

Quadro Paese “Stream” 2014-16

Palestine

1. Background and rationale for the presence of the Italian Development Cooperation in Palestine

After a period of advancements in the quality and functioning of Palestinian institutions, teamed with high levels of growth, improved living conditions and security, in recent years the economy grew at a slower rate – from 11% per year in 2011, to 1.9% in 2013. This slow-down can be attributed to falling donor support, combined with insufficient easing of Israeli restrictions, notably in East Jerusalem, Area C (the most resource-abundant territories, representing almost 3/4 of the West Bank) and the Gaza Strip, following the slowing down of the last round of US led peace negotiations. In 2013, unemployment rose to almost 25% (40% in the Gaza Strip), with the highest incidence among young graduates (33%) and women (only 17.7% of Palestinian women participate in the work force). The slow macroeconomic growth also affects the institutional building process of the Palestinian National Authority (PNA) by reducing tax revenue, thus deepening the fiscal crisis. The foreseen fiscal gap for 2014 is expected to reach USD 1.3 billion, equal to 15% of the Palestinian GDP. As a consequence, the PNA sustainability and capacity of providing social services to the Palestinian population will be reduced further.

Alongside the international community, the Government of Italy is actively involved in the process of strengthening and consolidating Palestinian institutions and economy in order to adequately respond to the Palestinian people’s quest for sovereignty and independence. The Italian Development Cooperation recognizes the crucial significance that sustainable economic growth has for completing the Palestinian institution-building process and promoting social welfare and stability. With a commitment of EUR 380 million since 1985, Italy is among the main European donors carrying out initiatives aimed at providing humanitarian aid to the most vulnerable groups, supporting the PNA current budget and promoting long term social and economic development in Palestine.

On November 23rd 2012, the Italian Government and the PNA signed the *Development Cooperation Framework Agreement (DCFA)* together with a series of Memorandum of Understanding in sectors considered crucial for the Palestinian development – such as economic cooperation, higher education, health, gender related issues and justice. The DCFA sets the basic principles according to which the activities and programmes financed by the Italian Development Cooperation in Palestine shall be designed and carried out in the coming few years. Within the Framework Agreement, the parties have committed themselves to agree on a Development Cooperation Strategy (DCS) for the years 2013-15, which was finalized in mid 2013.

2. Other international donors, coordination and opportunities of division of labour, joint evaluation exercises (Harmonization)

The Italian Development Cooperation acts in close coordination with all the stakeholders working in Palestine, ranging from the PNA Ministries to the community of international donors, such as the EU and other international organizations. In order to guarantee the harmonization of its action with other donors, Italy takes an active role in the main local coordination mechanisms – in particular, under the umbrella of the EU (sector working groups), the Local Aid Coordination System (LACS) and the UN Agencies committees (UNRWA and UNOCHA).

To improve aid effectiveness and avoid overlapping with other donor initiatives, Italy participated in the EU Joint Programming exercise, which led to the formulation of the 2013 *EU Local Strategy on Development Cooperation in Palestine* and in which Italy took up the role of “lead donor” in the “Health” and “Gender & Women’s Equality Empowerment” EU focal sectors. Since 2008, in order to support the Palestinian institutional building process, Italy is contributing to the EU pool fund for budget support (PEGASE), aimed at paying salaries and pensions of civil servants, with nearly EUR 28 million.

The Italian Development Cooperation is strengthening its relationship with the UN system as well. For instance, all initiatives supported through the Emergency Programme of the Italian Development Cooperation are designed in accordance to the priority needs as identified in the yearly *UNOCHA Palestine Humanitarian Programme Cycle (HPC)*. Moreover, in 2014, a EUR 6 million contribution to UNRWA reaffirmed the Italian support to the Palestinian refugees, totalling USD 105 million since 2000. Finally, in late 2013, the Government of Italy pledged a EUR 3 million contribution to the FAIR Programme, a UNDP promoted initiative aimed at facilitating local communities’ access to infrastructures in Area C and East Jerusalem.

3. Other activities of the Italian Development Cooperation System in the country (NGOs, universities, local authorities, private sector) and strategies for their involvement

The Italian Development Cooperation is active through projects promoted by Italian NGOs, universities as well as the decentralized cooperation. As far as NGOs are concerned, twenty-four Italian organizations are currently operating in the country. Funding is provided mostly by the Italian Development Cooperation (“Promoted Projects” and Emergency channels) and Regions, as well as the EU and other international donors. In early 2014, six “Promoted Projects”, for a total budget of almost EUR 9 million, were carried out in the fields of education, agriculture & food security, environmental issues and management of natural resources. As for the Emergency programme, Italian NGOs provided, in the Gaza Strip, East Jerusalem and Area C, highly-operative and prompt-response capacities to efficiently address humanitarian needs in health, social protection and water & sanitation.

Since 1996, University Cooperation has enabled the set up of post-graduate training courses, such as the “Master in Social Sciences and Humanitarian Affairs” (La Sapienza

University in Rome), the “Training for health officer to develop the use of endo-laparoscopy technologies” (Second University of Naples) and the “Master in Development Cooperation” (University of Pavia, in partnership with Italian NGOs), aiming to establish strong ties between Italian and Palestinian academic institutions. Moreover, the University of Pavia is coordinating the initiative “E-Plus”, with the goal of improving and widening the academic programmes and the didactic skills of local professors. Finally, La Sapienza University and the Palestinian Department of Antiquities and Cultural Heritage (Ministry of Tourism) carried out a joint initiative to conduct archaeological explorations in Tell-Es-Sultan, Jericho.

With regard to decentralized cooperation, Palestine is witnessing an increase in interactions with local authorities. An example of such collaboration is represented by the project promoted by Region of Umbria and the University of Perugia, the “Palestinian International Arbitration Chamber (PIAC)”, a thirty month initiative worth of EUR 1.2 million. The programme aims at strengthening the institutional building process, while promoting economic development, by establishing the first arbitration chamber in Palestine. The PIAC legal framework is based on internationally-recognised standards and will create an effective tool for solving commercial disputes, in order to facilitate local and foreign companies willing to invest in Palestine.

4. General objectives of the Italian Development Cooperation in the country, sharing with counterparts and consistency with international guidelines on aid effectiveness

The Italian Development Cooperation presence in Palestine is built upon two main modalities of intervention: the humanitarian aid, as well as a set of development programmes. Over the last few years, by adhering to the principles of ownership, alignment and aid effectiveness in international aid programming, Italian interventions in Palestine evolved, moving progressively from emergency and ad hoc projects, to full-fledged development aid programmes. For the years 2014-16, the commitment of the Italian Development Cooperation in Palestine is embedded in the following four general objectives – respectively in the Health and Gender & Social Protection, Economic Development and Emergency sectors:

- Improve the health status of the Palestinian population and reduce the unsustainable health expenditures due to patients’ referral abroad, by counteracting the burden of chronic non-communicable diseases (NCDs) through the strengthening of the primary care system, the health protection and promotion and the prevention of diseases;
- Increase women’s socio-economic development opportunities and contribute to the application of international instruments for the protection of women’s rights, by improving women’s participation in the national economy and addressing gender-based violence through primary and secondary prevention policies and survivors’ reintegration into the society;
- Promote sustainable economic growth and employment opportunities in Palestine, by facilitating access to financial and non-financial services for small and medium

enterprises (SME) as well as the most vulnerable groups – such as young people, women, small and medium farmers;

- Strengthen the resilience of the Palestinian people living in a condition of chronic emergency by providing basic essential services and improving their access to food.

In addition to the three main sectors outlined above, and in line with the *EU Local Development Strategy* (EU LDS) and commitment to EU Joint Programming in Palestine, the Italian Development Cooperation has incorporated the EU focal sector “Support to Governance at local and national levels” among its subsidiary goals. To that effect, the Human Rights & Justice sector seeks to:

- Contribute to building up the Palestinian State based on the Rule of Law and respect for Human Rights within a functioning deep democracy and with strong, effective accountable institutions at national and local level.

The objectives mentioned above are in line with the priorities for action as defined in the Palestinian National Development Plan (PNDP) 2014-16, issued in early 2014 by the PNA line Ministries. More specifically, the PNDP identifies four “pillars” which the PNA and the donor community interventions should work on, in order to promote a sustainable social and economic development in Palestine: good governance; public services and social protection; economic development and private sector; and finally, infrastructures.

5. Priority sectors and expected results of the Italian Development Cooperation in Palestine

Within this general framework, the Italian Development Cooperation programmes are thus focusing on four priority sectors:

- Health;
- Gender & Social Protection;
- Economic Development;
- Emergency.

In addition to those, the Italian Development Cooperation is also active in the subsidiary sector Human Rights & Justice. The following table provides, for each sector, the expected results and indicators of impact at the end of the period 2014-16:

Expected Results	Indicators
<p><u>Health</u></p> <ul style="list-style-type: none"> • The awareness of women regarding breast cancer, the coverage of women who receive clinical examination of the breasts and the quality of breast cancer diagnosis increased, in all the Health Directorates of Palestine; • Modifiable risk behaviours of NCDs (tobacco, unhealthy diet and physical inactivity) reduced among the Palestinian population; • Psychosocial rehabilitation and social inclusion for persons with mental health problems and persons with disability promoted through strengthening of dedicated health services. • EU member states intervention in the health sector harmonised 	<ul style="list-style-type: none"> • Women reached through health education activities and women who received a clinical examination of breasts in governmental health services; • Prevalence of risk factors among Palestinian population in comparison to currently available national data; • Persons with mental health problems and with disability involved in psychosocial rehabilitation programmes ; • A health sector Fiche, in line with the Palestinian National Health Strategy 2014-2016, developed with all the relevant stakeholders
<p><u>Gender & Social Protection</u></p> <ul style="list-style-type: none"> • The capacities of the Ministry of Women’s Affairs (MoWA), the Governorates and the Ministry of Social Affairs (MoSA) in gender mainstreaming and combating VAW are strengthened; • Palestinian women’s economic, political, social and cultural empowerment is boosted and the reintegration into society of women who have experienced violence is promoted; • EU member States intervention in Gender Equality and Women’s Empowerment (GEWE) are harmonized (EU sector joint programming). 	<ul style="list-style-type: none"> • Gender issues are technically addressed in National Plans and Local Aid Coordination Structure; • Data and responsive actions are developed to combat violence against women; • N. of new women’s enterprises activated, including job opportunities for survivors of violence and university training courses for anti-violence services professionals; • A Gender Fiche, mapping and Operational Plan are developed in line with the European Gender Action Plan 2010-2015 and Palestinian institutions are supported in gender mainstreaming policies.
<p><u>Economic Development</u></p> <ul style="list-style-type: none"> • Access to credit for Palestinian SME as 	<ul style="list-style-type: none"> • N. and total amount of loans disbursed;

<p>well as enterprises promoted by people from vulnerable groups is improved;</p> <ul style="list-style-type: none"> • The capacities of the Palestinian financial institutions (other than commercial banks) are strengthened. 	<ul style="list-style-type: none"> • N. and kind of beneficiaries (both owners and employees); • N. of loans requests processed by the Palestinian financial institutions; • Total amount disbursed as budget support to the Palestinian financial institutions (700.000,00 Euro)
<p><u>Emergency</u></p> <ul style="list-style-type: none"> • Access to appropriate hygiene and sanitation facilities and to safe and reliable water supply is improved • Food security and access to livelihoods of vulnerable communities is improved • Coping mechanisms and resilience of children affected by grave violations are strengthened 	<ul style="list-style-type: none"> • N. of households accessing safe, reliable and affordable water supply services • N. of individuals accessing appropriate hygiene and sanitation facilities • N. of farmers benefiting from land rehabilitation • N. of unemployed benefiting from Cash for Work activities • N. of children affected by PTSD receiving psychosocial support • N. of organizations that have increased capacity to provide safe and confidential psychosocial support
<p><u>Human Rights & Justice</u></p> <ul style="list-style-type: none"> • Enhanced role of the Human Rights Unit (HRU) within the Ministry of Justice (MOJ); • Consolidated knowledge of human rights law and practice at the HRU and other institutions of the justice sector; • Strengthened relationships between the HRU and other institutional actors involved in human rights issues, as well as with Palestinian CSOs. 	<ul style="list-style-type: none"> • HRU routinely involved in all relevant human rights related work at the MOJ; • Members of the HRU fully trained (including ability to train others) in substantive international human rights law (IHRL), monitoring and reporting on implementation status and violations of IHRL obligations in Palestine; • HRU participation in all relevant human rights work in partnership/coordination with other justice sector stakeholders.

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