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EXECUTIVE SUMMARY

Finland's first country strategy for development cooperation in Palestine¹ (2016-2020), provided a strategic framework for Finland's development assistance while placing it within the wider goal of contributing to a peaceful, negotiated two-state solution to the Israeli-Palestinian conflict by supporting Palestinian state-building.

Despite the efforts of the international community and some good results in development cooperation in Palestine, prospects for advancing the overall goal of a peaceful, negotiated two-state solution have continued to diminish, and sustainable development results are increasingly undermined by negative political and economic developments.

It is clear that sustainable development results for the Palestinians can only be achieved when the political drivers of fragility and de-development are properly addressed. These include the ongoing occupation and conflict, the blockade of Gaza and the structural obstacles to Palestinian development. The ownership of democratically elected Palestinian leadership in tackling political and economic challenges is of crucial importance.

In terms of its development cooperation within Palestine, Finland's most tangible contribution is in its long-term commitment to the Palestinian education system, which has been highly appreciated by local and international stakeholders. Overall, evaluations and assessments² have rated Finland's development cooperation in Palestine as highly relevant and the impact areas as well chosen. In order to better address the fragility of the Palestinian context, evaluations recommend to Finland the adoption of a strengthened humanitarian-development-peacebuilding nexus, as well as a systematic emphasis on a human rights based approach and on conflict sensitivity within its programming. Lastly, a focus towards civil society and inclusive state-building is recommended.

Together with Finland's Country Strategy for 2021-2024 for Palestine, this Country Programme aims at linking Finland's political, development and humanitarian objectives, and consequently, strengthening the synergy between all actors in Palestine. This Country Programme contributes to Finland's broader strategic goals in the country, namely: Palestinian state-building based on the two-state solution,

¹ This designation shall not be construed as recognition of a State of Palestine.

² Evaluation of Finland's Country Strategy Concept in Fragile States; Evaluation of Finland's local cooperation fund in Palestine; Self Assessment of the Country Strategy 2016-2019

defending respect for international law, building a strong society through education, and lastly, supporting Palestinians in the most vulnerable situations.

During 2021-2024, Finland's development cooperation in Palestine focuses on three impact areas: education, an inclusive society and resilience. In education, Finland safeguards Palestinian children's right to quality inclusive education while supporting improved pedagogy and learning environments. Finland contributes to inclusive statebuilding and a strong civil society by both strengthening public institutions and their accountability as duty bearers, and by fostering an enabling environment for civil society and citizen participation. The focus will be on women and youth. Finally, Finland will strengthen the resilience of those Palestinian communities that are in the most vulnerable circumstances. This includes supporting livelihoods and living conditions, as well as protecting the humanitarian needs of Palestine refugees and Palestinians in Gaza, Area C, and East Jerusalem.

1 Expected Results of the Country Programme

IMPACT 1: Children's right to quality inclusive Education safeguarded

(SDG 4, Targets 4.1, 4.5, 4.A, 4C)

Finland's support in the education sector contributes to **safeguarding the right of Palestinian children and youth to quality inclusive education.** More specifically, the support will increase completion rates of primary and secondary education, eliminate gender disparities, ensure equal access to education and improve teaching and learning environments. This impact is in line with Finland's global development policy priority for accountable governance in inclusive and democratic societies.

While in comparison to the Middle East in general, Palestine's education system is performing well and enrollment rate is high, local, socioeconomic, gender and disability disparities nevertheless remain. The underlying assumption is that Finland's support and policy dialogue will help address these disparities, and thus improve the equity and quality of the education system in order to meet the demands of future society.

Enhancing equitable access to education at all levels as well as improving pedagogy and learning environments are the main goals of the Palestinian Education Sector Strategic Plan (ESSP 2017-2022). It is assumed that these goals, together with evidence-based policy, planning and budgeting, are best advanced by supporting comprehensive sector wide reforms while strengthening accountable and results based management of the education system. Through the Joint Financing Arrangement (JFA), Finland and other development partners interact with the Ministry of Education (MoE) and provide funding for the sector, along with active technical and policy dialogue in sector and thematic working groups, in line with the European Joint Strategy for Palestine.

In its policy dialogue, Finland will pay particular attention to improving access to preschool and basic education for children in vulnerable circumstances and to reducing disparities in learning opportunities for boys and girls in secondary and vocational education. Based on its own experience, Finland recognizes the importance of good teachers in improving the quality of education. Finland will further contribute to improved training and motivation of teachers by promoting interaction, technical dialogue and institutional cooperation, between Finnish and Palestinian educators.

Finland's support to the education sector also contributes to its other two impact areas: inclusive state-building and resilience. A modern, equitable, inclusive and high quality education system is essential for promoting active citizenship, critical thinking and conflict resolution. Overall, a unified education system in the West Bank, including East Jerusalem and Gaza, is an important part of state-building for Palestinians.

By safeguarding the right to education, Finland also contributes to its strategic goal of defending respect for international law and human rights in Palestine. This involves calling for the protection of students, teachers and educational institutions, and promoting the right to education free of violence in Palestine.

OUTCOME 1.1. Equitable access to education at all levels enhanced

Despite the PA's legislative and policy commitments, disparities in access to education remain, most notably in access to preschool education. In marginalised areas, particularly in Gaza, poor families rely on private service providers for preschool education. In East Jerusalem and Area C safe access to schools is affected by movement restrictions, demolition orders, settler violence and interference from the Israeli military. The authorities of East Jerusalem experience continued difficulties in maintaining the Palestinian education system in operation. In 2020, COVID-19 forced schools in Palestine to close for an extended period of time, and there are concerns that this will further widen disparities.

Even though enrolment rates in basic education are high for boys and girls, low enrolment of children with disabilities and certain gender related disparities persist. In academic secondary education, boys' enrolment rates and learning outcomes are significantly lower than those of girls'. At the same time, there are limited options in vocational secondary education for girls.

The ESSP addresses these challenges with an inclusive education policy, expanding preschool and TVET education, and a variety of other interventions in an incremental manner. However, our assumption is that to ensure right to education at all levels, better identification of disparities, more focused policies and targeted financing, as well as safe access to education are needed. Thus Finland's support **enhances**

equitable access to education at all levels. Focus is on improving access to quality preprimary, primary and secondary education, especially for girls and for those in most vulnerable situations.

OUTPUT 1.1.1. ACCESS TO PRESCHOOL AND BASIC EDUCATION FOR CHILDREN IN VULNERABLE CIRCUMSTANCES IMPROVED

OUTPUT 1.1.2. DISPARITIES IN LEARNING OPPORTUNITIES FOR BOYS AND GIRLS IN SECONDARY AND VOCATIONAL EDUCATION REDUCED

Finland is **improving access to preschool and basic education for children in vulnerable circumstances**. Through the JFA, Finland contributes to opening new preschool classrooms, resource centers for inclusive education and safe school transport in at-risk areas. Finland strengthens outreach to out-of-school children, child-friendly and gender sensitive early childhood learning spaces, and parental awareness on the rights of children with disabilities by supporting UNICEF's BRAVE project. In its policy dialogue with the MoE, Finland emphasizes the right to education for all, including children with disabilities, and the implementation of an inclusive education policy.

Finland's support is **reducing disparities in learning opportunities for boys and girls in secondary and vocational education**. Through the JFA, Finland funds to school construction in marginalized areas of Gaza and the West Bank, and to the opening of new vocational schools. In its dialogue with the MoE, Finland stresses the need for evidence based planning, target setting and budgeting to better address known disparities. This should be done through interventions aimed at improving learning environments and outcomes in boys' education, as well as widening TVET paths for girls.

The key assumption is that Finland's support and policy dialogue will strengthen both the identification of vulnerable students and the advocacy for equal rights in education, resulting in more targeted programming, and eventually reducing disparities.

INPUTS

- Education sector support through the Joint Financing Agreement (JFA);
- Policy dialogue in line with the European Joint Strategy for Palestine, and technical cooperation in sector and thematic working groups;
- BRAVE (Building Resilience and Addressing Violence from Early Years through Adolescence), project managed by UNICEF;

• Interventions within the resilience impact area aimed at ensuring equitable access to education.

The following other programmes supported by Finland will complement the achievement of this outcome:

Core support to UNRWA (education to Palestine refugees)

OUTCOME 1.2. Teaching and learning pedagogy and environments improved

Currently, the learning environments in Palestine are rather teacher-centered, resources to address diverse needs are lacking, and the level of violence in Palestinian schools is high.

However, the ESSP outlines several improvements in active student-centered education, school environments and teacher training. The MoE has implemented a large educational reform, enhancing science, technology and math (STEM) and digitalization, introducing vocational subjects in basic education and at secondary level, and adopting a non-violence policy.

Key assumptions for these policies to work include that teachers are well trained, motivated and equipped. Further assumptions relate to strengthening the assessment of learning outcomes and resources for a more student-centered pedagogy.

OUTPUT 1.2.1. SAFE, INCLUSIVE AND STUDENT-CENTERED LEARNING ENVIRONMENTS DEVELOPED

OUTPUT 1.2.2. TEACHER TRAINING AND MOTIVATION IMPROVED

Finland is **developing safe**, **inclusive and student-centered learning environments and improving teacher training and motivation**. Through the JFA, Finland contributes to the equipment and renovation of schools with resources to support active learning and extra-curricular activities. Furthermore, through the JFA and policy dialogue with different authorities, Finland promotes the continuous professional development of teachers, and supervision and support systems for schools. Finland shares its experiences on teacher training and the factors of its success with Palestine. UNICEF's BRAVE project addresses violence in schools by improving positive discipline, skills for conflict resolution, and student well-being. In its policy dialogue, Finland stresses the need for the implementation of a non-violence policy, continued curriculum improvement and support systems for inclusive education.

The key related assumptions include the following: pre-service teacher education in universities and school-based teacher development are enhanced to better match with teacher qualifications required in the future; focused policies are matched with sufficient financing; and lastly, school leadership is empowered through the gradual delegation of authority.

INPUTS

- Education sector support through JFA
- Policy dialogue with MoE and Ministry of Higher Education
- BRAVE project managed by UNICEF
- The country team will also promote new cooperation opportunites in the education sector between Finland and Palestine
- The following programmes may complement the achievement of this outcome:
- HEI-ICI Project 'Olive: Teacher Education without Walls New models for STEM and Teacher Education in the Digital age' improves the quality of pre-service teacher education at two Palestinian universities.
- The Teachers without Borders (TWB) programme, managed by Finn Church Aid (FCA), provides an opportunity for Palestinian and Finnish educators to interact, thus contributing to improved teaching and learning pedagogy and improved motivation of teachers. In addition, FCA's country programme for Palestine also supports local civil society partners in providing non-formal education.
- The work of the Finnish Evangelical Lutheran Mission (FELM) with the Lutheran schools network complements Finland's role in strengthening education in Palestine.
- The International Finance Corporation Finland contributes to safe learning environments by investing in solar rooftop programme for Palestinian schools.

IMPACT 2: Inclusive state-building and a strong Palestinian civil society fostered

(SDG 16, Targets 16.6, 16.7, SDG 5, target 5.5)

Finland contributes to **inclusive state-building and to a strong Palestinian civil society**. This intended impact is in line with Finland's global development policy priority for accountable governance in inclusive, peaceful and democratic societies, and with the state-building priorities set in the Palestinian National Policy Agenda (NPA). Finland aims to support the Palestinian NPA priorities of national unity, citizencentered and effective government, as well as the empowerment of youth and women. The impact is also consistent with *the European Joint Strategy in Support of Palestine towards a Democratic and Accountable Palestinian State*. Finland's support also contributes to the social service delivery pillar of the European Joint Strategy.

Advancing inclusive state-building requires effective, accountable and resilient institutions that deliver accessible and relevant public services to its citizens. It also requires enhanced citizen participation in the state-building process. Indeed, civil society has an important role to play in achieving the SDGs and in the development towards a just, peaceful and inclusive society. By supporting citizen participation (especially youth and women) in social and political life as well as in decision-making, Finland contributes to fostering a strong Palestinian civil society. In its policy dialogue with the PA, Finland will stress citizen-centered and inclusive service delivery, accountability, and the integration of relevant human rights instruments into domestic legislation and policies.

A related assumption is that strengthened accountability of the PA and continued service delivery in all of Palestine will contribute to the legitimacy of the PA. Finland, together with the EU and other member states, will continue to support the PA's capacity to deliver public services and to sustain the functioning of Palestinian institutions.

A fostering civil society is a priority for broader European engagement. In accordance with the Joint European Roadmap for Engagement with Civil Society (2019), the EU reinforces citizen's rights and voices in the state-building process, strengthens the role of CSOs in decision-making, and supports CSO efforts to counter the occupation, and societal and territorial fragmentation.

The future of Palestinian institutions and their ability to deliver services to its citizens is constantly threatened by PA's limited control over its own sparse revenues and heavy reliance on donor support. A key assumption is that the EU and its member

states continue their substantial support for Palestinian institutions through the PEGASE³ mechanism and other channels in order to sustain the prospects of building an independent Palestinian state.

OUTCOME 2.1. Functioning and accountability of institutions improved

The PA has relatively recently ratified seven out of nine core human rights instruments⁴. The process of drawing up compatible domestic legislation and policy implementation is underway, and this requires support. Through its development assistance, Finland aims to contribute to PA's sustained service delivery and increased accountability. At the same time, there is a need to strengthen the accountability of all duty bearers, including Israel and the de-facto authorities in Gaza. Finland follows the accountability of these three duty bearers in meeting the basic needs and rights of the Palestinian population. In cases where the PA is unable to deliver basic services due to the occupation, this responsibility falls ultimately on Israel, as the occupying power and the primary duty bearer towards the protected population.

Finland promotes **functioning and accountable public institutions.** Finland, together with the EU and other member states, has since 2008 provided direct financial assistance to the PA through PEGASE, a mechanism to support state-building by funding critical institutions and service delivery. The financial support is strengthened with policy dialogue promoting critical reforms in public financial management, civil service, social protection, health and education. Finland pays particular attention to gender equality and non-discrimination in policies, legislation and service delivery. Simultaneously, it is essential that the PA is first and foremost accountable to its citizens and that the civil society is empowered to claim its rights and hold duty bearers accountable.

Major related assumptions are that accountability gaps of all duty bearers are addressed to the extent that is possible, and that civil society space is protected. Without accountability, civil society will not be able to play its part in protecting the civic and political rights, nor the economic, social and cultural rights of Palestinians.

³ PEGASE Palestino - Européen de Gestion et d'Aide Socio-Economique ⁴ including the Convention of the Rights of the Child (CRC), The Convention on the Elimination of all Forms of Discrimination Against Women (CEDAW) and the Convention on the Rights of Persons with Disabilities (CRPD)

OUTPUT 2.1.1. FUNCTIONING OF PALESTINIAN INSTITUTIONS IN EAST JERUSALEM SUSTAINED

OUTPUT 2.1.2. ACCOUNTABILITY OF THE PA TO ITS CITIZENS STRENGTHENED

Finland's support is **sustaining the functioning of Palestinian institutions in East Jerusalem**, especially the East Jerusalem hospitals. Not only do these hospitals provide critical medical treatment unavailable elsewhere in the West Bank or Gaza, they are also among the few remaining Palestinian institutions in East Jerusalem. The financial constraints faced by the PA and the pressure brought on by the COVID-19 pandemic on the health sector, further hinder the hospitals' ability to deliver quality and inclusive services. Finland's support, together with contributions from the EU and other member states, helps the PA in meeting its obligations to the hospitals and in their continued service delivery.

Finland's support is **strengthening the accountability of the PA to its citizens**. In its follow up of PEGASE, Finland pays attention to social and financial accountability, including gender responsive and equity-based budgeting, and indicators to measure social accountability. Finland plans to join the new gender sector working group in local aid coordination and to support organisations that monitor the accountability of duty bearers.

Related critical assumptions include that PA remains functional and avoids fiscal collapse, and thus is able to meet its obligations in maintaining service delivery and other Palestinian institutions.

INPUTS

- Financial assistance to the PA through PEGASE (East Jerusalem hospitals),
- In its policy dialogue with the PA, Finland will stress citizen-centered and inclusive service delivery, accountability, and the integration of relevant human rights instruments into domestic legislation and policies.
- Core funding to institutions and organisations that work to strengthen the accountability of duty-bearers (under planning)

The following programme will complement the achievement of this outcome:

• Finland seconds technical experts to the EUPOL COPPS civilian crisis management mission that supports building institutions for a future Palestinian state, focusing on security and justice sector reforms.

OUTCOME 2.2. An enabling environment for civil society and citizen participation strengthened

Elections in Palestine have not taken place in years, and in the absence of a functioning legislative council, democratic legitimacy needs to increasingly rely on the inclusion and empowerment of civil society in societal debate, decision-making and public policies. The PA is committed to a citizen-centred agenda in its national policy.

However, the space for civil society has been shrinking due to the actions of all three duty bearers, the PA, Hamas and Israel. CSOs face lack of funding and operational constraints in Palestine. These include Israeli attacks towards human rights defenders, and arbitrary application of Palestinian legislation on CSOs, the stagnation in democratic development, and the political division between Hamas and Fatah.

Finland supports the Palestinian civil society with a particular focus on empowering youth and women and promoting their participation in society. Women are underrepresented in social and political life, and their rights, particularly in Gaza, need protection. While the Palestinian youth is well-educated, many are increasingly disillusioned by a lack of social and employment opportunities, and by poor future prospects. This could lead to some youth resorting to violence. If given hope and meaningful opportunities, the Palestinian youth and women can be catalysts for positive change.

Finland aims at ensuring **an enabling environment for civil participation.** Accordingly, Finland recognizes the need to support citizens' engagement in promoting national unity and in democratic decision-making.

Key assumptions related to the outcome are linked to the protection of civil society space from further shrinking in line with the Joint European Road Map.

OUTPUT 2.2.1. YOUTH AND WOMEN EMPOWERED TO PARTICIPATE IN POLITICAL DECISION-MAKING AND SOCIAL LIFE

Finland's support is **empowering youth and women to participate in political decision-making and social life**. Finland directs funds to civil society organisations in the West Bank and Gaza that focus on this objective. Finland promotes advocacy campaigns and efforts of the civil society to make the agenda of women's rights and their representation more visible, such as the 16 Days of Activism against Gender-Based Violence campaign or the International Women's Day campaign. Finland supports initiatives that involve and empower youth and youth leaders to participate in debate and decision-making. Finland participates in the dialogue with the Palestinian civil society through the European Joint Programming and the EU civil society working group. Further, Finland seeks to ensure that civil society voices are heard in its dialogue with the PA, particularly through the education and gender sector working groups.

A related assumption is that Finland's resources for achieving the output are part of an active and coordinated effort of CSOs, INGOs and the international community to advance womens' rights and promote youth participation in Palestine.

INPUTS

- Support to civil society organisations through the Funds for Local Cooperation
- The following programmes will complement the achievement of this outcome:
- Finnish Life-long Learning Foundation's media literacy project to enhance citizen participation
- Funds for Local Cooperation administered by the Embassy of Finland in Tel Aviv to support Israeli CSOs that build trust between youth in Israel and Palestine
- Crisis Management Initiative (CMI) partnership with Masarat organization to advance national reconciliation

IMPACT 3: Resilience of palestinian communities in vulnerable circumstances strengthened

(SDG 1, Targets 1.4 and 1.5, SDG 8, target 8.5)

Finland aims to strengthen the resilience of Palestinian communities in vulnerable circumstances. This impact is connected to Finland's goals in the Country Strategy for Palestine: defending respect for international law, including international humanitarian law and human rights, and supporting and protecting Palestinians in the most vulnerable situations. This impact has linkages to all four of Finland's global development policy priority areas, and is in line with Finland's global objective of protecting all people affected or threatened by a humanitarian crisis.

The major causes of humanitarian vulnerability in Palestine are the protracted occupation, the systematic denial of Palestinian human rights, and the continuing

conflict, punctuated by frequent outbreaks of violence. The COVID-19 pandemic has illustrated the vulnerability of the Palestinian economy to external shocks and its limited means to recover from them. Finally, 5.7 million Palestine refugees depend on UNRWA's support for meeting basic needs and protection.

Finland focuses on meeting the humanitarian needs and protecting the rights of Palestinians in the most vulnerable circumstances as well as enhancing the livelihoods and living conditions of Palestinians in East Jerusalem, Area C and Gaza. To achieve this, Finland aims for comprehensive interventions addressing the drivers of fragility with a nexus of humanitarian, development and political actions to slow down and reverse the de-development process while preserving opportunities for a just and peaceful two-state solution to the conflict. A related assumption is that Finland is able to adjust to emerging needs and to sustain flexibility in its programming while encouraging coordination and joint planning between different actors.

OUTCOME 3.1. The humanitarian needs of Palestinians in vulnerable circumstances met and rights protected

Humanitarian assistance in Palestine aims to address the needs and vulnerabilities arising mostly from the policies and practices linked to the occupation and the blockade, and now aggravated further by the covid-19 pandemic.

In order to address the chronic nature of humanitarian needs, it is necessary to identify and pursue more sustainable and flexible mechanisms that strengthen the resilience of communities in vulnerable situations. Finland encourages stronger and more flexible coordination between humanitarian and development actors and supports interventions aiming to reduce vulnerability and strengthen resilience.

Finland contributes to **answering the humanitarian needs and protecting the rights of Palestinians in vulnerable circumstances**. This advances Finland's global humanitarian objectives of ensuring that civilian populations have access to basic commodities, services and facilities; and that all people affected or threatened by a humanitarian crisis are protected.

Related key assumptions include the following: that operational space for humanitarian actors is protected and diplomatic actions are undertaken, particularly in response to demolitions and threat of forcible transfer as well as settler violence.

OUTPUT 3.1.1. BASIC SERVICES TO PALESTINE REFUGEES PROVIDED

OUTPUT 3.1.2. PALESTINIAN COMMUNITIES AGAINST HUMAN RIGHTS VIOLATIONS IN THE MOST VULNERABLE SITUATIONS IN THE WEST BANK PROTECTED

Finland **provides basic services to Palestine refugees**. As part of its global humanitarian assistance, Finland provides predictable, non-earmarked, multi-annual support to UNRWA. Through UNRWA's protection work in Palestine, Syria, Jordan and Lebanon, basic services such as health, education, camp improvement, relief and social services to Palestine refugees are delivered. Finland aims to strengthen disability inclusion and gender equality in UNRWA's programming. Finland participates actively in donor oversight and in pursuing continued improvements in the efficiency of the agency's operations. Finland's ambassador to Palestine is also Finland's representative to UNRWA.

Finland protects Palestinian communities in the most vulnerable situations in the West Bank against human rights violations through the West Bank Protection Consortium. The consortium provides humanitarian protection, strengthens the development conditions for Palestinian communities in Area C, influences underlying causes of vulnerability, and strengthens the accountability of duty bearers through emergency response, resilience building and advocacy. In 2020 Finland also contributed to the OCHA oPt humanitarian fund as a response to increased humanitarian needs due to COVID-19. The fund supports the Humanitarian Response Plan focused on protection, basic needs and resilience in the occupied Palestinian Territory, including Gaza and the West Bank.

INPUTS

- West Bank Protection Consortium via ECHO
- Support to the OCHA oPt humanitarian fund5
- Support to UNRWA through EU and active participation in UNRWA's Advisory Commission and Sub-Commission meetings
- The following programmes will complement the achievement of this outcome:
- Core support to UNRWA; in addition, Finland seconds JPOs and UNVs for UNRWA to fill critical resource gaps.

⁵ A 1MEUR contribution was made in 2020 as a response to increased humanitarian needs due to COVID-19. While no new contributions are planned at the time being, further support may be considered should changes in the programming context necessitate a shift towards an increasingly humanitarian focus.

- International Ecumenical Accompaniment Programme in Palestine and Israel (EAPPI), co-coordinated by Finn Church Aid, to provide a protective presence and to monitor human rights violations
- Funds for Local Cooperation administered by the Embassy of Finland in Tel Aviv

OUTCOME 3.2. Livelihoods and living conditions of palestinians in East Jerusalem, Gaza and Area C enhanced

Coercive measures such as home demolitions and revocation of residence permits, absence of adequate social services, and structural discrimination have had a negative impact on the living standards of Palestinian residents in East Jerusalem. The outcome is built on the critical assumption that the resilience and living conditions of Palestinians in East Jerusalem can be enhanced by supporting job creation and economic activities, protecting housing and land rights, enhancing social and public infrastructure, and preserving Palestinian social life and institutions.

Mostly because of the Israeli blockade imposed on densely populated Gaza and the political divide between Palestine's governing factions Gaza's economy, infrastructure and basic services have heavily deteriorated. Nearly half of the population is unemployed, with unemployment being especially high amongst the youth and women. The deteriorating economic and environmental conditions and the reoccurring conflict outbreaks are making Gaza increasingly uninhabitable. The outcome is built on the critical assumption that creating jobs to provide much needed relief for individuals, along with bringing in some cash into the economy will provide a tangible, albeit modest contribution to building more resilient communities. It is particularly critical that Gaza's youth are empowered and that environmental conditions are improved in order to sustain future life prospects for the young and fast growing population.

Palestinians living in Area C face discrimination in legislation and in planning policies, as well as through movement restrictions. Furthermore, poor basic infrastructure, a lack of social and health services, settlement expansion, settler violence and continued military control constitute a coercive environment that has resulted in loss of land and economic resources, and in increased protection threats. The outcome is built on the critical assumption that in order to sustain Palestinian development in Area C and a strengthened utilization of its economic potential, it is vital to support access to land and to provide cluster based economic activities in and around Area C.

Finland aims to build resilience by contributing to **enhance livelihoods and living conditions of Palestinians in East Jerusalem, Gaza and Area C**. The generic assumption guiding the programming is that resilience should be approached from a multi-sectoral perspective that addresses the drivers of fragility representative to each area. As the COVID-19 pandemic demontrates, strengthening the socio-economic resilience of communities in already vulnerable circumstances is becoming increasingly important.

OUTPUT 3.2.1. ACCESS TO SUSTAINABLE AND RESILIENT LIVELIHOODS IN EAST JERUSALEM IMPROVED

OUTPUT 3.2.2. VULNERABILITY OF COMMUNITIES IN GAZA THROUGH INVESTMENTS IN EMPLOYMENT, YOUTH EMPOWERMENT, ENERGY AND ENVIRONMENT REDUCED

OUTPUT 3.2.3. ACCESS TO LAND AND ECONOMIC ACTIVITIES WITH A FOCUS ON MARGINALIZED COMMUNITIES AND NEGLECTED AREAS IN AND AROUND AREA C INCREASED

Firstly, Finland's support is **improving access to sustainable and resilient livelihoods in East Jerusalem.** A number of targeted interventions addressing education, housing, culture, tourism and economic development will be supported. Secondly, Finland's support is **reducing the vulnerability of communities in Gaza through investments in employment, youth empowerment, energy and environment.** Finland will support sustainable jobs for youth and women including persons with disabilities. Thirdly, Finland's support is **increasing access to land and encouraging economic activities with a focus on marginalized communities and neglected areas in and around Area C**. Activities in Area C will complement the protection work of humanitarian actors while focusing on strengthening the resilience and coping mechanisms of communities in vulnerable situations through improved livelihoods and income.

Finland is planning to support UNDP's multi-sectoral resilience programme that will contribute to transformative resilience in line with the Palestinian National Policy Agenda and in coordination with other humanitarian and development actors.

INPUTS

- Planned support to UNDP's multisectoral resilience programme in East Jerusalem, Area C and Gaza
- The following programmes may complement the achievement of this outcome:
- The project of Finnish YMCA, together with the East Jerusalem YMCA, focuses on strengthening resilience and livelihoods of women and youth
- The FELM, through its church-funded activities, provides support for people with disabilities, youth and children.

2 RISKS, MONITORING AND EVALUATION

2.1 Risk management

All development cooperation involves risks. Development cooperation is often conducted in complex and difficult conditions – in countries where the administrations may be weak, people live in extreme poverty and corruption is a problem.

The risks involved in the implementation of Country Programmes are assessed and monitored closely, but sometimes they materialise despite the taken precautions. Anticipating and managing risks is an essential part of the implementation of the Country Programmes: Risk assessments are done regularly and impact the programme design and decision making process at all stages. Risk mitigation measures, their success and materialized risks are reported annually.

Strategic risks include a plethora of contextual and political risks affecting the implementation of both the Country Strategy and the Country Programme. Such risks may consist of the following; the annexation of Palestinian territory; the erosion of the Oslo framework; the disintegration of the PA, its legitimacy and financial capacity, along with its inability to function in Gaza, Area C and East Jerusalem. In addition, defamation and delegitimisation attempts against aid to Palestine also pose strategic risks.

Many of the contextual or political factors pose significant or critical risks, yet they are difficult or near to impossible to mitigate. Risk treatment measures include continuous monitoring, political dialogue on multiple tracks and reactive measures such as contingency planning. Operative risks relate for the most part to measures of the occupying power, such as access and other operational restrictions, confiscations and demolitions. They are mitigated by continuous monitoring, systematic and principled political dialogue and advocacy, and sometimes they may call for reallocation of resources. Fiduciary risks focus on PFM capacity, and are mitigated by sustained capacity building efforts, and by strengthening the human resources of both PA and its donor partners.

In the context of Programme implementation, the risks are managed through careful planning, screening and selection of partners and funding channels. All Programmes report on the use of funding and the results of their work. The Ministry and Embassies

follow the progress, the use of funds, and the reliability of reporting through steering groups, monitoring visits, independent evaluations and reviews and regular communication. Ministry also commissions external auditing companies to perform regular audits.

2.2 Monitoring, evaluation and learning

Country teams are in charge of monitoring the performance of Country Programmes for Development Cooperation. This work follows the MFA's principles and guidelines, especially the Guidelines on Results-based Management, the Manual for Bilateral Programs and the Evaluation Guidelines. In joint arrangements, Finland will participate in joint reviews and evaluations, and aims to support the development of local monitoring and evaluation frameworks and capacity.

The Country Programme is monitored closely. Monitoring and evaluation activities are identified in the monitoring and evaluation plan, which is updated and followed up regularly.

In terms of contextual changes affecting the Country Programme results, the Monitoring, Evaluation and Learning Plan focuses on monitoring changes in Area C, East Jerusalem and Gaza. These changes, including Israeli measures and restrictions, may have implications either on PA's capacity to provide services, or directly on the population's resilience and vulnerability. The planning and programming of the new impact area of state-building and civil society support requires evidence-based analysis on the dynamics of the civil society sector and human rights. The evolving humanitarian-development-peace nexus needs to be monitored for better operationalization of the nexus in all impact areas and for stronger integration of the characteristically humanitarian support for UNRWA in the Country Programme. For the alignment of results frameworks and for managing fiduciary risks, information is needed on developments in national planning and target setting, budgeting, and PFM systems.

Monitoring of relevant internationally politicized development issues, such as Palestinian textbooks, is important. The effectiveness of FLC as an intervention instrument will also be monitored. Project evaluations are largely undertaken jointly, or by implementing partners such as the UN organizations.

The collective monitoring and evaluation cycle of Finland's Country Programmes includes monitoring, evaluation and reporting activities, which are carried out

simultaneously for all Country Programmes and in a fixed format. These include yearly reports, biannual synthesis reports, mid-term review and external evaluations.

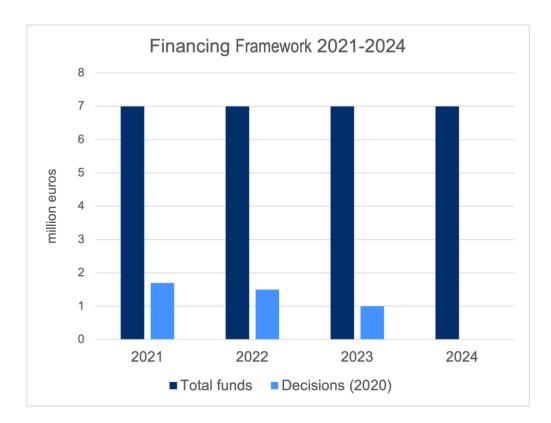
In preparing the annual results report of the Country Programme for Development Cooperation the country team assesses not only the Programme performance as per the results framework but also assesses the validity of the theories of change and related assumptions and risks vis-á-vis the context. The theories of change may be adapted to changed circumstances or implementation strategies, if deemed necessary. The annual report is discussed within the respective regional department.

A synthesis report of the annual reports are prepared as a joint effort by the regional departments every two years. The departments synthesise main findings or trends found in all of the Country Programme yearly results reports.

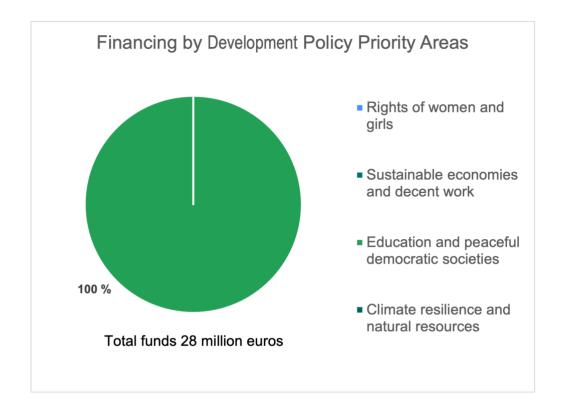
Country teams will carry out a mid-term review of the Country Programme. The midterm review results and recommendations are used for decision making on whether changes are needed in Country Programme impact areas. The MFA Evaluation Unit may carry out an evaluation of Country Programmes towards the end of the Country Programme cycle.

2.3 Tentative financing plan

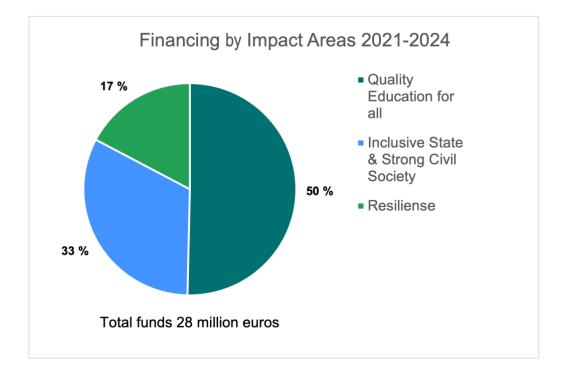
The financial frame for 2021–2024 is approximately 7 million euros. The financing plan includes the bilateral development cooperation that is programmed under the Country Programme. It does not included humanitarian aid, private sector instruments or Finnish CSOs.



FINANCING FRAMEWORK



ALLOCATION BY DEVELOPMENT POLICY PRIORITY AREAS



ALLOCATION BY COUNTRY PROGRAM IMPACT AREAS

COUNTRY PROGRAMME FOR DEVELOPMENT COOPERATION PALESTINE 2021-2024

Annexes

ANNEX 1. Results Framework

ANNEX 2. Risk Management Plan

ANNEX 3. Monitoring, Evaluation and Learning Plan

ANNEX 4. Theory of Change Graphs for each Impact Area