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THIS ACTION IS FUNDED BY THE EUROPEAN UNION

ANNEX IV

of the Commission Implementing Decision on the annual action plan in favour of Palestine¹ for 2022

Action Document for European Joint Support to Area C

ANNUAL ACTION PLAN

This document constitutes the annual work programme in the sense of Article 110(2) of the Financial Regulation, and action plan/measure in the sense of Article 23(2) of NDICI-Global Europe Regulation.

1. SYNOPSIS

1.1. Action Summary Table

1. Title OPSYS Basic Act	European Joint Support to Area C Annual action plan in favour of Palestine for 2022 OPSYS business reference: NDICI-GEO-NEAR/2022/ACT-60689 ABAC Commitment level 1 number: JAD-1093601 Financed under the Neighbourhood, Development and International Cooperation Instrument (NDICI-Global Europe).
2. Team Europe Initiative	No
3. Zone benefiting from the action	The action shall be carried out in Palestine
4. Programming document	European Joint Strategy in support of Palestine 2021-2024 ²
5. Link with relevant MIP(s) objectives/expected results	Pillar 5 - Sustainable Economic Development
PRIORITY AREAS AND SECTOR INFORMATION	
6. Priority Area(s), sectors	Priority Areas: - Urban development and management - Local governance and civilian peace - building - Social and public infrastructure facilities. Priority Sectors as per DAC codes 151,152, 160 and 430

¹ This designation shall not be construed as recognition of a State of Palestine and is without prejudice to the individual positions of the Member States on this issue.

² C(2022) 8279 of 22/11/2022

7. Sustainable Development Goals (SDGs)	Main SDG: SDG 11 - Make cities and human settlements inclusive, safe, resilient and sustainable. Other significant SDGs: SDG 1: End poverty in all its forms everywhere SDG 8: Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all SDG 5 - Achieve gender equality and empower all women and girls. SDG 9 - Build resilient infrastructure, promote inclusive and sustainable industrialisation and foster innovation. SDG 16 - Promote just, peaceful and inclusive Societies;			
8 a) DAC code(s)	15220 - Civilian peace - building, conflict prevention and resolution (30%) 16050 - Multisector aid for basic social development (40%) 43030 - Urban Development and Management (30%)			
8 b) Main Delivery Channel	United Nation Agency- Fund or Commission: 41000 UN Habitat - United Nations Human Settlement Programme:41120 Other public entities in recipient country: 12004 Recipient Government: 12000			
9. Targets	<input checked="" type="checkbox"/> Migration <input type="checkbox"/> Climate <input checked="" type="checkbox"/> Social inclusion and Human Development <input checked="" type="checkbox"/> Gender <input type="checkbox"/> Biodiversity <input type="checkbox"/> Human Rights, Democracy and Governance			
10. Markers (from DAC form)	General policy objective	Not targeted	Significant objective	Principal objective
	Participation development/good governance	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
	Aid to environment	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
	Gender equality and women's and girl's empowerment	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
	Reproductive, maternal, new-born and child health	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Disaster Risk Reduction	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
	Inclusion of persons with Disabilities	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
	Nutrition	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	RIO Convention markers	Not targeted	Significant objective	Principal objective

	Biological diversity	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Combat desertification	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Climate change mitigation	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Climate change adaptation	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
11. Internal markers and Tags	Policy objectives	Not targeted	Significant objective	Principal objective
	Digitalisation	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Tags	YES	NO	/
	digital connectivity	<input type="checkbox"/>	<input checked="" type="checkbox"/>	
	digital governance	<input type="checkbox"/>	<input checked="" type="checkbox"/>	
	digital entrepreneurship	<input type="checkbox"/>	<input checked="" type="checkbox"/>	
	digital skills/literacy	<input type="checkbox"/>	<input checked="" type="checkbox"/>	
	digital services	<input type="checkbox"/>	<input checked="" type="checkbox"/>	
	<u>Connectivity</u>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Tags	YES	NO	/	
digital connectivity	<input type="checkbox"/>	<input checked="" type="checkbox"/>		
energy	<input type="checkbox"/>	<input checked="" type="checkbox"/>		
transport	<input type="checkbox"/>	<input checked="" type="checkbox"/>		
health	<input type="checkbox"/>	<input checked="" type="checkbox"/>		
education and research	<input type="checkbox"/>	<input checked="" type="checkbox"/>		
Migration	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Reduction of Inequalities	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
COVID-19	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	

BUDGET INFORMATION

12. Amounts concerned	<p>Budget line(s) (article, item): 14.020110 Southern Neighbourhood</p> <p>Total estimated cost: EUR 11 613 640</p> <p>Total amount of EU budget contribution EUR 8 000 000</p> <p>The Commission will be entrusted with the responsibility of managing the contribution for an amount of EUR 2 000 000 transferred by the Government of Germany through KfW Entwicklungsbank, after the signature of the corresponding transfer agreement, in accordance with the procedures applicable to the EU budget.</p> <p>A third party contribution from the Government of Denmark is expected to form part of this joint European support package to Area C, with an estimated Danish Kronor 12 000 000, indicatively equivalent to EUR 1 613 640³ as reflected in Section 4.5 Indicative Budget.</p>
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MANAGEMENT AND IMPLEMENTATION

³ Indicatively, using the InfoEuro of 10/2022 as per https://ec.europa.eu/info/funding-tenders/procedures-guidelines-tenders/information-contractors-and-beneficiaries/exchange-rate-infoeuro_en

13. Implementation modalities (type of financing and management mode)	<u>Project Modality:</u> Direct management through: - Grants Indirect management with the entity(ies) to be selected in accordance with the criteria set out in section 4.3.2.
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1.2. Summary of the Action

The European Joint Support to Area C Programme (EU contribution of EUR 8 million out of a total of EUR 10 million) aims to contribute to resilience of Palestinians living in Area C by ensuring that they are better equipped to protect their physical, economic and social assets and rights. Through improved planning and mapping of land rights, and improved access to social infrastructure, the programme will contribute to serving Area C communities and preserving Area C as part of a future Palestinian State -which is a sine qua non condition to a transfer of responsibilities to the Palestinian Authority, in fulfilment of the Oslo Accords.

With regard to planning and mapping of land rights, this intervention will contribute to better plan social and economic development and protect housing, land and property rights which are a pre-condition to sustainable socio-economic development (Output 1 & 2).

With regards to access to essential social and public infrastructure in Area C, this intervention aims to improve women and men, boys' and girls' access to basic services (such as water, electricity, roads, education) through investment in social and public infrastructure, necessary for the sustainable and inclusive development of local communities in a vulnerable situation (Output 3 & 4).

Under this intervention, enhanced data collection, knowledge generation, monitoring, research and analytics on Area C will complement programme implementation (Output 5).

The EU has opted for a policy of non-confrontation with the Israeli authorities to proceed with the implementation of infrastructure projects within the master plans approved⁴ or tacitly approved. The same implementation modalities are to be applied to the present action. Nevertheless, building on lessons learnt from previous actions, the proposed approach increases its scale and ambition in rethreading communities in Areas A-B-and C to one another, away from fragmentation, using wider spatial planning opportunities (the so-called geo-cluster approach piloted by the EU and France⁵), to improve efficiency in service delivery by the Palestinian Authority.

In doing so, the action also serves to reconfirm the Palestinian Authority's (PA) institutional continuity and reach across Areas A, B, and C, and therefore its legitimacy across the territory as a whole. At the same time the programme will capitalise on enhanced nexus programming opportunities in Area C, complementing the humanitarian response, accelerating development, and where possible, protecting the prospects for peace.

2. RATIONALE

2.1. Context

⁴ By Israeli Civil Authorities

⁵ Should the proposed approach fail to materialise, the programme's flexibility allows to implement the action along the lines of the previous projects.

The EU aims to protect the viability of the two-state solution with an independent, democratic, contiguous and viable Palestinian State.

Sustainable development in Palestine hinges on protecting the viability of the two-state solution, and Area C is critical in realising the full potential of Palestinian social and economic development. Area C represents over 60% of the West Bank and is inhabited by an estimated 180,000-300,000 Palestinians⁶ living in approximately 540 communities.⁷ The development of Palestinian communities in Area C is affected by the continuous expansion of Israeli settlements (inhabiting an estimated 325,000 settlers⁸) and the restrictive legal systems imposed by Israel. At the same time, demolition of Palestinian homes and livelihood structures continue, causing a deepening of socio-economic vulnerabilities. In 2021, 722 structures were demolished or seized by Israel in Area C, of which 219 (30.3%) were funded by the donor community, including the EU Humanitarian office.⁹ So far in 2022, 201 structures were demolished or seized by Israel in Area C, of which 48 (23.9%) were funded by the donor community, including the EU Humanitarian office.¹⁰

This comes against a backdrop of **already scant provisions of basic social services** - including access to health, education, and basic public infrastructure - to communities across Area C that are in a highly vulnerable and marginalised situation.

The prospects for a viable two-state solution is at risk due to many factors including progressive fragmentation of territory in Area C. The Israeli announcement in 2020 to annex at least part of Area C, further pointed to a situation that on the ground has been described as a “creeping annexation”¹¹ in terms of increased Israeli dominance over the territory. However, after signing normalisation agreements with a number of Arab States, Israel declared to suspend or postpone annexation until further notice, while assuring its domestic public that the issue is not taken off the table.¹² On the ground, little of that suspension is seen - the absence of any significant policy shift from the Israeli government regarding its continued de facto and ever deepening control over Area C continues to have negative impact on the sustainability and long-term impact of EU assistance. This takes place in the context of growing fiscal and governance challenges on the Palestinian side, and the limitation of the Palestinian Authority (PA) to exercise sovereignty in Area C.

The proposed action builds on over 8 years of EU programming in Area C rooted in the May 2012 Foreign Affairs Council (FAC) conclusions that developed a comprehensive EU policy related to Area C to be followed by a set of concrete steps and actions.¹³ The FAC conclusions call to continue to provide financial assistance for Palestinian development in Area C and expects such investment to be protected for future use. The EU has opted for **a policy of non-confrontation with the Israeli authorities** to proceed with the implementation of infrastructure projects within the master plans approved¹⁴ or tacitly approved.¹⁵ This policy

⁶ Source B’Tselem https://www.btselem.org/topic/area_c

⁷ Of which 283 communities are located entirely or mostly in Area C.

⁸ http://www.btselem.org/topic/area_c

⁹ UNOCHA (2022) Demolitions Database

<https://app.powerbi.com/view?r=eyJrIjoiMmJkZGRhYWQ0ODk0MS00MWJkLW12NTktMDg1NGJlMGNiY2Y3IiwidCI6IjBmOWUzNWRiLTU0NGYtNGY2MC1iZGNjLTViYTQxNmU2ZGM3MCI9ImMiOjh9>

¹⁰ UNOCHA (2022) Demolitions Database,

<https://app.powerbi.com/view?r=eyJrIjoiMmJkZGRhYWQ0ODk0MS00MWJkLW12NTktMDg1NGJlMGNiY2Y3IiwidCI6IjBmOWUzNWRiLTU0NGYtNGY2MC1iZGNjLTViYTQxNmU2ZGM3MCI9ImMiOjh9>

¹¹ The term first coined by the UN Human Rights Council in 2013, <https://www.un.org/unispal/document/auto-insert-205659/>

¹² Statements by PM Netanyahu and US officials, 2 September 2020 as reported by Reuters <https://www.reuters.com/article/us-israel-emirates-usa-communication-idUSKBN25T2FE>

¹³ The EU position and determination to contribute to maintaining the viability of the two-state-solution, as Area C is of critical importance for the viability of a future Palestinian state, in accordance with international law and its positions, is reiterated therein; additionally to the EU Foreign Affairs Council in December 2009, December 2010 and May 2011.

¹⁴ By Israeli Civil Authority

¹⁵ This issue was discussed in relevant preparatory meetings of the Council dealing with EU Common Foreign and Security Policy (CFSP). The EU policy for project implementation in Area C aimed at mitigating the disproportionality of the Israeli Civil Administration (ICA) planning requirements and the risk that the plans would not receive final authorisation. The implementation of public and social infrastructure may start once a plan has been formally approved by the Israeli authorities or is considered as

driven approach was formally adopted under a series of Commission Financial Decisions and Financing Agreements.¹⁶ The same implementation modalities are to be applied to the present action.

To complement this process, the EU has continued its dialogue with the Israeli Civil Administration (ICA) and Palestinian Authorities, in its trilateral dialogue approach. This follows the spirit of the May 2012 FAC conclusions which foresee that the EU engages with the Government of Israel on improved mechanisms for the implementation of donor funded projects for the benefit of the Palestinian population in Area C and is in line with the reflection on the modalities of EU engagement on the ground in support of a two-state solution.¹⁷

In order to act more collectively on Area C, the EU has deepened its dialogue and engagement with European Development Partners on a renewed approach on Area C¹⁸, confirming the EU's policy objectives, key principles, and strategic direction moving forward. This process has enjoyed extensive support locally, with important financial commitments from key EU Member States to Area C including France, Denmark, and Germany, as well as Switzerland, Austria and Finland. Similarly, with a more focused engagement with humanitarian actors, the EU aims to further enhance nexus programming opportunities in Area C, thereby reducing humanitarian needs, accelerating development, and where possible, protecting the prospects for peace.

Palestinian Aspirations on Area C are well articulated in the new Palestinian National Development Plan: Resilience, Disengagement, and Cluster Development towards Independence (NDP 2021-2023) includes within its 10 national priorities 'Resilient Communities especially in Area C of the West Bank'.¹⁹ The NDP 2021-2023 is committed to promoting people's participation and engagement in public service delivery mechanisms, providing "high-quality gender-sensitive services" and ensuring gender mainstreaming in government policy-making, planning and budgeting. The proposed action also aligns with the Cross Sectoral National Gender Strategy and its concrete goal to increase the participation of women in decision-making processes.

In parallel to the NDP 2021-23, the **Local Governance Strategy** and the first **Land Sector Strategy** for the years 2021-2023 were launched. The latter supports five strategic goals, including protection of immovable property rights and state property as well as capacity building and service delivery for land services, both drivers to this action. It also contains a reference to the EU support in Area C that falls under "6. Preparing an Inventory and Mapping of Rights for Area C".

2.2. Problem Analysis

The EU approach on Area C is responding to the below specific problems, all intrinsically linked:

1. **Communities in Area C are disproportionately exposed** to actions by the Israeli government, Israeli military and Israeli settlers in the West Bank, such as settlement expansion, demolitions, destructions of livelihood assets, evictions, forcible transfers and confiscation - the majority of which occurs in Area C. Coupled to this, Palestinian populations in Area C remain subject to Israeli Military Law and

tacitly approved (once the 18 month deadline has been reached from the date of submission by the Palestinian Local Authority to the ICA).

¹⁶ Including: Commission Financial Decisions C(2012)6283, C(2014)5986 and C(2018)7933 and Financing Agreements 2012/023-776, 2014/032-783 and 2018/041-137

¹⁷ Review of modalities of EU engagement on the ground in support of a two-state solution. State of play and way forward, Non-paper (Sept 2018).

¹⁸ This is articulated as the European Joint Approach on Area C outlining lessons learned, reconfirming policy objectives and critical assumptions, and outlining strategic priorities moving forward.

¹⁹ The Palestinian National Development does not isolate Area C, but rather articulates Palestinian policy priorities across 'one people one land', which a key focus on Cluster Development as a bundling of Palestinian geographies (NDP, p. 13)

is under occupation – both contributing factors to Palestinians in Area C being unable to fully enjoy the protection of housing, land and property rights.

2. **Communities in Area C have been isolated, fragmented and underserved even if the social infrastructure needs are high.** Development prospects for Palestinians in Area C are largely denied and access to services is limited, resulting in precarious living conditions and deepening vulnerabilities - notably when a lack of access to basic services falls hardest on women and girls, whose situation is made more vulnerable by gender norms and existing inequalities.²⁰ The PA is largely unable to promote social, cultural, economic and land development (including access to water and electricity) and local governance is weak, with Local Government Units (LGUs) largely unable to provide the basic services they are responsible for. Linking Area A-B-and C communities to one another, across territorial segments of the West Bank (the so-called geo-cluster approach, piloted by the EU and France) is strongly needed to improve social service delivery, leverage social infrastructure investments, and rethread communities away from fragmentation.
3. **Limited rights and access to Area C hinders potential of social and economic development for Palestinians across the West Bank,** as the territory encompasses the majority of landmass in the West Bank, and with it, its key resources. Palestine has a small, insular and closed economy, which is heavily dependent on Israel in many respects, and suffers from a lack of reliable access to resources and land, notably in Area C. Opportunities for integrated growth and sustainable development are manifold, yet curtailed. Private sector investments are sparse but need to be incentivised towards Area C, coupled with integrated planning and zoning efforts, land rights protection, law enforcement capacities and good governance practices of Local Government Units – these are a key puzzle piece to creating an enabling environment for public infrastructure and private sector investments.
4. **Palestinian jurisdiction over Area C is limited and hence robust and empowered local governance structures and processes are still emerging.** LGUs form the backbone of Palestinian public administration, however they face considerable challenges in fulfilling their mandate - whilst LGUs are mandated to provide 27 essential services, such services and basic community infrastructure needs in Area C remain largely unmet. The lack of fiscal resources, inadequate planning frameworks and the lack of clarity of roles, responsibilities and relationship between central and local government persists, notably across Area C localities, which historically have been ‘further a reach’ from the Area A administration centres of the Palestinian Authority. Moreover, local governance capacity to service communities in accountable and inclusive processes needs to be strengthened, especially in the field of land-based functions and community-driven delivery of social infrastructure.
5. **Land registration and spatial planning processes in Area C are limited and reflect elements of multiple and complex historical, contemporary, civilian and military systems.** Land ownership and use rights in Area C are extremely complicated to discern and resolve. The issues of land use – which includes spatial planning, control of land use and land development, and construction planning and permits, regulations and implementation - are inextricably linked in Area C. As an example, land settlement pre-1967 by the Jordanian government covered a meagre 34 percent of the West Bank. This has been increased to a mere 56% thanks to efforts of the Land and Water Settlement Commission (LWSC), however coverage in Area C is still very low. Of note is the Hebron Governorate for example, which homes many communities in Area C, but where a meagre 11% of land has been legally settled. Moreover, traditional constructs and patriarchal social norms pose additional hardships for Palestinian women in accessing and registering land.²¹

²⁰ EU 2018 Gender Country Profile for Palestine.

²¹ EU 2018 Gender Country Profile for Palestine.

6. A cross-cutting challenge is also the need for **more comprehensive and conflict-sensitive data as well as political and legal analysis (that is not exclusively humanitarian in nature) specific to the problematic in Area C**, across the various communities, geographical zones and bodies of law applicable to Area C, that can contribute to more informed programmatic decision making. Similarly, the need for improved data to inform improved impact-level analysis of policy and programmatic achievements in Area C has been identified as key.

Identification of main stakeholders and corresponding institutional and/or organisational issues (mandates, potential roles, and capacities) to be covered by the action.

Policy level:

The Prime Minister's Office (PMO) leads and coordinates through national governmental institutions, e.g. MoLG and LWSC development plans at the national level, including in Area C of the West Bank. The EU engages with the PMO regularly and constructively, on a wide spectre of matters, including on Area C.

The Ministry of Local Government (MoLG) is the main policy making and legislative body that lead the preparation of spatial planning interventions with and for Palestinian communities in Area C, represented by the Local Governmental Units (LGUs). A key challenge is the limited jurisdiction and institutional reach that MoLG can ascribe in Area C, by virtue of the designations of the Oslo Accords. The MoLG is supported by various line ministries including those of Finance, National Economy, Education, Health and Social Affairs. The MoLG is the lead national interlocutor vis-à-vis the UN's delivery of the Special Human Settlements Programme for the Palestinian People (SHSPPP-) which is the legal basis for UNHABITAT in Palestine, and frames the ongoing national level work on spatial planning and land rights. Gender Units across PA Ministries should also be integrated into key works streams. The EU has a long-standing and significant partnership with MoLG, both in the terms of policy dialogue on Area C and Local Governance, but also in the design and delivery of support to communities in Area C.

The Land Water and Settlement Commission (LWSC) is the public institution responsible for issues related to land ownership and completing land settlement to allow for the registration of all Palestinian lands.

The Palestinian Land Authority (PLA) was established in 2002 and is the national Palestinian entity responsible for registering land, including based on land settlement outputs, management of state land, and leading the land sector. PLA leads the Land Management and Administration Sector Working Group (LMA SWG).

Support and coordination level:

The Local Government Sector Working Group (LG SWG) is chaired by MoLG, co-chaired by Denmark with the World Bank as the technical advisor. The LG SWG serves as a platform to establish more linkages between MoLG and its partners, including two key EU partners and stakeholders being the Municipal Development and Lending Fund (MDLF) and the Association of Palestinian Local Authorities (APLA), as well as civil society, the private sector, line ministries, donors, including the EU and the UN entities (namely UN-Habitat and UNDP) with the aim of supporting the development, implementation, and monitoring and evaluation of the Local Governance Sector Strategy.

The Land Management and Administration Sector Working Group (LMA SWG) is a coordination mechanism specifically for the land sector, under the Local Aid Coordination Secretariat and established through the ongoing EU-funded project: Achieving Planning and Land Rights in area C, West Bank (2019-2023), and it is chaired by the PLA, with the World Bank as Co-Chair, and UN-Habitat as the Technical Advisor.

The Association of Palestinian Local Authorities (APLA) is an important organisation that has the potential to serve and support the interests of LGUs in Palestine. APLA's role is to strengthen LGU collaborations on

service delivery and local participatory development, and improve contributions to territorial integration, including in Area C, aiming at enhancing the role of the LGUs in the state building process of Palestine.

Where feasible, civil society and women's groups will be brought on board to assure more inclusive processes.

In addition, in order to engage in a trilateral dialogue, the EU will facilitate contacts with the following bodies:

The COGAT and the Israeli Civil Administration (ICA) will be approached at central level by the EU and relevant stakeholders and at local level at the discretion of the local community representatives.

The General Authority of Civil Affairs (GACA) of the Palestinian Authority coordinates technical meetings between the PA line ministries, Palestinian communities and their representatives and the ICA to discuss the advancement in the approval processes of the local outline plans for the Palestinian communities in Area C and any other aspects related to engagement on projects implementation in Area C.

2.3. Lessons Learned

The action at hand builds on the implemented initiatives and approaches that have shown success, while also incorporating the challenges and lessons learnt from the previous experience in Area C, which stem from the Mid-term Evaluation of the EU Programme in Area C concluded in 2019. These include:

- 1. Consolidate a joint EU Vision and Programme for Area C.** Heads of Mission, Heads of Political (HoPs) and Heads of Cooperation (HoCs) to speak with a common language and set up inter-connected agendas. Work is progressing to discuss with Member States and finalise articulation of a European Joint Approach on Area C, whilst also relaunching the Area C Interest Group, as interlinked with the HoPs and HoCs. At operational level, a joint multi-year European initiative for Area C is considered to allow better and stronger joint engagement of European partners. Co-funding of interventions is being enhanced.
- 2. Reinforce Triangulation²² by EU and its Member States by adopting a facilitator role in the dialogue between the parties:** both at political and operational level, the Area C situation must be discussed between both parties. The EU and its Member States, while being careful not to take the Palestinian Authority's role in negotiation, should contribute proactively to facilitation of a dialogue between Palestinian and Israeli counterparts at all levels notably through triangulation and develop an innovative approach enhancing mutual accountability (i.e. Master Plan approval process monitoring; service level agreement etc.).
- 3. Reinforce results orientation and accountability:** The 2019 Mid-Term Evaluation recommends, setting up an Area C result framework linked to the EJS Result Oriented Framework and also, in line with the Palestinian policy, setting up a strong, comprehensive and structured monitoring system at outcome and impact level. Within this frame, a yearly dialogue with the PMO should be set up as well.
- 4. Strategy, and interventions design and implementation, should systematically follow a Nexus HDP approach.** The link between development and peace is to be reinforced. Applying an 'area based approach'²³ can serve as a basis for deepening the cooperation and operationalisation of the nexus in a specific geo-location and/or group of communities in Area C. Alternatively, from a sector specific perspective, the WASH sector could be of particular interest as a sector-specific pilot, as building sustainable and resilient water services is where humanitarian and development sector can develop sector-synergies. This needs to be complemented at every opportunity by EU and MS at political but also at

²² Non-Paper "Review of modalities of EU engagement on the ground in support of a two-state solution. State of play and way forward".

²³ Applying a territorial or geographic focus to a programme, as oppose to a sectoral approach to programming.

operation level with both Palestinian and Israel Authorities (Ad Hoc Liaison Committee AHLC, structure dialogue with IL, triangulation etc.).

At an operational level, lessons learned include the need to capitalise on the adopted EU approach for project implementation in Area C²⁴ (so called EU Master Plan and tacit Approval approach) and upgrade it. While pursuing the work on localities' outlines (master plans), this approach should be extended to wider geo-cluster plans. Social and public investments should then be more policy driven at national level, have a wider scope and allow reinforcement of land integration. This should also permit a better alignment and a potential acceleration of private sector investments (European Investment Platform (EIP) supported) into the geo-clusters. The effective empowerment of local authorities must remain a leit-motif across all efforts in Area C.

3. DESCRIPTION OF THE ACTION

3.1. Objectives and Expected Outputs

The Overall Objective (Impact) of this action is to contribute to protecting the viability of the two-state solution and foster the resilience and presence of Palestinian people living in Area C.

The Specific Objective (Outcome) of this action is to ensure that Palestinians in Area C are better equipped to protect their physical, economic and social assets and rights, and preserve Area C as territorial and institutional part of a future Palestinian State.

The Outputs to be delivered by this action contributing to the corresponding Specific Objective are:

1. Improved land tenure security of marginalised Palestinian women and men;
2. Improved integrated and gender-responsive planning processes enabling social and economic investments by/to Palestinians in Area C;
3. Improved access to essential social and public infrastructure services in Area C, accessible to all;
4. Strengthened capacity of LGUs and Palestinian institutions to engage in inclusive and accountable governance processes;
5. Enhanced disaggregated data collection, knowledge generation and analysis on Area C, for improved programmatic decision making, political advocacy and nexus operationalisation.

3.2. Indicative Activities

Activities can be grouped into three core areas of work to leverage their impact across the five above-mentioned outputs.

With regard to planning and mapping of land rights, this intervention will contribute to better plan economic development in rural areas and protect housing, land and property rights which are a pre-condition to sustainable socio-economic development.

Indicative activities related to Output 1:

- Completion of land settlement and mapping of rights, including land-readjustment for agricultural and investment purposes to avoid land fragmentation, where applicable, for Palestinian communities in Area C;

²⁴ The EU policy for project implementation in Area C aimed at mitigating the disproportionality of the Israeli Civil Administration (ICA) planning requirements and the risk that the plans would not receive final authorisation. The implementation of public and social infrastructure may start once a plan has been formally approved by the Israeli authorities or is considered as tacitly approved (once the 18 month deadline has been reached from the date of submission by the Palestinian Local Authority to the ICA).

- Specialised awareness raising and media campaigns that raise the importance of Housing, Land, and Property (HLP) rights including the documentation of anecdotal evidence, studies, assessments and expert reports produced on HLP rights violations and recommendations, including a gendered perspective and;
- Gender mainstreaming activities through the *Land Management and Administration Sector Working Group (LMA SWG, established by the Office of Prime Minister in Feb 2020)* including a periodic review of gender issues in land related matters, including in the next Land Sector Strategy, national media campaigns etc.

Indicative activities related to Output 2:

- Preparation and consolidation of Master Plans (also known as local outline plans) including a gender perspective. This may include the identification and selection of vulnerable communities in need for spatial planning support; conducting planning surveys to inform the planning processes; undertaking a participatory approach engaging main stakeholders to translate the community visions into implementable plans; and educating the local communities and village leaders about their planning rights;
- Preparation of Geo-Cluster Plans. This may include the identification of partners and stakeholders; conducting situation and regional analysis; defining the developmental and spatial vision, programmes, and interventions; and building the technical planning and organisational capacities;
- Intensified multi-stakeholder nexus-based coordination and advocacy on planning in Area C. This may include joint nexus analysis; identifying collective outcomes for humanitarian, development, and political actors mainly to strengthen the levels of coordination and advocating for planning and land rights.

With regard to access to essential social and public infrastructure in Area C, this intervention aims to improve access to basic services (such as water, electricity, roads, education) through investment in social and public infrastructure, necessary for the sustainable and inclusive development of vulnerable communities.

Indicative activities related to Output 3:

- Capacity development of the concerned local authorities and community mobilisation specifically related to the identification, implementation and delivery of public infrastructure activities.
- Implementation of inclusive, accessible and quality social and public infrastructure projects (roads, public buildings, water and wastewater, energy, health, education, other public infrastructure) following the so-called ‘EU Master Plan Approach’.

Indicative activities related to Output 4:

- Capacity building of the Ministry of Local Government (MoLG), Palestinian Land Authority (PLA) and Land and Water Settlement Commission (LWSC) to perform land-based function in Area C and to build resilience through inclusive participation in land-related process.
- Provision of equipment to LWSC, PLA and MoLG to enhance their operational and administrative capacities.
- Capacity development of the concerned local authorities, community mobilisation and local governance and accountability processes at LGU (also at Village Council) level.

With regard to more robust data collection and analytics on Area C, this intervention aims to pilot enhanced political and programme-related thematic research and monitoring streams of work specific to Area C.

Indicative activities related to Output 5:

- Identification and monitoring of key data and important information gaps on Area C, including social and economic data (disaggregated at least by sex, age and disability). This data should form a baseline to better monitor and measure success of the programmes at impact level.
- Diagnostic assessments and thematic research on key topics of political and programmatic relevance in Area C, including on key assumptions and pathways for alternative effective programming.
- Analysis and accompanying work between the EU and key stakeholders on operationalising a nexus pilot in Area C, in a concrete way - where/how to be piloted best (geo specific vs sector specific approach) - and analysis on leveraging institutional/operational/political will and capacity.

3.3. Mainstreaming

Environmental Protection, Climate Change and Biodiversity

The proposed action will incorporate climate change aspects and contribute to awareness raising on the importance of preserving the environment and rights to natural resources. Under the area of work dedicated to the mapping of land rights (Outputs 1 and 2), using the Social Tenure Domain Model (STDM) tool²⁵ will influence natural resources management and ecosystem conservation, identifying human-made and natural disasters; this will also support the LGUs to be able to elaborate designated building regulations to protect the sensitive agricultural areas, including olive trees groves. This includes surveying and identification of natural reserves, public/state land, and cultural heritage for better environmental use and green local economic development.

Similarly in the area of work dedicated to social infrastructure (Outputs 3 and 4), the Environmental and Social Management Framework Plan (ESMP) and Framework (ESMF) can be used to ensure the implementation of the social and environmental safeguards, in full compliance with the national and local legislative framework, namely laws, regulations, and standards governing environmental management, social protection, and preservation of cultural heritage applied by the Palestinian Authority. In addition, specific attention will be given to the water sector that constitutes a key element of the Palestinian NDC Mitigation Action Plan.

Outcomes of the Environmental Impact Assessment (EIA) screening. *The EIA screening classified the action as Category B (not requiring an EIA, but for which environment aspects will be addressed during design).*

Outcome of the Climate Risk Assessment (CRA) screening. *The CRA screening concluded that this action is no or low risk (no need for further assessment).*

Gender equality and empowerment of women and girls

This action is labelled as G1, implying that gender equality is an important and deliberate objective. The action will also make use of the 2018 Gender Country profile for the European Joint strategy and will align as much as possible to the GAP III indicators.²⁶ The action responds to the reality of women suffering from poorer tenure security in Area C and across the Palestinian territories, and hence it promotes security of tenure for both women and men, regardless of age and ability. This action endeavours to build on and scale up LWSC's ongoing work to register land to women by enhancing the settlement procedures to require irrefutable documentation (e.g. ensuring non-coerced legal consent of women to selling or foregoing of their land irrelevant of their family status and age), enhancing men and women's awareness and safeguarding of their

²⁵ In line with national and international frameworks and international human rights laws that promote tenure security, community engagement and focusing on the most marginalised, the STDM is a context-sensitive land information recordation tool focusing on social tenure relationships such as right, responsibility or restriction, and built around core values supporting pro-poor, equity, affordability, good governance, subsidiarity, gender sensitiveness, systematic large-scale approach and sustainability.

²⁶ SWD(2020)284 final: <https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:52020JC0017&from=EN>

land rights. The action also responds to women and girls' specific interests and needs in terms of public services. The construction of public infrastructures and related decision-making processes will take into consideration women's and girls' rights, needs and priorities (including women and girls with disabilities), ensuring a gender-responsive design and implementation, by incorporating a gender mainstreaming approach throughout all phases.²⁷ Planned capacity building activities with duty-bearers will also include transferring skills on gender mainstreaming.

The component to support data collection will enhance the visibility of women and groups in a vulnerable situation, by integrating data disaggregated at least by sex, age and disability, and where possible gender equality indicators.

Human Rights

In line with the Human Rights Based Approach, all stakeholders are to be empowered and participate in decision making, especially the most marginalised (including women and households in a particularly vulnerable situation, persons with disabilities, and parts of the Bedouin community in Area C in accordance with the Leave No One Behind (LNOB) approach). Good governance principles will be applied. The proposed action applies a rights-based theory of change: it applies participatory processes ensuring that the social needs of the targeted communities are considered in order to enhance resilience, wellbeing and meeting their unique local needs. This should lead to better land governance, which contributes to the achievement of multiple human rights, especially the right to adequate standard of living including adequate housing (Article 11 of the International Covenant on Economic, Social and Cultural Rights).

Concerning the activities foreseen under Outcomes 1 and 2, the Human Rights Impact Assessment Mechanism (HRIAM) endorsed by the MoLG in 2016 and further tested in 2020 will continue to be the framework under which the plan-making processes will be ensued, utilising the HRIAM matrix at the local level for Palestinian communities. This will include details on how the spatial planning interventions are addressing and integrating human rights in a disaggregated form, in terms of gender, duty bearers, and rights holders.

Disability

As per OECD Disability DAC codes identified in section 1.1, this action is labelled as D1, as the needs and rights of disabled persons are to be safeguarded under all areas of work under this action. This will be achieved by ensuring their representation in all community participation aspects, and enhancing their understanding and attainment of their land and planning rights in accordance with national and international benchmarks. Similarly, all social and public infrastructure activities under this action are to be delivered in line with inclusive access standards. Data collection will also be disaggregated by disability whenever possible.

Democracy

All the activities designed in this proposed action will be implemented in close collaboration with the elected leaders at the national and local levels. Local Governance Units are considered the main local counterparts involved in land settlement, leading the plan-making processes, and acting as the principle decision-making body that will validate and adopt the main deliverables. Both the planning and land focused interventions will support "direct participation of civil society in urban planning and management which operate regularly and democratically" per SDG 11.3. Moreover, the proposed action will be implemented in a participatory manner via participatory planning mechanisms and participatory mapping of land rights, involving the local community and their representatives, in particular women' organisations and organisations representing

²⁷For reference: <https://content.unops.org/publications/UNOPS-Infrastructure-for-Gender-Equality-and-the-Empowerment-of-women.pdf?mtime=20200701120805>

specific groups, such as people living with disabilities, thereby contributing to enhancing the inclusion and accountability processes within the community.

Conflict sensitivity, peace and resilience

The overall objective of the proposed action is to preserve the viability of the two-state solution and foster the resilience and presence of Palestinian people living in Area C, underpinned by the Oslo Accords to find a peaceful end to the Israeli-Palestinian conflict. To take this further this year, and in the spirit of the May 2012 FAC conclusions,²⁸ the EU has deepened its dialogue with the Israeli Civil Authority (ICA) and Palestinian Authorities, in its trilateral dialogue approach. Moreover, the EU alongside key member states aim is to act more collectively on Area C. Enhanced nexus programming opportunities can be further capitalised on in Area C, reducing humanitarian need, accelerating development, and where possible, protecting the prospects for peace. This will be achieved through closer engagement with humanitarian actors working in Area C, to explore concrete opportunities for joint analysis of risks and opportunities, feeding into the identification of complementary programming in areas of shared geo-priority, alongside EU development partners. This will be coupled with enhanced analysis, impact-level monitoring and advocacy on the political narrative on Area C, and should be rooted in our engagement with European Development Partners on a renewed strategy on Area C²⁹, that confirms the EU's policy objectives, key principles, and strategic direction moving forward.

That notwithstanding, the proposed action takes place within a context of the already decades-long Israeli-Palestinian conflict – recently further exacerbated by the dire economic situation brought on by the COVID-19 crisis, resulting in a sharp rise in vulnerability levels and a near exhaustion of household and community coping strategies. The re-emergence of violent conflict in Area C specifically remains a risk, in the face, among others, of heightened attacks on Palestinian persons and land documented in recent months. The deteriorating climate change context and heightened disaster related risks linked to substantial environment degradation (availability of water, soil erosion, and loss of biodiversity to name a few) as well as the constraints to prepare and respond to systemic violations of land and environmental rights, also constitute a dominant grievance among Palestinians. The proposed action therefore by design, must respond to political and conflict dynamics at hand, driven by the political and development objectives of the EU in Palestine.

Disaster Risk Reduction

The proposed action is coherent with and complements wider EU programming in the West Bank, including in Area C, designed to specifically address environmental degradation and climate change responses. As outlined above, water shortages, environmental degradation, draught and desertification, along with landslides, and land and natural resources' depletion – all intrinsically linked to political conflict - are considered to be the most significant anthropogenic disasters currently affecting the Palestinian people. Through the proposed action, the mapping of land rights under outputs 1 and 2, where land information is collected on the ground through surveying, allows for the identification of manmade and natural disasters, which is critical for informing local and national authorities' policies and actions related to disaster risk reduction.

²⁸ that foresee EU engage with the Government of Israel on improved mechanisms for the implementation of donor funded projects for the benefit of the Palestinian population in Area C. https://www.consilium.europa.eu/uedocs/cms_data/docs/pressdata/en/foraff/130195.pdf

²⁹ Which articulates a European Joint Approach on Area C outlining lessons learned, reconfirming policy objectives and critical assumptions, and outlining strategic priorities moving forward.

3.4. Risks and Assumptions

Category	Risks	Likelihood (High/ Medium/Low)	Impact(High/ Medium/Low)	Mitigating measures
Institutional Risk (PA Partners) ³⁰	Institutional capacity lapses due to high turnover in key stakeholders staff involved in implementation.	Low	Low	<ul style="list-style-type: none"> ▪ Effective institutionalisation of the needed functions at the key stakeholders' levels. ▪ Establishing close collaboration with partners and maintaining engagement through direct consultations, regular updates and steering committee meetings. ▪ Engaging with the competent authorities as well as leadership on the community level through local representatives, i.e. LGUs, Civil Society Organisations (CSOs), etc. ▪ Incorporating the building of capacities of local implementing partners/government authorities to carry out programme implementation, data gathering and document developments on the ground.
Political Instability ³¹	<p>Increased intensity of conflict and sustained periods of increased insecurity in Area C, resulting in direct threat to the programme implementation of planning/land/social – public infrastructure related interventions, making access to Palestinian communities difficult and;</p> <p>Counter-productive actions by Israeli authorities targeting interventions and / or development partners in Area C, including stop work orders, coercive acts on</p>	Medium	High	<ul style="list-style-type: none"> ▪ Structured and regular meetings and coordination with other donors and UN agencies to help in the related activities, including European Development Partners, OCHA, OHCHR, FAO, and others. ▪ Incorporating proportionate arrangements for sharing risks with implementing partners, built on stronger data gathering and documentation capacities ▪ Incorporating the building of capacities of local implementing partners/government authorities to carry out programme implementation, data gathering and document developments on the ground. ▪ The EU development programme in Area C will be guided by the following principles: <ul style="list-style-type: none"> ○ Do no harm: in order to mitigate the risk of exposing people to additional risks through our action; a long-term conflict-sensitive approach is adopted; notably through the participation and involvement of the population, including women and men, but also by following a “No confrontation approach” (i.e. Master/outline Plan approach and “tacit approval principle” to the implementation of infrastructure projects within the Master Plans).

³⁰ Category 2 Risk - Planning, Process and Systems

³¹ Category 1 Risk – External Environment

Category	Risks	Likelihood (High/Medium/Low)	Impact(High/Medium/Low)	Mitigating measures
	<p>contractors, seizure of equipment and demolition orders, by ICA.</p> <p>Increased political pressure from Israeli authorities on the EU and its partners to limit/control support to Palestinians in Area C</p> <p>Resistance from Israeli Authorities to accept geo-cluster plans and reviewing them with Palestinian counterparts.</p>			<ul style="list-style-type: none"> ○ Formalise a joint EU Vision and Programme for Area C to speak with a common language and set up inter-connected agendas. ○ Reinforce Triangulation by EU and Member States by adopting a facilitator role in the dialogue between the parties: both at political and operational level, the Area C situation must be discussed between both parties (Palestinian Authority and Israel). ○ Provision of legal aid to local authorities. ▪ Should the proposed geo-cluster plan approach fail to materialise, the programme’s flexibility allows to implement the action along the lines of the previous projects (master plan approach). ▪ Re-confirm the political will and ability of the EU and its MS to engage in a coherent and principled support to Area C, and continually assess political and reputational risk to the EU, its programmes and partners. Collectively engage on how to best respond to political fallout, should it occur
Economic/Social/Cultural ³²	Global pandemic spread making access to Palestinian communities difficult and resulting in shifting priorities for affected Palestinian communities	High	Medium	<ul style="list-style-type: none"> ▪ Enhancing readiness for telecommuting. ▪ Providing personal protective equipment for required fieldwork. ▪ Prioritising activities that can be implemented without direct, or through virtual, access with the targeted communities. ▪ Continuing disaggregated data gathering and capacity building to the teams through other means. ▪ Incorporating the training of local implementing partners and competent authorities to document developments on the ground. ▪ Liaising with other UN agencies to help in the related activities. ▪ Considering sufficient periods for implementation under secondary procurement.
	Dissatisfaction of some Palestinian residents with the impact of the proposed spatial plans on their land – notably of those benefitting from	Low	Medium	<ul style="list-style-type: none"> ▪ Consultations held at the inception with different stakeholders, including representatives from different groups (women, people living with disability, etc., in order to manage expectations. ▪ Meetings with development partners working on similar projects and identification of synergies.

³² Category 2 Risk - External Environment, & Category 3 Risk – People & the Organisation

Category	Risks	Likelihood (High/Medium/Low)	Impact(High/Medium/Low)	Mitigating measures
	unclear land settlement and incomplete planning processes			<ul style="list-style-type: none"> Utilisation of the established coordination mechanisms, including the Local Governance Sector Working Group, which includes national and local partners, donors and UN organisations, and others for transparent communication and coordination with all major stakeholders for maximising efforts and sustainability.
	Lack of interest and misinterpretation of local stakeholders and Palestinian inhabitants with the impact of mapping land rights on land values and tax collection	Medium	Medium	<ul style="list-style-type: none"> Increasing awareness among local stakeholders and landowners regarding the importance of cooperation and collective action to unlock the development potentials of mapped lands. Working with community leaders to highlight that plan-making processes and mapping land rights would be a protective tool and would lead to shared benefits for all. Producing and sharing of information and briefings with key officials, publication of information in Arabic language. Incorporating engagement of Palestinian civil society organisations (CSOs) in the mapping process. Giving special attention to the effects of gender-sensitive activities specific to context of this project utilising participatory approaches.
	Limited capacity and political will to address and mainstream gender and human rights aspects. Human rights and gender-blind implementation could reinforce existing inequalities and hinder the action's effectiveness and sustainability.	Medium	Medium	<ul style="list-style-type: none"> Analysis of human rights and gender dimensions of the infrastructure development, identifying specific vulnerabilities, will be conducted. Gender mainstreaming will be ensured at all stages. Human rights-based approach principles, including transparency and accountability, will be promoted throughout the action. Data will be disaggregated at least by sex and age, and by disability when applicable.
Programme & Operational Risk ³³	Reduced or restricted physical access of programme	Medium	High	<ul style="list-style-type: none"> Ensuring close liaison with implementing partners, EDPs and UN actors on development of access conditions and incorporating proportionate arrangements for sharing risks with implementing partners. Building in the required flexibility with partners for project adaptation as necessary

³³ Category 1 and 2 Risk

Category	Risks	Likelihood (High/ Medium/Low)	Impact(High/ Medium/Low)	Mitigating measures
	partners and project materials to Palestinian communities in areas of intervention. Possible delays on implementation			

External Assumptions

The action is based on the following underlying assumptions:

- i) The viability of the two-state solution, which is constantly eroded by new facts on the ground, including through settlement expansion, is protected;
- ii) The PA remains committed to support resilience of Palestine systems and people in Area C;
- iii) The EU, International Community and Financing Partners (FPs) remain committed to support the resilience of Palestinian population in Area C both at political and operational level and ready to take the necessary political and financial risks; and
- iv) The Palestinians living in Area C continue to be engaged and committed with own development processes.

3.5. Intervention Logic

There is ample analytical and programmatic evidence to illustrate that without targeted and sustained support to Palestinian population and Palestinian governance actors in Area C, the risk of entrenching the one-state reality of Israeli occupation over the West Bank is substantial and acute. The underlying intervention logic for this action is to support Palestinians in Area C, so that they have the means to protect their physical, economic and social assets, which are currently under threat - this is pre-requisite to preserving their territorial and institutional part in a future Palestinian State.

To achieve this, and following a vertical intervention logic, the proposed action opts to intervene in two ways. On the one hand, increasing the planning and mapping of land rights, especially in geographies that are particularly at risk, so that housing, land and property under threat can be better protected - but also so that socio-economic development and investments are made in line with locally defined and community-owned plans and priorities, with Palestinians planning and leading their own development. Concretely this will see more land rights in Area C being mapped, or being part of surveying and settlement processes, eventually leading to an increase in land registration and tenure security. In terms of planning, more local outline plans and geo-cluster plans, will lead to more coherent, more localised and more development-driven planning for communities, including their women and men. The action also sees local governance actors in Area C lead such processes, to foster a culture of good governance, mutual accountability and institutional integrity – notably towards centralised Palestinian Authorities in Areas A and B.

The second entry point, is that in order to maintain Palestinian populations' presence in Area C, they must be served with essential services, but also with the prospect that remaining in Area C offers them future – and thereby thwarting pull factors to urbanised geographies around Areas A and B. Additional investments in water, electricity, road and education infrastructure that are made based on improved inclusive and gender-responsive spatial plans, will provide basic assurances to communities that they too can profit from sustainable development and economic opportunities in the medium term.

And in the interest of a viable future Palestinian state, the action will also provide capacity building to the Palestinian Authorities' governmental bodies, namely LWSC, MoLG and LGUs, responsible for planning and land settlement, and it will strengthen their abilities to deliver on their commitments to Palestinians in Area C, including with a human rights-based approach and a gender perspective.

In an effort to deliver on its objectives, the achievements and monitoring across all pillars of work under this action will need to be based on additional data, research and analytics on Area C, which should also drive more informed programming decisions.

However, for the proposed action to bear fruit, a number assumptions must hold true. The EU, EDPs and International Community must continue to show political leadership to remain programmatically and politically engaged in Area C and ready to take the necessary political and financial risks. Similarly, Palestinian stakeholders at local, district and central governance level must demonstrate technical capacity as well as political vision to deliver on commitments in Area C. The Palestinian Authority and Palestinians living in Area C continue to be engaged and committed with their own development processes. The assumption that Israeli policy and practice in Area C will remain predictable, and not slip into an accelerated annexation, is also key. Last, to this end, at a minimum, technical dialogue between Palestinian and Israeli interlocutors must be allowed to continue. The below logframe captures this intervention logic at Impact, Outcome and Output level.

3.6. Indicative Logical Framework Matrix

Results	Results chain: Main expected results	Indicators	Baselines	Targets	Sources of data	Assumptions
Impact	To contribute to protecting the viability of the two-state solution and foster the resilience and presence of Palestinian people living in Area C	<ol style="list-style-type: none"> 1. Two state solution Index 2. Palestinian population living in Area C, disaggregated by sex 3. Socio - economic conditions of the targeted populations (GDP/capita; unemployment rate, disaggregated by sex) 4. Reduction in the number of demolitions 5. Reduced coercive environment by IL in Area C 	<ol style="list-style-type: none"> 1. Two State Solution Index: 5.55 (March 2022) 2. Estimated population 300,000 3. TBC 4. Demolitions in 2021: 967 structures WB and JLM, displacing 1190 Palestinians (OHC HR). 5. No. 'events of concern' in Area C (West Bank Protection Consortium) 		<ol style="list-style-type: none"> 1. Geneva Initiative 2. Palestinian Central Bureau of Statistics 3. Ministry of Local Government, Municipal development and Lending Fund, and Land and Water Settlement Commission Reports 3. Reviews of the National Development Plan (2021 – 2023) and Sector Strategies (namely Local Governance and Land Sector Strategies) 3. Reports on achievements towards SDG 11 4. OHCHR reporting 5. WBPC reporting 	<i>Not applicable</i>

<p>Outcome 1</p>	<p>To ensure that Palestinians in Area C are better equipped to protect their physical, economic and social assets and rights, and preserve Area C as territorial and institutional part of a future Palestinian State</p>	<p>1.1 Total land mapping area (being surveying and settlement in dunums) in Area C</p> <p>1.2 Percent of land mapping area (being surveying and settlement in dunums) that takes place in high risk geographies in Area C (eg: within firing zones, or at risk of expropriation and/or settlement expansion)</p> <p>1.3 % of Area C covered by Cluster Plans.</p> <p>1.4 % of the population living in urban communities in Area C, covered by a Master Plan / Outline Plan (disaggregated at least by sex).</p>	<p>1.1 TBD (baseline data collection underway Nov 2022)</p> <p>1.2 TBD (baseline data collection scheduled March 2023)</p> <p>1.3 TBD (baseline data collection scheduled March 2023)</p> <p>1.4 TBD (baseline data collection scheduled March 2023)</p> <p>1.5 TBD (baseline data collection scheduled March 2023)</p>	<p>1.1 TBD (April 2023)</p> <p>1.2 TBD (April 2023)</p> <p>1.3 TBD (April 2023)</p> <p>1.4 TBD (April 2023)</p> <p>1.5 TBD (April 2023)</p>	<p>1.1 LWSC Reports on land surveyed and settled</p> <p>1.2 OCHA reports on geographies of risk</p> <p>1.2 WBPC reports on community protection</p> <p>1.3, 1.4, 1.5 and 1.6 Project Monitoring Reports</p> <p>1.3, 1.4, 1.5, and 1.6 Partner Implementation Report</p> <p>1.5, 1.6 Monitoring and Field Visits</p> <p>1.6 LMA SWG reports</p> <p>1.7 LGU and MDLF reports</p>	<p>The erosion of the two-state solution”) is mitigated not to lead to irreversible fragmentation of Palestinian territory, people and institutions;</p> <p>The PA remains committed to support resilience of Palestine systems and people in Area C;</p> <p>The EU, International Community and Financing Partners (FPs) remain committed to support the resilience of Palestinian population in Area C both at political and operational level and ready to take the necessary political and financial risks; and</p> <p>The Palestinians living in Area C continue to be</p>
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		<p>1.5 Number of Area C inhabitants that profit from access to basic social services and infrastructures (indicators to be further defined: access to health, education, water, electricity, etc ...) disaggregated at least by sex, age and disability</p> <p>1.6 Number of LGUs that engage in inclusive and accountable governance processes linked to land-related functions.</p> <p>1.7 Amount of private investments in Area C, notably within the Master plans</p>				<p>engaged and committed with own development processes.</p>
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Output 1.1	Improved land tenure security of marginalised Palestinian women and men	1.1.1 Area of land coverage (dunnus) surveyed and/or settled in Area C based on adequate and standardised land-based information related to ownership, uses, condition, etc.	1.1.1 660,000 dunums (2023)	1.1.3 166 0,000 dunums (2023)	Sources of Verification for each indicator 1.1.1 – 1.1.4: LWSC Reports on land surveyed and settled Land settlement ‘Tables of Rights’ issued Project Monitoring Reports Partner Implementation Report Monitoring and Field Visits LMA SWG reports	Priority is given to land rights mapping and registration in areas with particular risks to land tenure
		1.1.2 Number of communities and community members (disaggregated by sex) engaged in inclusive and participatory land surveying, settlement and registration processes (land-related reference committees, number of members and percentage of women)	1.1.2 TBD (baseline data collection scheduled March 2023)	1.1.4 TD (April 2023)		Physical access to lands (notably in Area C) is upheld, and required and trained staff and materials/equipment are in place and maintained
		1.1.3 Percentage of plots registered as owned by women in target communities	1.1.3 TBD (baseline data collection scheduled March 2023)	1.1.3 TBD (April 2023)		Local communities continue to deem land mapping as a necessary process to secure land tenure, and engage as key stakeholders
		1.1.4 Number of land mapping capacity	1.1.4 0 (2023)	1.1.4 10 capacity building initiatives (2027)		LGUs show leadership and capacity to deliver inclusive and accountable land functions Palestinian national prioritisation on land settlement continues to guide policy engagement

Results	Results chain: Main expected results	Indicators	Baselines	Targets	Sources of data	Assumptions
		building initiatives for key Palestinian stakeholders at local, district and national level				

<p>Output 1.2</p>	<p>Improved integrated and gender-responsive planning processes enabling social and economic investments by/to Palestinians in Area C</p>	<p>1.2.1 Number of communities and community members (disaggregated by sex) in Area C that benefit from an inclusive community-led Local Outline Plan</p> <p>1.2.2 Number of communities and community members (disaggregated by sex) in Area that develop a community-led Cluster Plan, with A-B-C integration where possible.</p>	<p>1.2.1 123 communities with local plans in Area C (2023)</p> <p>1.2.2 44 of communities with cluster plans in Area C (2023)</p>	<p>1.2.1 126 communities with local plans in Area C (2026)</p> <p>1.2.2 64 communities with cluster plans in Area C (2026)</p>	<p>Sources of Verification for both indicators 1.2,1 and 1.2.2: Project Monitoring Reports Partner Implementation Report Monitoring and Field Visits Outlines plans including transportation and water & sewage plans. Planning community reports Information on SDG indicator 11.7.1 average share of the built-up area of communities that is open space for public use for all</p>	<p>Physical access and operational feasibility to directly engage with stakeholders in Area C is upheld</p> <p>Local communities continue to deem planning processes as a necessary process to respond to risks on their assets, and engage as key stakeholders</p> <p>LGUs show leadership and capacity to deliver inclusive and accountable land planning processes, also beyond their geographical remit (A-B-C integration through clusters).</p> <p>Local planning outcomes enable increased private sector investments to Area C</p> <p>Palestinian national prioritisation on land</p>
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Results	Results chain: Main expected results	Indicators	Baselines	Targets	Sources of data	Assumptions
						<p>planning continues to guide policy engagement; the full support and cooperation of MoLG and involved Palestinian planning agencies is assured</p> <p>Technical coordination between Palestinian and Israeli interlocutors continues</p>

Results	Results chain: Main expected results	Indicators	Baselines	Targets	Sources of data	Assumptions
Output 1.3	Improved access to essential social and public infrastructure in Area C, accessible to all	<p>1.3.1 Number of communities and community members (disaggregated by sex) that enjoy new or public and social infrastructure, that aligns with the developed LOP and/or Cluster Plan in Area C</p> <p>1.3.2 Number of essential inclusive and gender-responsive social and public infrastructure projects implemented in Area C, that aligns with the developed LOP and/or Cluster Plan in Area C</p>	<p>1.3.1 (65) communities (2022)</p> <p>1.3.2 (85) social public infrastructure projects (2022)</p>	<p>1.3.1 (110) communities, (2026)</p> <p>1.3.2 (115) social public infrastructure projects (2026)</p>	<p>Sources of Verification for both indicators 1.3.1 and 1.3.2: Project Monitoring Reports Partner Implementation Report Monitoring and Field Visits</p>	<p>Physical access and operational feasibility to directly engage in the delivery of social and public infrastructure in Area C is upheld</p> <p>Israeli policy and practice in Area C remains predictable</p> <p>LGUs show leadership and capacity to deliver public and social infrastructure, in line with community aspirations and plans</p> <p>Palestinian national ministries agree to provide secondary support to social and public infrastructure constructed (eg: teachers for schools, MoE)</p>

Results	Results chain: Main expected results	Indicators	Baselines	Targets	Sources of data	Assumptions
Output 1.4	Strengthened capacity of LGUs and Palestinian institutions to engage in inclusive and accountable governance processes	1.4.1 % of community members (disaggregated at least by sex) that report a more transparent and inclusive participation process, in the delivery of community infrastructure and services 1.4.2 Number of LGUs providing land-based functions using STDM 1.4.3. Number of specific measures taken by local authorities to implement existing policy commitments on women's and girls' participation in decision-making (GAP III indicator)	1.4.1 Baseline to be determined 1.4.2 Zero LGUs providing land-based functions using STDM	1.4.1 90% 1.4.2 100% of targeted LGUs	Sources of Verification for each indicator 1.4.1 – 1.4.3: Project Monitoring Reports Partner Implementation Report Monitoring and Field Visits	LGUs show leadership and capacity to deliver public and social infrastructure, in line with community aspirations and plans Palestinian national ministries agree to provide secondary support to social and public infrastructure constructed (eg: teachers for schools, MoE)

Results	Results chain: Main expected results	Indicators	Baselines	Targets	Sources of data	Assumptions
Output 1.5	Enhanced disaggregated data collection, knowledge generation and analysis on Area C, for improved programmatic decision making, political advocacy and nexus operationalisation	1.5.1 # of data collection, monitoring reports and analysis reports produced that prove useful to time-sensitive EU programming and advocacy	1.5.1 Zero (non-existence of a current contract specific to Area C)	Final research and analytics outputs to be determined	15.1 Project Monitoring and Implementation Reports 1.5.1 Research and analytics products themselves	Physical access to directly engage in data collection and analysis in Area C is upheld Partner capacity proves adequate in sourcing expertise and community willingness to engage in data collection and analysis on Area C is upheld

4. IMPLEMENTATION ARRANGEMENTS

4.1. Financing Agreement

In order to implement this action, it is envisaged to conclude a financing agreement with Palestine.

4.2. Indicative Implementation Period

The indicative operational implementation period of this action, during which the activities described in section 3 will be carried out and the corresponding contracts and agreements implemented, is **72 months** from the date of entry into force of the financing agreement.

Extensions of the implementation period may be agreed by the Commission's responsible authorising officer by amending this financing Decision and the relevant contracts and agreements.

4.3. Implementation Modalities

The Commission will ensure that the EU appropriate rules and procedures for providing financing to third parties are respected, including review procedures, where appropriate, and compliance of the action with EU restrictive measures.³⁴

4.3.1. Direct Management (Grants)

a) Purpose of the grant(s)

Grants will contribute to Outputs 3, 4 and 5.

b) Type of applicants targeted

The type of applicant to be targeted should be either

- A non-profit semi-governmental organisation established in West Bank and Gaza and registered with the Palestinian Authority.
- A non-governmental organisation, a private or public body operator, a foundation.

4.3.2. Indirect Management with a pillar-assessed entity³⁵

A part of this action may be implemented in indirect management with a pillar-assessed entity which will be selected by the Commission's services using the following criteria:

- Financial and operational capacity
- Demonstrate technical capacity and experience in the relevant field concerned
- Demonstrated operational capacity to deliver projects in Area C in alignment with national priorities
- Demonstrated ability to lead policy dialogue with national counterparts in the relevant field concerned

³⁴ www.sanctionsmap.eu Please note that the sanctions map is an IT tool for identifying the sanctions regimes. The source of the sanctions stems from legal acts published in the Official Journal (OJ). In case of discrepancy between the published legal acts and the updates on the website it is the OJ version that prevails.

³⁵ The signature of a contribution agreement with the chosen entity is subject to the completion of the necessary pillar assessment.

- This implementation entails improving resilience and tenure security of Palestinian communities in Area C through spatial-economic planning and mapping rights at local level, and strengthening the capacity of the Ministry of Local Government and LWSC, in light of Outputs 1, 2 and 4.

The implementation by this entity entails activities foreseen under Outputs 1, 2 and 4. This may include launching calls for tenders and for proposals; definition of eligibility, selection and award criteria; evaluation of tenders and proposals; award of grants, contracts and financial instruments; acting as contracting authority concluding, monitoring, evaluation and managing contracts, carrying out payments, and recovering moneys due.

4.4. Scope of geographical eligibility for procurement and grants

The geographical eligibility in terms of place of establishment for participating in procurement and grant award procedures and in terms of origin of supplies purchased as established in the basic act and set out in the relevant contractual documents shall apply, subject to the following provisions.

The Commission's authorising officer responsible may extend the geographical eligibility on the basis of urgency or of unavailability of services in the markets of the countries or territories concerned, or in other duly substantiated cases where application of the eligibility rules would make the realisation of this action impossible or exceedingly difficult (Article 28(10) NDICI-Global Europe Regulation).

4.5. Indicative Budget

Indicative Budget components	EU contribution (amount in EUR) Of which EUR 2 000 000 from the German KFW Entwicklungsbank through transfer agreements to be signed)	Third-party contribution (amount in EUR)
Implementation modalities – cf. section 4.3		
Outputs 3, 4 and 5 composed of	6 000 000	
Transfer Agreement German KFW Entwicklungsbank	2 000 000	
Government of Denmark ³⁶		1 613 640
Grants (direct management) – cf. section 4.3.1		N.A.
Outputs 1, 2 and 4 composed of	4 000 000	
Indirect management with an international organisation> – cf. section 4.3.2	4 000 000	
Grants – total envelope under section 4.3.1	4 000 000	N.A.

³⁶ A contribution of the Government of Denmark is expected to form part of the Joint European Support package to Area C, with an estimated Danish Kronor 12 000 000, indicatively equivalent to EUR 1 613 640 (using the InfoEuro of 10/2022 as per https://ec.europa.eu/info/funding-tenders/procedures-guidelines-tenders/information-contractors-and-beneficiaries/exchange-rate-infoeuro_en)

Evaluation – cf. section 5.2 Audit – cf. section 5.3	will be covered by another Decision	N.A.
Communication and visibility – cf. section 6	N.A.	N.A.
Contingencies	N.A.	N.A.
Totals	10 000 000	1 613 640

4.6. Organisational Set-up and Responsibilities

A Steering Committee will oversee the implementation of this action. The steering committee may discuss, review and endorse the selection of locations and the respective social and public infrastructure projects to be built. The Steering Committee will be composed of the key Palestinian Authority stakeholders (MoLG, LWSC, PLA, PMO, etc), the European Union and co-financers, and the selected implementation partners.

As part of its prerogative of budget implementation and to safeguard the financial interests of the Union, the Commission will participate in the above governance structures set up for governing the implementation of the action.

5. PERFORMANCE MEASUREMENT

5.1. Monitoring and Reporting

The day-to-day technical and financial monitoring of the implementation of this action will be a continuous process, and part of the implementing partner's responsibilities. To this aim, the implementing partner shall establish a permanent internal, technical and financial monitoring system for the action and elaborate regular progress reports (not less than annual) and final reports. Every report shall provide an accurate account of implementation of the action, difficulties encountered, changes introduced, as well as the degree of achievement of its Outputs and contribution to the achievement of its Outcomes, and if possible at the time of reporting, contribution to the achievement of its Impacts, as measured by corresponding indicators, using as reference the logframe matrix.

The Commission may undertake additional project monitoring visits both through its own staff and through independent consultants recruited directly by the Commission for independent monitoring reviews (or recruited by the responsible agent contracted by the Commission for implementing such reviews).

Indicators shall be disaggregated at least by sex. All monitoring and reporting shall assess how the action is taking into account the human rights-based approach and gender equality.

Roles and responsibilities for data collection, analysis and monitoring:

Close monitoring will be carried out at the action level and managed by the EU through the Office of the EU Representative to the West Bank and Gaza Strip (EUREP), based in East Jerusalem. The EUREP Office will conduct continuous monitoring of activities, occasional site visits and will review, propose and approve corrective actions where necessary. Implementing partners, including International Organisations, local institutions and contractors will conduct regular report on activities and progress in achieving the actions outputs and outcomes.

Given the composite nature of the action specific arrangements, such as regularity of reports, establishment, compositions and frequency of meetings of steering committees will be outlined in detail for the contractual arrangements related to each intervention, across the various streams of work set forth in this action. In terms of results reporting, baseline data is not yet available for all indicators and will be provided at contracting stage, at the latest at the end of the inception phase and at the level of individual contracts to be concluded.

Additionally, The EU sees a clear need to build a research, analytics and monitoring stream of work, to accompany the proposed action. After eight years of implementation and as a follow up to the Mid Term Evaluation of the programme (2019), the aim is to identify a number of data and analytics gaps on Area C, as well as to elaborate more intricate monitoring of impact and successes in Area C. This will include fine-tuning the definition of indicators and data collection methodologies on Area C. This will help demonstrate more concretely how the EU Area C programme contributes to the political aims in Area C, and with that, strengthen the upward political narrative. This facility could also be used to strengthen work on operationalising nexus in Area C, in a concrete and possibly area-based approach.

5.2. Evaluation

Having regard to the nature of the action, a final evaluation will not be carried out for this action or its components via independent consultants or via an implementing partner.

It will be carried out for accountability and learning purposes at various levels (including for policy revision), taking into account in particular the fact that the present is a composite action the outputs of which mutually reinforce each other on a systemic level through their positive impact on the Palestinian resilience and presence in Area C.

The Commission may, during implementation, decide to undertake such an evaluation for duly justified reasons either on its own decision or on the initiative of the partner. Evaluations shall assess to what extent the action is taking into account the human rights-based approach as well as how it contributes to gender equality and women's empowerment. Expertise on human rights and gender equality will be ensured in the evaluation teams.

The evaluation reports shall be shared with the partner country and other key stakeholders following the best practice of evaluation dissemination. The implementing partner and the Commission shall analyse the conclusions and recommendations of the evaluations and, where appropriate, in agreement with the partner country, jointly decide on the follow-up actions to be taken and any adjustments necessary, including, if indicated, the reorientation of the project.

Evaluation services may be contracted under a framework contract. The financing of the evaluation shall be covered by another measure constituting a financing Decision.

5.3. Audit and Verifications

Without prejudice to the obligations applicable to contracts concluded for the implementation of this action, the Commission may, on the basis of a risk assessment, contract independent audit or verification assignments for one or several contracts or agreements. Financing thereof shall be covered by another measure constituting a financing decision.

6. STRATEGIC COMMUNICATION AND PUBLIC DIPLOMACY

All entities implementing EU-funded external actions have the contractual obligation to inform the relevant audiences of the Union's support for their work by displaying the EU emblem and a short funding statement as appropriate on all communication materials related to the actions concerned. To that end they must comply with the instructions given in the 2022 guidance document [*Communicating and raising EU visibility: Guidance for external actions*](#) (or any successor document).

This obligation will apply equally, regardless of whether the actions concerned are implemented by the Commission, the partner country, service providers, grant beneficiaries or entrusted or delegated entities such

as UN agencies, international financial institutions and agencies of EU Member States. In each case, a reference to the relevant contractual obligations must be included in the respective financing agreement, procurement and grant contracts, and delegation agreements.

For the purpose of enhancing the visibility of the EU and its contribution to this action, the Commission may sign or enter into joint declarations or statements, as part of its prerogative of budget implementation and to safeguard the financial interests of the Union. Visibility and communication measures should also promote transparency and accountability on the use of funds. Effectiveness of communication activities on awareness about the action and its objectives as well as on EU funding of the action should be measured.

Implementing partners shall keep the Commission and the EU Delegation/Office fully informed of the planning and implementation of specific visibility and communication activities before the implementation. Implementing partners will ensure adequate visibility of EU financing and will report on visibility and communication actions as well as the results of the overall action to the relevant monitoring committees.