

Every six months the NSU project is required to report progress against targets to the donors financing the project. The NSU project has 5 outputs and 11 workstreams. Some of these are overarching and others specific to individual permanent status files. This document has two parts:

Part One contains file specific targets that we articulated in the work plan we submitted to the NSU donors in February and provides space to report on progress toward achieving them.

Part Two provides space to summarise the current status and set out the targets for the next 6 months work.

Part Three provides space to indicate what external consultancy support you anticipate requiring over the coming 6 months in order to meet the targets set.

In each part, please review and update the data in and/or complete the areas marked in **yellow**.

Part One – Progress report against work plan (February – July 2008)

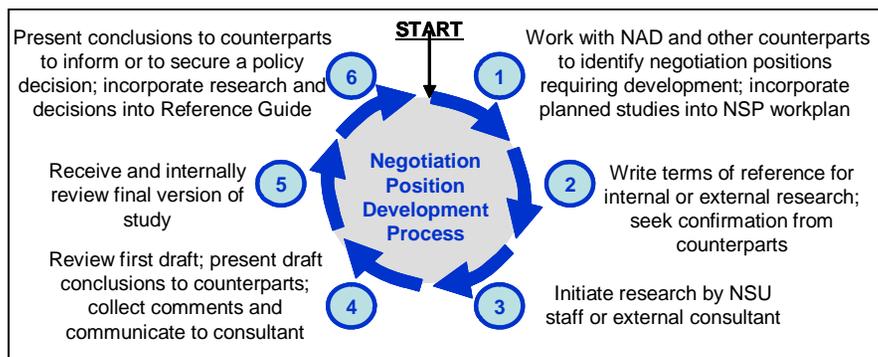
Output 1: Palestinian negotiators are technically equipped to prepare for and conduct permanent status negotiations with Israel

Work Required for Reference Guide Updating	Status and Work to be Done	Approach	Completed
Reparations – Ability to Pay	To complement existing work on compensation valuation, an economic study assessing Israel’s ability to pay compensation and the appropriate schedule of payments is needed.	A study will be commissioned from an economic expert. The study will start from the valuation work completed to date. It will assess Israeli economic resources and provide recommendations to enable decisions regarding the financing of a reparations scheme for Palestinian refugees.	A first draft study was submitted by the economic expert and revised by NSU advisor. The study will be finalized following NSU’s comments. A short note setting the findings of the study will also be prepared in due course for the use of Palestinian negotiators.
Reparations- Valuation of compensation for the refugees	In the last reporting period, a third, comprehensive draft valuation study of Palestinian property losses in Israel was undertaken, based on the results of a stakeholder workshop and finding of new data. This version of the study needs to be finalized and integrated. Remaining gaps in the research may be analyzed within this period, if possible.	Another version of the study will be prepared by the external consultant, taking into account the internal review. The conclusions will be disseminated and incorporated into the reference guide.	The third draft of the study was finalized and integrated for the NSU; some of the gaps were also analyzed in the last draft submitted to the NSU. A briefing note clarifying the methodological approach adopted for valuation and the findings of the study has been recently finalized. After its review by the NSU, this latter document will be handed over to Palestinian negotiators to assist them in the scope of the negotiations with Israel.

Reparations- Non-material damages	A first draft legal study was commissioned by an external legal consultant and an initial review was conducted. The draft needs to be finalized and shared to the benefit of the negotiations.	The new Legal Adviser on Refugees will review the draft, seek feedback from stakeholders, collate comments and seek revisions from the external consultant. The results will be integrated into the RG.	The final draft of the study on non-material damages was submitted by the external expert. The findings of the study were exposed in a briefing note to the attention of Palestinian negotiators which will be directly used to support the claim for the right of Palestinian refugees to non-material damages.
Right of Return – Implementation Modalities	The NSU has directed recent external consultancy work toward developing the reparations component of the file. Fewer studies were commissioned on the right of return and instead efforts were geared toward internal research and analysis in consultation with political and technical counterparts. At present there is a need to commission a study on formulations of the implementation of the right of return in light of changing political realities.	A study will be commissioned from a legal external consultant with expertise in refugees. The study will draw on comparative analysis, as well as considerations specific to the Palestinian-Israeli context, and involve a site mission.	The discussions over the number of Palestinian returns to Israel required a study on the demographic implications in Israel of different scenarios of Palestinian returns. NSU therefore commissioned a demographer to carry out a study on this. The first draft has been reviewed by the NSU advisor and a briefing note is being prepared for Palestinian negotiators.

Political counterparts	NAD, DoRA, OoP, MFA
Technical counterparts	DoRA, BADIL

Developing and sharing individual Reference Guides



Title of permanent status study / research project	Performance target in six stage process (indicated by T) and stages completed (C)							Reason for any targets not met (to be completed at end of reporting period)
		1	2	3	4	5	6	
Reparations- Ability to Pay	Jan '08	T	T	T	T			Ongoing negotiations on refugees. Required continued support from the NSU.
	Jul '08	C	C	C	C			
Reparations- Valuation of compensation for the refugees	Jan '08	C	C	C	C	T	T	Ongoing negotiations on refugees. Required continued support from the NSU.
	Jul '08	C	C	C	C			
Reparations- Non-material damages	Jan '08	C	C	C	T	T	T	Ongoing negotiations on refugees. Required continued support from the NSU.
	Jul '08	C	C	C	C	C		
Right of Return – Implementation Modalities	Jan '08	T	T	T				Ongoing negotiations on refugees. Required continuous support from the NSU.
	Jul '08	C	C	C	C			
Reference Guide presentations	Issue from Reference Guide to be presented							Confirmation of completion or reason for delay (at period end)

NAD	Reparations	Presentation on the international implementation mechanism to NAD and the Palestinian negotiation team, Briefing notes were presented on restitution, non-material damages and moral satisfaction/recognition.
DORA	Reparations	DORA was not approached in the past 6 months as significant time was devoted to additional marketing and outreach on issues being raised in the ongoing negotiations.

Output 2: Palestinians are able to engage effectively in current initiatives with Israel and the international community

Part B: Developing new strategies to protect and strengthen permanent status interests

PS file and its objective	Explanation why achieving objective will strengthen Palestinian rights/interests/ability to advance the peace process	Brief description of actions to be taken to achieve objective, and Palestinian counterparts the NSU will work with to do so	Description of actual progress against objective, and impact made <i>(to be completed at the end of the period)</i>
Refugees:			
To take advantage of the current interest in a comprehensive peace agreement to promote confidence in Palestinian preparedness on the refugee question.	Palestinian interests will be best protected if they are driving the debate.	In consultation with the counterpart, an outreach plan will be developed, focusing specifically on refugees. Summary documents and presentations of key decidable issues will be prepared, drawing on the Reference Guide for outreach purposes.	<p>An outreach plan was prepared and approved by NAD. The Palestinian position on refugees was presented in particular to:</p> <ul style="list-style-type: none"> - the US Consulate; - EU member states political advisors; - The French Minister for Foreign Affairs - The Norwegian representation office <p>More specific presentations on the International implementation mechanism were also organized for:</p> <ul style="list-style-type: none"> - The US Consulate & the US State Department

July 2008 progress report and work plan

Permanent status file: **Refugees**

Part Two – Work plan (August 2008 – January 2009)

Preliminary note: NAD is currently directly involved in direct negotiations on refugees with the Israeli side. Therefore, the tasks to be completed in the coming six months may be substantially modified depending on the evolution of the process and the needs of Palestinian negotiators. The following work plan may be substantially ais therefore for information only.

Output 1: Palestinian negotiators are technically equipped to prepare for and conduct permanent status negotiations with Israel

Work Required for Reference Guide Updating	Status and Work to be Done	Approach	Completed
Establishment of a Management Information System (MIS) for Refugee compensation	The work completed on the valuation of refugee property losses undertook under NSU’s supervision necessitated the collection and analysis of a great amount of information and data. The purpose of this work would be to establish a user-friendly system to complement the study and facilitate the verification of the data used in the report.	<p>The goal is to have an electronic audit trail of all data used in the final report and allow the system to run real time simulations on the monetary drivers which would be used by international implementation mechanism for refugees. The task would be divided in two steps:</p> <ol style="list-style-type: none"> 1- designing the logical framework of the MIS 2- Develop the system, the menus, the macros and the links to all databases and for all variables including population, national income, different sources etc. 3- Test the MIS, provide a draft for review by NSU and finalize the work 4- Draft a guideline for use of the MIS and provide secured 	

		version of the electronic system	
Restitution of refugee property	The practical implications of restitution need to be studied and developed in order to support negotiations on the issue of the matter. Some complementary work to define the terms of the possible implementation of restitution in the Israeli-Palestinian case must be carried out.	The goal would be to develop the implementation scenarios for restitution which used in the scope of the negotiations through a series of consultative workshops with experts and stakeholders. Other possible approaches may be developed as the work proceeds.	
Note on non-material damages (“NMD”) in Israeli law	A complementary task on NMD is required to clarify Israeli law on the matter. The objective would be to complement the previous work done on NMD for an international and comparative perspective by understanding how such compensation has been approached in Israel.	The NSU will commission an Israeli lawyer to conduct this research and draft a short note.	
Study on Israel’s recognition of responsibility	Israel’s recognition of its responsibility for the refugee problem is crucial to facilitate refugees’ endorsement	The NSU will commission an external consultant to provide with some recommendations on this matter for NAD.	

	of the resolution process as well as a very sensitive issue for Israel.	<p>The study's objective is as follows:</p> <ul style="list-style-type: none"> - Examine past relevant international precedents; - Clarify the expectations on both sides. - Make recommendations as to the several options available. 	
Study on the valuation of Palestinian refugee rights for NMD	Palestinian refugees have a right to NMD as a result of the protracted displacement and dispossession they have suffered. The objective of this study would be to value these NMD to help define the Palestinian claim.	<p>NSU will commissioned an external expert and/or organize a work shop to:</p> <ul style="list-style-type: none"> - define the relevant criteria to assess these NMD and, if judged necessary, define different categories of losses; - provide recommendation as to the value of these claims on the basis on international best practice and the specificities of the Palestinian case - test these scenarios with relevant stakeholders, refugee representatives and present them to NAD. 	

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Reparations- Ability to Pay	Jul '08	C	C	C	C	T	T	
	Jan '09							
Reparations- Valuation of compensation for the refugees	Jul '08	C	C	C	C	T	T	
	Jan '09							
Reparations- Non-material damages	Jul '08	C	C	C	C	C	T	
	Jan '09							
Right of Return – Implementation Modalities	Jul '08	C	C	C	C	T	T	
	Jan '09							
Establishment of a Management Information System (MIS) for Refugee compensation	Jul '08	T	T	T				
	Jan '09							
Restitution of refugee property	Jul '08	T	T	T				
	Jan '09							
Note on non-material damages (“NMD”) in Israeli law	Jul '08	T	T	T				
	Jan '09							
Study on Israel’s recognition of responsibility	Jul' 08	T	T	T				
	Jan '09							
Study on the valuation of Palestinian refugee rights for NMD (or loss of livelihood) [- Leila what do you think?]	Jul '08	T	T	T				
	Jan '09							

Reference Guide presentations	Issue from Reference Guide to be presented	Confirmation of completion or reason for delay (<i>at period end</i>)
To be defined according to the needs of the negotiators		

Output 2: Palestinians are able to engage effectively in current initiatives with Israel and the international community

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Refugees:			
To be defined depending on the evolution of the negotiation process			

Part Three – Anticipated external consultancy support required to meet the targets set (August '08 – January '09)

PS File	Purpose	Consultant days required (international consultants)			Consultant days required (local consultants)		
		Legal	Policy	Comms	Legal	Policy	Comms
Refugees	Briefing advisors from US Department of State	10 +					
	Reparations- Ability to Pay		10				
	Establishment of a Management Information System (MIS) for Refugee compensation		20				
	Restitution of refugee property	25 +	25+				
	Note on non-material damages (“NMD”) in Israeli law	5					
	Study on Israel’s recognition of responsibility	20					
	Study on the valuation of Palestinian refugee rights for NMD (or loss of livelihood) [- Leila what do you think?]	20					