSTS

Palestine Emerging identified a series of enabling catalysts that address the structural challenges within public health and financing necessary to create the foundation for sustained private sector investment.

Type	Impact Area	Purpose
Enabling	Regulatory and Governance	Designing and standardizing national health protocols and policies.
	Social and Community	Improving public health by addressing issues such as access to primary care, disease prevention and health education.
	Institutional capacity	Enhancing the healthcare workforce through training and leadership development.

2.2 IMPACT CATALYSTS

A series of impact catalysts with plausible returns on investment have also been identified. These initiatives increase the health outcomes of the population while generating profits to fuel consistent innovation and scaling.

Type	Impact Area	Purpose
Impact	Revenue generating	Driving new revenue streams through product launches and innovative business models.
	Cost saving	Reducing costs in healthcare delivery by implementing new technologies and improving processes.
	Impact driving	Streamlining healthcare operations, reducing redundancies and improving service delivery to enhance overall efficiency.

Catalyst	Description	Category	Page
Mobile Specialized Health Units	Deploys mobile units for critical healthcare in under-served areas.	Enabling	065
Gaza - West Bank Humanitarian Corridor	Establishes a corridor for essential medical supplies and patient transfers.	Enabling	067
National Training and Accreditation Plan	Standardizes healthcare training and accreditation across Palestine.	Enabling	075
Concession-based Public-Private Partnerships	Shifts to a concession model to attract sustainable private healthcare investments.	Impact	081
Hybrid Insurance	Implements a hybrid insurance model with a compulsory basic package.	Impact	082
Telehealth Platform	Provides remote consultations and diagnostics via mobile/ web platforms.	Impact	095
Standardised EMR Data Exchange	Integrates public and private Electronic Medical Records (EMR) systems for unified patient data sharing.	Impact	099
Pharmaceutical Export	Expands pharmaceutical exports to North Africa and the GCC.	Impact	105
Local Clinical Trials	Secures regulatory approval to conduct localised clinical trials in Palestine to support drug discovery and exports.	Impact	105

CATALYST OVERVIEW

Mobile Specialized Health Units
This focuses on helping alleviate the consequences of the war in Gaza, where only about 30% of hospitals are operating, and the destruction of infrastructure has worsened disease and massively reduced access to specialized medical care. To meet the strip's very specific recovery needs, this project will import sophisticated mobile health units equipped with surgical tools, wound care supplies and diagnostic technology to provide critical care, including maternal and mental health services, where hospitals are non-functional. The pilot is to deploy two mobile units offering surgical interventions and wound care to a designated area in Gaza. These units will work in coordination with local health clusters and international organizations, providing immediate care and testing the feasibility of larger-scale mobile healthcare. As soon as possible, an additional 20 mobile units will be imported and integrated into wider healthcare reconstruction efforts, providing flexibility during infrastructure rebuilding.

Gaza-West Bank Humanitarian Corridor
Throughout the ongoing conflict, medical aid, personnel and equipment have faced extreme difficulties entering Gaza, and patients requiring treatment have faced similar barriers to leaving. Vital medical supplies remain stuck at the border and significant medical capacity and expertise exists in the West Bank. Establishing a humanitarian corridor between Gaza and the West Bank will be a major enabler of healthcare provision in Gaza, facilitating the transfer of essential medical supplies and enabling the evacuation of patients needing advanced care. It will streamline clearance processes, expedite medical transfers and allow the entry of foreign medical professionals. This is an early phase of PALESTINE EMERGING's wider Link between the West Bank and Gaza, focusing on medical equipment and healthcare professionals. It will also seek to prioritize the transfer of high-risk patients to the West Bank for urgent treatment, in partnership with local and international agencies. This humanitarian corridor will help to ensure a smoother and consistent flow of medical supplies and personnel, as well as patient transfers, and will become a key lifeline for healthcare delivery in Gaza.

Training and Accreditation
Hospitals in Palestine lack a standardized accreditation process, resulting in inconsistent training and quality of care. Expertise is concentrated in tertiary hospitals, limiting access to high-quality training. This national training and accreditation program, in collaboration with the Joint Commission International, will begin to standardize training and accreditation across all health services, raising the quality of healthcare delivery and ensuring consistency in professional development. The pilot phase is a "train-the-trainer" program in a selected hospital. It will be reviewed and socialized, then the plan is to import, develop and adapt specialized processes and roll them out to healthcare workers across the West Bank, establishing a network for future training initiatives. Over time, the program should expand to include all specializations, with a national accreditation body overseeing the alignment of local standards with international ones, ensuring ongoing improvements in patient safety and healthcare quality.

Public-Private Partnerships (PPP)
There is no clear framework for attracting investment into the Palestinian healthcare sector and none is likely under the current contractual model, which is unsustainable and has seen costs rise for private healthcare providers while the price they are paid has fallen. Long-term, the solution is to shift to a concession model, with fixed-term agreements for private healthcare providers and stable pricing. This would create the stability needed to attract investors. A first step, based on current capabilities and needs, is a pilot for oncology services. This has a high rate of referrals outside Palestine, with very large expense to the public purse and lost opportunity cost for local providers. For the pilot, a best-in-class local partner will be granted a concession to provide oncology care in the West Bank, allowing for detailed testing of the terms and pricing structure while reducing the need for external medical referrals. If successful, the vision is to expand this concession-based model to other specialized healthcare services, creating a sustainable partnership between the public and private sectors and ensuring high-quality care across Palestine at much lower cost.

Hybrid Insurance
The current insurance system, which hypothecates revenue for Palestine's healthcare expenditure, only generates a very small part of the actual costs, putting an immense and unsustainable strain on Government finances. While requiring popular consultation and a mandate to deliver, the solution is a hybrid insurance model, including a compulsory basic package and an upward taper of additional service options. This will massively increase the resource pool from premiums, providing a basis for viable investment in the sector while drastically reducing government healthcare spending and ensuring much improved and more equitable access to services. Surveys carried out by PALESTINE EMERGING strongly suggests that, in the right circumstances, most Palestinians are willing to pay more if it guarantees better healthcare. A pilot of the scheme will take place in Ramallah, involving a local microfinance provider and a private hospital. The pilot will be carefully monitored and studied, with a view to informing how the system could best be expanded to other areas, financial institutions and hospitals.

Telehealth
There is a severe lack of patient-facing digital tools to facilitate preventive care and early disease detection, which would reduce unnecessary hospital visits. This gap particularly affects more remote parts of the West Bank and applies throughout Gaza. A simple and accessible telehealth platform will provide consultations, diagnostics and treatment services through a mobile and web app. It will be linked to the unified Electronic Medical Records system, enabling healthcare professionals to efficiently access patient data remotely and improve care for under-served populations. The pilot will launch in Gaza, focusing on mental health services in collaboration with identified international and local practitioners. It will offer remote assessments, consultations and support, appreciably helping address acute mental health needs while testing the platform's efficacy. It should then rapidly be scaled up to include a broader set of healthcare services, such as remote diagnostics and preventive health tools, along with medical questionnaires and pre-procedure checklists.

Electronic Medical Records (EMR)
Patient information systems in Palestine's hospitals are fragmented, with no interoperability between the public and private sectors. In Hebron alone, more than five EMR providers operate without integration. There are also no standardized guidelines or frameworks for data exchange, and a shortage of trained staff. The proposed standardized EMR Data Exchange is an open API integration system to connect all public and private hospitals in the West Bank and eventually Gaza, using international standards such as HL7, FHIR, and ICD-10. It will enable real-time synchronization of patient data, greatly enhancing decision-making and care coordination. A pilot will connect a private or non-profit hospital's EMR system with a public hospital for one specialized treatment area. A secure data-sharing room will be constructed, compliant with privacy standards and integrating existing systems and software. This will test interoperability and data accuracy and will inform the feasibility of scaling the solution. The solution could then be scaled to connect all private hospitals with the public hospital system's data, creating a unified health information network.

Pharmaceutical Export
Restrictions imposed on exports, and the lack of recognized accreditations for many Palestinian products in this highly-specialized area, severely limit the growth of Palestine's pharmaceutical industry, which exports less than 5% of its production. In line with PALESTINE EMERGING's trade Gamechanger work, a pharmaceutical export strategy is proposed that would target markets in North Africa and the Gulf, significantly increasing export volumes. By 2050, the goal is for 50% of pharmaceutical production to be export-focused, increasing opportunities for growth. The pilot will focus on exporting generic drugs to North Africa, where relevant trade agreements already exist. Steps are being identified that could ease export

barriers and increase production capacity to meet demand. Similar export drives can then be made to East Africa and the Gulf, moving up the value curve as volumes and investment grow, enabling more advanced medical equipment manufacturing and exploiting Palestine's high-knowledge, low-cost competitive advantage to become a regional leader in pharmaceutical exports.

Local Clinical Trials

Palestinian hospitals currently lack the regulatory approvals and infrastructure to conduct human clinical trials, a vital step in the drug discovery process. This initiative aims to secure approval from the Helsinki Committee, with backing from the World Medical Association, to establish an ethical and standardized framework for clinical trials in select hospitals in the West Bank. The vision is to position Palestine as a regional pharmaceutical and biotech hub, complementing the goals outlined in the Pharmaceutical Export Catalyst. The pilot will focus on a specific hospital and specialization, such as oncology or rare diseases, and will involve designing a comprehensive data-sharing framework, upgrading infrastructure, and implementing stringent risk mitigation strategies. Training programs for local healthcare professionals and researchers will ensure compliance with international standards, as outlined in the training and accreditation catalyst, while partnerships with global pharmaceutical companies and universities will enhance credibility and technical capacity. Over time, this initiative aims to expand to other hospitals and specializations, creating a sustainable clinical trial ecosystem that attracts international investment, supports local drug development, and enhances Palestine's global standing in pharmaceutical research.

PALESTINE EMERGING adopts a data-driven, patient-centric approach to healthcare policy recommendations, triangulating and synthesizing data from different sources and surveys.

FOUNDATIONS

03

“Additional surveys and analyses conducted by PALESTINE EMERGING help to directly inform evidence-based healthcare policy design.”

SENIOR HEALTH LEAD, WORLD HEALTH ORGANISATION, PRIVATE INTERVIEW.

DETAILED TOP-DOWN ANALYSIS OF MACROECONOMIC CONTEXT, INFORMED BY BOTTOM-UP DISEASE, SUPPLY AND FINANCE PROJECTIONS TO ESTABLISH A ROBUST FACT-BASE TO INFORM TARGETED RECOMMENDATIONS.

CONSTRAINED ECONOMY WITH ADDITIONAL HEADROOM FOR GROWTH

The ongoing occupation has effectively divided the West Bank into four primary regions — North, Central, South, and East Jerusalem — and movement between them is challenging due to the numerous unpredictable checkpoints. A regional approach is essential to address socio-economic disparities and ensure investment reaches under-served communities.

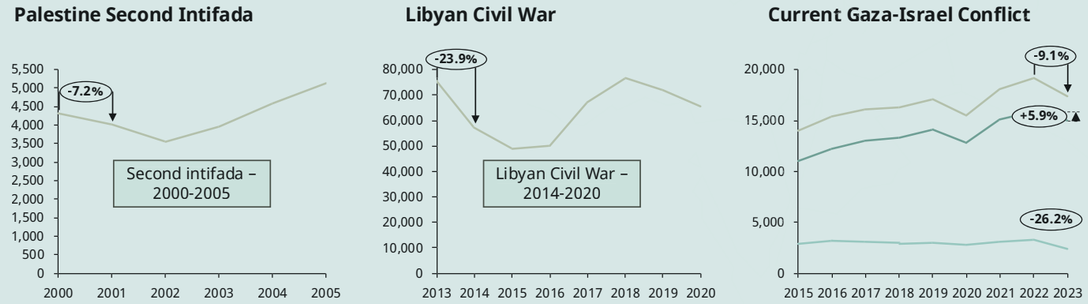
Nearly half of the Palestinian population work in the informal economy or are unemployed, making tax collection rates very low and universal health insurance extremely challenging. Effective interventions must therefore involve local bodies already integrated into existing systems. Our analysis provides unique insights into regional and employment-specific preferences, including a surprisingly broad willingness to pay for improved healthcare services. The central challenge lies in establishing an effective mechanism to collect contributions and channel them, in a clear and hypothecated way, towards healthcare provision.

TRIANGULATED DATA SOURCES

The strength of this analysis lies in its diverse data sources, drawing on national institutions like the Palestinian Central Bureau of Statistics (PCBS), the Ministry of Health (MoH), and the Palestine Economic Policy Research Institute (MAS). Internationally recognized bodies, including the World Health Organisation (WHO) health clusters and the World Bank, complement data from private sector sources, stakeholder interviews, and expert contributions. Additional insights from the Institute for Health Economics and Clinical (IHEC) and survey partners deepen the analytical rigor. Together, these sources form a robust foundation to build on, creating a multi-layered analysis and high-level perspectives to support strategic decision-making for a more sustainable healthcare system in Palestine.

ECONOMIC CONTEXT

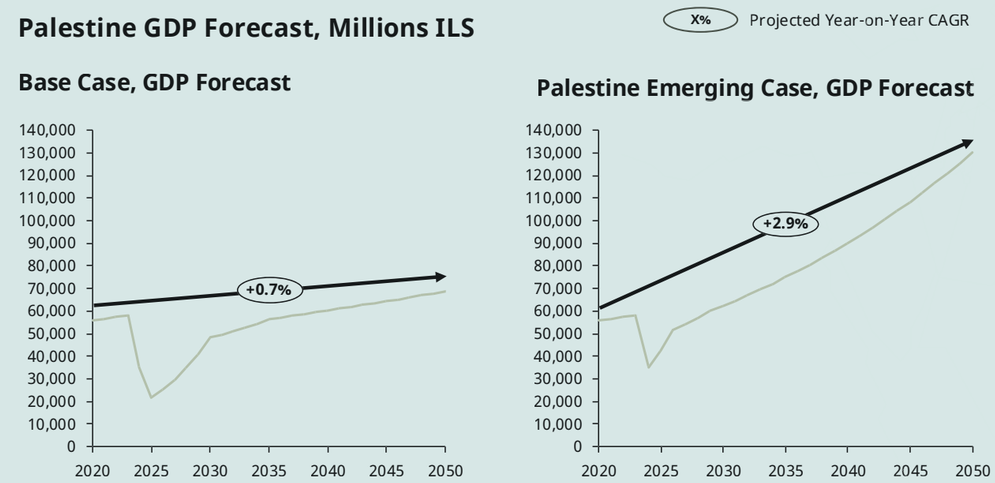
3.1.1 GDP
GDP Evolution During Conflict Periods, Millions USD



ECONOMIC SHOCK CAN BE FOLLOWED BY SHARP REBOUND

During the first year of the Second Intifada, the West Bank and Gaza experienced a 7.2% GDP decline, followed by a gradual rebound. This compares to a GDP drop of 23.9% in Libya in the first year of its war, which bears similarities to the drop seen in the current war in Palestine, where Gaza's GDP contracted by 35.8% and the West Bank's by 3.6% within just two months, with further declines as hostilities continued. Libya subsequently saw a sharp rise, and modelling indicates a similar V-shaped recovery is possible in the West Bank with the right interventions, and a rebound, albeit more gradual, is also possible in Gaza.

Palestine GDP Forecast, Millions ILS

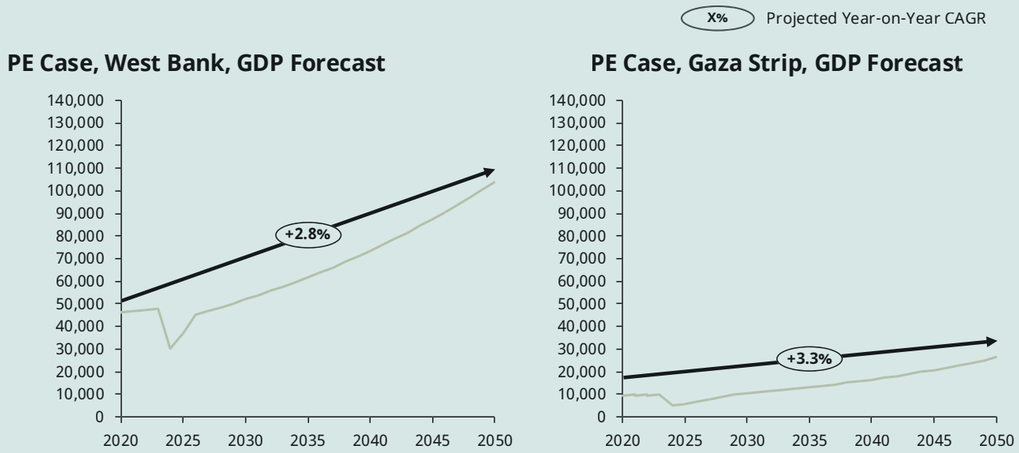


Source: PCBS 29024a, Team Analysis

STRUCTURAL ECONOMIC TRANSFORMATION

The base case scenario is grounded in a lengthy recovery period, with moderate growth of around 0.7%, in-line with pre-war averages. By contrast, based on delivery of the "Gamechanger" interventions, the PALESTINE EMERGING case envisions a structural shift from a predominantly non-tradable economy to one driven by tertiary and knowledge-based sectors, creating long-term transformation and an average annual growth rate of 2.9%, with exponential increases.

Palestine Emerging West Bank and Gaza GDP Forecast, Millions ILS



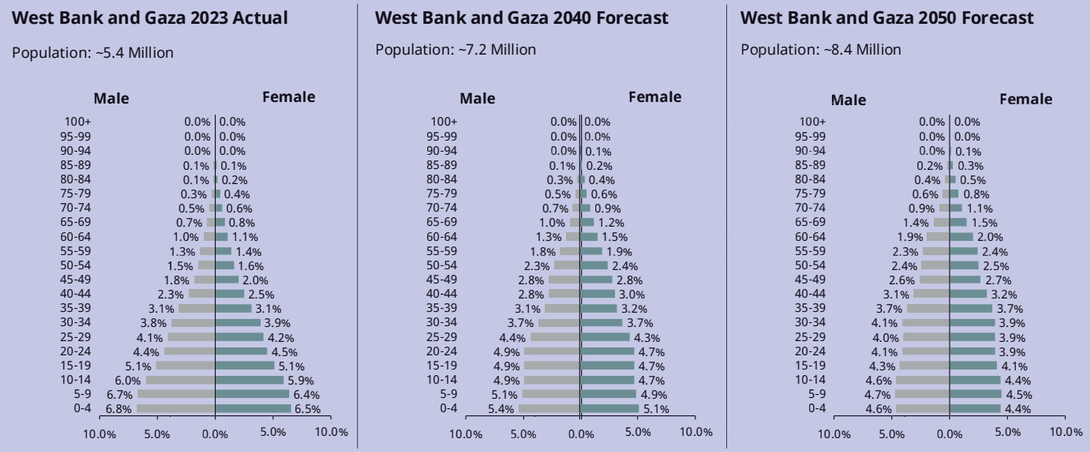
Source: PCBS 2024a, Team Analysis

A TALE OF TWO REGIONS

It is important to recognise the contexts in the West Bank and Gaza are drastically different and economic recovery and health system reconstruction will not progress at the same pace. To address the regional differences, PALESTINE EMERGING segmented our analysis by sub-regions and has dedicated a chapter on recovery in Gaza, while designing a unified framework that can be applied to both regions in the long-term.

3.1.2 LABOR

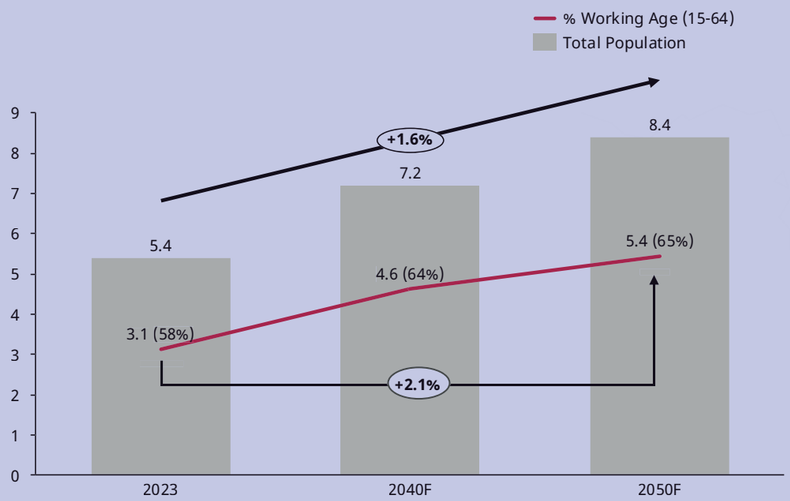
Population Age Distribution



PYRAMID OF PRODUCTIVE LABOUR

Palestine's distinctive age distribution means its economy is set to benefit from a youthful and growing labor force over the next 20–30 years. If skilled and employed, it can be a major driver of economic growth, in contrast to other regions with aging and shrinking populations. Working population across West Bank and Gaza will reach 5.4 million, 65% of total population in 2050, from 3.1 million (58%) of total population in 2023.

Working Age as % of Total Population Forecast, Million



Sources: United Nations 2024, Team Analysis

3.1.3 EMPLOYMENT

Pre-war Jobs Distribution by Regions

	Public Sector	Private Sector	NGOs	Israeli Employed	Self Employed	Homemaker	Unemployed	Student	In Formal Employment
All N= 926	11%	14%	2%	10%	13%	30%	12%	9%	36%
North WB N= 350	9%	9%	1%	17%	15%	29%	11%	9%	36%
Central WB N= 130	13%	28%	2%	2%	15%	31%	4%	6%	44%
South WB N= 200	6%	10%	2%	17%	15%	32%	12%	8%	35%
EJ N= 110	8%	22%	2%	12%	13%	25%	14%	6%	44%

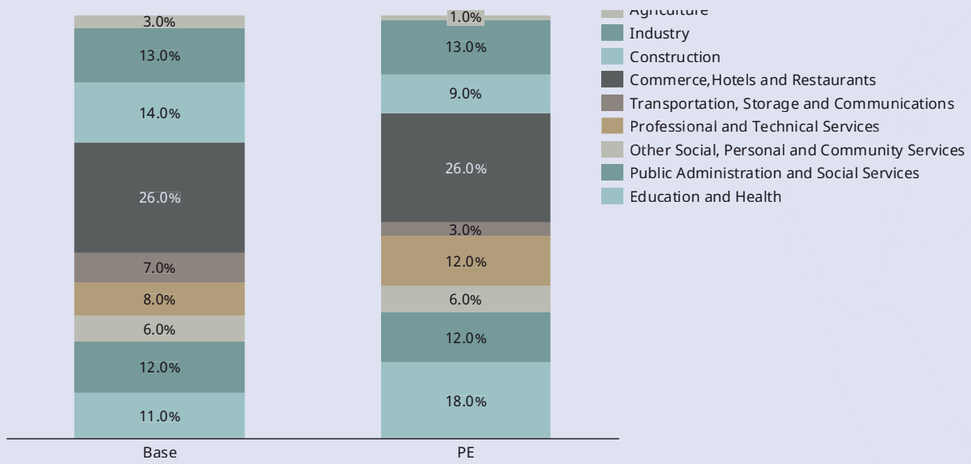
A1. Before the current war, what was your employment status?

Source: Palestine Emerging Health Survey 2024

A LARGELY INFORMAL ECONOMY

Before the current conflict, only 36% of the population was in formal employment, with 13% self-employed and 30% homemakers, complicating the implementation of policies such as health insurance. Formal employment was higher in the central West Bank and East Jerusalem at 44%, and nearly 10% of the population worked in Israel, where wages are higher. The suspension of permit issuance has impacted GDP per capita, underscoring the need for a region-specific approach to address distinct economic challenges.

Employment Breakdown, 2050 Projection



Source: PCBS 2024b, Team Analysis

HEALTH AND EDUCATION AT THE FOREFRONT

Aligned with the other relevant sectors in PALESTINE EMERGING's economic growth model, education and health are expected to be significant drivers of economic growth. This knowledge-based shift supports a broader trade and growth plan which, amongst other areas, will greatly support Palestine becoming a significant pharmaceutical export hub.

INCLUSIVE TECH-ENABLED JOB CREATION

As Gaza gradually transitions to a knowledge-based economy in the long run, addressing the needs of underserved groups—such as women, the injured, disabled, and amputees—is critical. For example, initiatives to foster tech-enabled solutions train technicians in advanced prosthetic limb fitting and manufacturing, creating high-demand skills and jobs. Amputees fitted with prosthetics are supported to rejoin the workforce, reducing caregiving costs and fostering independence. By promoting inclusiveness, such programs support long-term economic recovery and resilience.

3.1.4 INCOME

Income by Employment Status, ILS

	0-1000	1000-2000	2000-3000	3000-4000	4000-5000	>5000
Public sector N= 134	6%	23%	27%	23%	14%	7%
Private sector N= 162	20%	24%	23%	18%	13%	2%
NGOs N= 19	8%	25%	17%	25%	8%	17%
Self Employed N= 161	19%	27%	22%	13%	10%	9%
Israeli Employed N= 122	10%	10%	10%	0%	10%	60%
Unemployed N= 138	41%	21%	16%	7%	9%	6%

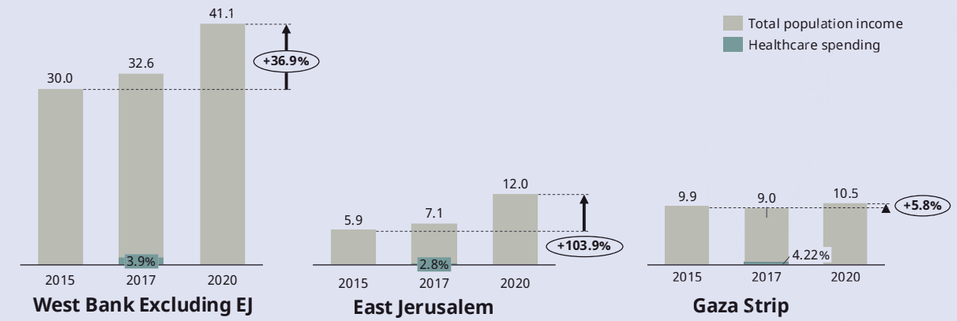
A2. What is your current employment status?

Source: Palestine Emerging Health Survey 2024

VARYING INCOME LEVEL BY EMPLOYMENT

Income levels in Palestine vary by employment type and sector. Over half of those who worked in Israel before the war earned at least 5,000 shekels ($1,330) per month, while more than a quarter of workers in other sectors, whether formally or informally employed, earned 1-2,000 shekels ($270-540). Public, private and NGO employees are more likely to earn 3,000 shekels($810) or more, while those who are self-employed earn less.

Evolution of Annual Total Population Income from 2015 to 2020 Accoss Key Regions, Billions ILS



Source: PCBS 2016-21, PCBS 2024c,d,f,, Team Analysis

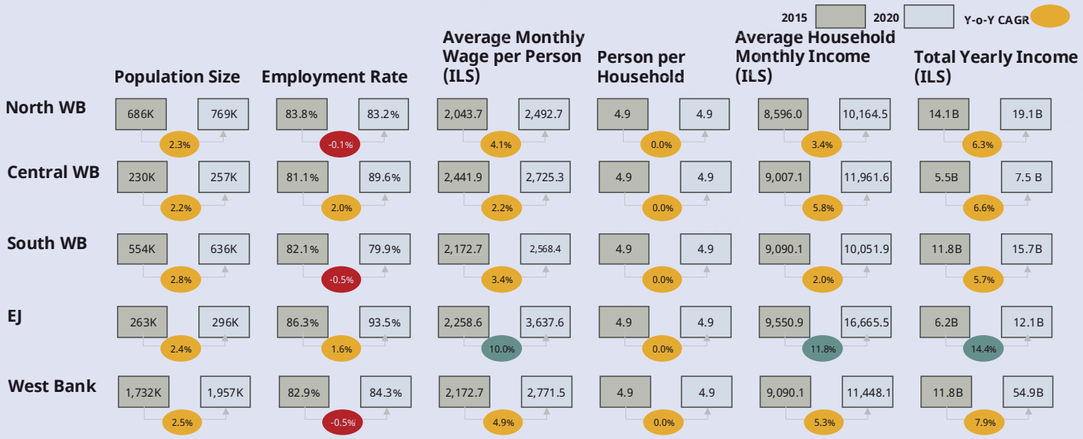
INCOME GROWTH DRIVEN BY WEST BANK BEFORE THE WAR

Prior to the current conflict, income growth in Palestine was primarily driven by the West Bank, with the fastest growth in East Jerusalem, with annual increases of 37% and 104% respectively. Gaza saw a more modest growth rate of 5.8% per year.

Despite the occupation and other barriers to economic growth, income in the West Bank has been growing. This is partially driven by the increasing population, but also due to an increase in wages across the regions.

PALESTINE EMERGING's analysis segmented the population into different types of employment, and triangulated actual earnings with reported earnings from our survey, to help construct a picture of the formal and informal economic sectors. If wages and healthcare spending return to pre-war levels, then health spending as part of out-of-pocket payments can be expected to continue to increase after the war.

Total Yearly Income Evolution, 2015 - 2020



Note: Population size refers to population above 15 yo; Employment rate refers to employment rate above 15 yo; Average monthly wage is discounted by inflation
Sources: PCBS 2016-2021, PCBS 2024 ,d, Team Analysis

3.1.5 HEALTHCARE SPENDING

COMPARABLE OUT-OF-POCKET BASIC HEALTH SPENDING

In all segments of working Palestinians, at least 90% spent out-of-pocket on healthcare, and in every segment at least 5% spent more than 2,000 shekels per month. In all bar the private sector (42%), over 50% paid more than 200 shekels monthly. Almost one quarter of those in the public sector and self-employment spent over 750 shekels per month, along with just over a quarter of the unemployed and 35% of those working in the private sector. This shows a strong base of the working-age population that already pays out-of-pocket for healthcare.

Basic Health Spending by Employment Status, ILS

	0	0-200	200-400	400-750	750-1000	1000-2000	>2000
Public sector N= 134	3%	33%	22%	19%	9%	7%	7%
Private sector N= 162	2%	28%	14%	21%	20%	9%	6%
NGOs N= 19	0%	42%	17%	33%	0%	0%	8%
Self Employed N= 161	8%	29%	21%	18%	9%	7%	8%
Israeli Employed N= 122	0%	10%	60%	20%	0%	0%	10%
Unemployed N= 138	5%	37%	15%	16%	10%	7%	10%

C1. How much did you or your family spend on basic healthcare (e.g., flu treatment, basic medications) in the year 2023 before the current conflict?
Source: Palestine Emerging Health Survey 2024

LOW OUT-OF-POCKET SPENDING ON SPECIALIZED HEALTHCARE

A significant portion of the Palestinian population spends little to nothing on specialized healthcare. This is due to the elective health insurance system, which has led to higher out-of-pocket expenses for basic healthcare needs rather than long-term illness treatment, given that most specialized treatments are covered under the elective insurance. Survey data indicates that people are willing to pay more for quality specialized healthcare, despite health expenditure as a proportion of total income being only 4% IN 2023.

Specialized Health Spending by Employment Status, ILS

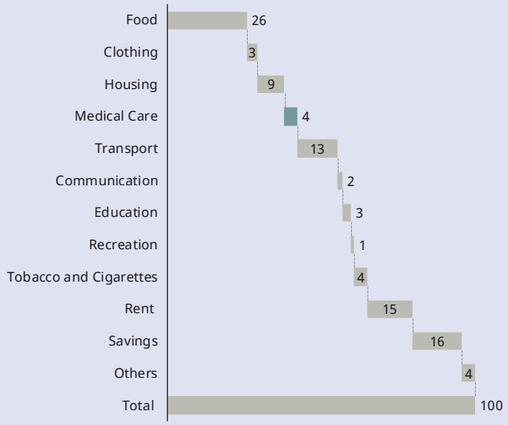
	0	0-200	200-500	500-1000	1000-2000	>2000
Public sector N= 134	27%	37%	24%	6%	2%	4%
Private sector N= 162	29%	22%	16%	15%	9%	8%
NGOs N= 19	17%	33%	25%	8%	8%	8%
Self Employed N= 161	30%	32%	20%	6%	5%	8%
Israeli Employed N= 122	10%	40%	20%	20%	10%	0%
Unemployed N= 138	35%	25%	12%	10%	7%	10%

C2. How much did you or your family spend on specialized healthcare (e.g., CT scans, surgery) in the year 2023 before the current conflict?
Source: Palestine Emerging Health Survey 2024

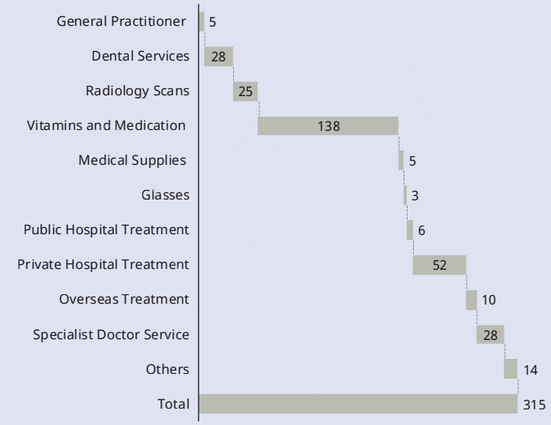
INCREASE IN HEALTHCARE SPENDING

If household incomes in the West Bank and Gaza return to pre-war trends, and healthcare spending remains at 4–5% of household income, total healthcare expenditure could reach approximately 8 billion shekels by 2050.

Expenditure as % of Income, 2023

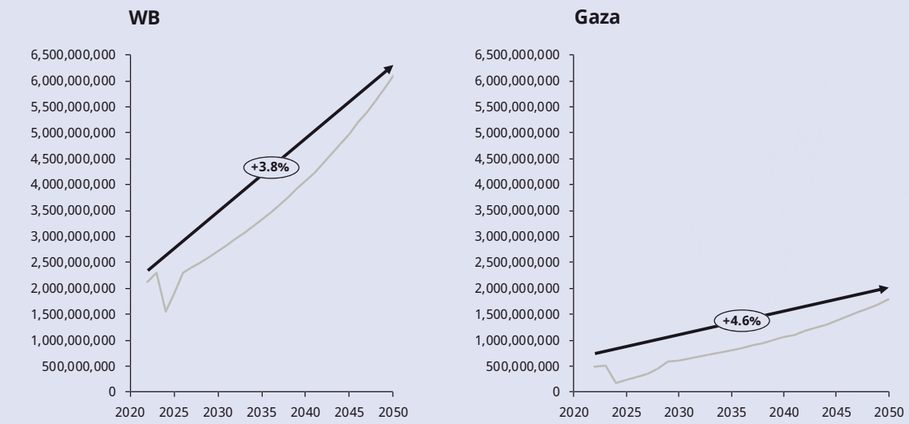


Medical Care Spending Deep Dive, ILS 2023



Source: PCBS 2024c,d,f, Team Analysis

Healthcare Spending, 2050 Projection, ILS



Source: PCBS 2024e, Team Analysis

HEALTH ANALYTICS

LONG TERM APPROACH TO RECOVERY AND DEVELOPMENT

The modelling used by PALESTINE EMERGING adopted a long-term approach to recovery and reconstruction, with calculations based on an assumption that economic indicators would eventually return to pre-war levels and continue their pre-war trajectories. This is currently being reassessed, but provides a sound comparative basis for the economic impact these interventions will have.

PALESTINE EMERGING treats the West Bank and Gaza Strip as a cohesive and singular economic unit. However, in practical terms, the dissimilar starting points of the two areas require a differentiated approach to analysis. It is estimated that initial recovery from the war will take two to three years in the West Bank, and close to seven years in Gaza, given the level of destruction. Our analysis takes these assumptions into account.

This Health Analytics sub-chapter is informed by advanced modelling techniques from Modelling in Health Care Finance, a compendium of quantitative methods for healthcare financing published by the International Labour Office and the International Social Security Association.

Analytical Layers	Sample Data	Key Methodology
Health Layer	Disease burden of the population.	Closed-loop Machine Learning (ML) model to project disease burden, triangulated with historical growth rates and regional benchmarks.
Supply Layer	Doctors, support staff, referral arrears.	Supply side benchmarking with regional economies.
Finance Layer	Taxes, insurance premiums, donor funding, survey insights.	Assumptions-based forecast using historical accounts, reported data and survey insights.

SEE ALSO

Global Health Data Exchange – Palestine Country Profile: Provides comprehensive health metrics and data for assessing public health trends in Palestine. A 2022 study reported that 58% of Palestinian adults met the diagnostic threshold for depression, with higher prevalence in Gaza (71%) compared to the West Bank (50%).

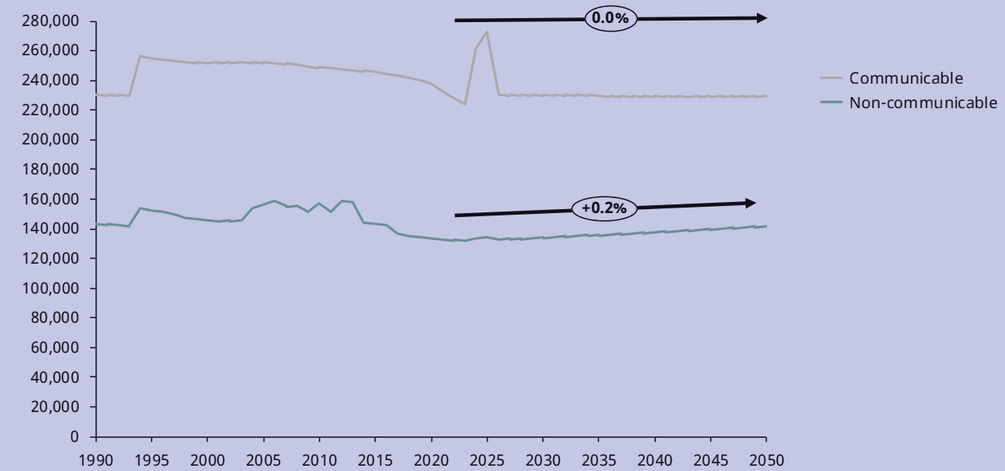
3.2.1 HEALTH LAYER

Non-communicable diseases (NCDs) in the region are projected to increase by approximately 0.2% annually, while cancer cases are expected to rise by about 1.7% per year, potentially reaching almost 10,000 cases by 2050. These estimates take into account of factors including an aging population, lifestyle changes, such as unhealthy diets and reduced physical activity, environmental pollutants, and limited access to preventive healthcare services. To mitigate this projected rise, significant preventive measures and investments are essential.

INCREASE IN DISEASE INCIDENCE

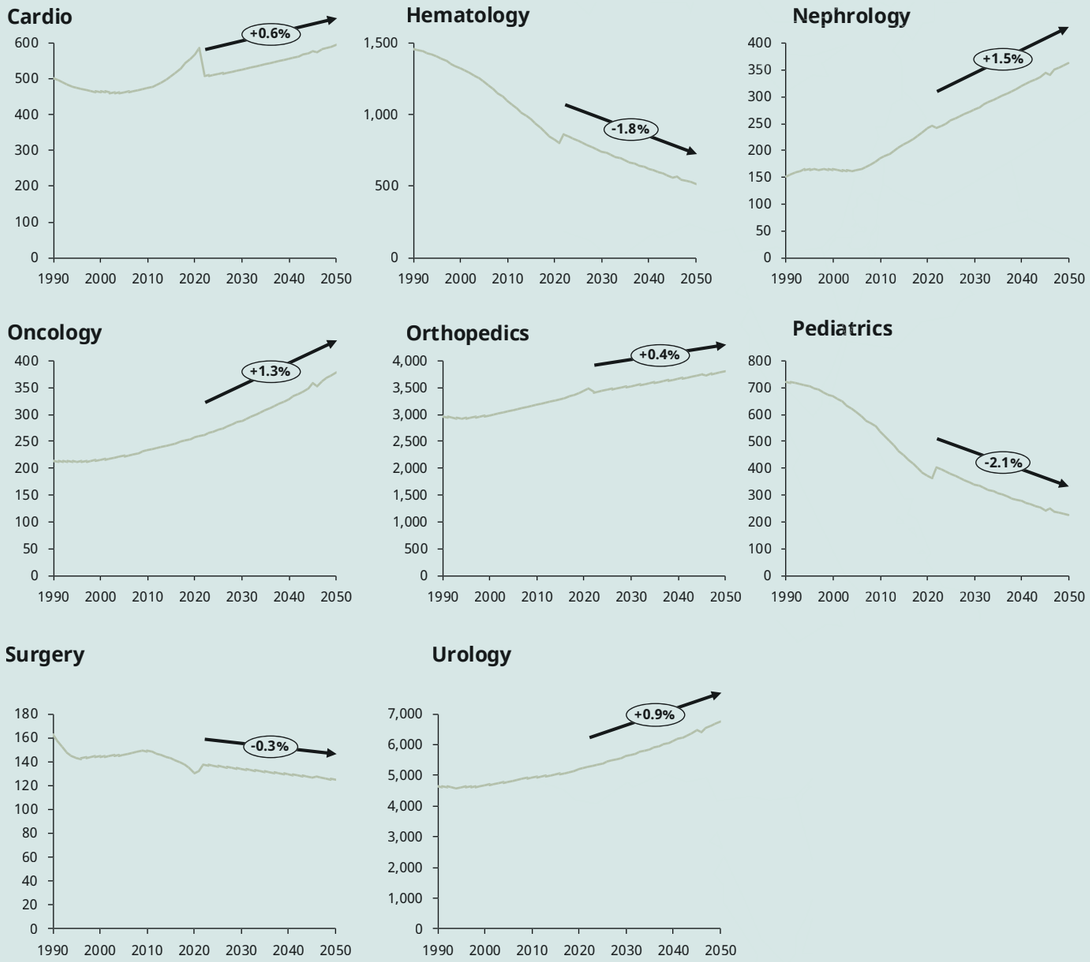
Forecasts by PALESTINE EMERGING indicate a surge in healthcare demand, with cases of non-communicable diseases expected to nearly double by 2050, driving the need for specialized health services. This rising demand underscores the urgent need for a robust, accessible healthcare system.

Overall Disease Incidence Rate Projections, Cases per 100,000 People



Source: IHME 2024, Team Analysis

Disease Incidence Rate Projections by Category, Cases per 1000,000 People

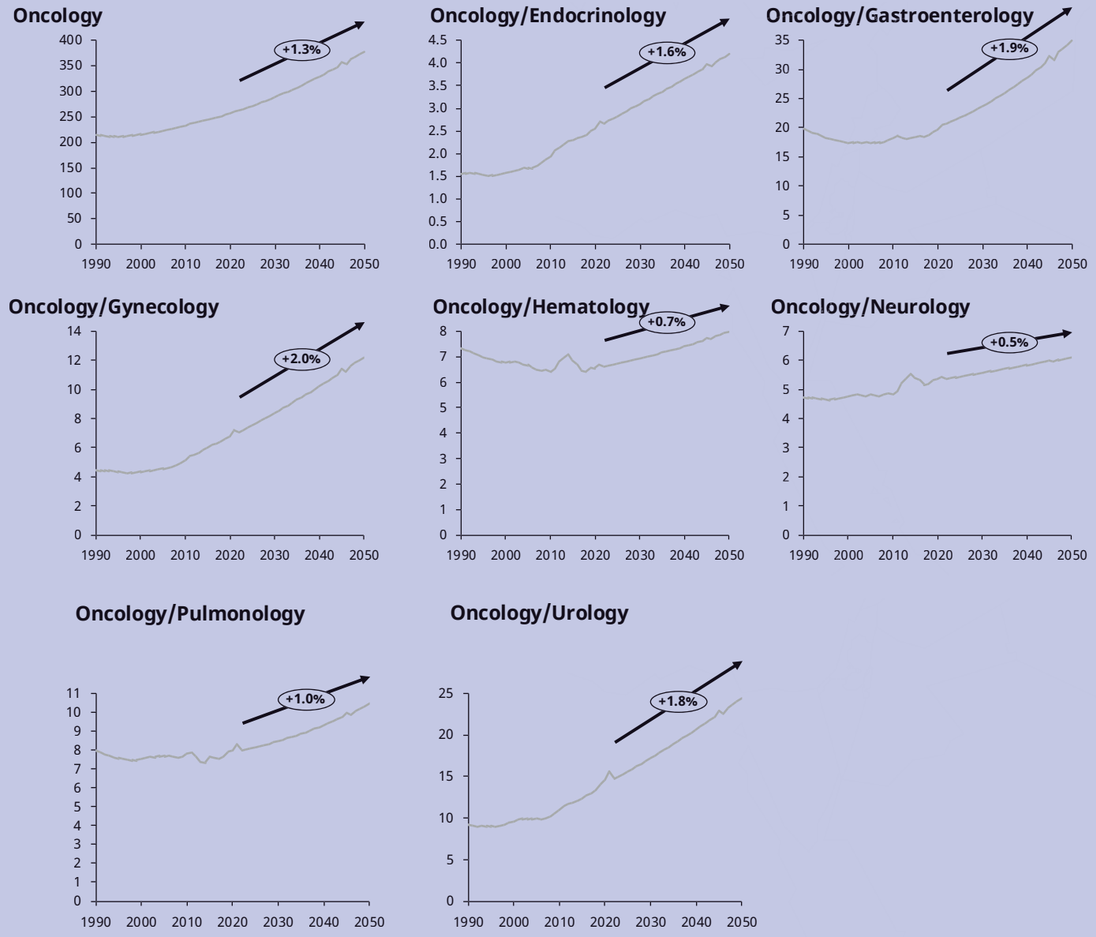


Source: IHME, Team Analysis

MOST DISEASES REQUIRING MEDICAL REFERRALS ARE SET TO INCREASE

Projections for disease categories frequently needing medical referrals indicate that most will increase, with the exception of hematology and pediatrics.

Oncology Disease Incidence Rate Projections, Cases per 100,000 People



Source: IHME 2024, Team Analysis

RISE IN ALL TYPES OF CANCER

Oncology referrals make up 40% of all treatments in Palestinian Ministry of Health hospitals, and cancer cases are projected to continue rising until 2050, according to the WHO.

Disease Type	Incidence rate Per 100,000 (2015)	Incidence rate Per 100,000 (2050)	Multiplier
Cardiology	507.42	594.78	2.3
Hematology	861.54	517.15	1.2
Nephrology	242.27	362.58	2.9
Oncology	262.30	378.06	2.8
Oncology/Dermatology	0.54	1.07	3.9
Oncology/Endocrinology	2.66	4.19	3.1
Oncology/Gastroenterology	20.70	34.99	3.3
Oncology/Gynecology	7.05	12.22	3.4
Oncology/Hematology	6.62	7.98	2.4
Oncology/Neurology	5.37	6.09	2.2
Oncology/Ophthalmology	0.08	0.11	2.9
Oncology/Pediatrics	0.18	0.29	3.1
Oncology/Pulmonology	7.98	10.45	2.6
Oncology/Urology	14.68	24.47	3.3
Orthopedics	3,419.10	3,800.35	2.2
Otolaryngology/Ophthalmology	3.62	3.62	2.0
Pediatrics	401.76	224.02	1.1
Psychiatry	8,958.77	9,526.72	2.1
Psychiatry/Addiction	317.25	360.33	2.2
Psychiatry/Neurology	20.12	20.12	2.0
Surgery	137.69	125.31	1.8
Urology	5,279.07	6,744.47	2.5

INCREASED DISEASE DUE TO BETTER DIAGNOSTICS AND EXTENDED LIFE EXPECTANCY

This projection table highlights the anticipated growth in incidence rates for various disease categories, illustrating the evolving healthcare needs over time. Most disease types are expected to see significant increases, with some categories—particularly oncology and nephrology—projected to grow to two to three times their 2023 rates by 2050

FORWARD PLANNING

These estimates reflect both the rising prevalence of chronic conditions and the expanding need for specialized medical services, underscoring the importance of forward-planning in healthcare infrastructure and resources to address the anticipated demand.

3.2.2 SUPPLY LAYER

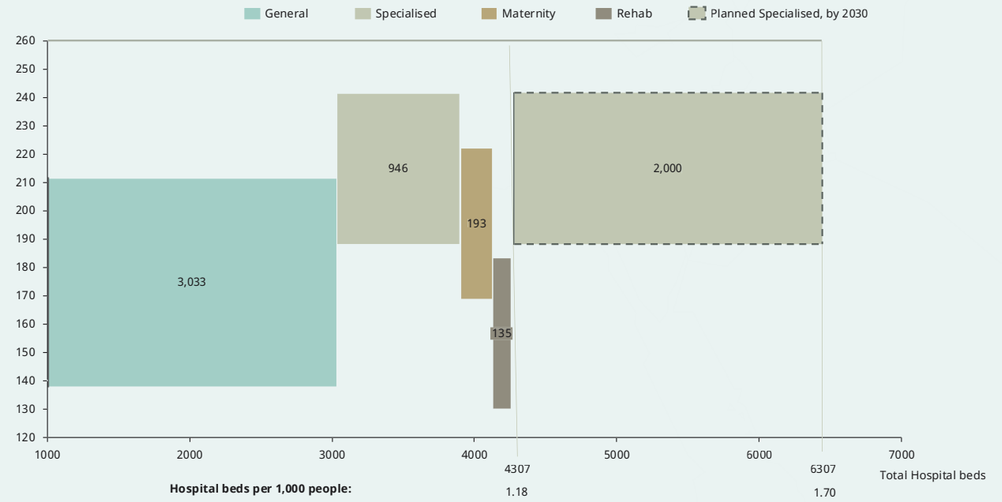
STRUCTURAL UNDERSUPPLY

The Palestinian healthcare system suffers from chronic underinvestment, leading to a significant lack of resources, with specialized bed shortages especially acute in the Northern and Southern West Bank. Constructing specialized hospitals involves substantial upfront investment and time for equipment procurement and workforce training.

LACK OF BEDS

Palestine currently has 1.18 hospital beds per 1,000 people, which is below the World Health Organization's standard of 2 beds per 1,000, and fewer than neighbouring countries like Jordan (1.38) and Israel (2.99). While Gaza and the West Bank Central region have the highest number of beds per 1,000 population, the overall ratio remains insufficient. By 2030, an additional 2,000 beds are expected to be added, mostly in the central and southern parts of the West Bank. However, even with these additions, the beds-to-population ratio will only reach 1.7 per 1,000, still short of the regional average. To address this gap, a regional strategy is needed to ensure adequate specialist beds across all subregions, especially considering movement constraints in the area.

Cost of Adding a New Bed, Thousands USD

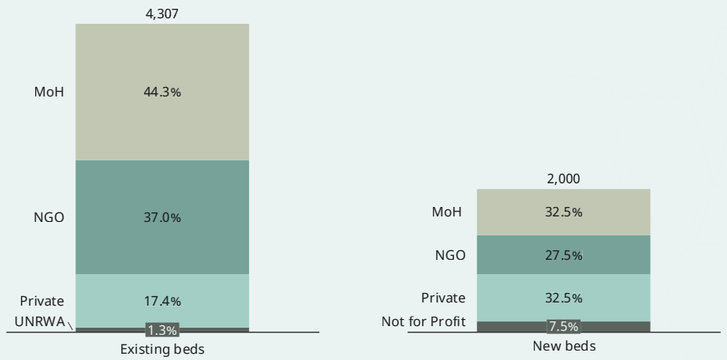


Source: World Bank Group 2024c, Expert Interviews, Team

SPECIALIZED BEDS ARE MORE COSTLY

The West Bank currently has around 4,500 hospital beds, with plans to add 2,000 specialized beds by 2030. Adding these beds demands substantial upfront investment for planning, equipment and construction — with risks from cost inflation — along with the need to recruit and retain specialist doctors and surgeons.

Beds by Providers, Number of Beds, %

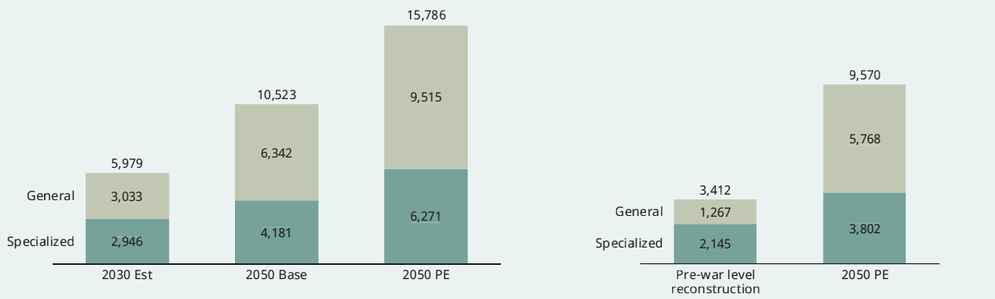


Source: World Bank Group 2024d

INCREASING PARTICIPATION BY THE PRIVATE SECTOR

The Palestinian Ministry of Health provides nearly 45% of all hospital beds in the West Bank, while the private sector supplies 18%. Looking ahead, it would be optimal for the private sector to plan to increase its contribution to 32%. Establishing a clear, coordinated and equitable partnership model would enable private providers to better support the public sector in expanding healthcare capacity. Additionally, specialized laboratories, separate imaging centers and facilities for cardiac services and breast cancer screening should be built.

Projected Bed Distribution, Number of Beds



Assumptions	*2 beds per 1,000 population*	*3 beds per 1,000 population*		*3 beds per 1,000 population*

Estimated Investment Needs, Billions ILS, Inflation Adjusted

General		2.1	4.2	0.4	2.5
Specialized	1.4	1.1	3.0	0.6	1.8
Total	**1.4**	**3.3**	**7.2**	**1.0**	**4.4**

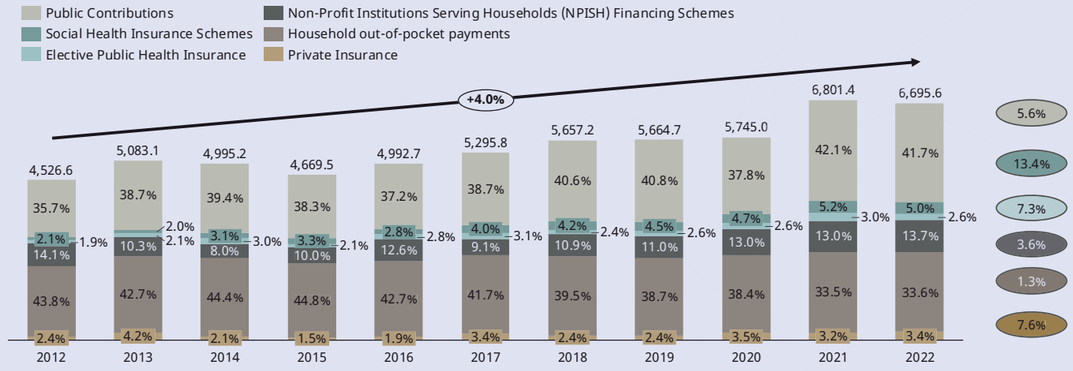
Source: World Bank Group 2024d

3.2.3 FINANCE LAYER

FISCAL DEFICIT DRIVEN BY GOVERNMENT EXPENDITURE IN HEALTH

PALESTINE EMERGING's projections suggest that, without intervention, the government deficit in healthcare spending will persist until 2050. In the base case, the government will continue to cover approximately 41% of healthcare spending not financed by insurance.

Historical Evolution of Health Care Expenditure in Palestine, Millions ILS, %



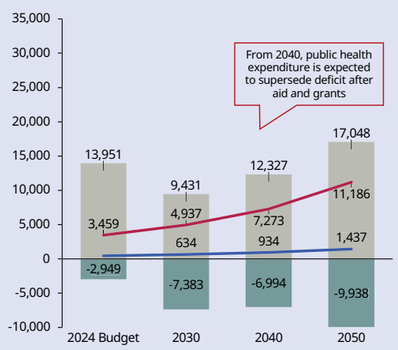
Sources: PCBS 2024e. Team Analysis

INADEQUATE VOLUNTARY INSURANCE SCHEME

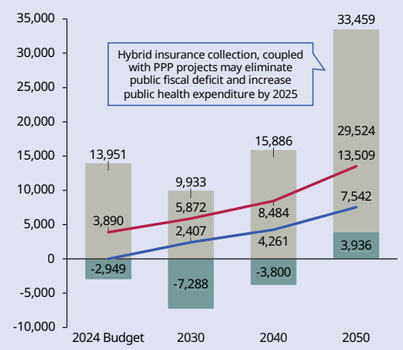
Healthcare spending has been rising by 4% annually over the past decade. The government's voluntary insurance scheme, purchasable at any time — even post-diagnosis — requires a one-time payment of around 500 ILS and covers a broad range of treatments. In 2022, the amount collected equalled only 2.6% of total healthcare expenditure, with 41.7% funded by government spending, and the rest mostly coming from out-of-pocket payments and social sector insurance.

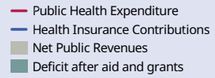
GOVERNMENT BUDGET PROJECTION, 2030, MILLION ILS

Base Case



PE Case





Source: PCBS 2024e,g,h, MAS 2024

BURGEONING ARREARS OWED TO HEALTH PROVIDERS LEADS TO CHRONIC FISCAL DEFICIT

If pre-war referral and spending trends continue, public health spending is expected to supersede deficit after aid and grants by 2040, by around 300 million ILS, the gap is expected to widen to around 1.2 billion ILS by 2050.

If policy recommendations, including insurance diversification toward a mixed model, backed by public-private partnership agreements, are fully implemented by 2030, public deficit could be eliminated by 2050, and more than 2 billion ILS of public health spending unlocked.

SURVEY INSIGHTS

CIVIL SOCIETY ENGAGEMENT AND SURVEY INSIGHTS

PALESTINE EMERGING carried out a survey in the West Bank and Gaza. It had three main sections: health conditions, experience with the healthcare system, and willingness to pay for improved healthcare. Its 22 questions were based on the established methodologies of existing public health literature. The output was tabulated using locality, employment and refugee status, as well as gender and household size, to ensure the needs of different population subgroups were accurately reflected. The aim was to measure conditions and sentiment across different localities and communities to inform the design of location specific interventions. The survey results are below and used throughout this blueprint.

SAMPLING AND DATA COLLECTION STRATEGIES

The survey was conducted in a three-stage sampling process across Palestine's 16 governorates: (1) randomly selecting 120–127 clusters, proportionate to the size of each governate and ensuring representation across towns, villages and refugee camps; (2) randomly selecting 10 households within each cluster; and (3) selecting one adult per household using a Kish grid, giving a total of 1,270 adults and survey results with a 3% margin of error. Non-response rates (9%–15%) were minimized through rigorous fieldworker training, pilot testing, GPS-monitored quality control, and interviews conducted by pairs (male and female or two females) to overcome social barriers and ensure confidentiality and data integrity.

SEE ALSO

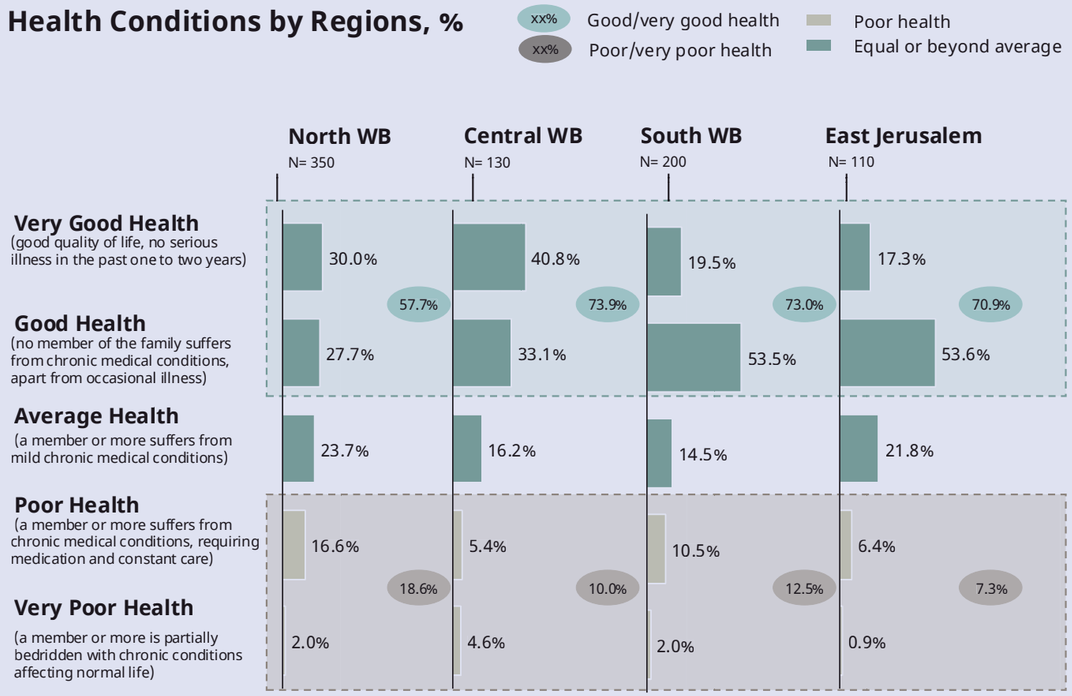
WHO – Palestine STEPWISE Survey 2022: Data on non-communicable disease risk factors to guide public health interventions in Palestine. The survey indicates high prevalence rates of smoking (31.3%), obesity (28.3%), hypertension (24.6%), and diabetes (15.3%) among adults.

3.3.1 HEALTH CONDITIONS

REGIONAL DIFFERENCES IN HEALTH OUTCOMES

Health conditions vary by region, with the Northern West Bank facing more severe health challenges due to limited accessibility to health care, while Central West Bank generally reports better health outcomes.

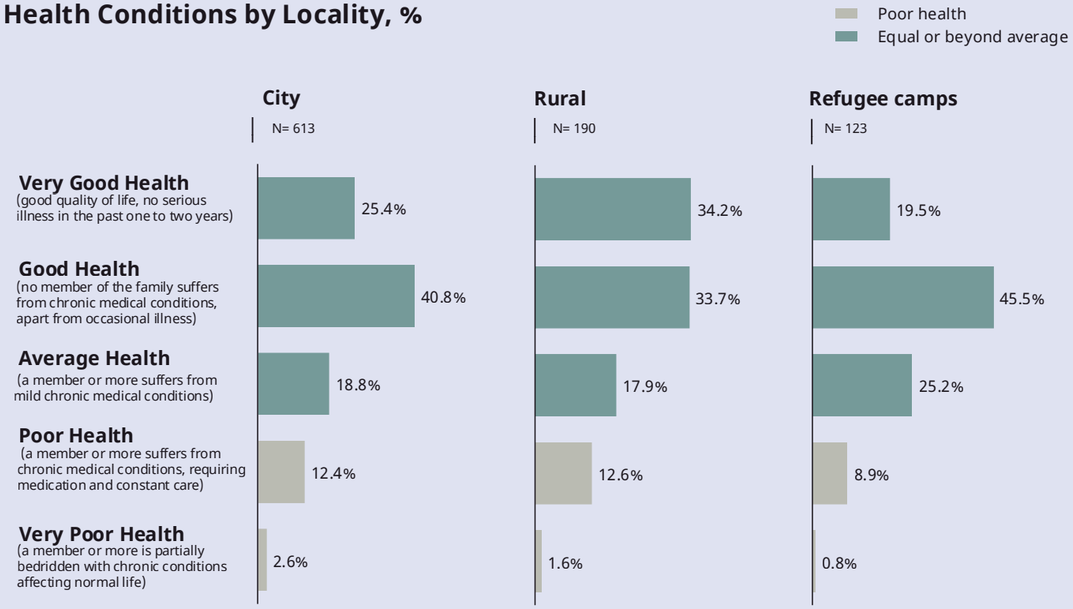
Health Conditions by Regions, %



B4. How would you rank the health conditions of yourself and your closest family members (e.g. parents, children)?

Source: Palestine Emerging Health Survey 2024

Health Conditions by Locality, %



B4. How would you rank the health conditions of yourself and your closest family members (e.g. parents, children)?

Source: Palestine Emerging Health Survey 2024

EVEN HEALTH OUTCOMES ACROSS DEMOGRAPHICS

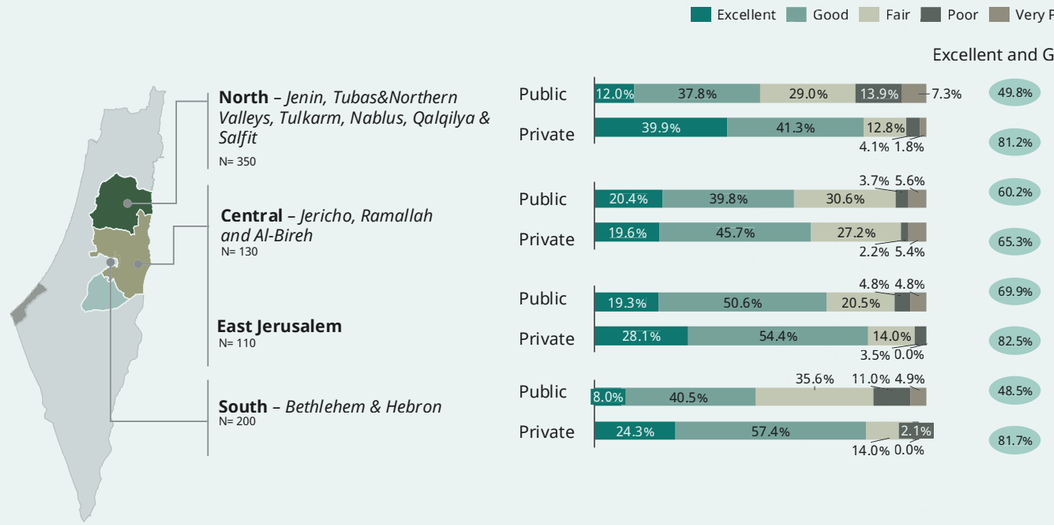
The data suggests health outcomes are relatively even across different demographic groups. This may be explained by the quality of care provided to refugees and immigrants, particularly at NGO-run hospitals.

3.3.2 HEALTHCARE EXPERIENCE

PREFERENCE FOR PRIVATE HEALTH

Satisfaction levels are notably higher among patients using private hospitals, although referral wait times can exceed a month, especially in the North. The availability of clinics and hospitals remains an issue, particularly in Northern areas.

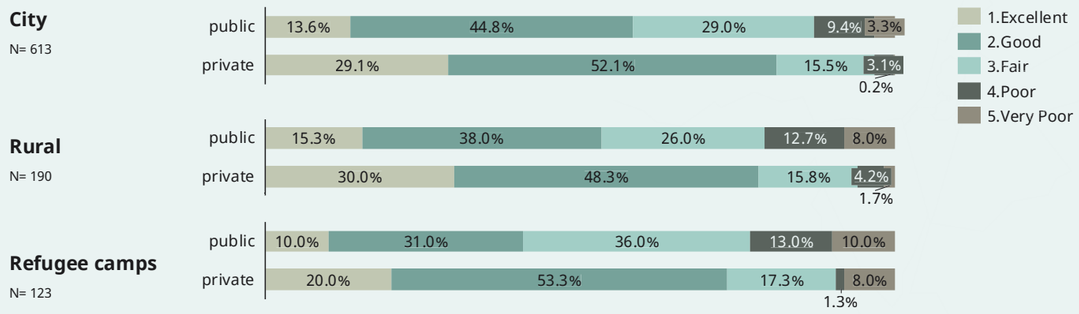
Public vs. Private, Experience of Hospitals by Regions, %



D2. How was your experience with public MoH hospitals/health clinics in the year before the current conflict?
D3. How was your experience with private/NGO hospitals in the year before the current conflict?

Source: Palestine Emerging Health Survey 2024

Experience with Pubilc MoH Hospitals/Health Clinics by Locality, %

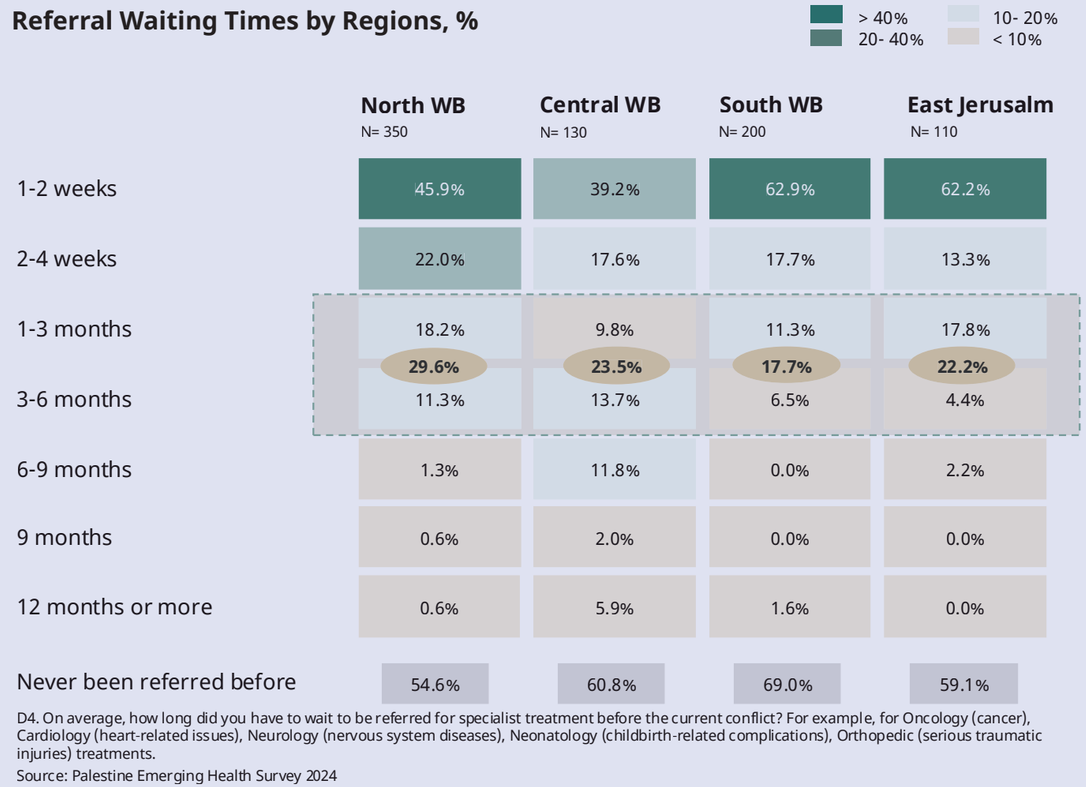


D2. How was your experience with public MoH hospitals/health clinics in the year before the current conflict?
Source: Palestine Emerging Health Survey 2024

SLIGHTLY LOWER SATISFACTION IN REFUGEE CAMPS AND RURAL AREAS

Refugee camps and rural areas report slightly lower satisfaction levels with both public and private healthcare systems.

Referral Waiting Times by Regions, %

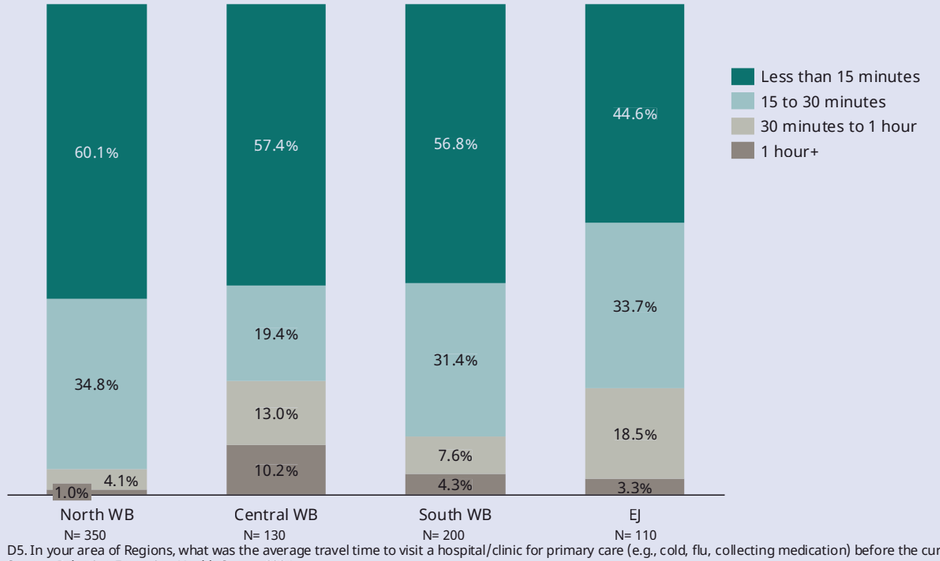


D4. On average, how long did you have to wait to be referred for specialist treatment before the current conflict? For example, for Oncology (cancer), Cardiology (heart-related issues), Neurology (nervous system diseases), Neonatology (childbirth-related complications), Orthopedic (serious traumatic injuries) treatments.
Source: Palestine Emerging Health Survey 2024

CLOSE TO A QUARTER OF PATIENTS WAIT FOR MORE THAN A MONTH FOR SPECIALIST REFERRAL

Nearly a quarter of patients waited more than a month for specialist referrals, with the highest referral delays occurring in the North, followed by the Central West Bank. These delays are likely to be due to accessibility issues in these areas.

Average Travel Time for Primary Care by Regions, %

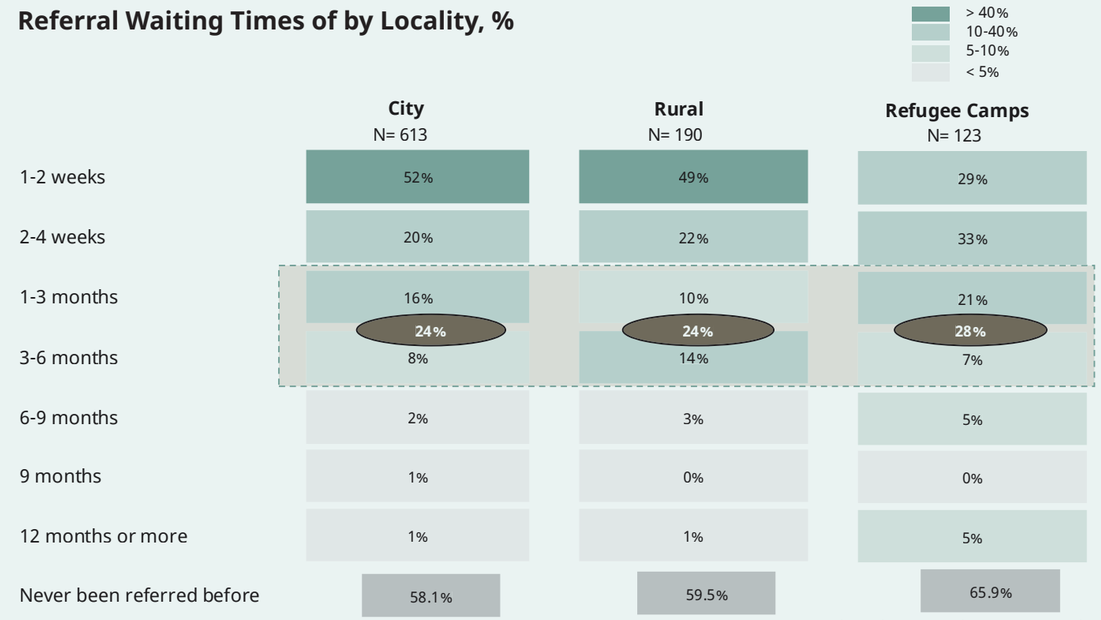


D5. In your area of Regions, what was the average travel time to visit a hospital/clinic for primary care (e.g., cold, flu, collecting medication) before the current conflict?
Source: Palestine Emerging Health Survey 2024

GOOD ACCESSIBILITY FOR PRIMARY HEALTHCARE

A majority of all respondents could access primary care within 30 minutes.

Referral Waiting Times of by Locality, %

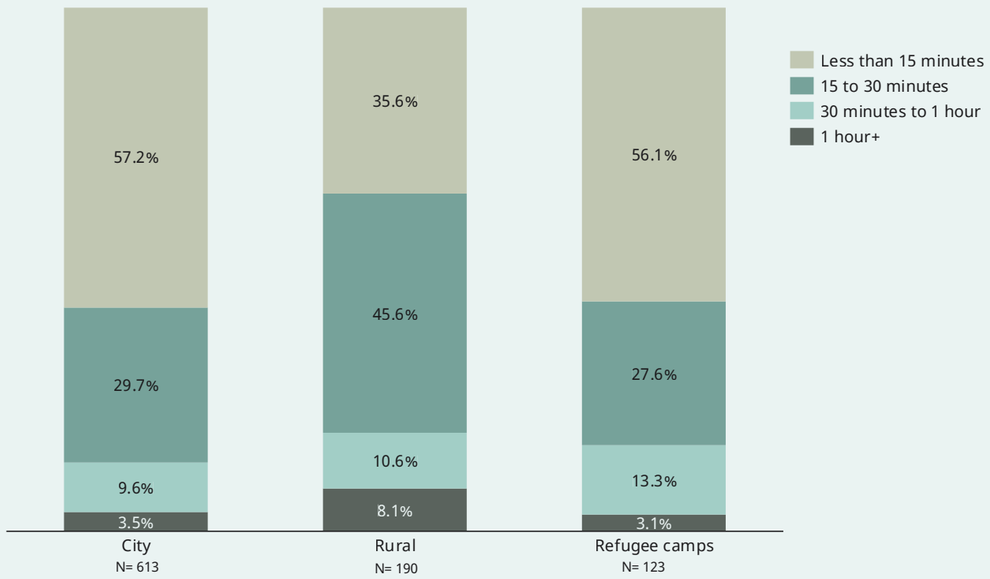


D4. On average, how long did you have to wait to be referred for specialist treatment before the current conflict? For example, for Oncology (cancer), Cardiology (heart-related issues), Neurology (nervous system diseases), Neonatology (childbirth-related complications), Orthopedic (serious traumatic injuries) treatments.
Source: Palestine Emerging Health Survey 2024

SLIGHTLY LONGER REFERRAL WAITING TIME FOR REFUGEES

The data indicates that referral waiting times were slightly higher for residents of refugee camps than in urban and rural areas. Additional support should be directed to NGOs working in refugee camps.

Average Travel Time for Primary Care by Locality, %

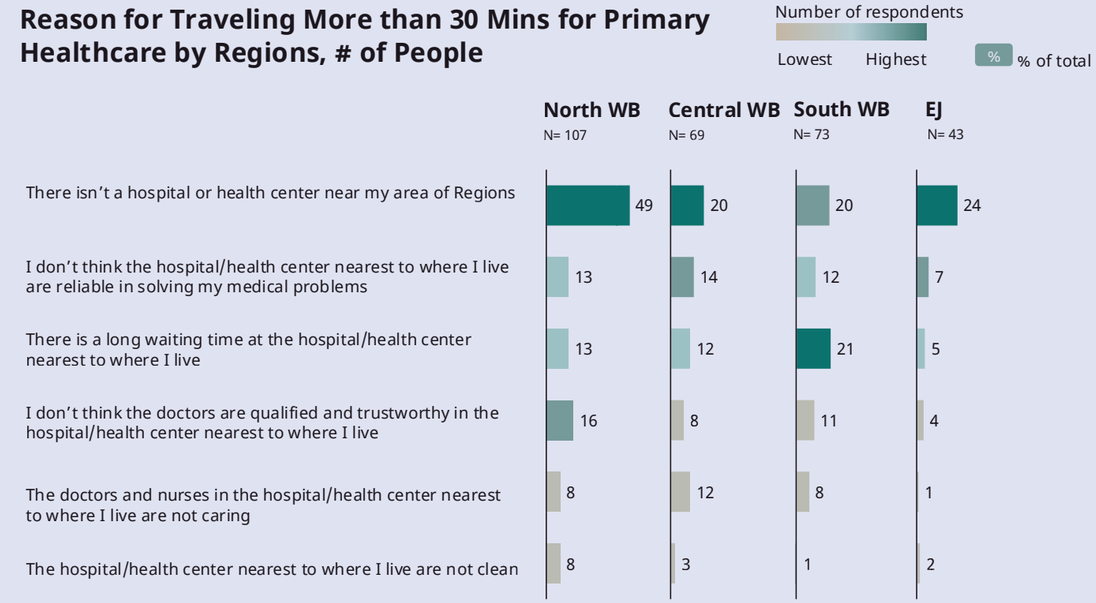


D5. In your area of Regions, what was the average travel time to visit a hospital/clinic for primary care (e.g., cold, flu, collecting medication) before the current conflict?
Source: Palestine Emerging Health Survey 2024

HIGH TRAVEL TIME TO ACCESS BASIC HEALTHCARE FOR RURAL DWELLERS

The data highlights that rural residents faced significant challenges in accessing basic healthcare. Close to 65% of rural residents took more than 15 minutes to access primary care compared to 42% of city dwellers.

Reason for Traveling More than 30 Mins for Primary Healthcare by Regions, # of People



D6: If your travel time is more than 30 mins, why did you take so long to travel to access primary healthcare before the current conflict?
Source: Palestine Emerging Health Survey 2024

ACCESSIBILITY IN NORTH AND SOUTH

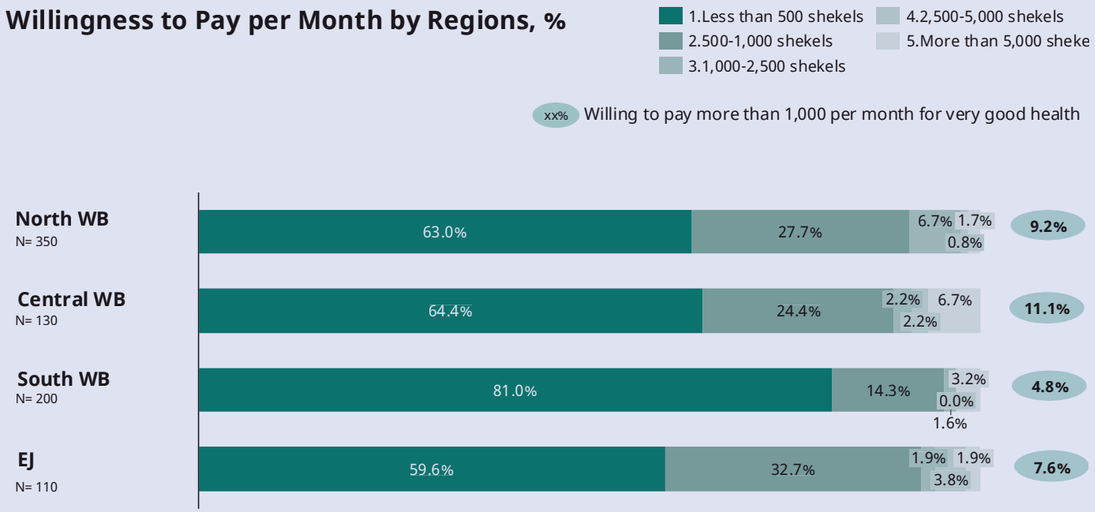
For respondents traveling more than 30 minutes to access primary healthcare, nearly half in the North cited the lack of nearby health centers as a significant issue, while around 21% in the South reported long waiting times as a primary concern.

3.3.3 WILLINGNESS TO PAY

WILLING TO PAY FOR BETTER QUALITY CARE

A significant portion of the population is willing to pay more for better healthcare, with a majority supporting mandatory insurance that offers improved coverage and quality. Key factors influencing this willingness include reliability and the assurance of care.

Willingness to Pay per Month by Regions, %

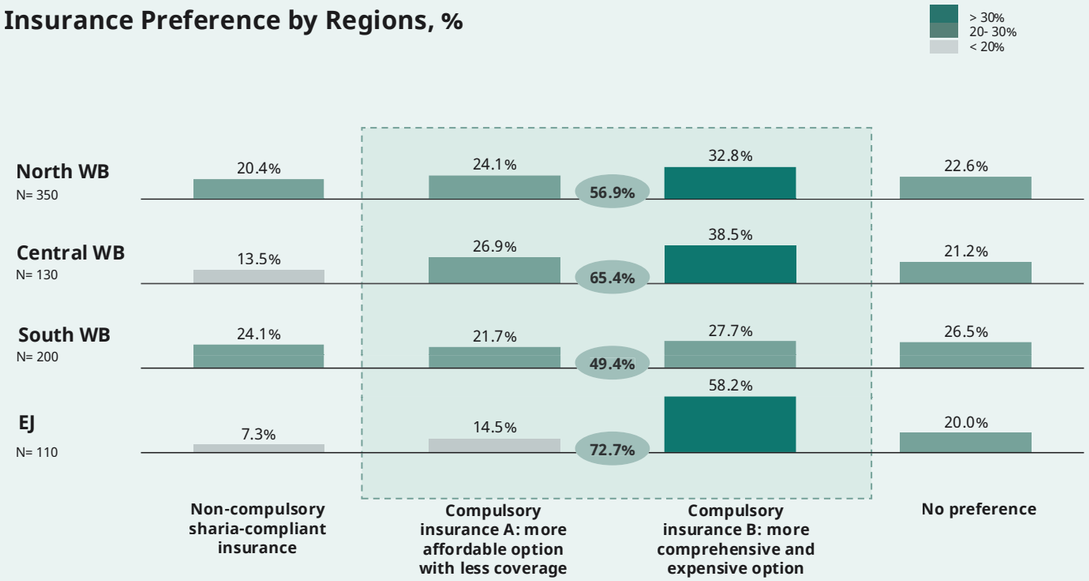


C4. How much would you be willing to pay per month before the conflict to improve the quality of life and health for you and your family to a 'Very Good' level, i.e., good quality of life, no serious illnesses, only visits hospitals for regular checkups?
Source: Palestine Emerging Health Survey 2024

MAJORITY WILLING TO PAY MORE TO IMPROVE HEALTH

A majority of respondents across all regions are willing to pay more to improve their healthcare. The South has the lowest percentage, and 4.8% willing to pay more than 1,000 ILS per month for better care, while in the Central, 11.1% are willing to make this payment.

Insurance Preference by Regions, %

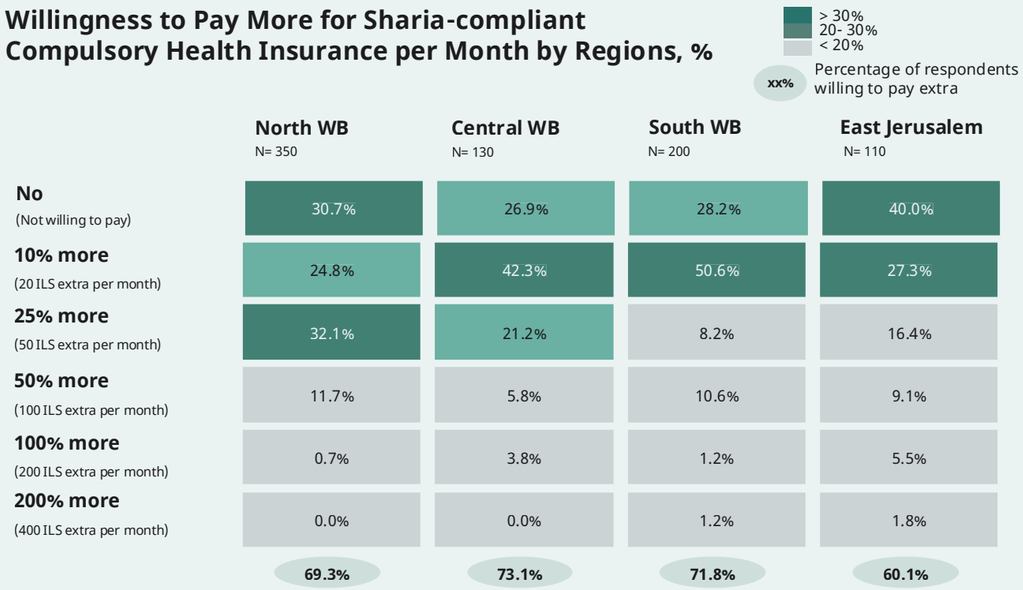


C5. Imagine you have to choose between three health insurance plans. Which one would you prefer, assuming normal conditions in Gaza and the West Bank (when there is no conflict)?
Source: Palestine Emerging Health Survey 2024

OVERWHELMING PREFERENCE FOR COMPULSORY INSURANCE

Across the West Bank, the majority of respondents favor compulsory health insurance, with over 30% (except in the South) preferring a more comprehensive and expensive option, making it the most popular choice. At the same time, 20% in the North and 24% in the South favor non-compulsory insurance.

Willingness to Pay More for Sharia-compliant Compulsory Health Insurance per Month by Regions, %



C6. Are you willing to pay more for a sharia-compliant compulsory health insurance provided jointly by the government and private hospitals every month so that you are guaranteed better quality care?

Source: Palestine Emerging Health Survey 2024

MAJORITY WILLING TO PAY MORE FOR QUALITY CARE

More than 60% of respondents across all West Bank regions are willing to pay more for better-quality health insurance.

The Most Important Factor Affecting Willingness to Pay More by Regions, %

	North WB N= 350	Central WB N= 130	South WB N= 200	EJ N= 110
Reliability (solving the medical problem and receiving the correct treatment)	21.9%	46.2%	20.0%	38.2%
Responsiveness (quick attention and short waiting times)	24.1%	5.8%	12.9%	10.9%
Assurance (trustworthy and qualified doctors)	32.8%	21.2%	44.7%	30.9%
Empathy (caring doctors and staff)	8.0%	3.8%	7.1%	3.6%
Tangibility (clean hospitals, clear prescriptions)	13.1%	23.1%	15.3%	16.4%

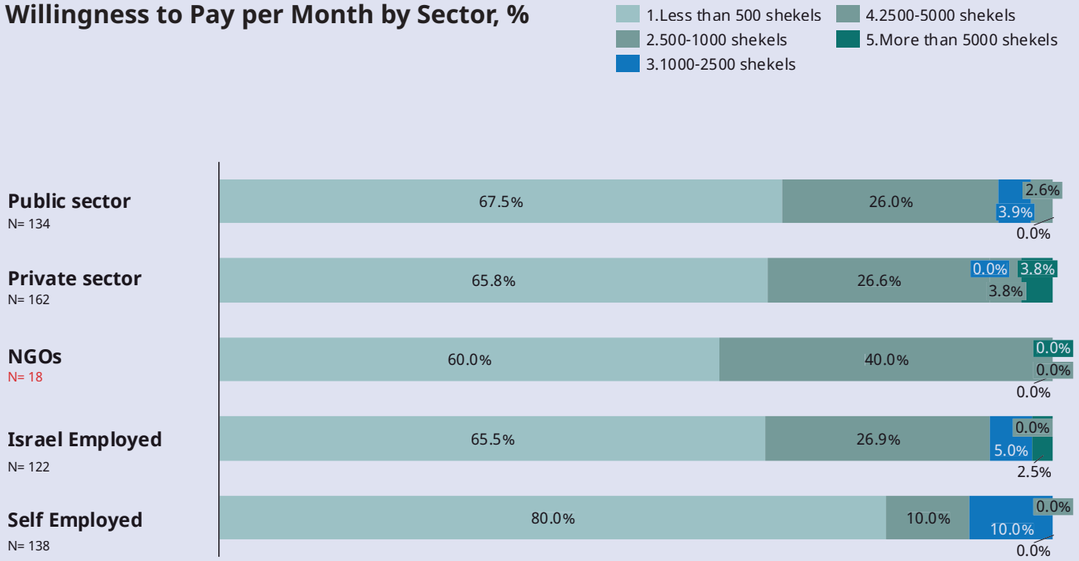
C7: Please rank the following factors in order of importance in affecting how much more you are willing to pay for a sharia-compliant health insurance plan, with 1 being the most important and 5 being the least important:

Source: Palestine Emerging Health Survey 2024

SERVICE RELIABILITY AND ASSURANCE IS TOP OF MIND

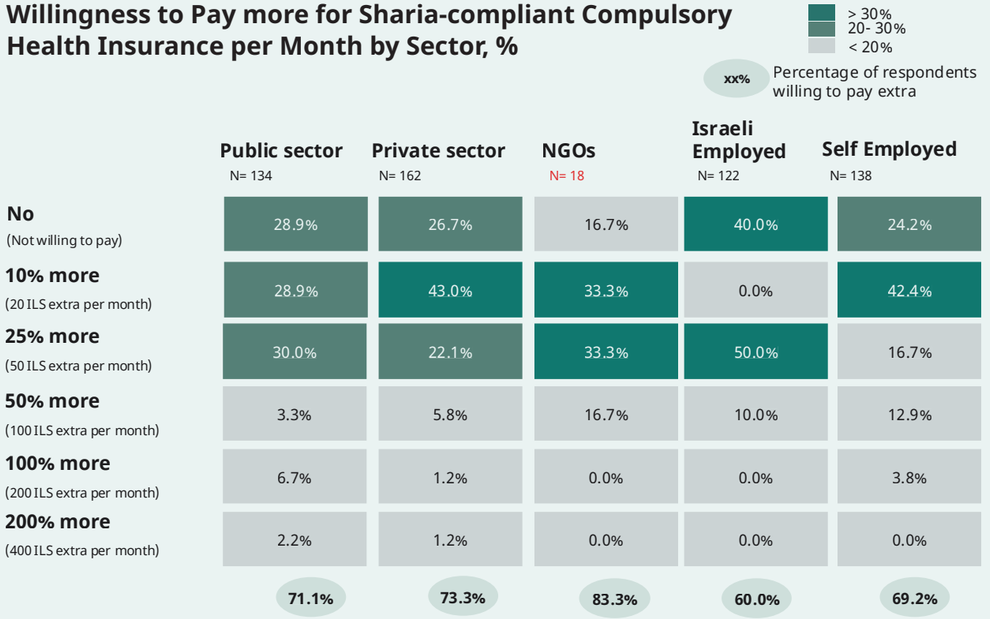
Improving service reliability and assurance is a top priority across all regions, with reliability being the main factor influencing willingness to pay more in the Central West Bank and East Jerusalem, while assurance is most important in the North and South West Bank. Some 24% of respondents in the North also selected responsiveness as the most critical factor.

Willingness to Pay per Month by Sector, %



C4. How much would you be willing to pay per month before the conflict to improve the quality of life and health for you and your family to a 'Very Good' level, i.e., good quality of life, no serious illnesses, only visits hospitals for regular checkups?
Source: Palestine Emerging Health Survey 2024

Willingness to Pay more for Sharia-compliant Compulsory Health Insurance per Month by Sector, %



	Public sector N= 134	Private sector N= 162	NGOs N= 18	Israeli Employed N= 122	Self Employed N= 138
No (Not willing to pay)	28.9%	26.7%	16.7%	40.0%	24.2%
10% more (20 ILS extra per month)	28.9%	43.0%	33.3%	0.0%	42.4%
25% more (50 ILS extra per month)	30.0%	22.1%	33.3%	50.0%	16.7%
50% more (100 ILS extra per month)	3.3%	5.8%	16.7%	10.0%	12.9%
100% more (200 ILS extra per month)	6.7%	1.2%	0.0%	0.0%	3.8%
200% more (400 ILS extra per month)	2.2%	1.2%	0.0%	0.0%	0.0%
	71.1%	**73.3%**	**83.3%**	**60.0%**	**69.2%**

C6. Are you willing to pay more for a sharia-compliant compulsory health insurance provided jointly by the government and private hospitals every month so that you are guaranteed better quality care? (e.g., highly subsidised healthcare, less waiting time
Source: Palestine Emerging Health Survey 2024

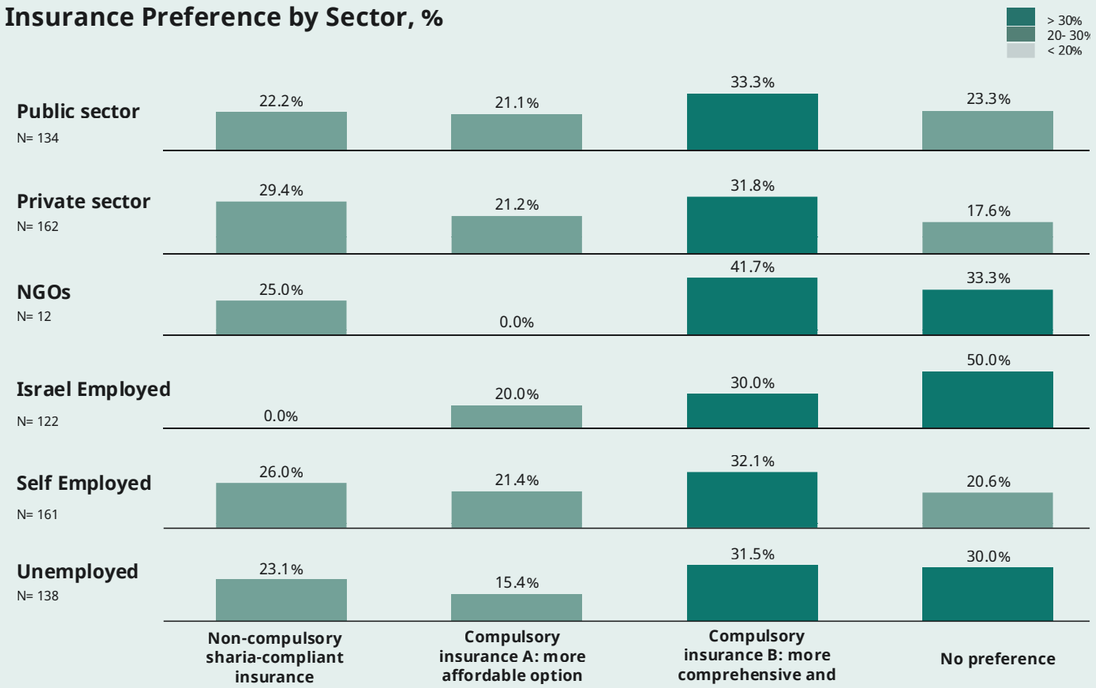
WILLINGNESS TO PAY MORE

Employees in formal jobs, particularly those employed in Israel, are more willing to pay a higher amount to improve their healthcare, with up to 60% of employees in Israel saying they would pay more than 50 ILS extra per month for health optimization. By contrast, only 33.4% of self-employed individuals said they would.

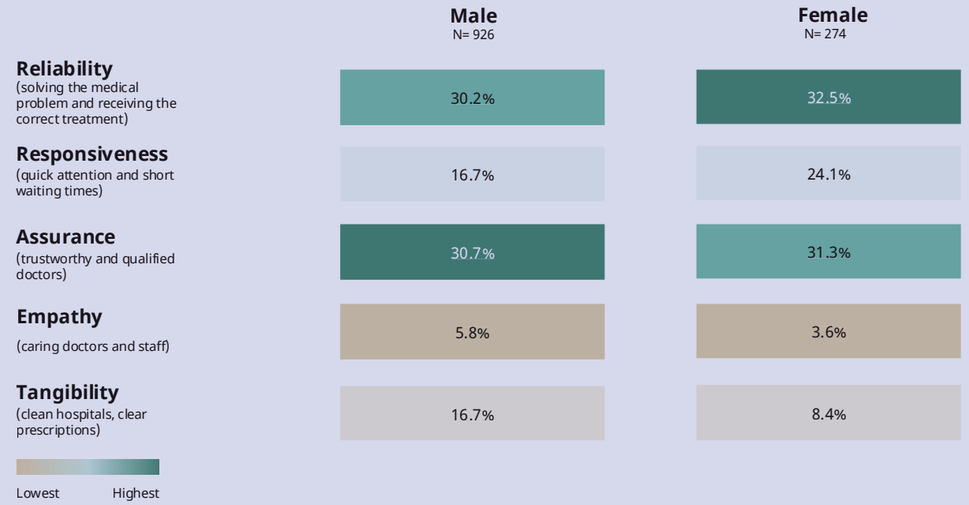
PREFERENCE FOR COMPULSORY QUALITY HEALTH INSURANCE

Employees across all sectors show a preference for a compulsory, comprehensive health insurance plan, aligning with regional preferences for mandatory quality health coverage.

Insurance Preference by Sector, %



The Most Important Factor Affecting Willingness to Pay More by Gender, %



C7: Please rank the following factors in order of importance in affecting how much more you are willing to pay for a sharia-compliant health insurance plan, with 1 being the most important and 5 being the least important:

Source: Palestine Emerging Health Survey 2024

RESPONSIVENESS FOR FEMALE PATIENTS

Both male and female patients prioritize reliability and assurance as the primary factors influencing their willingness to pay more for healthcare. Females showed a greater preference for responsiveness, while males in the survey prioritized more tangible factors, like cleanliness.

PALESTINE EMERGING supports community-based short-term humanitarian interventions to address medical needs in the Gaza Strip.

RECOVERY

4

> “Gaza needs to adapt to the new ecology created by war. From an environmental, social and biological standpoint, new solutions are required to meet the needs of these new realities.”

SENIOR LEAD SURGEON, GAZA HEALTH CLUSTER, AMMAN HEALTHCARE CONFERENCE

SITE STABILISATION AND HEALTH SYSTEM RECOVERY IN GAZA WILL TAKE MANY, MANY YEARS. MEANWHILE, THE OPENING OF A HUMANITARIAN CORRIDOR FOR MOBILE UNITS WOULD SIGNIFICANTLY ACCELERATE SHORT-TERM HEALTHCARE RECOVERY.

CRIPPLING DAMAGE TO GAZA’S HEALTH SYSTEM

The healthcare system in Gaza faces critical challenges across multiple areas. There is a massive backlog in surgical care due to widespread injuries, especially among children. High birth rates continue, with many infants needing early developmental support. Laboratory capacity has been severely compromised, limiting testing capabilities, and infectious diseases are surging, particularly respiratory and gastrointestinal conditions. Primary care demand has increased drastically due to limited access to shelter and services. Malnutrition and dehydration are rapidly rising among young children, compounded by a scarcity of clean drinking water. Mental health needs are also rapidly escalating, alongside rising rates of recurrent infections caused by shortages of essential medications and severe damage to water and sanitation infrastructure.

Focus Areas	Evidence
Surgical needs	A very large number of people, including many children, require complex reconstruction surgeries, creating a massive backlog in care.
Labor	High birth rates combined with resource scarcity has resulted in numerous infants needing early developmental support.
Laboratory	Most laboratory equipment has been lost. Recovery of capacity is anticipated to take several years, with limited testing for re-emerging diseases like polio.
Infectious diseases	A significant surge in infectious diseases, including respiratory and gastrointestinal infections and skin conditions.
Primary care	Daily consultations in health centers have increased dramatically, with high demand driven by limited shelter and medical service access.
Malnutrition and dehydration	Many young children face malnutrition, with dehydration concerns rising due to scarce clean drinking water.
Mental health	A growing number of cases of psychiatric and trauma-related disorders amid shortages of essential medications for treatment.
Water and sanitation	Limited electricity and significant infrastructure damage are hindering water extraction and sanitation, leading to recurrent infections.

MOBILE SOLUTIONS FOR A HIGHLY UNCERTAIN CONTEXT

This overview highlights the severe challenges in Gaza, where continuous destruction, widespread displacement, resource scarcity, and damaged infrastructure have created a critical need for adaptable healthcare solutions. With restricted mobility and daily health-related fatalities, traditional facility-based care is no longer sufficient. Mobile healthcare solutions, designed to bring essential services directly to displaced populations, are urgently needed to address these escalating needs effectively and rapidly. Mobile units, portable medical resources, and flexible service delivery models could provide essential care under these challenging and unpredictable conditions.

WATER, SANITATION, AND HYGENE (WASH) RECONSTRUCTION WILL BE ESSENTIAL

Plans to rebuild Gaza's healthcare system must be complemented by the reconstruction of its water, sanitation, and hygiene systems. According to UNICEF, only one in ten Gazans has direct access to safe drinking water. Additionally, unreliable energy access affects people's ability to wash, do laundry, and safely dispose of wastewater. Infrastructure developments, such as the construction of desalination plants, sewage treatment facilities, and energy generation facilities, are vital to stem the spread of infectious diseases.

Issue	Description
Repeated Destruction	The war causes constant destruction across Gaza, with newly constructed buildings and facilities repeatedly destroyed.
Constant Displacement	A majority of Gaza's population is displaced, moving into temporary shelters (tents) due to the war.
Limited Resources	Financial and human resources are extremely limited, with constrained funding and a severe shortage of medical staff.
Restricted Mobility	Transport infrastructure is destroyed, making movement for the population and healthcare workers extremely difficult and costly.
Need for Speed	Reconstruction is urgently needed, with risks of increase death in Gaza from health-related causes.

SEE ALSO

Gaza Projections: Scenario-Based Health Impact Projections, 2024: Health impact projections for Gaza under various future scenarios to aid strategic planning.

Key findings: close to 85% of Gaza's population had been displaced since the beginning of the conflict, underscoring the mobile nature of the solutions required. As the conflict progressed, traumatic injuries in parts of Gaza more than doubled since the start of the conflict.

4.1 MOBILE UNITS

PROBLEM – REGIONAL HEALTH CRISIS: Gaza's healthcare system has been severely compromised, with only 30% of hospitals functional due to war-related damage. This has exacerbated disease outbreaks, with limited access to specialized care. The spread of infectious diseases across borders threatens regional health and untrained staff struggle to manage specialized treatments.

EXISTING EFFORTS – GAZA HEALTH CLUSTER COORDINATION: Humanitarian response efforts have brought in specialized equipment and mobile health service points; but resources remain insufficient. Current emergency medical services are very basic and lack sufficient equipment and personnel. Moreover, without a single system for tracking and maintaining electronic medical records, patients receive flawed follow up care.

IDENTIFIED SOLUTION – MOBILE UNITS FOR DISPLACED POPULATIONS: As recovery starts, substantial mobile healthcare capacity is essential. Mobile operating theatres and primary care centers will provide comprehensive care in the short and medium-term. These units will integrate with existing health clusters to provide consistent care for displaced populations. These mobile units will be complemented by a system of standardized electronic medical records, to ensure that patients receive proper follow up care.

ENABLING CATALYST – GAZA DECENTRALIZED MEDICAL UNITS

Description: Off-the-shelf mobile health units equipped with surgical tools, wound care supplies, and diagnostic technology to address some of the massive healthcare needs in Gaza. These units will provide critical care in areas where hospitals are non-functional, focusing on surgery and maternal and mental health.

Pilot: The pilot will deploy two mobile units focused on surgical interventions and wound care to a designated area in Gaza. These units will work in coordination with local health clusters and international organizations to provide immediate care and test the feasibility of larger-scale mobile healthcare.

Long-Term: Over time, the plan is to integrate 20 additional mobile units into the healthcare system in Gaza, complementing existing hospitals and healthcare providers. They will operate in coordination with the region's healthcare reconstruction efforts, providing flexibility in times of infrastructure rebuilding.

CASE STUDY – MOSUL, IRAQ – AMI AND THE WORLD HEALTH ORGANIZATION

In Mosul, Iraq, AMI Expeditionary Healthcare, contracted by WHO, established three field trauma hospitals within nine days, providing surgery, emergency, and laboratory services staffed by international and local medical teams. AMI handled logistics, supply chain and security, showcasing their ability to deliver high-quality trauma care rapidly and efficiently in emergency settings.

CASE STUDY - GAZA – RESTORING HOPE INITIATIVE

In Gaza, the Jordanian "Restoring Hope" initiative provides rapid, custom-fitted prosthetic limbs through Mobile Amputee Support Unit (MASU) teams. It seeks to combine real-world data feedback through the Internet of Medical Things (IoMT) sensors and the Hakeem EMR system to deliver high-quality, personalized care. The initiative fosters innovation through real-world evidence collection, creating opportunities for academic partnerships and scalable models that can be applied globally to benefit amputees and advance best practices.

4.2 HUMANITARIAN CORRIDOR

PROBLEM – MOVEMENT RESTRICTIONS: The war has massively hindered the entry of aid and medical personnel into Gaza, which was already extremely challenging. It is very difficult for patients needing care to travel outside the Strip. In addition, large quantities of medical supplies remain stalled at the border. Patients who do succeed in being transferred out face uncertainties about returning to Gaza.

EXISTING EFFORTS – AD HOC EVACUATIONS: Current evacuation measures are inconsistent, with patients who are able to leave sent to Egypt or other nations, but only very rarely to the West Bank. Approvals occur on a case-by-case basis without a standardized clearance process. Medical supplies are beginning to be procured in the West Bank, where the capacity to scale up production exists, though currently in limited quantities.

IDENTIFIED SOLUTION – HUMANITARIAN CORRIDOR SUSTAINING FLOW OF AID AND SUPPORT: A dedicated humanitarian corridor between the West Bank and Gaza is needed to ensure a steadier flow of personnel and equipment, with streamlined procedures for patient transfer and timely returns. This would significantly help to ease the health crisis in Gaza during recovery and would help ensure more critical aid could reach those in need.

CASE STUDY	Description
Indonesia 1946	The International Committee of the Red Cross (ICRC), through contacts with parties in the conflict, facilitated the evacuation of 37,000 Dutch and Indo-Dutch internees.
Syria 2016	The ICRC and Syrian Arab Red Crescent helped evacuate more than 25,000 people from Eastern Aleppo to rural areas in Aleppo and Idlib. Around 750 people were simultaneously evacuated from Foua and Kefraya, in Idlib province. The wounded were reated at health centers supported by local organizations.
Ukraine 2022	The ICRC facilitated the evacuation of thousands of civilians from Sumy and Mariupol through three safe passage operations, coordinated with the United Nations and conflict parties.

ENABLING CATALYST – GAZA – WEST BANK HUMANITARIAN CORRIDOR

Description: Establishing a humanitarian corridor will facilitate the transfer of essential medical supplies and enable the evacuation of patients needing advanced care. It will streamline border clearance, expedite medical transfers, and create easier access for foreign medical professionals into Gaza.

Pilot: The initial pilot will focus on securing permits for medical equipment transfer and facilitating the movement of healthcare professionals into Gaza. It will also prioritize the transfer of high-risk patients to the West Bank for urgent treatment, in partnership with local and international agencies.

Long-Term: The intention is to establish a permanent humanitarian corridor between Gaza and the West Bank, ensuring a continuous flow of medical supplies, healthcare personnel, and patients. This corridor will become a key lifeline for healthcare delivery and related efforts in Gaza.

PALESTINE EMERGING – West Bank-Gaza Link Gamechanger: A dedicated corridor will connect Gaza and the West Bank, enabling efficient movement of goods, fostering humanitarian efforts, and potentially linking to major regional trade routes for expanded healthcare access.

PALESTINE EMERGING recommends partnership frameworks to enhance collaboration and service delivery.

PARTNERSHIP

5

> “Comprehensive, participatory and stepwise-approaches – rather than piecemeal and ad hoc procedures [are needed] to reform the current health system and health insurance.”

SENIOR CONSULTANT, STUDY ON THE PRIVATE HEALTH SYSTEM IN PALESTINE

A PARTNERSHIP-BASED HEALTH ECOSYSTEM WILL OPTIMISE QUALITY THROUGH TRAINING, STREAMLINE INVESTMENT THROUGH EFFECTIVE PUBLIC-PRIVATE PARTNERSHIPS, AND ENHANCE SYSTEMIC FINANCIAL STABILITY THROUGH HYBRID HEALTH INSURANCE.

BRINGING IN THE PRIVATE SECTOR

Palestine Emerging segments the private sector into two groups: healthcare providers and adjacent industries.

The private sector has a substantial role to play in Palestine’s healthcare system beyond the provision of healthcare services. Through public-private partnerships, the private sector can inject funds and help drive improvements in training and procurement.

The finance and insurance sectors can play a particularly significant role in supporting healthcare reform. Microfinance, insurance and reinsurance providers can raise necessary funds for the healthcare sector, ensue swift insurance payouts, and minimize risk.

Moreover, private sector corporate social responsibility (CSR) programs can provide manpower, finance and equipment for recovery efforts in Gaza.

NATIONWIDE TRAINING AND JCI ACCREDITATION STRATEGY

5.1 TRAINING AND ACCREDITATION

PROBLEM – LACK OF A NATIONWIDE QUALITY ASSURANCE AND TRAINING REGIME: Hospitals in Palestine operate without a standardized accreditation system, leading to inconsistencies in training and care quality. Each hospital follows its own procedures, affecting pricing stability and patient outcomes. Expertise is centralized in tertiary hospitals, limiting access to high-quality training across the healthcare workforce. Movement restrictions, inadequate training capacity within the Palestinian Ministry of Health (MoH), and the absence of a standards institute exacerbate this issue, leaving many trainees underexposed to practical experience.

EXISTING EFFORTS – NON-UNIFORM QUALITY ASSURANCE AND SHORTAGE OF PRACTICAL APPRENTICESHIPS: While the MoH has initiated quality assurance efforts, implementation remains inconsistent, with no universal standards for hospitals. University programs are largely theoretical, and cross-border training initiatives are limited and lack scalability.

IDENTIFIED SOLUTION – A CENTRALIZED TRAINING STRATEGY AND ACCREDITATION PROCESS: A centralized training and accreditation strategy to establish consistent quality standards and enhance practical training opportunities across all hospitals and specializations. This would build on existing efforts in Palestine, such as the Total Quality Management (TQM) scheme, as well as drawing on successful models in the region like Jordan’s HCAC system.

CURRENT TRAINING RESOURCES

Availability	Existing Programs
Number of Courses	• Limited general clinical courses • Limited specialist programs • Insufficient training courses for trainers • Insufficient departmental management courses • Need for more specialist training courses
HR	• Insufficient trainers in the current training pipeline
Non-HR	• Insufficient hospital sites to host physical training • Limited exposure to some medical cases
Quality	
Accreditation	• Some clinical courses are missing core modules that align with international accreditation standards • Some hospitals lack international accreditation
HR	• Variable quality of training programs across regions and hospitals
Non-HR	• Some hospital sites do not have the infrastructure to host physical training

BOOSTING TRAINING AVILABILITY

There are critical gaps in Gaza's healthcare training infrastructure, particularly in availability and quality. The current availability of training programs is limited, with few courses in general clinical and specialist areas, and a shortage of training opportunities for trainers and departmental managers. Human resources constraints, such as insufficient trainers, are compounded by non-HR challenges, including a lack of hospital sites for hosting in-person training and limited exposure to diverse medical cases.

INCREASING TRAINING QUALITY

Quality standards are also inconsistent, with several clinical courses lacking core modules aligned with international accreditation benchmarks, and many hospitals operating without recognized accreditation. The variability in training program quality across regions further limits the healthcare system's overall effectiveness.

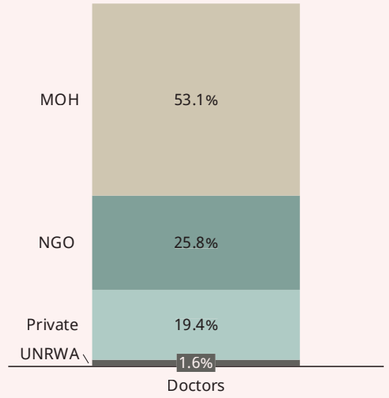
Addressing these gaps requires expanded access to specialist training, enhanced trainer capacity, and improvement of the infrastructure needed to meet international standards, all of which would strengthen healthcare delivery. In order to do so, an independent accreditation body with a standardized curriculum will be required, with the ability to withdraw teaching licenses from institutions which do not meet quality standards. Such an accreditation body would provide competency assessments for trainees, granting standardized certifications for qualified medical professionals. Training would range from foundational to specialized, integrating simulations, practical experience, and technological training.

AN INCLUSIVE APPROACH TO TRAINING

Approaches to training and accreditation should include gender inclusion and cultural competency. Programs should ensure strong rates of female participation, enabling greater levels of women's involvement in the medical field.

Training should include cultural competency to ensure medical professionals can meet the needs of a diverse population, providing care that is informed by the background of their patients.

Doctors Distribution by Organization, 2022, %

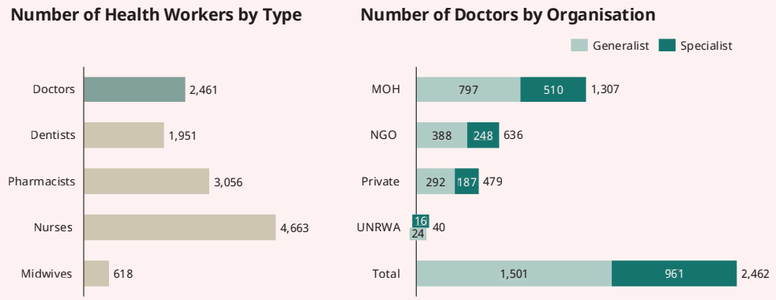


Sources: Expert Interviews, Team Analysis

MOH IS THE LARGEST PROVIDER OF HEALTHCARE PROFESSIONALS

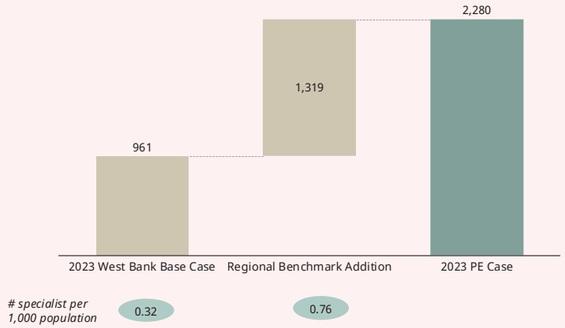
The Palestinian Ministry of Health is the largest employer of doctors. Private sector and NGO providers employ 19% and 25% of doctors respectively.

Number of Health Workers in the WB, 2022



Sources: Expert Interviews, Team Analysis

Number of Specialist Doctors Required in WB, 202, Base vs PE Case

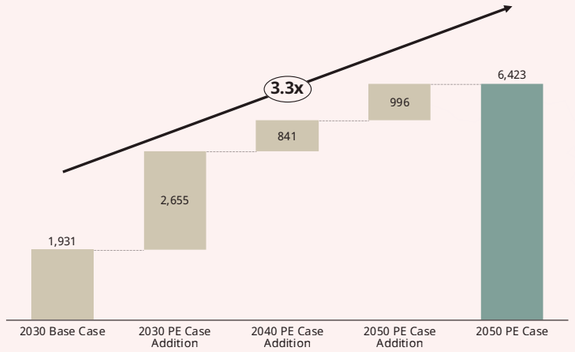


Sources: World Bank Group 2024e, Team Analysis

SHORTAGE OF DOCTORS

Before the war, the average ratio of specialist doctors to patients in the West Bank was 0.32 per 1,000 people. The pre-war ratio of generalists in Palestine was higher than the Middle East and North Africa (MENA) region's 0.22 ratio but lower than the region's top performer of 0.76. To address the expected rise in disease cases and to be a regional leader, the West Bank needs to double the number of specialist doctors.

Base Case vs PE Case, Additional Specialist Doctors Required, 2030-2050



Sources: World Bank Group 2024e, Team Analysis

STRUCTURED TALENT PIPELINE BUILD

To meet the demands of an expanding population, assuming the West Bank and Gaza post-recovery were to hit the regional leader benchmark by 2030, 265 specialist doctors would need to be added every year. After that, an average of 92 doctors would need to be added annually. A structured and targeted talent and retention strategy needs to be adopted to ensure that the right specialist talent enters and remains in the workforce.

TRAINING RESOURCES

Proposed Interventions	Description
Core training package	• A tiered core training package (Basic, Specialist, Management) for different healthcare professions. • The Basic component integrated with university-level general training. • The Specialist component rolled out at high-priority hospital departments based on health burdens, with practical checklists. • The Management component provided for senior healthcare practitioners at hospitals.
Train-the-Trainer program	• A program to teach Palestinian healthcare practitioners to become certified trainers in internationally recognized healthcare programs, including BLS, ALS/ACLS, PALS, BBP training, OPIM training, NRP and NALS.
Expand hospital training infrastructure	• Identify top-performing MoH and private hospitals in high-priority specialisms (e.g. Oncology, Cardiology, Neurology, NICU, Orthopedics) and establish accredited/certified specialist training centers for healthcare practitioners.

LEVERAGING REGIONAL EXPERTISE TO STRENGTHEN TRAINING PROGRAMS

While the proposed training will take place within Palestine in the long run, in the immediate term, training can be kickstarted through regional collaboration. Palestinian doctors can be trained at specialist hospitals abroad, while regional experts can be brought into Palestinian hospitals as visiting instructors. Ultimately, the 'Train-the-Trainer' program' will enable all teaching to be done within the country.

This training process should be complemented by programs incentivising medical professionals to remain in the country and preventing brain drain. Through a nationwide hybrid insurance scheme, higher hospital revenues should allow for higher pay for doctors and nurses, incentivising them to remain within the Palestinian healthcare system.

ENABLING CATALYST

Joint National Training and Accreditation Program

Description: A national training and accreditation program, in collaboration with the Joint Commission International (JCI), to standardize training and accreditation across all health services. This will raise the quality of healthcare delivery and ensure consistency in professional development.

Pilot: The pilot will launch specialized "train-the-trainer" programs in a selected hospital, covering essential skills for healthcare professionals. These programs will be accessible to healthcare workers across the West Bank, helping establish a network for future training initiatives.

Long-Term Plan: The program will expand to include all specializations, with a national accreditation body overseeing the process. This body will work with accreditation agencies such as JCI to align local standards with international ones, ensuring ongoing improvements in patient safety and healthcare quality.

ACCREDITATION CASE STUDIES

JCI CASE STUDY	Organization	Impact of JCI Accreditation
Primary Care	Al Wakra Health Center (HMC, Qatar)	• Improved care coordination, enhanced patient safety. • Increased patient satisfaction, improved chronic disease management.
Tertiary Care	King Faisal Specialist Hospital (Saudi Arabia)	• Strengthened patient safety, quality and international standards alignment. • Reduced surgical complications, improved clinical performance.
Pharmacies	Mayo Clinic Pharmacy (US)	• Enhanced medication management, improved staff training and patient education. • Reduced medication errors, increased patient satisfaction.
Laboratories	Cleveland Clinic Laboratories (US)	• Improved accuracy, data management and quality. • Faster lab results turnaround, better diagnostic accuracy.

PALESTINE EMERGING Technical University of Reconstruction Gamechanger: A major institution, based in Gaza, specializing in economic reconstruction and development and training up part of the workforce for essential roles in the Strip's rebuilding. It will also, in its initial phases, train students in healthcare specialisms.

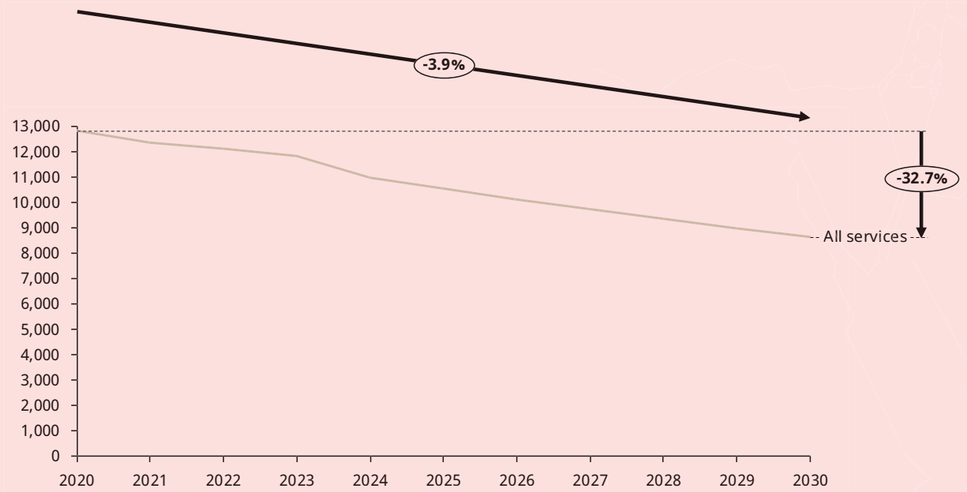
5.2 CONCESSION-BASED PUBLIC-PRIVATE PARTNERSHIPS (PPP)

PROBLEM – AN OVERWHELMED PUBLIC HEALTH SYSTEM: There is no structured framework to attract private investment into Palestinian healthcare, and the current contract model is unsustainable. The Ministry of Health contributes more than half of hospital revenues but frequently delays payments, often reducing them significantly. Political and financial risks discourage private sector investment, while staff shortages further limit planning capacity.

EXISTING EFFORTS - LACK OF COORDINATED INVESTMENT PLANNING: Although there is an agreement to collaborate with private providers for specialized care, there is no cohesive framework, and most programs rely on short-term contracts with uncertain pricing. Private sector players operate independently, which limits long-term capacity planning.

IDENTIFIED SOLUTION – A CLEARLY DEFINED PARTNERSHIP AND INVESTMENT FRAMEWORK: A clearly defined partnership and investment framework would foster collaboration between the public and private sectors, helping to address healthcare shortages effectively.

Historical and Projected Average Private Service Price List by MoH, All Services, 2020-2030

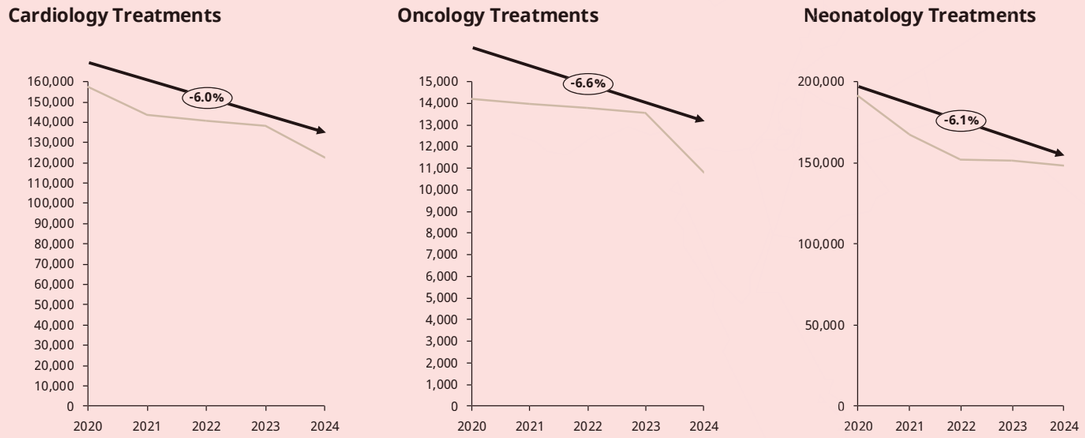


Sources: Expert Interviews, Team Analysis

GROWTH NOT AUSTERITY

In the short term, price reduction and cost-saving measures are essential during conflict and recovery periods. However, prolonged austerity measures undermine private sector productivity, leading to service cutbacks and closures, particularly in specialized areas like oncology. This approach risks driving private providers out of business. Sustainable long-term growth requires a shift in focus towards improving productivity, attracting external investments, and identifying additional revenue streams to adequately finance health services. If the historical trend persists, the average MoH price for private services is expected to decrease by 32.7% by 2030 from the 2020 baseline.

Private Health Service Price List by MoH, ILS



Sources: Expert Interviews, Team Analysis
Note: Prices reflect average of specialization-related treatments

STEADY DECLINE IN PRICES FOR ESSENTIAL TERTIARY TREATMENTS

Prices for oncology treatments saw an average annual decrease of 6.6% from 2020 to 2024, with similar price reductions for services from private sector service providers in other specialized services like cardiology and neonatology.

PARTNERSHIP FRAMEWORKS

MODEL	Description
Joint Venture	An equal partnership between government and private sector to co-own and invest in tertiary healthcare facilities. Both parties share control, ownership, and risks, aiming to expand specialized care while ensuring access for public patients.
Build-Operate-Transfer (BOT)	The private sector finances, constructs and operates tertiary care centers with minimal public funding. Ownership is transferred to the Ministry of Health (MoH) after construction, but the private partner operates the facility during a concession period to recoup investment.
Concession	The private sector finances and operates tertiary healthcare services, aiming to maximize revenue from private patients. The MoH regulates and assures quality, guaranteeing prices for a fixed term to allow private players to recoup their initial investment.
Contract	The MoH contracts private entities to manage and operate publicly owned primary healthcare facilities. With high levels of public funding, the private sector provides management expertise to improve efficiency and service delivery, especially in under-served areas.

SHIFT TOWARDS CONCESSION

As a general rule, **Joint Ventures (JVs)** represent the most sophisticated form of public-private partnership, requiring high levels of capability, strategic planning, and collaboration between the government and private sector. **Contracts**, on the other hand, are more ad hoc, designed for shorter-term needs, and quicker to implement. To maximize collaboration in Palestine, a strategic approach would involve moving progressively up this scale — from initial **Contracts** to **Concession** models in the short term, gradually building shared capabilities and trust between the private and public sectors. This phased approach would ultimately pave the way for implementing **Joint Ventures** as the partnership matures, enabling a sustainable framework for healthcare expansion and quality improvement.

BOOSTING SUPPLY SIDE RESILIENCE THROUGH PARTNERSHIP

1. Facility planning: public and private sector collaboration to prevent the inefficient allocation of resources. Currently, public and private hospitals duplicate specialties in the same geographic areas. Through coordination, efficient resource allocation can maximise service provision.
2. Human resource support: the private sector can contribute to specialist training, providing specialized medical professionals as teachers.
3. Procurement through the West Bank: goods required for Gaza's recovery can be sourced from the West Bank, minimizing transportation costs, and boosting the broader economy.

COST BENEFIT ANALYSIS

Model	Pros	Cons
Joint Venture	• Shared financial burden • Enhances access to high-quality care • Combines public oversight with private sector efficiency	• Potential conflicts in decision-making due to shared control • Complex coordination may lead to delays • Profit motives may conflict with public health goals
Build-Operate-Transfer	• Expands healthcare infrastructure without heavy public expenditure • Private sector assumes major financial and operational risks • Speeds up service availability	• High service costs may limit access for low-income patients • Risk of inadequate public oversight • Transfer of ownership may disrupt services if not managed well
Concession	• Minimal financial strain on government resources • Encourages significant private investment in healthcare • Potential for advanced medical technology	• Services may be unaffordable for many Palestinians • Limited government control over healthcare priorities • Could exacerbate healthcare inequalities
Contract	• Enhances efficiency without selling public assets • Leverages private sector expertise to improve care quality • Increases access to primary care	• Private management might prioritize profit over patient care • Possible job insecurity for public healthcare workers • Reliance on private entities affects sustainability

MOVE TOWARDS A REGULATED FREE MARKET

The Concession model offers a practical solution for Palestine by enabling healthcare expansion with minimal financial burden on the government and private investors assuming most of the costs. This model encourages private sector involvement, bringing in advanced technology and operational efficiency that can improve overall care quality. However, limited government control over service priorities and potential affordability issues could create barriers for low-income populations, potentially widening gaps in healthcare access. While the private sector's involvement can improve efficiency, it may also lead to inequalities if services are skewed towards profitability. Proper regulatory measures are essential to align private services with public health needs and mitigate long-term risks.

ENABLING CATALYST

Healthcare PPP Framework

Description: A shift from the contract model to a concession model, offering fixed-term concessions to private healthcare providers with guaranteed pricing to create long-term certainty for investors. This balances profitability for private providers and ensures affordability for patients.

Pilot: The pilot will target oncology services, where external referrals are currently the highest. A select private partner will be granted a concession to provide oncology care in the West Bank, creating an opportunity for detailed testing of the concession terms and pricing structure while reducing the need for external medical referrals.

Long-Term Plan: Informed by the pilot outcomes, the concession-based model can be scaled to other specialized healthcare services, creating sustainable partnerships between the public and private sectors. This will enable the government to outsource expensive tertiary treatments to private providers, ensuring high-quality care across Palestine.

SEE ALSO

WHO, Understanding the Private Health Sector in the Occupied Palestinian Territory, 2023:
Analyzes the private health sector's role in Palestine, highlighting its contributions and challenges. The private sector operates 81 hospitals and 743 primary healthcare centers, accounting for a significant portion of healthcare infrastructure. However, it faces challenges such as regulatory constraint, limited integration with public health services, and financial sustainability concerns.

CASE STUDY

Clinica Delgado, Peru

Clínica Delgado in Lima, Peru, managed by Auna S.A., combines private investment with public health goals. Serving both private and public patients through collaborations with EsSalud and SIS, it demonstrates how concession-based models can expand healthcare access and quality.

5.3 INSURANCE

INSURANCE

PROBLEM - VOLUNTARY INSURANCE, EXPANDING BUDGET DEFICIT: The voluntary insurance system fails to generate sufficient revenue to cover healthcare costs, straining government resources. The government faces big and ongoing challenges in tax collection and a lack of sufficient donor aid, undermining its ability to fund medical referrals.

EXISTING EFFORTS - EFFECTIVE SAFETY NET PROTECTING THE UNDER-SERVED: Government and NGO safety nets support those unable to pay for insurance, while the WHO has led efforts to reduce external referrals and invest in local treatment capacity. Temporary price reduction programs help curb referral costs, partially mitigating budget deficits.

IDENTIFIED SOLUTION - MANDATORY BASIC CARE PACKAGE, EXPANDED INSURANCE OFFER: While requiring popular consultation and a mandate to deliver, the ultimate solution is a hybrid insurance model, with a compulsory basic package alongside an upward taper of additional service options. This will massively increase the resource pool for healthcare and reduce additional government health spending.

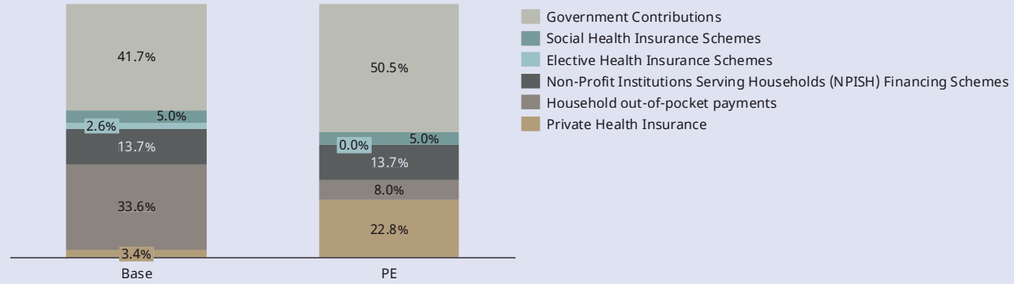
IMPACT CATALYST – HYBRID HEALTH INSURANCE SCHEME

Description: A hybrid insurance model, following a popular consultation and mandate to deliver, which includes a compulsory basic package for all citizens along with optional private upgrades. This model will increase dedicated healthcare revenues and reduce government healthcare spending, as well as improving equitable access to healthcare services.

Pilot: The pilot will begin in Ramallah, partnering with a local microfinance provider and a private hospital to introduce tertiary health insurance. This voluntary basic insurance package will be rolled out in collaboration with the government, reducing the burden of medical referrals on the public purse.

Long-Term Plan: Over time, the insurance model will expand to other regions and incorporate more financial institutions and specialized hospitals. The ultimate goal is to transition the system into a mandatory hybrid insurance scheme which balances public and private healthcare funding.

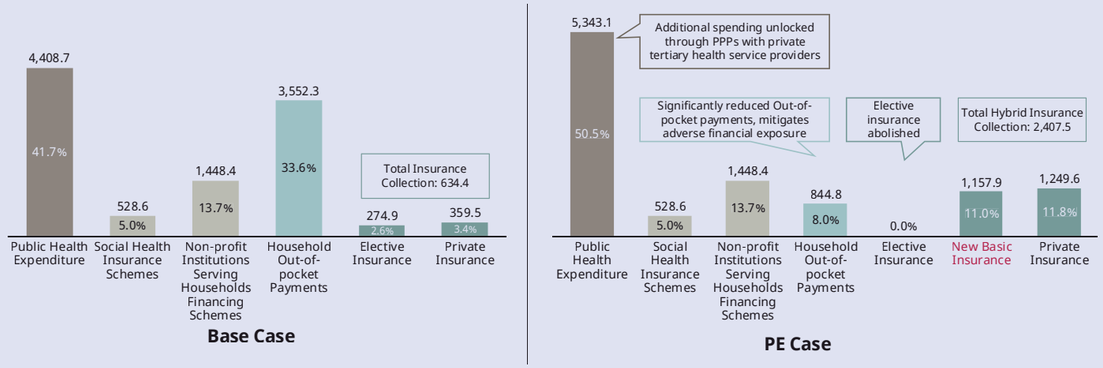
2030 Financing Mix Scenario - Base Case vs PE Target Case, %



INCREASING CONTRIBUTIONS FROM PRIVATE HEALTH INSURANCE

According to actuarial studies and survey analysis by PALESTINE EMERGING, there is potential to increase private optional health insurance's share of total healthcare spending from 3.4% to 11.8%, contingent on the provision of high-quality services. The PE case assumes 25% co-payment for specialized services.

Financing Mix Projection, 2030, Millions ILS, %



Sources: PCBS 2024e, Team Analysis

INCREASE IN PRIVATE INSURANCE WILL REDUCE SHARE OF GOVERNMENT CONTRIBUTIONS

The implementation of a hybrid private insurance scheme by 2030 could increase private insurance collections fourfold to 2.4 billion ILS, greatly reducing out of pocket expenditure. Additional public health spending can be unlocked to fund basic health services and preventive and screening programs.

Sample Hybrid Multi-tired Insurance System

		500	1500	2500	3500	4500	5500
	% of West Bank population	27%	21%	18%	11%	10%	12%
Social Government/ NPO Insurance scheme	Free of charge	100%	100%	0%	0%	0%	0%
Basic Insurance Scheme	70 ILS basic	0%	0%	100%	100%	100%	100%
Tier 1 Private	105 ILS top up	0%	0%	43%	31%	0%	0%
Tier 2 Private	175 ILS top up	0%	No	19%	32%	50%	50%
Tier 3 Private	210 ILS top up	0%	0%	11%	12%	10%	10%

Sources: Palestine Emerging Health Survey, Team Analysis

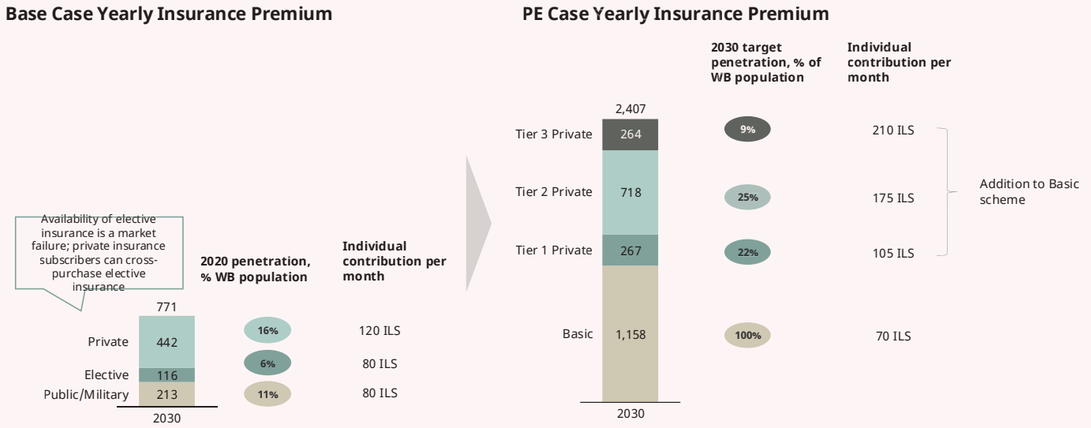
NEED BASED INSURANCE

PALESTINE EMERGING proposes a multi-tier insurance scheme segmenting both formal and informal employees by salary bands. The primary goals of the redesigned scheme are twofold: improving finance protection by reducing out-of-pocket expenses for the vulnerable and minimizing financial burden for low-income households, on the one hand, and improving service quality for those willing to pay extra, on the other. The ability and willingness to pay is triangulated using surveys and global benchmarks. The first tier is a free-of-charge needs-based social or NGO insurance for individuals who cannot afford to pay. The second is a basic insurance program providing basic health services and emergency care. The third comes with three different package options for higher income individuals on top of the basic insurance.

ABOLISH ELECTIVE INSURANCE

The provision of public elective insurance represents a market failure. Its availability allows private insurers to cross-purchase elective insurance, thereby diminishing the incentive for individuals to seek private insurance coverage. This dynamic creates dependency on public schemes, undermining the broader insurance ecosystem. Moreover, the absence of a business case for public elective insurance has contributed to escalating public sector arrears owed to private and international service providers, exacerbating fiscal pressures. Eliminating public elective insurance has the potential to correct these inefficiencies. Projections indicate that abolition could increase insurance collections more than threefold by 2030, strengthening the financial viability of the insurance sector and reducing the burden on public resources.

Insurance Premium Split - Base vs PE Case, Millions ILS, 2030



A LADDER OF INSURANCE PACKAGES

Private insurance packages would be carefully tailored to provide greater convenience, broader coverage and premium care. Health service providers and insurance firms should come together to design a private insurance package which is financially viable and can be scaled on the national level.

International accreditation: Regulated and accredited insurance schemes and providers to ensure reliability.

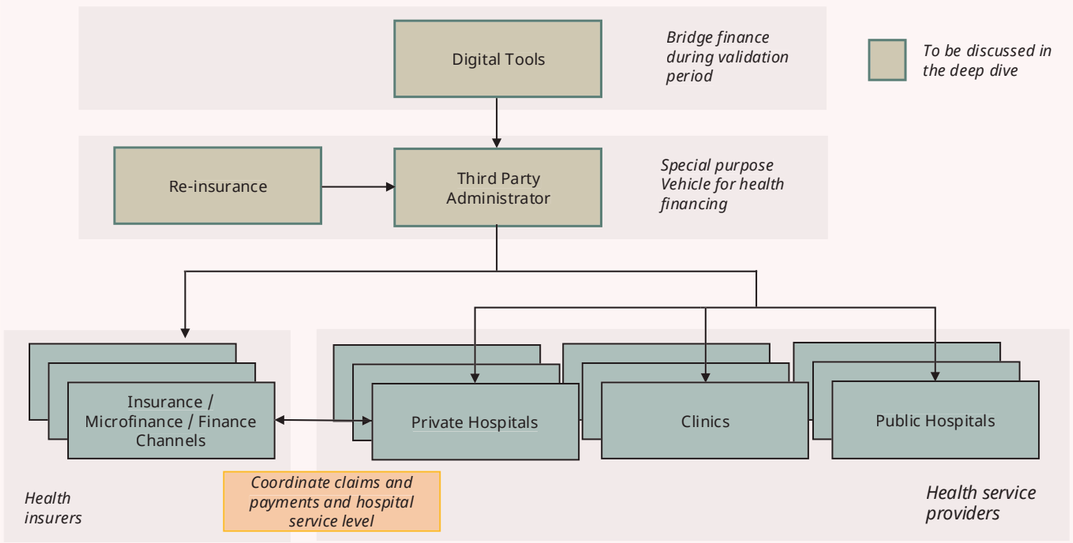
Differentiated services: Ensure no cross selling of public health services by private institutions. Tiered packages designed according to salary bands and consumer demands.

Premium care: Flexible and convenient healthcare, enabling patients to choose their doctors, receive treatment faster, and access a broader range of care (such as dental cover and eye care).

CASE STUDY
Germany's Health Insurance System

Germany's mandatory health insurance system ensures universal coverage through employer-employee contributions to statutory health plans, which are managed by non-profit insurers under government regulation, most famously Kaiser Permanente. This model provides comprehensive care while also offering private insurance options for those with higher incomes.

Health Insurance Delivery Framework



HYBRID INSURANCE MODEL TO FUND PUBLIC AND PRIVATE HEALTH SERVICES

Third Party Administrator: Acts as an intermediary between insurance firms and hospitals/labs/clinics, validating the legitimacy of insurance claims. This process takes 90 days, meaning there is a three month lag between an insurance claim and the payout.

Digital tools: Digital tools, such as invoice factoring, can bring forward insurance payouts for hospitals, labs and clinics. This mitigates the impact of the 90-day validation period, allowing healthcare providers to maintain liquidity and manage cashflows.

Microfinance institutions: Preexisting microfinance institutions operating in fields such as housing and small enterprise loans can also provide consumer facing short term healthcare finance. In cases where patients are billed at the time of treatment, microfinance institutions can provide individuals with interim finance while they await insurance payouts.

Reinsurance: A reinsurance system can help to manage risk. This will be complimented by the creation of a national insurance scheme, which will substantially widen the pool of those insured, thereby diversifying risk.

Approaches to training should include gender inclusion and cultural competency

PALESTINE EMERGING's work highlights tech-enabled initiatives that keep the integrity of existing systems and accelerate digital transformation.

TRANSFORMATION

6

> **Collaborative efforts are required to integrate Palestinian hospitals digitally with both the national and international health systems.**

CEO OF GLOBAL HEALTH TECH INVESTMENT FUND, PRIVATE INTERVIEW

PALESTINE NEEDS A LEAPFROG IN HEALTHTECH, TO INVEST IN CONSUMER FACING APPLICATIONS AND TELEHEALTH SOLUTIONS, TO REDUCE DISEASE INCIDENCE AND THE COST OF CARE, AND TO INTEGRATE DIGITAL MEDICAL RECORDS TO SPEED UP REFERRAL PROCESSES.

6.1 TELEHEALTH ~~SOLUTIONS~~

PROBLEM - LACK OF PREVENTIVE CARE AND DIGITAL TOOLS: The absence of digital tools for preventive care and early disease detection contributes to unnecessary hospital visits, especially in Gaza and remote parts of the West Bank. Limited internet connectivity, low exercise rates, high smoking prevalence among men, and insufficient health awareness compound this issue. Many people are not educated on health screenings, such as for breast cancer, which could be detected earlier. Patients in remote areas face significant travel barriers to access care.

EXISTING EFFORTS - AWARENESS CAMPAIGNS AND AVAILABILITY OF TELEHEALTH: Efforts to promote health screening, including breast cancer checks, are underway, and some IT providers have developed telehealth tools. However, hospitals have not fully integrated these tools into their protocols. Workarounds to provide internet access in Gaza and remote West Bank areas are also in place, though coverage remains inconsistent.

IDENTIFIED SOLUTION - PILOT TELEHEALTH SYSTEM: Implementing an integrated telehealth pilot program could point the way towards drastically improved healthcare in Palestine, reducing travel costs and expanding access to a broader population. It would facilitate follow-up visits, ensuring treatment adherence and improved health outcomes.

HEALTHCARE SYSTEM PROCESS MAPPING

Simplified patient journey	Key activities	Sample uses
Pre-assessment	• Preventative activities	• Health app to track health indicators and encourage healthy lifestyles
	• Disease screeening	• Health app to educate public and share information and disease screening campaigns
Assessment	• Attend routine check-ups	• Health app to remind patients to attend routine check-ups
	• Visit clinic for non-urgent conditions	• Tele-medicine solutions for non-urgent conditions
	• Visit ER for urgent conditions	
Treatment	• Complete treatment at clinic/public hospitals for non-urgent or general conditions	• Patient-centric digital patient record system
	• Referred to specialist hospitals for specialized treatment	• E-referral system • Integrated HIS system
Follow-up	• Follow-up visits for check-ups	• Telehealth app for follow-up visits
	• Collect prescribed medications	• Health app to order medicine for delivery

DIGITISED PATIENT JOURNEY

There are opportunities to optimize every step of the patient journey through digital interventions, cases from pre-assessment to follow-up stages, reducing travel time and improving patient experience.

PROPOSED INTERVENTIONS

Proposed Interventions	Description
Health App	A one-stop-shop consumer health app to track vital health statistics, used for information and preventive purposes, with functions for appointment booking and medicine delivery.
Telemedicine Platform	A telemedicine platform for consultations and diagnostics.
MoH Software and Hardware Investment Package	An investment package to upgrade the Ministry's software (Avicenna) and its centralized hardware server, with potential for hybrid cloud-based solutions.
Enterprise Software Training Program	A training plan to upskill hospital workers on enterprise software.
EMR API Solutions	An Electronic Medical Records (EMR) Application Programming Interface (API) solution to connect the EMR software of the Ministry of Health and private hospitals.
Standardized Labeling Protocol	A standardized labeling protocol across all hospitals for drugs and equipment.

ECOSYSTEM-BASED DIGITAL TRANSFORMATION

The proposed healthcare interventions for Palestine focus on improving accessibility, efficiency and integration through digital and operational upgrades. A Health App will enable individuals to track vital health statistics, book appointments and arrange medicine delivery on their phones, while also supporting preventive care. A Telemedicine Platform will provide remote consultation and diagnostic services, increasing access to healthcare. An MoH Software and Hardware Investment Package is needed to modernize and upgrade Ministry infrastructure, potentially including hybrid cloud solutions for scalability. To support these changes, an Enterprise Software Training Program will equip hospital staff with essential digital skills. Additionally, an EMR API Solution will connect electronic medical records across public and private facilities, ensuring continuity of care, while a Standardized Labeling Protocol for drugs and equipment across hospitals will enhance safety and consistency. Together, these interventions will lay the foundation for a cohesive and efficient healthcare system.

INTEGRATION CAN BOOST EFFICIENCY

Technology can improve the healthcare system in three key ways:
Hospital data management: creating a unified system of real time data sharing. This would remedy the current lack of interoperability between data systems, allowing informed medical decision making without repeatedly taking medical histories or duplicating tests and scans.
Consumer interface: through a patient facing health app, patients would be able to access their health records, book appointments, manage insurance and payments, and access telemedicine services.
Payment management: through unified electronic medical records and a digitally managed insurance scheme, doctors and nurses' hours can be effectively recorded across hospitals, allowing for more efficient billing and payroll management.

CROSS FUNCTIONAL SOFTWARE INTEGRATION CAN IMPROVE OPERATIONAL EFFICIENCY

HIS
Patient information
Digital patient records, including details of visits, doctors' notes, prescriptions amd any digital copies of scans and check-ups.

FINANCE
ERP
Financial enterprise planning software, tied to a price list, can help set doctors' fees and directly link to invoices.

HR
HR
Human resourcing software can be used to plan staff shifts based on availability and needs.

OTHERS
Procurement
Digital procurement software, linked to the procurement process

Asset system
A function to integrate equipment into overall HIS software

E-referral
A digital referral program to match patients to the appropriate specialist hospitals.

EMR Local integration
A function to connect the EMR system locally.

EMR API Plug-in
A cloud-based plug-in to connect all Electronic Medical Records (EMR) systems across MoH and private hospitals, as well as for patients in the Gaza Strip.

6.1 TELEHEALTH PLATFORM

IMPACT CATALYST
TELEHEALTH PLATFORM

Description: A telehealth platform should be adopted to provide consultations, diagnostics, and treatment services through a mobile and web app. This platform will be linked to a unified EMR network, enabling healthcare professionals to access patient data remotely and improving care for under-served populations.

Pilot: The pilot telehealth platform will launch in Gaza, focusing on mental health services in collaboration with the WHO and local practitioners. It will offer remote mental health assessments, consultations, and support, addressing acute mental health needs while testing the platform's efficacy.

Long-Term Plan: The telehealth platform will eventually scale up to include a broader set of healthcare services, including remote diagnostics and preventive health tools like medical questionnaires and pre-procedure checklists. It will be integrated with EMR systems to provide continuous, comprehensive care and reduce hospital visits across Palestine.

CASE STUDIES

Telepsychiatry Program in Rural Wyoming
In rural Wyoming, a telepsychiatry program was launched to address the challenges of accessing mental health care over vast distances. By connecting patients with mental health professionals via telehealth, the program reduced travel needs and increased access to timely psychiatric care, improving patient outcomes and engagement in under-served areas.

NYC Emergency Tele-Mental Health Services During COVID-19
In New York City, emergency tele-mental health services were introduced during the COVID-19 pandemic to address a surge in mental health need. Through virtual consultations and crisis interventions, the program ensured continuity of care for isolated and vulnerable residents, showcasing telehealth's scalability and effectiveness in urban settings during public health crises.

PALESTINE EMERGING 5G GAMECHANGER: Upgrading Gaza's cellular network from 2G to 5G will massively improve digital connectivity for healthcare, emergency camps and disaster recovery, supporting critical infrastructure like remote surgeries and emergency response capabilities.

Potential Digital Use Case

Type	Process	Purpose	Digital Use Case
Surveys / Questionnaires / Forms	1. Health questionnaires	Collect comprehensive medical history and lifestyle information	**Health app:** Online forms or mobile apps for easy data collection and analysis
	2. Cognitive and psychological assessment	Assess mental health and cognitive functions	**Telehealth:** Online assessments and remote consultations with mental health professionals
	3. Nutritional assessment	Evaluate nutritional status	**Health app:** Digital dietary tracking for logging and monitoring nutritional intake
	4. Risk assessment tools	Assess overall surgical or treatment risk	**Risk calculators:** Digital tools that automatically calculate risk based on patient data
	5. Pre-procedure checklist	Ensure all pre-assessment steps are completed	**Health app:** Automated checklists with alerts and reminders for incomplete tasks
Non-invasive tests	6. Physical examination	Assess vital signs and general physical health	**Telehealth:** Step-by-step tutorials for conducting self-screening at home **Wearable devices:** Wearables to continuously monitor vital signs before the exam
	7. Imaging tests	Visualize internal organs and structures	**Portable ECG devices:** Mobile ECG devices that sync data with health records
	8. Electrocardiogram (ECG)	Measure electrical activity of the heart	**Telehealth:** Remote teleradiology and tele-imaging consultations with specialists
	9. Pulmonary function tests (PFTs)	Measure lung capacity and function	**PFT Software:** Digital tools for analysing and tracking pulmonary function over time
Invasive tests	10. Blood tests	Evaluate blood components and organ function	**Telehealth:** Telepathology consultations **Lab information system:** Automated lab test ordering, results tracking, integration with EMRs

E-SCREENING AND PREVENTIVE CARE

Integrating genetic counseling and pre-screening into Palestine's healthcare system would yield substantial long-term health and economic benefits. Without screening, preventable genetic conditions will continue to burden the healthcare system, impacting public health and resources. By using digital tools, screening and preventive solutions will become more accessible, supporting early intervention and providing preemptive care for at-risk populations. This proactive approach would not only improve health outcomes but also reduce future healthcare costs, laying the groundwork for sustainable healthcare that addresses genetic conditions at their root. Various digital integration options, such as health apps, telehealth, and wearable devices, can be implemented at a consumer tech level, with awareness-building as an essential first step.

Simplified patient journey

	Pre-assessment	Assessment	Treatment	Follow-up
Key activities	• Preventive activities • Disease- screening	• Attend routine check-up • Visit clinic for non-urgent conditions • Visit ER for urgent conditions	• Complete treatment at clinic/public hospitals for non-urgent conditions • Referred to specialist hospitals for specialised treatment	• Follow-up visits for check-ups • Collect prescribed medications

TIME SAVINGS AND EXPERIENCE IMPROVEMENT

The adoption of telehealth solutions can optimise patient experience and save time at every step of the patient journey, from pre-assessment to follow-up, preserving valuable medical capacity for urgent cases and treatments.

6.2 RECORDS SHARING

PROBLEM - FRAGMENTED ELECTRONIC MEDICAL RECORDS (EMR) MEDICAL RECORDS: Palestinian hospitals operate on disjointed patient information systems, with little interoperability between the public and private sectors. In Hebron, for example, at least five EMR providers operate independently, creating inefficiencies and impeding referral coordination. The lack of standardized guidelines on data exchange and limited digital expertise further complicate the issue. Public hospitals also face challenges because medical records are not linked to HR or finance systems, hampering billing and accounting.

EXISTING EFFORTS - COMPETING PROVIDERS, FURTHER FRAGMENTATION: Private healthcare providers are developing in-house digital solutions to save costs, but they risk adding to the existing chronic fragmentation. Plans to upgrade and integrate these systems are underway, but progress is slow due to funding constraints and a shortage of skilled experts.

IDENTIFIED SOLUTION - UNIFIED DATA SHARING AGREEMENT: A unified data-sharing partnership across existing systems would enable better interoperability, allowing data exchange without discarding current systems or investments.

SEE ALSO

WHO Global Strategy on Digital Health 2020-2025, (2021): Establishes a framework for leveraging digital health innovations to improve healthcare access and quality worldwide. WHO estimates that digital technologies can play a critical role in achieving universal health coverage by 2030, with projected efficiencies of up to 30% in resource use through better coordination and real-time health monitoring.

IMPACT CATALYST

EMR DATA SHARING

Description: The proposed Electronic Medical Record (EMR) Open API Integration System aims to connect public and private hospital systems under the Ministry of Health, using international standards such as HL7, FHIR, and ICD-10. This system will allow real-time synchronization of patient data, enhancing decision-making and care coordination.

Pilot: The pilot will connect the EMR systems of an existing private hospital and a public hospital for one specialized treatment area. It will establish a secure data-sharing room to ensure compliance with privacy standards while integrating existing systems already using the public Avicenna software. This initial pilot will test interoperability, data accuracy and the feasibility of scaling the solution.

Long-Term Plan: Once successful, the integration can be scaled across Palestine, connecting all hospitals to this interconnected data system. It will create a unified health information network, improving healthcare delivery.

GAZA CLOUD-BASED MEDICAL RECORD SYSTEM

The **Sijilli** project offers a scalable, cloud-based electronic health record model for refugee and migrating populations in low-resource settings, ensuring continuous healthcare access despite displacement. By providing portable and secure digital records, Sijilli supports consistent, high-quality care for individuals across borders, making it a critical solution in humanitarian health contexts.

CASE STUDY

Norway's National eHealth Patient Record System
Norway's eHealth System, Helseplattformen, integrates healthcare providers across the country into a unified "One Patient, One Record" framework, enhancing care coordination and reducing errors. Current pilots in Central Norway focus on data security, interoperability and privacy.

Electronic Medical Records System Comparison, Hebron

ILLUSTRATIVE ONLY

	Avicenna	Care	Al Sahl	HMS	APEX
Hospital Classification	MOH	NGO	NGO	Private	NGO
Hospital (years of usage)	Al-Amera Alia (10) Al-Shaheed Abu Al-Hassan Al-Kasem (4)	Al-Ahly (22)	Palestine Red Crescent Society (68	Al-Meezan (7)	St John (7)
Selected functions					
Single Clinical data repository	✓	✓	✓	✓	✓
Task tracking	✓	✓	✓	✓	✗
Close looped processing of drug administration	✓	✓	✓	✗	✗
External health information exchange	✗	✗	✗	✗	✗
Data warehouse	✗	✗	✗	✗	✗
Summary data of all hospital services	✓	✗	✗	✗	✓

“Digital transformation is a complex and prolonged process that demands systemic investment, cross-functional collaboration, and capability building.”

HEAD OF PRODUCTS, DIGITAL HEALTH RECORDS COMPANY

PALESTINE EMERGING supports the export of pharmaceutical products, people, and knowledge to different mega-regions of the world.

EXPORT

7

INVESTMENT IN PHARMACEUTICAL MANUFACTURING AND HUMAN RESOURCE TRAINING CAN TURN PALESTINE INTO AN EXPORT HUB FOR PHARMACEUTICAL PRODUCTS AND INNOVATION CENTER FOR LIFE SCIENCE RESEARCH.

BOOSTING PHARMACEUTICAL EXPORTS FROM PALESTINE

PROBLEM - GENERIC DRUG MANUFACTURING AND EXPORT RESTRICTIONS: Export restrictions and the lack of recognized accreditations hinder the growth of Palestine's pharmaceutical industry, with exports constituting less than 5% of total production. Investment into a strategic plan to target North African and Gulf markets is proposed, aiming to increase exports to 50% of pharmaceutical production by 2050. This would expand economic opportunities significantly and boost domestic healthcare.

EXISTING EFFORTS – EXTERNAL CONSTRAINTS RESTRICTING EXPORTS: Current export promotion initiatives exist, but external constraints and limited access to regional and global markets have hindered their success.

IDENTIFIED SOLUTION - HOLISTIC EXPORT STRATEGY: A comprehensive strategy is needed to overcome restrictions and identify strategic opportunities for pharmaceutical exports to neighboring and international markets.

HEALTHCARE IN PALESTINE IN 2050

There is an opportunity to enhance the healthcare system's quality and sustainability while boosting economic growth through an expanded pharmaceutical sector.

- Increase hospital bed capacity to nearly 3 beds per 1,000 population.
- Ensure health services that fully meet Joint Commission International (JCI) standards.
- Reduce the incidence of non-communicable diseases.
- Achieve 100% health insurance coverage.
- Export 50% of the pharmaceutical industry outputs.

7.1 PHARMA EXPORT

IMPACT CATALYST

Pharma Trade Facilitation Plan
Description: A pharmaceutical export strategy is proposed to target markets in North Africa and the countries of the Gulf Cooperation Council (GCC), with the aim of significantly increasing export volumes. By 2050, the goal is for 50% of pharmaceutical production to be export-focused, expanding opportunities for growth.

Pilot: The pilot will focus on exporting generic drugs to North Africa, where trade agreements already exist. Efforts will be made to ease export barriers and increase production capacity to meet demand.

Long-Term Plan: In the long term, pharmaceutical exports to East Africa and the Gulf can grow significantly, eventually including advanced medical equipment manufacturing. This growth will be built on Palestine's educated workforce, location and high-level of skills and expertise in pharmaceutical exports.

7.2 TRIALS

IMPACT CATALYST

Local Clinical Trials

Description: this initiative aims to establish a clinical trial ecosystem in Palestine by securing regulatory approval from the Helsinki Committee and building infrastructure in select West Bank hospitals. Ethical, standardized frameworks will enable these facilities to conduct human clinical trials, a critical step in drug discovery. This effort complements the Pharmaceutical Export Catalyst, strengthening Palestine's potential as a regional pharmaceutical and biotech hub.

Pilot: the pilot will focus on one hospital and specialization, such as oncology or rare diseases. Key actions include upgrading infrastructure, implementing stringent risk mitigation strategies, and designing a data-sharing framework to meet international standards. Training programs for local healthcare professionals and researchers will ensure compliance, supported by partnerships with global pharmaceutical companies and universities to enhance technical capacity and credibility.

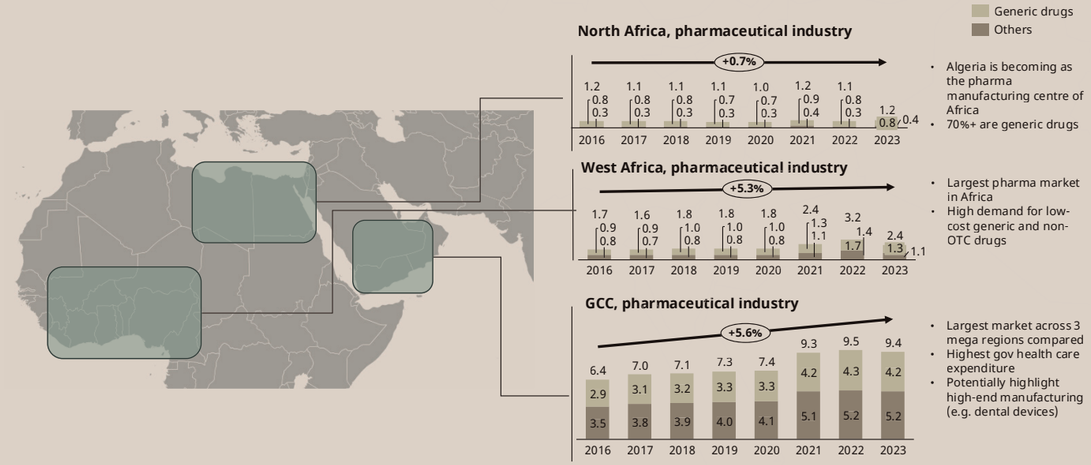
Long-Term Plan: over time, the initiative will expand to additional hospitals and specializations, creating a robust and sustainable clinical trial ecosystem. By integrating with the Pharmaceutical Export Catalyst, this strategy will attract international investment, support local drug development, and enhance Palestine's global standing in pharmaceutical research, reinforcing its position as a regional leader in innovation and healthcare.

PALESTINE EMERGING Trade, Currency, and Standards Pivot Gamechanger: By focusing on export standards, trade reforms, and a shift from the Shekel, Palestine can attract more international investment, expand its economic reach and boost exports, including in the broader health sector.

CASE STUDY - INDIA'S PHARMA TRANSITION TO HIGH VALUE EXPORTS

In 2013, India's pharmaceutical exports were valued at approximately $15 billion and dominated by generic drugs. Over the past decade, the industry has strategically shifted towards high-value segments, including specialty drugs, biosimilars, and vaccines. This transition has been driven by increasing global demand for complex therapeutics and India's growing capabilities in research and development. By 2023, pharmaceutical exports had risen to $25.39 billion

Mega-region pharmaceutical industry market sizing, Billions USD



Source: Statista 2024a-l, Desk-based research, Team Analysis

MEGAREGION TRADE GRAVITY

Demand for generic drugs in West Africa and specialized medical equipment in the Gulf Cooperation Council (GCC) present significant export opportunities for Palestine's pharmaceutical sector. Despite being a relatively small industry, currently valued at $160 million with less than 5% of production exported, there is clear potential to expand. In the short term, targeting generic drug markets in North and West Africa offers a viable pathway, while the longer-term strategy focuses on penetrating the $17 billion GCC market for advanced medical equipment.

Securing Good Manufacturing Practices (GMP) certification is a key enabler for scaling exports. A practical short-term strategy involves bilateral recognition agreements, such as hosting FDA representatives for inspections or leveraging third-party certification. Some Palestinian pharmaceutical companies already export to Europe and beyond and can facilitate knowledge transfer to elevate the entire sector. Given the highly regulated and standardized nature of pharmaceuticals, external constraints on exports are minimal, making the sector an ideal pilot for broader export expansion efforts.

To optimize market access, direct business-to-business engagements between Palestinian exporters and foreign buyers is crucial. Aligning export product strategies with market-specific demands and aggregating orders can reduce costs through economies of scale. Manufacturers should prioritize sustainable practices, particularly in producing active pharmaceutical ingredients, to mitigate environmental impact and future regulatory risks.

In the short run, Palestine can focus on exporting components to regional markets as a stepping stone while building the foundation for a robust medical equipment manufacturing sector. Establishing this sector alongside ongoing efforts to secure FDA approval will position Palestine as a competitive exporter of high-value medical products within 3–5 years.

KNOWLEDGE

PROBLEM - LACK OF LOCAL OPPORTUNITIES AND BRAIN DRAIN: Although Palestine produces a relatively well-educated workforce, many health professionals seek employment abroad due to wage disparities and the impacts of the occupation. The absence of suitable local opportunities discourages Palestinian diaspora doctors from returning. Additionally, local medical programs lack sufficient internship and apprenticeship opportunities, limiting practical training for new graduates.

EXISTING EFFORTS – PILOT PARTNERSHIPS AND HEALTH APPRENTICESHIPS: Universities and university hospitals are working to expand apprenticeship and training programs, as well as global partnerships, though these initiatives are not yet widely implemented.

IDENTIFIED SOLUTION – COORDINATED STRATEGY TO ATTRACT AND RETAIN TALENT: A coordinated strategy to improve healthcare and pharmaceutical human resources, create more high-value, well-paying jobs, and attract diaspora talent back to Palestine is essential for sustainable growth in these sectors.

“We are prepared to support Palestinian pharmaceutical companies in accessing global markets through our global network of chambers, provided there are clear accreditation frameworks and market entry strategies in place.”

SENIOR REPRESENTATIVE, INTERNATIONAL CHAMBERS OF COMMERCE

These catalysts need delivery partners to prepare projects for investment and sustainability address the systemic issues in public finance.

DELIVERY

8

A CROSS-SECTORIAL, DECENTRALIZED DELIVERY UNIT IS NEEDED TO IMPLEMENT THE HEALTH CATALYSTS AND HELP IDENTIFY AND PACKAGE DEALS TO ATTRACT BLENDED FINANCE INVESTMENT

8.1 FINANCE

Palestine Emerging estimates that approximately 11.6 billion ILS in investment will be required by 2050 across the West Bank and Gaza to meet the regional benchmark of three hospital beds per 1,000 population. To achieve this goal, a blended finance approach is essential, initially leveraging concessional capital and donor funding to attract private capital. A blended finance platform, managed by an independent entity, will be established to raise funds for healthcare-related projects. This platform will collaborate with existing players in the field to avoid duplication of efforts. Projects will be identified, screened, and packaged, with both financial and non-financial needs clearly outlined and presented to private and public investors. A mix of concessional and private capital will be raised for different projects, each evaluated with clear Internal Rate of Return (IRR) and measurable impact targets, particularly for impact-focused initiatives.

Structural barriers in healthcare, such as public sector arrears, have historically hindered private investment. The catalysts proposed in this blueprint aim to gradually address these barriers. Once these structural issues are resolved, a more tailored, deal-by-deal approach will be adopted to define market sizes and viable business models. This process will also explore new revenue streams and cost-optimization strategies to enhance project feasibility. Centers of excellence in the private sector will be established to complement public healthcare systems through strategic partnerships, creating a more integrated and effective healthcare infrastructure.

For Development Finance Institutions (DFIs) and donors, improved coordination within a structural investment framework will ensure donations are effectively leveraged to fund large-scale, transformative projects rather than being fragmented into smaller, unsustainable programs. The financial sector can play a pivotal role by designing innovative financial products, such as bonds, to fund specific projects that can scale across the region and beyond.

Efforts to formalize businesses and provide technical assistance will be essential to ensure sponsors comply with investment cases and clearly articulate their use of proceeds and strategic objectives. On the investor side, a clear investment mandate and defined deliverables will reduce friction and transaction time, streamlining the investment process. A localized approach will be critical to fostering specialization and achieving economies of scale. By working collaboratively, private sector players can explore synergies and identify opportunities for partnerships that maximize efficiency and impact.

BLENDED FINANCE PLATFORM

PROBLEM - UNCOORDINATED FUNDRAISING AND IMPLEMENTATION: While a large number of project proposals exist, they lack investor-readiness, including sustainable revenue projections, and many are dependent on reforms for success. Projects are often small in scope, duplicative, or cut before completion due to funding issues. Effective coordination is also lacking, preventing synergy between related projects and hindering local delivery.

EXISTING EFFORTS - DONOR-RELIANT FINANCING PLANS: Efforts are underway to raise donor funding for healthcare-related projects and implement structured reforms to reduce external medical referrals and increase efficiency. Private sector involvement is limited, with private fundraising overly dependent on local banks, limited in scope, and often standalone rather than integrated with broader initiatives.

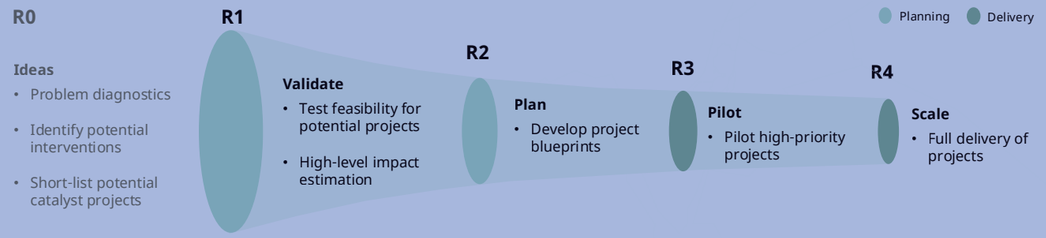
IDENTIFIED SOLUTION - DEAL SOURCING, PACKAGING, AND INVESTMENT: To ensure sustainability, projects need to be prioritized and funneled through a structured pathway, from ideation to pilot scaling, with a robust investment plan. A blended finance platform, supported by a dedicated expert team, would provide transaction facilitation and technical assistance, streamlining fundraising for healthcare projects and attracting broader investment.

CASE STUDY	Description
NHS Special Purpose Vehicles (SPVs)	The UK's National Health Service (NHS) uses SPVs to finance capital projects such as hospitals. Through private finance initiatives, the NHS borrows from the commercial sector for construction. In Northumberland, northeast England, the NHS transfers its budget to an Accountable Care Organization via an SPV.
Health Tech VC SPVs (Carrot Health)	Minneapolis-based Carrot Health launched the Engage fund, an SPV-only health tech venture capital (VC) fund, to invest in early-stage medical tech companies. Each investment has a separate SPV, allowing investors to back individual projects, reducing large upfront capital requirements.
Singapore's Central Provident Fund (CPF)	CPF is a national social security system where a portion of salaries is automatically deducted into savings, which are used for healthcare and retirement. Schemes like MediShield Life cover the majority of hospital treatment costs.
India Diaspora Bond Issuance	India has issued three sets of diaspora bonds to raise funds: India Development Bonds (1991), Resurgent India Bonds (1998), and India Millennium Deposits (2000). These bonds offer fixed returns and terms to attract diaspora investment.

PALESTINE EMERGING PALESTiNIAN BANK FOR RECONSTRUCTION AND DEVELOPMENT (PBRD) Gamechanger: The PBRD finance vehicle will mobilize global investment in the reconstruction and development of Gaza and the West Bank, including the funding of healthcare projects, to ensure sustainable infrastructure through blended financing and local capacity building.

PALESTINE EMERGING PALESTINE BOND GAMECHANGER: The Palestine Bond will attract diaspora and international investors to back initiatives including healthcare, green projects and SMEs, providing essential funding for sustainable growth and healthcare stability.

Palestine Emerging 'Ripple' Initiative Tracker



PROJECT CATEGORIZATION AND PRIORITIZATION

PALESTINE EMERGING structurally categorizes projects and deals based on maturity and feasibility, so high-impact initiatives can be effectively developed from concept to scale. The Delivery Unit will collaborate with local stakeholders and existing transaction facilitation agencies to enable pipeline sharing, ensuring all opportunities are clearly identified and shared with donors and investment groups.

By establishing clear stage gates, deliverables, and criteria, the pipeline will act as a central filtering mechanism to identify and prioritize ideas and deals at various stages of development. This approach ensures that appropriate, tailored support and resources are allocated to advance each project effectively.

8.2 DELIVERY UNIT

The proposed Delivery Unit, comprising representatives from the public and private sectors, key NGOs, and Palestine Emerging, will oversee catalytic initiatives and coordinate the implementation of investment, partnership plans, and healthcare transformation projects.

A central team will manage stakeholder coordination, supported by local representatives from the public and private sectors and funding partners. These representatives will lead the delivery of individual catalysts. International experts with experience in similar initiatives will provide advisory support.

A region-specific approach will be adopted, with local leaders and civil society representatives coordinating activities within their respective regions. Regular feedback and coordination mechanisms will ensure alignment with the public health system's mandate. The central team will oversee the integration and sequencing of catalysts to ensure complementary actions and system-wide impact.

Localized and contextualized engagement is vital to reflect the diverse backgrounds and expertise of staff across organizations. A tailored strategy will address challenges in the informal economy, with designated leaders taking responsibility for specific interventions.

A clear and lean reporting framework will track the progress of each catalyst at fixed intervals, based on agreed KPIs to ensure projects remain on schedule and aligned with objectives. The Delivery Unit will operate under regulatory oversight to ensure compliance, and a transparent reporting structure will be established to uphold accountability.

CASE STUDY - GLOBAL PARTNERSHIP

The 1972 U.S.-Soviet Public Health Agreement established five hospital partnerships, facilitated physician exchanges, and advanced innovations like the artificial heart to strengthen medical facilities and foster professional collaboration.

DELIVERY UNIT

PROBLEM - LACK OF UNIFIED STRATEGY AND COORDINATION: A specialist unit to coordinate the public and public and private sectors and deliver catalysts across critical areas like IT, finance and healthcare not yet in place. There is also no organization to engage investors and donors with a long-term business perspective and further develop these high-potential pilot projects. A centrally-coordinated and regionally-decentralized program, which is essential given the geographical fragmentation, is also absent.

EXISTING EFFORTS - STRATEGY FOCUSED TASKFORCE: An ad-hoc task force, involving the public sector and international advisors, was assembled for this work. Led by private sector input and expertise from critical areas like finance and investment, it now needs crystallizing into an effective and sustainable delivery unit.

IDENTIFIED SOLUTION - COMMUNITY-CENTRIC, OUTCOME-BASED DELIVERY UNIT: Establishing a central coordination unit, with representatives from the public and private sectors alongside experts in areas like finance and healthcare, will enable a cohesive approach. Decentralized teams and local partners in each region can then deliver targeted initiatives, ensuring community-centered and outcome-based project implementation.

CASE STUDY - PALESTINE CARIBBEAN HUMANITARIAN MISSION

In 2023, a **Palestinian Humanitarian Mission** in Grenada deployed healthcare specialists to reduce surgical backlogs and provide expert care, highlighting Palestine's role in supporting global health needs and sharing medical expertise internationally.

DELIVERING HEALTHCARE EXCELLENCE

PALESTINE EMERGING acknowledges the unique contextual challenges and stability risks facing the region. However, we are confident that through coordinated planning, effective delivery efforts, and a constructive dialogue and partnership model, these risks can be mitigated.

By challenging constrained thinking and focusing on fundamental growth drivers — such as labor force projections and the resilience of existing organizations — Palestine Emerging is committed to catalyzing reconstruction. With the successful implementation of key initiatives, we are confident that the economy and healthcare system in the West Bank and Gaza will be positioned for sustained recovery and growth, ultimately delivering healthcare excellence for every resident.

“I am very proud of Palestinian healthcare workers, both in terms of skillset and resilience. I hope in the future they can offer assistance to other countries in dire healthcare need.”

SENIOR HEALTH OFFICIAL, MINISTRY OF HEALTH, PRIVATE INTERVIEW

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التميز في الرعاية الصحية

DELIVERING HEALTHCARE EXCELLENCE

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