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About the EU

The European Union (EU) is an economic and political union of 27 countries. It operates through an internal (or single) market which allows free movement of goods, capital, services and people between member states.

The EU values are common to the EU countries in a society in which inclusion, tolerance, justice, solidarity and non-discrimination prevail. These values are an integral part of the European way of life: Human dignity, freedom, democracy, equality, rule of law, and human rights.



EU Member Countries as of 2021

How the EU works in Palestine

The EU operates/works in Palestine through a Joint/Cooperative strategy. The joint strategy the EU adopted means each country of the 27-member states listed above works or operates in certain sectors or fields in Palestine (more information in the following sections.)

This division of work or labor was developed in 2011 and 2012, and has been regularly updated since then. In October 2013, Norway and Switzerland joined the process and joint work.

This approach of work seeks to be pragmatic, transparent, gradual and based on locally owned tools.

The EU Joint Strategy has been understood by European partners in two dimensions:

- 1.) How to improve the efficiency and effectiveness of the EU financial effort in Palestine.
- 2.) Affirm and defend the shared vision of European actors in Palestine and insure a shared ground between the development work and the political objectives of the EU.

Since the end of 2015, European development partners have been working on developing the first-ever European joint strategy, which is closely aligned to the **new Palestinian National Policy Agenda (NPA) 2017-2020, and aligned with the sustainable development goals**. This strategy is the results of extensive meetings and discussions amongst the European development partners, Palestinian ministries, civil society organizations, the business communities, the UN & many other key actors.

The EU's Intervention or Joint Strategy works through five areas or pillars:



The EU's work/intervention in Palestine can be summarized by the above figure.

Other issues are also mainstreamed in the pillars:

- Gender equality
- Environment
- Human Rights
- Youth
- Civil Society Engagement

Palestine is treated as “one”, so as to ensure that the geographical fragmentation (separation between the East Jerusalem, the rest of the West Bank and the Gaza strip, as well as division of the West Bank into three areas) is not further reinforced.

The support to Palestine refugees across the Middle East region is also strongly reaffirmed in the European Joint Strategy.

Equal participation of women, youth and vulnerable communities in development is a policy priority shared by all EU 27 Member States/Countries.

European partners recognize that sustainable development in Palestine depends on “achieving a two-state solution based on parameters set out in the Council conclusions of July 2014 that meets Israeli and Palestinian security needs and Palestinian aspirations for statehood and sovereignty, ends the occupation that began in 1967, and resolves all permanent status issues in order to end the conflict.

A fundamental change of policy by Israel with regard to the occupied Palestinian territory, particularly in Area C, will significantly increase economic opportunities, empower Palestinian institutions and enhance stability and security for both Israelis and Palestinians.

Challenges for the EU working in Palestine

The development of the Joint Programming document in Palestine faced a set of challenges:

- EU Joint Strategy should ensure a good **balance between ambition and realism**.
- Timing.
- Very little guidance from Headquarters and capitals.
- The attempts to limit the number of sectors of intervention.
- Youth remains an orphan cross-cutting issue.
- Funding is dependent on political decisions made at Capital level.
- Additional reflection on the linkages between the humanitarian and development work in Palestine.

Analysis for Situation in Palestine

<ul style="list-style-type: none"> • The political context 	<p>The risk of fragmentation at political, geographic, administrative, legal, social and personal levels is elevated by the lack of progress on the political front regarding negotiations, which increasingly makes the political horizon seem further away.</p>
<ul style="list-style-type: none"> • The demographic context 	<p>The society is characterized by a risky generational gap, which is increased by the lack of proportional participation and representation of youth and women in governance and policy-making.</p>
<ul style="list-style-type: none"> • The economic and fiscal context 	<p>Trade between the West Bank and Gaza has today virtually disappeared reinforcing Palestinian economic dependence on Israel.</p>
<ul style="list-style-type: none"> • The socio-economic context (de-development) 	

	The Israeli occupation is the primary reason of poverty in Palestine. Hence, a fundamental change of policy by Israel with regard to the occupied Palestinian territory, particularly in Area C, will significantly increase economic opportunities, empower Palestinian institutions and enhance stability and security for both Palestinians and Israelis
<ul style="list-style-type: none"> • The planning context 	The European development relationship with the Palestinian Authority builds on a long-standing and strong partnership

Economic recovery, a viable economic system to finance government services and investments, sustainable development and accountability can indeed only be achieved when the occupation comes to an end and Palestine becomes fully sovereign and gains control over its land & resources.

EU's Choice of Interventions in Palestine

The Interventions are aligned with the Palestinian National Policy Agenda (NPA) and they are:



The Five Pillars

As mentioned, The EU Works in Palestine through Five Pillars or Five Sections:



Pillar 1: Governance Reform, Fiscal Consolidation and Policy

❖ **This pillar is divided into 3 sub-sectors:**

- 1.) Macroeconomic Support and Public Financial Management:** it has made good progress in reducing the deficit in recent years, including through controlling the wage bill and expanding the tax base. It has also made progress on PFM and anti-corruption reforms, although significant challenges remain including a failure to sufficiently formalize these achievements. Tax revenues remain substantially below potential.
- 2.) Public Administration Reform:** the effort to strengthen public administration is effected negatively by the split between the West Bank and the Gaza Strip, which has led to two separate legal and administrative setups. There have been repeated efforts to reintegrate the two administrations, which have so far failed.
- 3.) Local Government Reform:** while the sector has benefitted from a number of initiatives and programmes, it continues to face considerable challenges: lack of fiscal resources, territorial and jurisdictional fragmentation, inadequate planning frameworks, lack of clarity with regards the roles, responsibilities and relationship between central and local government, etc.

Pillar 2: Rule of Law, Justice, Citizen Safety and Human Rights

❖ **This pillar is divided into 2 sub-sectors:**

- A) Justice**
- B) Security**

And both will focus on:

- 1) Clarifying (making clear) the legislative and institutional framework to ensure sustainability of the justice and security sectors:**
- 2) Enhancing accountability and transparency of the security and justice sectors**
- 3) Strengthening the protection and promotion of human rights of all Palestinians, including the most vulnerable groups.**

Pillar 3: Sustainable Service Delivery

❖ **This pillar is divided into 3 sub-sectors:**

- 1) **Education sector:** Working towards equal access to education all levels is a key strategy towards achieving equality education services for all Palestinian children in a safe and protected environment. At the same time, there's a need to improve the quality of education through the development of a student-centered teaching and learning.
- 2) **Health sector:** the primary Health Care system should adopt the Family Medicine approach with integration of services to assure the continuity of care. Moreover, enhanced equality of women and child healthcare, improved access to services for marginalized groups.
- 3) **Social protection:** Regular support to the budget of the cash transfer programme as a means of helping the PA (Palestinian Authority) meet its expenditure whilst it moves ahead with policy reforms to reduce poverty and improve social protection.

Pillar 4: Access to Self-Sufficient Water and Energy

❖ **This pillar is divided into 2 sub-sectors:**

- 1.) **Water sector:** improving the sustainable operation of water and wastewater infrastructure and the management of water resources, as well as improving sustainable access to water supply and wastewater systems.
- 2.) **Energy sector:** providing access to affordable and reliable energy services to end consumers, improving the financial sustainability and regulation of the energy sector and putting forward actions to promote the green economy and access to energy services for marginalized groups.

Pillar 5: Sustainable Economic Development

❖ **This pillar is divided into 2 sub-sectors:**

- 1) **Private Sector Development:** the EU support will focus on improving MSMEs (Micro, Small and Medium Private Companies) competitiveness at the local and international levels, increase professional skills development, job creation and improving the participation of women in the economy.

- 2) **Agriculture:** Equal participation of small farmers in the market of agriculture and livestock system, mainly through reinforcing and reforming associations and cooperatives. Improve the capacity of the public sector and private business to produce and process agriculture products to international standards.