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Department for Africa  
and the Middle East



# Finland's country strategy for Palestine

2021–2024

Ministry for Foreign Affairs of Finland

## EXECUTIVE SUMMARY

Finland is committed to supporting a peaceful, negotiated two-state solution to the Israeli-Palestinian conflict and thereby, the creation of an independent Palestinian state. This country strategy, alongside the country programme for the years 2021–2024, builds on Finland's strong political relations with Palestine and on the experience Finland has with Palestine as a long-term partner in development cooperation.

Finland's strategic goals in Palestine are:

1. to contribute to the state-building based on the two-state solution,
2. to defend the respect for international law and human rights,
3. to support Palestinians in building a stronger society, and
4. to support and protect Palestinians in the most vulnerable situations.
5. Finland contributes to these goals both politically and through development cooperation.

The Palestinian territory has been under Israeli occupation since 1967. Palestine is among the top recipients of official development assistance per capita globally, and yet, its situation is nowadays characterised by continued de-development. The hold of occupation on Palestine has deepened over the decades. On the ground the demolition of Palestinian structures, evictions and the expansion of settlements have led to the so-called 'creeping annexation' of Palestinian territory.

For Palestine to reach sustainable development goals, a political solution to end the conflict is needed. Only a credible two-state solution can guarantee freedom and dignity to the Palestinian people, and provide a foundation for long-term stability and security. This international consensus on the basic parameters of the Middle East Peace Process has in recent years come under pressure, and it needs to be defended even more decisively than before. Lastly, accountability of all duty bearers, most importantly that of Israel, Palestinian Authority (PA), and Hamas, must be enhanced.

In order to build the basis for the two-state solution, there is a need for national unity, strengthening of Palestine's democratic foundations, and commitment to human development. Palestinians have to strengthen the role of the civil society, including full participation of women and youth. Modern and inclusive quality education is essential, also as one of the cornerstones for a resilient society. It is an area on which Finland will continue its longstanding support.

For Finland, working towards the two-state solution entails also continued support for effective, rules-based multilateralism and the respect for international law, including humanitarian law and human rights. The European Union (EU), the Nordic countries, as well as the United Nations (UN) and its specialized agencies remain Finland's most important partners in this.

The prolonged occupation affects the whole of the Palestine. However, Finland acknowledges that Palestinians in the most vulnerable circumstances require particular support: these are the people living in Gaza, East Jerusalem, and Area C of the West Bank, as well as the Palestine refugees.

# 1 COUNTRY CONTEXT

Palestine (the West Bank including East Jerusalem and Gaza) has been under Israeli occupation since 1967. In 1980, East Jerusalem was unilaterally annexed by Israel. Since 2007, Gaza has been under Israeli blockade. The total population of the occupied Palestinian territory is 5 million. Out of this total, 3 million Palestinians reside in the West Bank, including 435 000 in East Jerusalem and 390 000 in Area C, and 2 million in Gaza. Many of them are refugees. UNRWA has registered about 5.7 million Palestine refugees in the West Bank, Gaza, Lebanon, Syria and Jordan altogether.

During the occupation, close to 700 000 Israeli settlers have moved to the occupied territory. The international community considers the annexation of East Jerusalem as well as the Israeli settlements in the West Bank illegal under international law, and has been consistently calling for the end of the occupation, including the blockade of Gaza.

Since the Oslo accords in mid-1990s, the goal of the international community, Finland included, has been to support Palestinian state-building and to end the Israeli-Palestinian conflict by a peaceful, negotiated two-state solution, which would result in a democratic, independent, contiguous and viable Palestine based on the pre-1967 war borders. In this vision, Jerusalem would be the capital of both Israel and Palestine. In 2012, the international community assessed that the PA had reached a level where its institutions would be capable of assuming the government responsibilities of a state. Today, some 140 countries have recognized the State of Palestine. Most European countries, including Finland, have tied the recognition notably to the progress in the peace process and in overcoming the Palestinian division.

Although political perspective for advancing the Middle East Peace Process has waned over the years, a relatively vast international consensus has existed around the basic parameters of the two-state solution that is based on the respect for international law. Since 2017 this consensus has however been growingly challenged. This was reflected in the United States' decision to move its Embassy to Jerusalem in 2017 and in the publication of alternative vision of President Trump on the future of Israel and Palestine in 2020. This vision abandoned international law as the starting point for solving the Israeli-Palestinian conflict. Normalization of Israeli relations with the United Arab Emirates, Bahrain and Sudan in 2020, a move which may be followed by other countries, made visible that the question of Palestine is no more a central issue in the Arab world. On the ground, the demolition of Palestinian structures, evictions, and the expansion of settlements have continued.

At the same time, Palestine continues to be divided under two rules. The internationally recognized PA governs the West Bank. And since 2007, Gaza has been ruled by Hamas, listed as a terrorist organization by the EU. Gaza suffers from the Israeli blockade and several wars with Israel that together have created a humanitarian and economic crisis. The many efforts to reconcile between the two fractions have so far failed, thus further complicating the creation of a viable Palestinian state and undermining the cohesion of the society.

In addition, Palestine's democratic credentials have weakened with the Authority limiting the operating space of the civil society and the media. Presidential elections were last held in 2005 and legislative elections in 2006. Political, legislative and judicial powers have been concentrated in the hands of the executive branch.

The Palestinian economy is comparable to that of a middle-income country. Yet, its ability to develop is severely constrained by the Israeli occupation; the PA has only limited control over its own economy and revenues. The implementation of the economic arrangements between the PA and Israel has continuously been compromised by political disagreements. The PA has faced repetitive financial crises leading to disruptions in the delivery of basic services to the citizens. The economy suffers from fiscal deficit, structural obstacles and a limited capacity to encourage private sector growth. Unemployment is high, particularly among youth, women, and in Gaza.

The rapid economic downfall caused by the COVID-19 pandemic adds to the short- and long-term woes of the PA, and may lead to instability. As the Palestinians face the economic plight and lockdown measures across the territory, the legitimacy and popularity of the PA in front of its citizens is crumbling. The pandemic hits the hardest on those already in the most vulnerable situations. Palestinian women are facing the impact of the pandemic harder than men. Beyond the economic hardship, there is a rise in cases of gender-based and domestic violence. Hence, the strategic decision taken by Finland to prioritize resilience-building seems even more relevant.

The people of Gaza are particularly poorly equipped to tackle the pandemic, due to the lack of infrastructure, and shortage of most basic services and resources, such as water and electricity. The health system of Gaza is fragile, with hospitals lacking essential medical supplies and equipment.

Palestine has limited access to most of its natural resources. This has also environmental implications, the main concern being water. The scarcity of available water resources, pollution of aquifers, the lack of waste water management and desertification will be critical issues for the future of Palestine and Palestinians, and will probably be amplified by the impact of climate change. Solving these issues would

call for Palestinian-Israeli and, importantly, wider regional cooperation, both in terms of political will and financial resources.

Palestine is among the highest recipients of official development assistance per capita globally, and yet, its situation is characterised by de-development and deprivation. The humanitarian situation has been described as a protracted protection crisis. In order to achieve sustainable development goals in Palestine, development means must be supported by political actions, foremost a political solution to end the occupation and to realise Palestine's statehood. The international community is widely present in Palestine, seeking to address the humanitarian and protection needs that the duty bearers are not providing or are not able to provide. The most vulnerable situation for communities and individuals is in Gaza, East Jerusalem and Area C (rural areas of the West Bank).

Palestine witnesses widespread and serious violations and abuses of human rights and violations of international humanitarian law, which can be attributed to all three main duty bearers: Israel, the PA and Hamas. Israel, as the occupying power, is the primary duty bearer. Its violations of international law include the continued confiscation and demolition of Palestinian land and property and settlement construction as well as restrictions on civil liberties, on the movement of people and goods, on construction and trade. Palestinians are also limited in their possibility to cultivate land and herd animals, and access natural resources. Domestic and international observers regularly report on the excessive use of force by Israeli security forces and note that settler violence, and its severity, have increased. Furthermore, Israel, the PA and Hamas all resort to the use of administrative or arbitrary detentions and ill-treatment of detainees as well as limit the freedom of expression. Lack of accountability is a major concern and relates to all of the three duty bearers.

Over the last years, the PA has joined several international human rights treaties but the incorporation of these treaties into national law is still largely wanting. In particular, when it comes to the rights of women, much work remains to be done in order to ensure women's equal participation in society as well as their access to justice, their equality in front of the law, and also, their legal protection against gender-based violence.

## 2 FINLAND'S RELATIONS WITH PALESTINE

Finland, also as a member of the EU, is committed to a two-state solution and advances this political aim both politically and through development cooperation. Finland has a Representative Office, nowadays led by an Ambassador, in Ramallah since 1999. Since the 1980s, Palestine has been represented in Finland, and since 2014 the representation has been led by an ambassador with full diplomatic privileges and immunities. The Finnish Parliament has a friendship group for Palestine.

Palestine is a long-term partner country for Finnish development cooperation. The cooperation began more than 20 years ago, in the wake of the Oslo peace agreements with the aim of supporting Palestinian state-building. Finland's support was targeted to the newly established Palestinian Ministry of Education, and to this day, education continues to be the main focus area of Finland's support.

Over the years, Finland has provided direct financial support to the PA via EU's PEGASE mechanism and supported the water sector, land administration and civil society. Since 2016, strengthening the resilience of Palestinians in Area C, Gaza and East Jerusalem has been another focus area. To contribute more to that end, Finland joined the West Bank Protection Consortium (WBPC) in 2020.

Finland is also a longstanding contributor of humanitarian support to the United Nations Relief and Works Agency for Palestine Refugees (UNRWA). Apart from its direct humanitarian assistance, Finland also offers political support to UNRWA, which is an important contributor to regional stability and security in the Middle East.

Besides offering financial aid and technical expertise, Finland contributes to the efforts of Palestinian state-building through active participation in formulating common EU policies and by contributing to EU civilian crisis management missions. Also co-operation among the Nordic countries is active in furthering common policy agendas.

The United Nations and its specialized agencies play an important role in Palestine. Many of them are important partners both in the implementation of Finland's development and humanitarian agenda and in policy dialogue. On the global fora, Finland supports the increased participation and engagement of Palestine in various UN agencies. More broadly, Finland supports regional stability by financing and sending experts to UN operations that are monitoring peace or cease-fire arrangements between Israel and its Arab neighbours.

The international community is widely present in Palestine. This also includes Finnish professionals working for the EU, the UN and international non-governmental organizations (NGOs). Some Finnish NGOs and non profit organisations have longstanding presence and projects in Palestine. Academic and student exchange contacts exist between some universities. Trade volume between Finland and Palestine is at a very low level, and no Finnish companies have established a presence in Palestine.



## 3 FINLAND'S STRATEGIC GOALS

Finland's strategic goals in Palestine are based on the objectives and values of Finland's foreign and development policy at large. They are also founded on the recognition that humanitarian needs, development cooperation and peacebuilding are interlinked. They form the "triple nexus" and recognize that developmental and humanitarian goals are not possible without political backing and systematic policy advocacy.

### 3.1 Finland contributes to Palestinian state-building based on the two-state solution

A peaceful, negotiated two-state solution to the conflict between Palestine and Israel is Finland's goal. Finland supports the building of an independent, democratic, geographically contiguous and viable state of Palestine, living side by side with Israel in peace and security, based on the pre-1967 borders and other internationally agreed parameters. Only a credible two-state solution can guarantee freedom and dignity to the Palestinian people, and provide a foundation for long-term stability and security.

Finland recognizes that this goal requires a major change in the political setting of the Middle East Peace Process, and ending Israel's occupation of Palestine. Working towards the two-state solution hence entails Finland's continued and committed support to effective, rules-based multilateralism and to the respect for international law.

Besides this, Finland emphasizes the crucial importance of national unity between the West Bank and Gaza for the creation of a Palestinian state. Equally important are the democratic foundations of the state-building project, and those of the society. Finland will continue to underline the role of a viable civil society and the importance of developing Palestine's democratic institutions, including the accountability of Palestinian decision-makers towards their citizens. Women and youth need to be given a voice at all levels of societal decision-making. Finland sees human rights, the rule of law, equality, and tolerance as key elements of an inclusive, stable society.

To reach this goal, Finland will

- Enhance high level political dialogue, including regular political and development cooperation consultations between the Ministries of Foreign Affairs
- Commit to multi-year development cooperation as defined in the Country Programme
- Contribute to the EU-Palestine dialogue based on the interim Association Agreement
- Participate actively in joint policy formulation in the EU and in the UN
- Contribute to the European Joint Strategy in Support for Palestine and work actively with the EU and other partners to advance common priorities
- Encourage and support Finnish stakeholders to participate in tenders (e.g. Twinning)
- Increase public awareness about Palestine and Finland's support to Palestine

## 3.2 Finland defends the respect for international law, including humanitarian law and human rights

Efficient and effective rules-based multilateral system and respect for international law, including humanitarian law and human rights is a priority for Finland. Our development cooperation and foreign policy are human-rights based. In accordance with the Geneva Conventions, states have the obligation to respect and to ensure respect for international humanitarian law in all circumstances.

In the context of the ongoing occupation of Palestine, the duty bearers and the international community have the obligation to guarantee the human rights of Palestinians. Particular emphasis on the rights of women and girls as well as persons with disabilities is important in the Palestinian context.

To reach this goal, Finland will

- Defend rules-based multilateralism and respect for international law, including international humanitarian law and human rights, especially within the UN and its specialized agencies
- Continue dialogue with the PA on human rights, democracy and the rule of law.
- Underline the importance of defending and promoting all freedoms, equality, inclusiveness and tolerance.

- Encourage the PA as a duty bearer to meet its obligations set in human rights treaties
- Continue dialogue with Israel on respecting international law, including international humanitarian law and human rights, and Israel's accountability as the occupying power and the primary duty bearer
- Contribute to the civil society's efforts to hold duty bearers accountable, and to the protection of international and local actors in this field
- Support gender equality, especially by promoting rights of women and girls as well as persons with disabilities through active policy dialogue and by mainstreaming these issues in all programming.

### 3.3 Finland helps Palestinians in building a strong society

A strong and resilient society is the backbone for the future Palestinian state. Building resilience while steering attention to the participation of civil society, women and youth, is a priority for Finland. For Palestine, a modern education system is a cornerstone for state-building efforts and for a resilient society. It contributes to building social cohesion across Palestine and it provides an essential government service to all Palestinian citizens.

Providing modern, quality education equips young Palestinians with the values of active citizenship and higher order thinking skills. These skills are required to meet various future challenges brought on by state and institution building, sustainable development, conflict resolution and climate change. Finland aims to safeguard Palestinian children's right to quality inclusive education. Finland will continue to call for the protection of children and educational institutions and education free of violence.

Other Finnish actors, such as civil society organizations, educational institutions and professionals have an important complementary role and value to add towards strengthening the education system.

To reach this goal, Finland will

- Continue its longstanding development cooperation in the education sector in partnership with the Palestinian Ministry of Education, Joint Financing Partners and other donors
- Continue to be an active contributor in European Joint Strategy in the education sector

- Support the PA in ensuring the availability of educational facilities in the whole of Palestine (Gaza and the West Bank, including East Jerusalem and Area C).
- Pay attention for enhanced protection of children's right to quality education and safe access to educational institutions
- Support the civil society and the participation of youth and women in society
- Support UNICEF, UNRWA and UNESCO in their respective mandates to promote the right to quality education for Palestinian children
- Promote institutional and professional cooperation between Finnish and Palestinian education sector professionals, civil society and private actors.

### 3.4 Finland supports and protects Palestinians in the most vulnerable situations

Prolonged occupation affects the whole of the Palestinian territory, but people living in three areas are particularly vulnerable: Gaza, East Jerusalem, and Area C of the West Bank. Besides these, also Palestine refugees in the West Bank and Gaza, registered and supported by UNRWA, are facing increasingly difficult humanitarian and political circumstances. The COVID-19 pandemic and its repercussions highlighted, for its part, the extreme vulnerability of these groups. They are also the ones most affected by the current and future impact of climate change in Palestine.

The two million people in Gaza suffer from the Israeli blockade and depend, to a large extent, on international humanitarian and development assistance. Moreover, the living conditions of people in Gaza are impacted by the internal political division in Palestine, and the lack of accountable governance. Lack of clean water and electricity, high unemployment and food insecurity are burning questions. The future destiny of Gaza may also have wide regional implications.

According to internationally agreed parameters, East Jerusalem will be the capital of the future Palestinian state. It is, however, increasingly isolated from the rest of the West Bank by Israel. The PA has little foothold left in East Jerusalem, and Palestinian people in East Jerusalem live in ever shrinking spaces. Finland considers international support to defending Palestinians, their property and their political and human rights in East Jerusalem crucial from the viewpoint of the future of Palestinian statehood.

Area C of the West Bank is already geographically and socially shattered by Israeli infrastructure. The threat of annexations, continuing expansion of settlements, seizure of natural resources, demolition of Palestinian property, and displacement of Palestinian people in Area C are the greatest threat to building a geographically viable Palestinian state. Finland therefore recognizes the need for the international protection of Area C – its territory, its resources, and its people.

Finland's support given through UNRWA regionally to Palestine refugees, including access to basic services and education, is not only a matter of human rights and dignity, but also a contribution to regional stability.

Finland recognises that women, children and persons with disabilities face compounded vulnerabilities in these situations. Their rights and needs require particular protection.

To reach this goal, Finland will

- Support the livelihoods and living conditions of Palestinian communities in vulnerable circumstances in Area C, East Jerusalem and Gaza through development cooperation
- Contribute to the protection of the communities in most vulnerable situations and their rights through humanitarian aid and the West Bank Protection Consortium (WBPC)
- Support UNRWA
- Allow flexibility in development cooperation programming
- Stress the importance of equity, non-discrimination and gender equality in policy dialogue with all partners, and address the rights and needs of the Palestinians in most vulnerable circumstances
- Continue dialogue with the PA and other donors on the coordination of development efforts
- Conduct policy dialogue with Israel, bilaterally and through the EU and other platforms on international law, including international humanitarian law, and on Israel's accountability as the occupying power in Gaza, East Jerusalem and Area C.

## 4 IMPLEMENTATION AND MONITORING

The country team in the Regional Department of the MFA and the Representative Office are in charge of the implementation of the Country Strategy. This is done in close collaboration with Departments/Units in charge of different instruments and activities identified under each strategic objective. While the country team is responsible for coordinating country level activities, other Departments/Units keep the country team informed and involve it in discussions as well as activities relevant to the strategic goals. Country team holds dialogues with relevant MFA Departments/Units and outside the MFA, with stakeholders that are active in the country. Other stakeholders contributing to Finland's strategic goals in Palestine, such as NGOs, think tanks and academics, are encouraged to connect with the country team.

The Representative Office and the team as a whole are providing analysis on the implementation of the strategy as part of their regular reporting. The implementation of the Country Strategy is reviewed in the annual discussions with the Ambassador. Possible updates are agreed with the leadership of the Regional Department based on annual discussions.