



Swiss Cooperation Programme **Near East** 2021–24



Table of Contents

Abbreviations and acronyms	3
Forword	5
1. Context	6
2. Switzerland and the oPt/Israel	9
3. Cooperation in the period 2015–2020	11
4. Implications for the new programme	13
5. Portfolios and outcomes for 2021–24	14
6. Management and implementation of the programme	18
7. Steering	20
Annex 1 – Map of the oPt and Israel	22
Annex 2 – Financial planning	23
Annex 3 – Results framework	24

Abbreviations and acronyms

AHLC	Ad Hoc Liaison Committee
EU	European Union
FAO	Food and Agriculture Organisation
GCF	Green Climate Fund
HSD	Human Security Division (former name for Peace and Human Rights Division PHRD)
IC Strategy 2021–24	International Cooperation Strategy 2021–24
ICHR	Independent Commission for Human Rights
ICRC	International Committee of the Red Cross and Red Crescent
ICS	Internal control system
ICT	Information and communication technology
IFI	International financial institutions
IHL	International humanitarian law
LGUs	Local government units
MENA	Middle East and North Africa
MERV	Monitoring System for Development-Relevant Changes
NGOs	Non-governmental organisations
OCHA	Office for the Coordination of Humanitarian Affairs
OHCHR	Office of the United Nations High Commission for Human Rights
oPt	occupied Palestinian territory
PA	Palestinian Authority
PCBS	Palestine Central Bureau of Statistics
PHRD	Peace and Human Rights Division (formerly Human Security Division HSD)
R&D	Research and development
SDC	Swiss Agency for Development and Cooperation
TIPH	Temporary International Presence in Hebron
UAE	United Arab Emirates
UN	United Nations
UNRWA	United Nations Relief and Works Agency
US	United States
WFP	World Food Programme



Foreword

With its young and vibrant societies and entrepreneurial spirit, the Near East offers hope for a life in peace, dignity and security. Switzerland's approach to the region seizes this potential for innovation while building on its longstanding tradition of peace promotion. It is also anchored in its support of the vision formulated by the UN Security Council: two democratic states, Israel and Palestine, living side by side in peace and within secure and recognized borders.

Against this backdrop, Switzerland continues to support an inclusive dialogue and to promote human rights and the respect of international law. In a changing regional landscape and with still significant obstacles to its resolution, the conflict remains an important element shaping Swiss engagement. Its principled humanitarian aid remains responsive to the population's needs. Its comprehensive development cooperation encourages the creation of perspectives.

Switzerland also explores new fields. Convinced that economic opportunities for young people will contribute to regional stability, Switzerland, with its expertise, supports the innovation potential in the occupied Palestinian Territory, increasing cooperation with the private sector. Switzerland will also strengthen its engagement for women's rights and gender equality.

The objectives of the present cooperation programme have been developed based on the Swiss International Cooperation Strategy 2021–24 and the Middle East and North Africa Strategy 2021–24. For the first time, both foreign policy and cooperation objectives are integrated in one common programme. We believe this will strengthen the impact on dignity, quality of life and sustainable development in the occupied Palestinian Territory, and contribute to peace and stability in the region.

Federal Department
of Foreign Affairs



Livia Leu
State Secretary

Swiss Agency for Development and
Cooperation SDC



Patricia Danzi
Director General

1. Context

Continued stalemate in the Near East peace process

In recent years, the Middle East has been marked by changes in regional dynamics and a repositioning of alliances. New regional disputes overshadow the conflict between Israel and the oPt. They have also paved the way – following years of informal rapprochement – for the normalisation of relations between Israel and the United Arab Emirates (UAE), followed by Bahrain, Sudan and Morocco. The overwhelming majority of the international community remains committed to a two-state solution in accordance with international law and internationally agreed parameters¹.

There are numerous obstacles to the resolution of the conflict. These include the military occupation, Israeli settlements disrupting Palestinian territorial contiguity, the closure of the Gaza Strip and intra-Palestinian division. The legitimacy of the Palestinian leadership and institutions has continued to decline because of the prolonged absence of elections. The separation of Gaza from the West Bank for many years has reduced the sense of cohesion amongst the Palestinian population, thereby adding to the challenges of reconciliation. The Palestinian Authority (PA) and de facto authorities in Gaza have recently initiated talks with a view to establishing a long-overdue national partnership (reconciliation).

International law violations and shrinking democratic spaces

There is persistent Palestinian and Israeli pressure on non-governmental organisations (NGOs) that promote human rights and peace² and support human rights defenders. Pressure from Israel on activists and international monitoring mechanisms has increased examples include the expulsion of the Temporary International Presence in Hebron (TIPH) in 2019 and the refusal to renew work visas for Office of the United Nations High Commission for Human Rights (OHCHR) international staff in 2020). Areas of Israeli policy in the oPt

continue to raise concerns with regard to respect for international humanitarian law (IHL) and human rights law. At the same time, the trends of societal polarisation have rendered it ever more important to ensure that all NGO work supported by Switzerland is strictly in line with agreed principles and mandates.

In the West Bank, PA rule continues to be characterised by a trend towards tighter control over the population and a weakened commitment to the rule of law. In the Gaza Strip, the rule of the de facto authorities continues to show significant lack of respect for the rule of law, fundamental freedoms and IHL. Rockets are regularly fired, endangering Israeli civilians living in the area. This results in serious violations of human rights law and IHL by all the parties, including arbitrary detention, discrimination, restrictions on freedom of expression and torture³.

With no end in sight for either the Israeli occupation of the West Bank since 1967 – including East Jerusalem – or the closure of the Gaza Strip since 2007, the occupation has serious consequences for the population. In addition, Israeli settlement construction⁴ and expansion, including infrastructure projects, continue to advance steadily. Violations of IHL and human rights law have increased, such as demolitions, restrictions on freedom of movement, forced evictions, settlers' violence and arbitrary detention, including the administrative detention of children.

Although the political participation of Palestinian citizens of Israel has increased in recent years, discriminatory measures have become more entrenched against this minority group. These include discriminatory land and planning policies, restrictions on the exercise of their civil and political rights, and neglect by the authorities in the provision of security and services. Attempts to discredit organisations that promote human rights are common.

¹ The Swiss position (https://www.eda.admin.ch/dam/eda/de/documents/aussenpolitik/20201014_naher_osten_haltung_schweiz_DE.pdf) is laid out in the MENA Strategy 2021–24 (<https://www.news.admin.ch/news/message/attachments/63833.pdf>)

² Incl. legislative proposals to limit NGOs' operations (e.g. Transparency Requirements for Parties Supported by Foreign State Entities Bill).

³ At the end of December 2019, 464 people were being held in administrative detention according to FDFA partner B'Tselem.

⁴ 12,159 units approved in 2020 as reported by Peace Now (15 October 2020)



330'000 children in the oPt have access to quality education in UNRWA schools. Courtesy: UNRWA

Socio-economic deterioration and increased humanitarian needs

The outlook of the Palestinian economy is increasingly dire. Long-standing consequences of the occupation continue to hamper growth, aggravated by significant cuts in aid. The financial and fiscal deficit of the PA has worsened not only due to the COVID-19 pandemic but also because of the challenges of the fiscal transactions between the PA and Israel. The financial deficit threatens the whole economy and negatively affects the delivery of basic services, respect and fulfilment of human rights and living conditions. In this context, humanitarian needs are acute, particularly in the Gaza Strip, Area C of the West Bank and East Jerusalem. With the weakening of the PA, local government units become more important for the stable provision of basic services to the population.

In addition, the COVID-19 pandemic is severely affecting the region. Measures taken to mitigate and suppress the spread of the virus have hit vulnerable populations in particular (marginalised groups, especially women and children, refugees, Bedouins) and severely impacted their lives and livelihoods. In the West Bank, jobs have been lost, exacerbating the already high unemployment rate (24%). Informal workers (including those working in Israel), who account for about 60% of the labour force in the oPt, have suffered particularly under the lockdown measures. They are concentrated in poor and near-poor households and have no access to formal social protection schemes⁵. The COVID-19 pandemic has hit the

Palestinian economy at a particularly weak point. Growth since 2017 has averaged below 2%. The crisis exacerbates a vicious circle by reducing PA revenues, limiting public spending and further accelerating the economic downturn. A smooth recovery from the impact of COVID-19 is not expected in the short or medium term. However, the crisis has highlighted the strength of Palestinian family networks and social solidarity, which contributes to Palestinian resilience.

Despite post-war reconstruction, Gaza's economy is about to collapse, with more people in need of assistance, a chronic energy crisis, a health system unable to cope and grim prospects for young people. The unemployment rate is over 50% and the growth rate dropped to close to 0%, even before the COVID-19 outbreak. The economic crisis also affects the social fabric in Gaza, with a marked increase in crime and attempted suicide.

In an environment of constant humanitarian needs, UNRWA provides health services and education for around 5.6 million Palestine refugees and is a key for regional stability. It launched reforms to adapt to decreasing budgets and improve institutional governance. The Agency is essential to providing education for 330,000 children in the oPt, including through the provision of psychosocial services, health and hygiene support and technical and vocational training. UNRWA also provides health services for 1.7 million persons in the oPt⁶ including home visits through 64 primary healthcare centres.

⁵ World Bank: www.worldbank.org/en/news/press-release/2020/07/27/us30-million-grant-to-protect-palestinian-livelihoods-in-the-west-bank

⁶ UNRWA health services provide about 6.3 million outpatient consultations in the oPt alone.

2. Switzerland and the oPt/Israel

Gender inequality

Gender inequality is widespread. Despite higher levels of education, women in the oPt participate far less in the political arena⁷ or formal labour market than men (19% vs 81%) and suffer from multiple forms of discrimination and violence. Gender-based violence and domestic violence are on the rise⁸, for reasons attributed to the occupation and patriarchal traditions as well as lockdown measures introduced in the wake of the COVID-19 pandemic. In Israel, despite progressive laws against gender segregation, respect for the rights of women and girls and their representation in the public sphere is a growing concern. Young girls and boys are being impacted by increasing domestic violence and the closure of classrooms. These trends tend to reinforce traditional gender roles.



The promotion of Peace, Human Rights and International Humanitarian Law is a central pillar of Swiss engagement in the oPt and Israel. A Palestinian released from administrative detention in Israel is greeted by his family. Courtesy: Adi Lustigman – HAMOKED

Limited prospects for youth

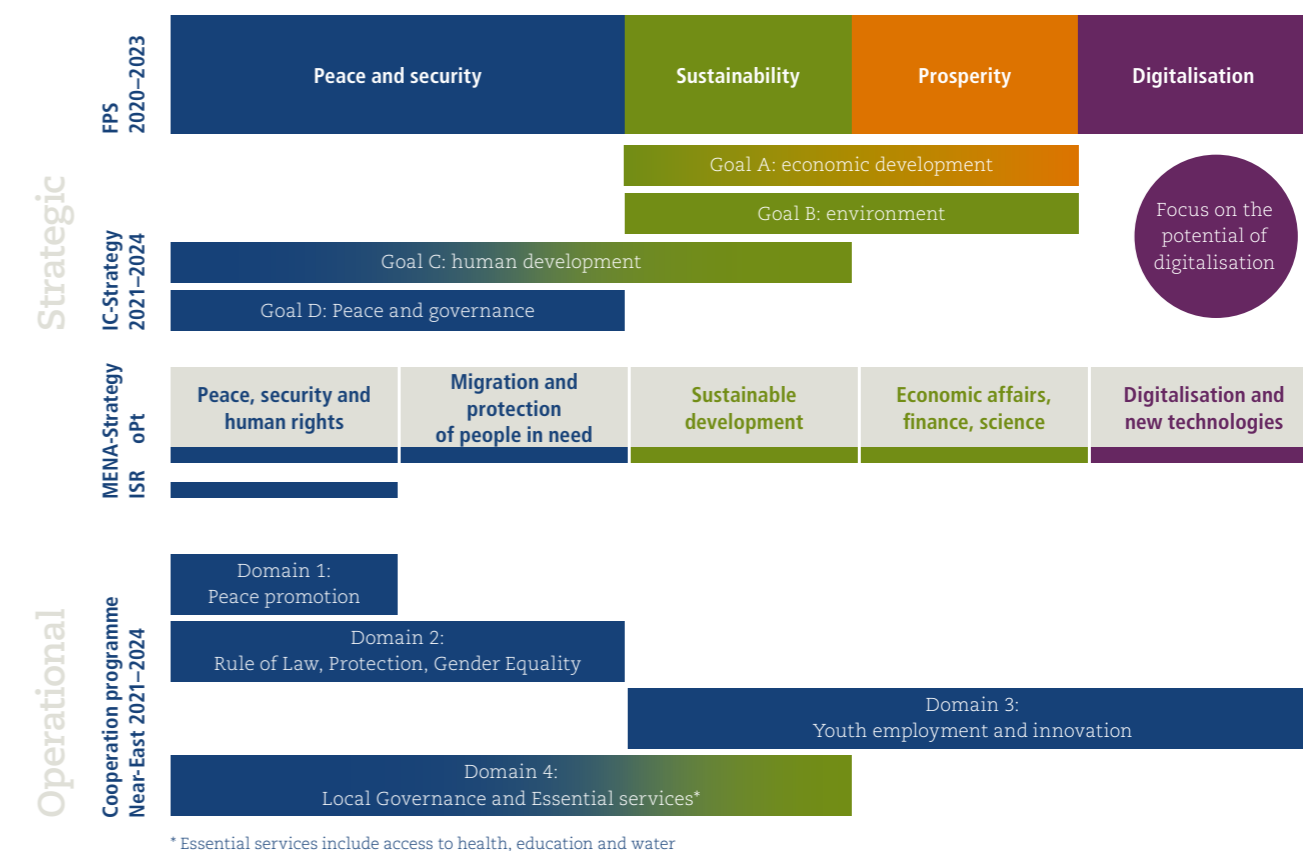
In general terms, young people in the oPt are politically underrepresented and no participation mechanisms are in place to enable them to accede to leadership positions. Unemployment remains high, particularly in the Gaza Strip – reaching about 50% among the general population and 70% among youth (aged 15 to 29) and 92% among young women⁹. Palestinian youth are increasingly disillusioned and there is a risk that frustration will be expressed through violence or emigration. Within the existing constraints, including trade barriers, opportunities exist: well-educated and skilled Palestinian youth can be engaged in and generate jobs in the emerging high-tech and IT sectors. In the medium term, and if circumstances allow, there will be additional opportunities linked to the regional economy, for example in the digitalisation sector.

Environment and use of natural resources¹⁰

Restrictions on Palestinians' access to land have led to a high population density, poorly planned urbanisation, stresses on infrastructure, and the degradation of accessible agricultural and rangeland. The PA is limited in its access and in applying its laws, even in Areas A and B of the West Bank. In Gaza, the effective management of freshwater, wastewater and solid waste is impacted by its closure, as well as by the intra-Palestinian divide. For instance, half of the water wells in the West Bank have dried up in the past 20 years and the population increasingly depends on purchasing water from the national Israeli water company. Climate change will only exacerbate the strain on the use of natural resources, in particular water.

The **Swiss Cooperation Programme for the Near East 2021–24** is guided by Switzerland's Foreign Policy Strategy 2020–23, the International Cooperation Strategy 2021–24 (IC Strategy 2021–24) and the Middle East and North Africa (MENA) Strategy 2021–24. Switzerland's engagement in the region is grounded in the three criteria set out in the IC Strategy 2021–24, i.e. the needs of the population, Swiss interests, and Switzerland's added value¹¹. Other thematic strategies, such as the FDFA Strategy on Gender Equality and Women's Rights and the FDFA directives for human rights¹² contribute to the programme's frame of reference. Together, these documents provide the strategic framework and define Switzerland's international cooperation priorities and policies in the region.

As confirmed in the MENA Strategy 2021–24 and IC Strategy 2021–24, this cooperation programme serves Swiss interests by contributing to peace efforts, the protection of human rights and economic opportunities in the Near East.



⁷ 11.7% decision-making positions only are occupied by women in the public sector (PCBS statistics 2016).

⁸ 69% increase in GBV consultations in the oPt, April 2020 OCHA, Bulletin March-May 2020, posted on 2 June 2020

⁹ PCBS Labour Force Survey (April–June, 2020) Round (Q2/2020): http://www.pcbs.gov.ps/portals/pcbs/PressRelease/Press_En_9-9-2020-LF-en.pdf

¹⁰ UNEP (2020), 'State of Environment and Outlook Report for the occupied Palestinian territory 2020'

¹¹ Switzerland's International Cooperation Strategy 2021–24, p. 17–18

¹² Federal Department of Foreign Affairs Strategy on Gender Equality and Women's Rights (available: www.dfae.admin.ch/dam/eda/en/documents/publications/Chancengleichheit/EDA-Strategie-Geschlechtergleichstellung-Frauenrechte_EN.pdf) and Federal Department of Foreign Affairs Directives for Human Rights

3. Cooperation in the period 2015–2020



This Palestinian businesswoman expanded her family enterprise thanks to a new packing system for dates, purchased with Swiss support.
Courtesy: Thomas Jenatsch

In order to achieve its objectives, Switzerland will explore new fields of cooperation by venturing into new themes (innovation, job opportunities), establishing new partnerships (research, private sector where possible) and by bringing in Swiss expertise, while continuing its engagement for a just and sustainable solution to the conflict.

Switzerland's **comparative advantage** is based on a long-standing and continuous presence in the entire oPt territory and the close coordination between the SDC (with offices in East Jerusalem and the Gaza Strip), the Swiss representative office in Ramallah and the Swiss embassy in Tel Aviv. Switzerland is widely recognised as a neutral, reliable and credible actor.

It maintains dialogue with all major parties (Israel, the PA, the de facto authorities in Gaza) and is committed to ensuring respect for international law, including IHL, as stated in Switzerland's position on the Middle East conflict. Switzerland is also known for its innovative private sector as well as its rapid and flexible humanitarian responses that complement longer-term interventions in key areas. To advance its priorities and advocate for constructive and inclusive solutions, Switzerland strongly invests in international coordination mechanisms.

The **donor landscape** has evolved in recent years, with the discontinuation of US assistance since 2018 under the Trump administration. The temporary increase in the financial engagement of some new donors (e.g. support to UNRWA by Gulf countries in 2018) has been short-lived. Donors' financial engagement could be further challenged by the economic impact of the COVID crisis. Several funds and organisations foster Palestinian state-building, promote peace and address humanitarian and development needs, in accordance with the Oslo Accords, with the Ad Hoc Liaison Committee (AHLC) as the key coordination mechanism. Donors such as some Arab nations, the European Union (EU), as well as international institutions, provide direct financial support to the PA¹³. Like-minded countries are engaged via bilateral programmes; however, unlike Switzerland, few apply a combination of peace promotion, human rights, humanitarian aid and development programmes.

¹³ Providing USD 500 million in 2019 with a decrease of 40% in 2020 mainly due to the halt of the support of Arab states

3.1 Results achieved

Despite a complex and fragile context where outcomes are largely shaped by political determinants (occupation, stalemate in peace talks, Palestinian internal division), Switzerland has achieved tangible results that address development and humanitarian needs and contribute to inclusive dialogue and efforts to create the conditions for a rapprochement of the parties with the ultimate goal of a lasting peace.

In the field of **rule of law and protection**, FDFA contracted parties have provided protection and legal aid services to vulnerable groups of the population, including during the COVID-19 pandemic. They have also contributed to promoting respect for IHL and human rights law, to monitoring violations by all parties (the PA, the de facto authority in the Gaza Strip, the government of Israel) and to supporting human rights defenders in the oPt and Israel. With the support of the FDFA, the PA reported on its human rights obligations to international human rights mechanisms and aligned local laws with these obligations (e.g. raising the minimum marriage age to 18 years for both sexes). Switzerland also played a leading role in establishing cooperation mechanisms with other donors (e.g. human rights/IHL donor platform in the oPt).

Switzerland's engagement in the field of **local governance** has been crucial to providing basic services to the vulnerable population and to fostering good governance. Successful pilot projects that improved service delivery for municipalities and village councils have led other development partners to engage (e.g. the EU and Germany). Hundreds of vulnerable Palestinian communities in Gaza and in Area C of the West Bank have benefited from new or renovated infrastructure (connecting roads, kindergartens, schools). Municipalities and village councils have adopted more participatory decision-making processes, boosting the participation of women and marginalised citizens. Switzerland has also fostered civic engagement and community development through the promotion of art and culture in the oPt.

The focus on systemic change promoted in the field of **agro-economic development** has produced tangible results, such as regulations to improve the business environment (improved phyto-sanitary standards, facilitating

exports; wholesale market reforms), higher income for small-scale producers and strengthened value chains in agriculture and food processing, including for women. Through its support to the UNDP's job creation programme, Switzerland has enabled 2,600 qualified young people to find short to long-term employment and acquire vocational skills in key sectors (health, IT, food production).

Switzerland provided predictable funding to **UNRWA's** core budget and supported its self-initiated reform process in order to enhance internal governance and improve the provision of essential services to the 5.6 million registered Palestine refugees. This includes the provision of health services to 3.1 million people in the region and 526,000 children who were able to attend school.

In line with the **peace promotion** strategy of the Human Security Division (HSD) for Israel and the oPt, Switzerland has contributed to inclusive dialogue, both within the Israeli and Palestinian societies, as well as between them. Through diplomatic and programmatic engagement, it has encouraged innovative approaches to addressing the conflict and contributed to de-escalating tensions. For example, Switzerland co-mediated a ceasefire agreement between Israel and Hamas in November 2018. In 2017, Switzerland negotiated the elaboration of a document (the Swiss roadmap) between Palestinian factions that laid the ground for a consolidation of the civil service in the Gaza Strip.



Switzerland promotes support and technical innovation for smallholders – a contribution to foster food security and access to land in the oPt.
Courtesy: Oxfam International



Family life in the Gaza strip. Only one in 10 people has direct access to clean and safe water while 97% of freshwater from Gaza's aquifer is unfit for human consumption. Courtesy: Emad Jaber Salama Badwan

3.2. Lessons learned

- › After nearly six years, the context has evolved into the worst-case scenario foreseen by the international cooperation strategy in 2015. **The new programme needs to set adapted objectives**, given the negative political and economic trends also exacerbated by the COVID-19 crisis.
- › The political risks of engaging with NGOs, in particular those that aim to promote human rights and IHL, are high and can be managed. **Any involvement must be based on a thorough selection process, solid monitoring and coordinated steering** at head office and with other like-minded states.
- › **Continued diplomatic and financial support by Switzerland for the promotion and protection of human rights remains important.**
- › To enhance job creation to foster economic and political stability in the oPt, the innovative potential of the economy

must be further stimulated; the economy also needs to include all segments of the population (women, youth, religious actors). A **broadened approach with short and long-term objectives is required**, while securing achieved gains and anticipating a sharp economic contraction resulting from the COVID-19 pandemic.

- › Over the course of the current cooperation programme, municipalities and village councils have proven to be resilient providers of services, despite the volatility of the situation. **Switzerland has particular legitimacy and expertise in supporting local authorities** across the oPt.
- › Thanks also to its long-term engagement, its inclusive contact policy and its clear commitment to international law, **Switzerland is seen as a credible and honest broker** as well as a bridge-builder, through its continuous offer of good offices and its innovative and comprehensive conflict transformation programme.

4. Implications for the new programme

The cooperation programme provides a consolidated operational framework for Swiss international cooperation actors in the oPt and Israel combining peace promotion, humanitarian aid and development in order to work both on the causes and the effects of the conflict.

Based on the context analysis, Swiss interests, priorities and comparative advantage, as well as the results and lessons learned from the previous strategies, the following implications have been identified for the new Swiss cooperation programme:

- › **Promotion of inclusive dialogue and innovative peace promotion approaches** that address the conflict and contribute to de-escalating tensions. Switzerland's expertise and tools allow for flexible programming able to assist parties constructively.
- › **Support to local governments and emphasis on the delivery of basic and essential services.** With the weakening of the PA, municipalities and village councils remain resilient structures able to provide basic services, given the evolution of the political context. Switzerland plays a key role in promoting inclusive approaches based on its own models and in providing targeted support thanks to its ability to combine development with humanitarian aid tools.
- › **Increased focus on employment opportunities for youth.** Given the high levels of unemployment and social inequalities particularly for youth, as well as the risk of radicalisation and further emigration, young people will be the subject of increased focus by Swiss international cooperation. Switzerland has particular expertise in promoting research and technological innovation. Opportunities and entry points for Swiss partnerships with the private sector and universities can contribute to promoting innovation and the diversification of the Palestinian economy.
- › **Continued focus on protection and human rights, with a strengthened focus on women's rights.** Switzerland supports the efforts of NGOs and international organisations working on human rights. Switzerland strengthens coordination at head office to better manage

political risks. It also consolidates the number of contracted NGOs to maximise impact and maintain a clear oversight of risks. High levels of inequality limit the exercise of women's rights and result in their under-representation in the economy and in the political arena. Women are disproportionately affected by the COVID-19 crisis. In the wider framework of the Rule of Law portfolio, Switzerland addresses the barriers to accessing employment and gender-based violence, plans its interventions based on gender analysis and systematises sex-disaggregated data collection.

In order to further strengthen coordination within the FDFA, better mitigate political risks and maximise the effectiveness of the programme, a coherent whole-of-government approach will be pursued based on IHL and in cooperation with like-minded states and UN agencies.

Switzerland's **key approaches** required in this context:

- › **Conflict-sensitive programming** and 'do no harm' are applied as fundamental principles with the aim of avoiding support for or the legitimisation of any violations of IHL or human rights law whether directly or indirectly.
- › **Flexibility:** Switzerland designs and monitors its activities so that they can be adapted to possible changes in the context. The combination of partners and intervention modalities ensures flexibility in the programming and mitigates political risks.

Transversal themes in line with the IC strategy: **gender equality and good governance.**

5. Portfolios and outcomes for 2021–24

The new cooperation programme aims at enhancing prospects for Palestinians to live in dignity, prosperity and peace with Israel. While the vulnerable population in the oPt is the primary beneficiary under the programme, Switzerland engages with all actors concerned in the oPt and Israel, including at regional and global level¹⁴.

Portfolio 1 – Conflict prevention and peace promotion

IC Sub-objectives

8. Preventing conflicts, promoting peace and respect for international law

MENA objectives

- 3.1 Peace, security and human rights

Switzerland contributes to improving conditions for the resumption of genuine dialogue between all sides towards a just and lasting peace between Israelis and Palestinians. This is pursued by:

- › facilitating spaces for dialogue among and between Palestinian and Israeli political and religious figures, community groups, NGOs and policymakers at various levels, in order to promote trust, respect and understanding and to develop viable models for just and equal coexistence;
- › linking initiatives to official processes and supporting the resumption of a genuine peace process, based on internationally agreed parameters. This includes upholding the feasibility of the two-state solution by addressing obstacles such as settlements and forcible evictions of the population;
- › promoting conditions to improve Palestinian reconciliation and national unity.

Switzerland maintains its inclusive approach throughout its peace promotion activities, including with regard to women's participation. Switzerland is one of the few international actors implementing a comprehensive and inclusive peacebuilding programme covering Israel, the West Bank including East Jerusalem and Gaza, while also providing humanitarian aid and support for development.

¹⁴ For example, in the area of environment and use of natural resources, with its global programmes, Switzerland encourages Middle East countries to manage shared water resources (Blue Peace Initiative) and supports climate action via multilateral funding instruments such as the Green Climate Fund (GCF), which invests in related activities, e.g. a programme to improving farmers' climate resilience and water use efficiency in the oPt.



Training course for young journalists in the frame of the project "Strengthening Free & Independent Media in Palestine" co-funded by the Swiss Government. Courtesy: Press House – Palestine (BAS)

Portfolio 2 – Rule of law, protection and gender equality

IC Sub-objectives

5. Providing emergency aid and ensuring the protection of civilians
9. Strengthening and promoting human rights and gender equality
10. Promoting good governance and the rule of law and strengthening civil society

MENA objectives

- 3.1 Peace, security and human rights
- 3.2 Migration and protection of persons in need

Switzerland contributes to protecting and advancing dignity, safety and protection in the oPt and Israel, with a focus on the most vulnerable population, in a context of widespread discrimination and settlement expansion. A new emphasis is placed on supporting gender equality, including through local actors that address gender-based violence. Switzerland pursues the promotion and respect of human rights and IHL by all parties. This includes strengthening the capacity as well as support for monitoring and awareness-raising activities carried out by national and international actors¹⁵. This is done in close coordination with like-minded countries. Switzerland contributes to addressing Palestinians' rights to water, access to natural resources and to healthcare. By empowering human rights defenders in Israel and the oPt, Switzerland contributes to checks and balances, accountability and equal treatment before the law. Activities supported include advocacy, reporting and the provision of legal aid. Switzerland supports the relevant humanitarian actors and human rights defenders, and contributes to the protection of their space of action and expression. Like Switzerland, other donors – amongst them Belgium, the EU, Germany, the Netherlands and Norway – support local and international human rights organisations. In order to reinforce its actions, Switzerland participates in coordination mechanisms and platforms such as the Good Humanitarian Donorship, the Human Rights Platform and the PA-managed Local Aid Coordination architecture (justice, gender).

¹⁵ For example, the Independent Commission for Human Rights (ICHR) and with the support of the OHCHR



Youth brainstorming at a “hackathon” (software development event) in Gaza sponsored by the SDC and UNDP job creation program. Courtesy: UNDP



Debate between members of a community on future projects for their village. Courtesy: CFTA – Culture and Free Thought Association

Portfolio 3 – Inclusive economic development, youth employment and innovation

IC Sub-objectives

1. Strengthening framework conditions for market access and creating economic opportunities
2. Promoting innovative private sector initiatives to facilitate the creation of decent jobs

MENA objectives

- 3.3 Sustainable development
- 3.4 Economy, finance and science
- 3.5 Digitalisation and new technologies

In order to reduce the negative impact of youth unemployment on social cohesion and stability, Switzerland contributes both to short-term employment and job retention as well as to improving conditions for innovative and inclusive business opportunities, with particular focus on youth and women. Switzerland focuses on skills development and improving coordination among actors¹⁶. New and existing partnerships, including with the private sector, support the development of entrepreneurship, business and related skills for young students and graduates. Among its activities, Switzerland pilots seed funding for high-potential initiatives and start-ups, with matching financial support from the private sector. Sectors of focus include the agriculture and agri-food industries that employ 25% of the workforce. Based on the results of assessments and economic returns, Switzerland scales up projects with like-minded donors that introduce climate-smart agriculture and green economy, optimising the use of resources such as water. In order to increase employability and business opportunities in the ongoing sector reforms supported by other donors¹⁷, Switzerland advocates for the inclusion of small and medium-sized enterprises (through business registration, quality standards for exports, green economy and new technology). Partnerships are sought with Swiss actors including universities, innovation institutions and the private sector (ICT, R&D and agri-food) as well as with relevant Israeli and regional actors. Linkages with the Israeli innovation ecosystem could provide opportunities for Palestinian businesses. Switzerland builds on its experience of joint funding and pursues dialogue with like-minded donors. Areas of common interest include de-risking private sector investments in productive sectors (agriculture, small and medium industries) with a view to employment generation. The gradual development of this portfolio, based on prior experience and pilot activities, will be given high priority during the period 2021–24.

¹⁶ An analysis will be conducted to identify gender segregation in the different sectors

¹⁷ Focus of World Bank and potentially others (EU) on sector reform: business environment and support to private sector to retain and generate jobs

Portfolio 4 – Local governance and essential service delivery

IC Sub-objectives

5. Providing emergency aid and ensuring the protection of civilians
7. Strengthening equitable access to quality basic services
8. Promoting good governance and the rule of law and strengthening civil society

MENA objectives

- 3.2 Migration and protection of persons in need
- 3.3 Sustainable development

In the local governance field, Switzerland seeks to enhance social inclusion at local level and improve the provision of quality essential services for all. Given the lack of national elections in the oPt, local government units (LGUs), where elections do take place, are essential to offset a growing democratic deficit. The portfolio strengthens the nexus between humanitarian and development instruments to improve service delivery at local level. The approaches complement each other: on the one hand, development cooperation supports citizen participation at all stages (local planning, prioritisation, monitoring and feedback provision) and strengthens service delivery by LGUs, including on climate change management at municipal level; on the other, humanitarian aid supports essential service delivery through humanitarian and UN actors. In this regard, UNRWA remains an essential multilateral organisation through its provision of education and health services for refugees as well as basic social protection for the most vulnerable in Gaza and the West Bank. The instruments also adapt to the context’s increasing volatility. Particular attention is given to the meaningful engagement of women and young people, including through cultural and educational initiatives. Women and youth representation in LGUs will be monitored. In development programmes, while other donors such as the World Bank favour labour intensive programmes, the SDC brings the voice of vulnerable and marginalised communities to the fore in order to ensure that future planning leaves no one behind. Switzerland participates in humanitarian donor coordination mechanisms to ensure efficient support and avoid duplication.

Transversal themes – gender equality and good governance are mainstreamed in all fields. In this protracted crisis, conflict-sensitive programming and a human rights-based approach remain guiding principles.

6. Management and implementation of the strategy



Addressing immediate needs and providing perspectives for youth: Switzerland provides medical care to trauma patients and offers employment perspectives for young graduates by linking supported projects of WHO and UNDP. Courtesy: WHO

Outreach and geographical area

Switzerland's international cooperation is active across the whole territory (the oPt, namely the West Bank, including East Jerusalem, and the Gaza Strip, as well as Israel). FDFA activities in peace promotion also take place at the international level.

Partnerships and implementation modalities

The FDFA uses a complementary and flexible mix of instruments and strategic partnerships with international organisations (UN, IFI, ICRC, FAO), international, local and Swiss NGOs, like-minded countries, national authorities and other local public and private partners (e.g. universities, tech parks, business associations). In the oPt, joint partnerships with like-minded countries are crucial in order to mitigate risks, enhance coordination and increase aid effectiveness. The Swiss cooperation office in East Jerusalem and the Swiss representative office in Ramallah (through the human security adviser) are jointly responsible for the programme's implementation based on their respective mandates, in coordination with the Swiss embassy in Tel Aviv and in close collaboration with the SDC and PHRD in Bern, including the special ambassador for the MENA region. In this context, the cooperation between the offices in Ramallah and East Jerusalem is increased at the planning level and policy dialogue with the PA on programmatic priorities is strengthened. Synergies between portfolios and actors are pursued. The embassy in

Tel Aviv has the lead on political dialogue and engagement with the Israeli authorities and provides their perspective for context analysis and the evaluation of political risks.

Support for and dialogue with multilateral organisations is a strategic priority, including the UN reforms (UN coordination, UNRWA reforms). Switzerland participates in the Ad Hoc Liaison Committee meetings upon invitation. Switzerland participates actively in local and regional coordination mechanisms and sectorial approaches with like-minded donors, and pursues dialogue with Swiss NGOs active in the oPt. Support for local NGOs is closely monitored and a sound risk analysis is conducted prior to contractual engagement. Potential NGO partners are selected based on their alignment with the values of Switzerland's foreign policy, Switzerland's thematic priorities and on their demonstrated professionalism, effectiveness and impact.

Budget and human resources allocation

Compared to the previous strategies, the PHRD, Swiss Humanitarian Aid (HA) and the SDC South Cooperation Department's (SC) financial commitment remains the same for 2021–24 with an overall total of CHF 167.6 million (including CHF 20 million for multi-bi and CHF 40 million to UNRWA). 90% of SC funds are allocated to the four portfolios. The human resources allocation remains overall stable in the Swiss cooperation office with the exception of financial and administration capacities that are strengthened.

Table 1: Total proposed budget and portfolio (in CHF million)

Area of intervention	Allocations 2021–24 (per unit)			
	SC	HA	PHRD	Total
1. Conflict prevention and peace promotion			4.0	4.0
2. Rule of law, protection and gender equality	14.4	11.5	2.0	27.9
3. Inclusive economic development, youth employment and innovation	17.6			17.6
4. Local governance and essential service delivery	20.2	14.4		34.6
Small actions	0.3	0.1		0.4
Sub-total	52.5	26.0	6.0	84.5
Multi-bi (ICRC, WFP, OCHA country allocation)¹⁸		24		24
UNRWA (core funding for oPt)		44.4		44.4
Total	52.5	94.4	6.0	152.9

¹⁸ The funding for the country-based multi-bi funds, and UNRWA core funding are approved through a separate process and the results are reported on separately (for example through the UNRWA Core Contribution Management). They are included here to provide an overview of total international cooperation funding for the Near East.

7. Steering

The overall **steering** of the programme is ensured through coordination both at field level and at head office and includes all relevant FDFA units. At field level, the 'Tripartite group' brings together the three representations in the region (the Swiss embassy in Tel Aviv, the Swiss representative office in Ramallah and the Swiss cooperation office in East Jerusalem) and ensures the coherence of the programme. The Tripartite group meets regularly to analyse the context and discuss programme developments, adaptations and synergies. Decisions related to portfolio development and contracting implementing partners are taken by the competent operational FDFA units. Local steering is pursued by each office for their respective mandate and budget. At head office, coordination is ensured through regular exchanges and consultations on various issues, including political risks, among relevant FDFA units. The mid-term review and the management response provided by head office are used for steering purposes and to adapt the programme to the evolving context.

The **monitoring** system covers three levels of observation:

- › *The context* (regional, international and internal): to monitor the context, a conflict-sensitive MERV (Monitoring System for Development-Relevant Changes) is discussed every 6 months by the Tripartite group. In addition, regular and ad hoc Tripartite meetings complement this monitoring process, along with regular exchanges with the relevant units in Bern.
- › *The results*: monitoring at project level includes periodic strategic discussions with partners based on progress reports. Project results feed the result frameworks, which are reported annually, with management responses provided by head office.
- › *The management*: programme management is monitored according to the internal control system (ICS) based on operational and financial reports, audits and external evaluations. Office management reports and financial reporting are also used.

Annex



Resilience and longing for peace – scene at a bus stop in Bethlehem. Courtesy: Thomas Jenatsch

Annex 1 – Map of the oPt and Israel



Courtesy: OCHA oPt

Annex 2 – Financial planning

(in thousand CHF)

Year	2021	2022	2023	2024	Total 2021–2024 per department	Total 2021–2024 per funding line ¹⁹		
						D	H	PHRD
Funding / dispatch						D	H	PHRD
Conflict prevention and peace promotion	1.0	1.0	1.0	1.0	4.0			
Rule of law, protection and gender equality	7.2	7.1	7.1	6.5	27.9	14.4	11.5	
Inclusive economic development, youth employment and innovation	3.2	4.3	4.6	5.5	17.6	17.6	0.0	2.0
Local governance and essential service delivery (including projects with UNRWA)	7.5	8.5	8.7	9.9	34.6	20.2	14.4	
Other / not allocated	0.1	4.3	4.6	5.5	0.4	0.3	0.1	
Total	19.0	21.0	21.5	23.0	84.5	52.5	26.0	
Humanitarian multi-bi funds (for ICRC, WFP, OCHA)	6.0	6.0	6.0	6.0	24.0	0.0	24.0	6.0
UNRWA (core funding for oPt)	11.1	11.1	11.1	11.1	44.4	0.0	44.4	
Grand total	36.1	38.1	38.6	40.1	152.9		152.9	

Notes:

Allocations per domain are only indicative; decision will be taken in the course of the program based on needs and available resources.

In addition to the figures above, Switzerland plans to invest CHF 8.9 million per year for UNRWA in the region (Jordan, Syria and Lebanon).

¹⁹ D: Development Aid funding; H: Humanitarian aid funding; PHRD: Peace and Human Rights Division funding.

Annex 3 – Results framework

Swiss Portfolio Outcome 1: Conflict prevention and peace promotion		
<i>Contributing to:</i>		IC Strategy Sub-objective 8: Promoting peace, the rule of law and respect for international law (link with SDG 5, 6)
(1) Swiss portfolio outcome	(2) Contribution of the Swiss Programme	(3) Country Development
<p>Outcome statement</p> <p>Support to trust, understanding and respect between Israeli and Palestinian stakeholders contributes to progress towards resumption of political dialogue (Israeli-Palestinian, and intra-Palestinian).</p> <p>Fields of observations / indicators</p> <ul style="list-style-type: none"> • Number of civil society initiatives that contribute to preventing or reducing conflicts (Baseline: 4 / Target: 4) (FCHR TRI 1) • Number of initiatives that contribute to the feasibility of the two-state solution • Number of policy options and analyses developed by FDFA partners that are used by Swiss diplomatic and programmatic engagement <p><i>All quality indicators are based on internal assessments.</i></p> <p><i>Sources: weekly reports of Tel Aviv and Ramallah, FDFA political reports, HSA's biannual report, human rights report, partner-produced analyses, UN and international organisations reports, journalism and media, other as relevant.</i></p>	<p>Contribution logic</p> <p>Meaningful and inclusive dialogue channels will create new networks and constructive dynamics, awareness of concerns of all parties and obstacles to conflict resolution will increase, innovative solution for peaceful coexistence will be developed, and crises will be prevented and/or mitigated.</p> <p>Opportunities</p> <ul style="list-style-type: none"> • Political atmosphere, local, regional and international, is more conducive to negotiations. • Palestinian social cohesion and reconciliation efforts. <p>Risks</p> <ul style="list-style-type: none"> • Inertia / lack of consensus of the international community on the Israeli-Palestinian conflict. • Polarisation of politics on both sides, regionally and internationally. • Further acceleration of the Israeli settlement expansion, forced displacement of Palestinian residents and annexation thereby undermining the viability of the two-state solution; Gaza developing into a state-like entity leading to a full disconnect from the West Bank (tightening of punitive measures vis-à-vis Gaza by the PA, continued closure of Gaza by ISR/EGY, no-contact policy vis-à-vis Hamas, renewed violence/war). 	<p>Outcome statement</p> <p>Contribute to a political atmosphere conducive to the resumption of negotiations based on international law and internationally agreed parameters towards a just and lasting peace between Israelis and Palestinians.</p> <p>Documents/basis for engagement</p> <ul style="list-style-type: none"> • Relevant UN resolutions • Geneva Conventions of 1949 and their Additional Protocols • Oslo I (1993), Oslo II (1995) and related agreements • ICJ Advisory Opinion on the Wall (2004) • Swiss Federal Constitution and official position on the Middle East conflict based on international law and agreements • Fatah-Hamas agreement of 12 October 2017 • 2014 Gaza and Cairo agreements • February 2012 Doha agreement • May 2011 Cairo agreement Swiss roadmap on Palestinian reconciliation (2014)
(4) Lines of intervention (Swiss Programme)		
<p>Theory of change</p> <p>If trust, understanding and respect between relevant Israeli and Palestinian stakeholders increases and if there is progress towards Palestinian reconciliation and unity, then this will contribute to a political atmosphere conducive to the resumption of negotiations based on international law and internationally agreed parameters towards a just and lasting peace between Israelis and Palestinians because meaningful dialogue channels will create new networks and constructive dynamics, awareness of concerns of all parties, and obstacles to conflict resolution will increase, innovative solutions for peaceful coexistence will be developed, and crises will be prevented and/or mitigated.</p>		

<p>Activities</p> <ul style="list-style-type: none"> • Provide technical inputs and good offices to contribute to an atmosphere conducive to the resumption of high-level dialogue, including to advance Palestinian reconciliation • Support the ending of the closure of Gaza and develop joint practical options to improve the humanitarian and economic situation in Gaza (Triple nexus) • Explore and support diplomatic measures geared to preventing unilateral steps that would lower the chances of a two-state solution • Support dialogue on peace in an inclusive manner both within Israeli society and Palestinian society, including with national-religious groups, Hamas, and also with women and youth from both societies • Support to crisis mitigation and diffusion of tensions • Policy work as well as advocacy in support of internationally-agreed parameters • Participate in multilateral fora such as the Ad-hoc Liaison Committee (AHLC) for the advancement of the two-state solution • Production of analysis and awareness-raising at local and diplomatic level of core issues of the conflict, including Jerusalem and its pluralistic character, (thereby maintaining the possibility for it to become the shared capital of two states) and development of ideas and approaches to resolve tensions • Financial and political support of Palestinian and Israeli civil society organisations that analyse and monitor the effects of Israel's occupation and settlement policy on the Palestinian population and advocate for an end to the occupation • Financial and political support and capacity building of Palestinian civil society organisations, in particular women and youth, promoting Palestinian unity through dialogue, policy work and cooperation from Gaza and the West Bank
<p>(5) Resources, partnerships (Swiss programme)</p> <ul style="list-style-type: none"> • Financial resources, CHF 4 million. • Partnerships: Local, Swiss and international NGOs and foundations. Diplomatic initiatives, often in consultation with other international actors.

Swiss Portfolio Outcome 2: Rule of law, protection and gender equality		
<i>Contributing to:</i>		IC Strategy Sub-objective 5: <i>Providing emergency aid and ensuring the protection of civilians</i> IC Strategy Sub-objective 9: <i>Strengthening and promoting human rights and gender equality</i> IC Strategy Sub-objective 10: <i>Promoting good governance and the rule of law and strengthening civil society</i>
(1) Swiss portfolio outcome	(2) Contribution of the Swiss Programme	(3) Country development or humanitarian outcomes
<p>Outcome statement</p> <p>Respect and promotion of human rights, including gender equality, international humanitarian law and the rule of law are strengthened by all duty bearers</p> <p>Indicators</p> <ul style="list-style-type: none"> • Number of persons reached by programmes that contribute to the reduction of violence and foster the protection of vulnerable persons (HA ARI 2) • Number of persons from left behind groups benefitting from projects to reduce exclusion, discrimination and inequality • Number (and name/type) of processes or policies that increase societies' capacities to resist and mitigate all forms of violence, or that strengthen coping mechanisms, statesociety relationship and social cohesion (FCHR TRI 2) • Number of persons (women, children, youth) subjected to different forms of sexual and gender based violence having received needed support (medical, psychosocial, legal) GEN ARI 1) • Number (and name/type) of civil society initiatives that contribute to preventing or reducing conflicts 	<p>Occupation policies and settlement expansion are effectively opposed, democratic checks and balances are strengthened, equal treatment before the law is reinforced and the protection needs of vulnerable groups, youth and women are addressed. Through Swiss support:</p> <ol style="list-style-type: none"> (1) Palestinians in the oPt benefit from timely protection and humanitarian responses – including legal aid and GBV services. (2) The needs and rights of women and the most vulnerable groups – including youth, Bedouins, sick people, people with disabilities – are addressed. (3) Palestinian citizens in oPt, particularly women, enjoy their basic rights, including adequate access to justice and services, without discrimination. (4) Palestinian citizens of Israel enjoy equal treatment, namely through strengthening democratic checks and balances, including through domestic and international advocacy and legal mechanisms. <p>Opportunities</p> <ul style="list-style-type: none"> • Reiterated Swiss commitment to IHRL/IHL initiatives. • PA acceding to over 98 international treaties and conventions. • Switzerland's participation in formal and informal joint initiatives and coordination mechanisms. • Opportunities for strategic partnerships (UN agencies, Israeli/Palestinian NGOs) for effective protection, monitoring, reporting and diplomatic follow-up at bilateral and multilateral level. • Influencing civil society, including women rights organisations and young and emerging feminist groups. 	<p>Outcome statement</p> <p>The dignity, safety and protection of Palestinians in the oPt and in Israel are effectively advanced.</p> <p>Indicators</p> <ul style="list-style-type: none"> • Provision of strategic and timely humanitarian and protection assistance to the Palestinian population in the oPt; • Progress or stabilisation in regards to systematic and severe violations of IHL and HR by Israel²⁰; • Progress in regards to violations of international law by the Palestinian Authority (PA)/ de facto in the oPt²¹; • Progress in regards to the promotion and implementation of women's rights and gender equality. <p>Documents/basis for engagement</p> <ul style="list-style-type: none"> • Relevant UN resolutions • Geneva Conventions of 1949 and their Additional Protocols • Treaty bodies and Independent Commissions' reports • NGOs reports • Palestinian National Policy Plan 2017–22

20 Indicating that (i) ISR fulfils its legal obligations under international law with regard to the Palestinian population in the oPt; (ii) Palestinian minorities in Israel are treated as equal citizens of the state of Israel.

21 Such as: enact a democratic political apparatus / ensure implementation of the rule of law and justice / promote community safety / align local laws with acceded international conventions and treaties based on respect of human rights, integrity, transparency and accountability.

	<p>Risks</p> <ul style="list-style-type: none"> • Israeli annexation of the West Bank, weakening of the PA. • Increase in political tensions and deterioration of the security situation. • Ongoing internal Palestinian division and social fragmentation. • Shrinking space for humanitarian and development actors. • Systemised different legal frameworks governing Palestinian population in the oPt and in Israel. • Backlash in the oPt against gender initiatives due to religious and culturally motivated conservatism. 	
(4) Lines of intervention (Swiss Programme)		
<p>Theory of change</p> <p>If respect and promotion for human rights, including gender equality, international humanitarian law and the rule of law are strengthened by all duty bearers, then the dignity, safety and protection of Palestinians in the oPt and Israel will be effectively advanced, because occupation policies and settlement expansion are opposed, democratic checks and balances are strengthened, equal treatment before the law is reinforced and the needs of women and vulnerable groups (including children and youth) are addressed.</p>		
<p>Activities</p> <ul style="list-style-type: none"> • Provision of humanitarian assistance contributing to the resilience and protection of the Palestinian population in the oPt. • Support for initiatives aiming at preventing and responding to human rights violations. • Capacity development of Palestinian national actors to monitor human rights records, including through the ICRC and the OHCHR. • Support for democratic checks and balances (monitoring and reporting on HR/IHL compliance by authorities) in the oPt and Israel through support for local actors. • Legal aid, advocacy and protection on behalf of victims of HR violations, with focus on GBV. • Policy dialogue and demarches (coordinated with like-minded donors) with Palestinian authorities based on their political commitments and IHL/HR obligations. • Promotion of respect for human rights by non-state entities (private companies), through awareness-raising, monitoring, reporting, direct legal aid and advocacy). <p>Gender is tackled both transversally and through specialised partnerships and dedicated interventions: implementing partners are requested to plan and report based on data by disaggregated sex and age; women's empowerment, participation and access to decision-making are placed at the core of most interventions.</p>		
(5) Resources, partnerships (Swiss programme)		
<ul style="list-style-type: none"> • Financial resources: CHF 27.9 million (H: 11.5 million; D: 14.4 million; HSD: 2 million). • Partnerships: UN organisations, national institutions, Swiss, international and local NGOs, like-minded donors (e.g. EU, Sweden, Norway, the Netherlands, Denmark and Belgium). 		

Swiss Portfolio Outcome 3: Inclusive economic development, youth employment and innovation: conditions for innovative and inclusive business opportunities are created (especially for youth and women)		
Contributing to:		
IC Strategy Sub-objective 1: <i>Strengthening framework conditions for market access and creating economic opportunities</i> IC Strategy Sub-objective 2: <i>Promoting innovative private sector initiatives to facilitate the creation of decent jobs</i>		
(1) Swiss portfolio outcome	(2) Contribution of the Swiss Programme	(3) Country development or humanitarian outcomes
Outcome statement Conditions for innovative and inclusive business opportunities are created, in particular for women and youth Indicators²² <ul style="list-style-type: none"> • Number of persons having new or better employment (IED ARI 2) • Change in yearly net income (IED TRI 1) • Number and sector of newly established self-employment initiatives and start-ups led by youth (up to age 35) • Number of university graduates and skilled labourers benefitting from short-term job opportunities 	The business environment is improved, the private sector is more engaged, and youth and women have better market responsive skills and competences. Through Swiss support: <ol style="list-style-type: none"> (1) Community resilience is boosted with support to short and medium-term employment. (2) The private sector is more proactively engaged in innovation and employment thanks to incentives and improved business environment collaborations. (3) Specific areas of the productive sector with employment potential (IT, agriculture and manufacturing) perform better²³. (4) University students and graduates are better equipped with technical and soft skills (e.g. entrepreneurial, business, etc) to initiate businesses and/or meet market demand. (5) Women and youth benefit from incentives (self-employment, start-ups). Opportunities <ul style="list-style-type: none"> • Swiss technical capacity, expertise and reputation (incl. skills development). • Young educated society striving for job opportunities. • Interest of local authorities to integrate the international market. • Commitment and determination of local stakeholders – universities, private sector, students, graduates and PA institutions – to develop and innovate. • Donor community's interest to support modernising the legal framework (e.g. World Bank company registration law) and boost the economy. • Relevant location connected to the Arab world. 	Outcome statement Palestinians in the oPt – in particular women and youth – have more opportunities for employment and income. The following objectives of the 2017–22 Strategy of the Ministry of National Economy apply: <ol style="list-style-type: none"> 1) Develop business environment – competition, attraction for investment, infrastructure development and trade promotion and quality standards; 2) Promote employment through partnership with private sector. Indicators <ul style="list-style-type: none"> • Yearly increase of export value. • Yearly increase number of registered SMEs. • Number of amended laws and regulations pertaining easing of doing business and company registration. • Number of job opportunities generated per year in skills development and entrepreneurship sectors (data segregated by gender and age).

²² The indicators under this outcome refer to targeted actors, disaggregated data by gender and age groups will be reported.
²³ Better performance will help optimise the use of natural resources (e.g. water in agriculture).

	Risks <ul style="list-style-type: none"> • COVID-19: persistence of the crisis leading to slow recovery and/or collapse of the local economy (determinant negative factor). Substantial reduction of international development aid. • Further deterioration of the political situation: new conditionalities on imports/exports and limitations on access to resources (including water) and infrastructure (e.g. 3G access to communication network). • Access to finance does not improve, especially for women and youth. • Public sector is not able to regulate and enforce the law and to make appropriate investments to enable private investments. 	
(4) Lines of intervention (Swiss Programme)		
Theory of change		
If conditions for innovative, inclusive and gender-sensitive business opportunities are created, then Palestinians in the oPt – in particular women and youth – have more opportunities for decent jobs and income, because the business environment is improved, the private sector is more engaged and youth and women have better market responsive skills and competences.		
Activities		
Improvement of the environment, economic integration in the regional and international market:		
<ul style="list-style-type: none"> • Technical assistance to local authorities for sector reforms (standards, phytosanitary measures/controls, framework conditions and statistics). • Engage in dialogue to remove barriers to women's employment (e.g. social services, day-care and community centres, business ownership). • Exposure of Palestinian businesses, universities and innovation support infrastructure to regional and Swiss expertise²⁴. • Promotion of regional and/or international (especially Swiss) business cooperation²⁵. • Support for multi-stakeholders' coordination on the local innovation scene to ensure complementarities, synergies and specialisation of services provided. 		
Employment:		
<ul style="list-style-type: none"> • Analysis of sectors and business environment based on age and sex to define activities/incentives targeted at women and youth. • Investment support for SMEs to develop and innovate their businesses, with particular focus on women-led enterprises where appropriate. • Incentives and competencies for women and youth for self-employment and start-ups, e.g. through seed funding and matching fund. • Support work on social norms to influence perceptions around care responsibility and informal and unpaid family work²⁶. • Support local universities' innovation techno parks and the development of social and personal competences to improve graduates' service capacity. • Facilitate multi-stakeholder policy dialogue to address challenges and opportunities in trade integration (e.g. FAO agriculture trade promotion programme). • Pilot innovative activities with the private sector to increase capacities (e.g. farmers and cooperatives to engage in eco-sustainable agribusiness). • Boost community resilience by supporting human resource intensive sectors (agriculture and industry) and short/med term employment initiatives. 		
(5) Resources, partnerships (Swiss programme)		
<ul style="list-style-type: none"> • Financial resources: 17.6 million (D). • Partnerships: national and municipal authorities, cooperatives, NGOs, universities, private sector, EU, UN (FAO, WB), bilateral agencies. 		

²⁴ Collaborations engaging universities, linking innovation actors, such as incubators, techno hubs investors, angel funders, higher education systems.
²⁵ IT and other sectors such as agriculture and industry, focusing on innovation (incentives for joint businesses initiatives and research).
²⁶ In synergy with the protection portfolio.

Swiss Portfolio Outcome 4: local governance and essential service delivery		
<i>Contributing to:</i>		IC Strategy Sub-objective 5: <i>Providing emergency aid and ensuring the protection of civilians</i> IC Strategy Sub-objective 7: <i>Strengthening equitable access to quality basic services</i> IC Strategy Sub-objective 8: <i>Promoting good governance and the rule of law and strengthening civil society</i>
(1) Swiss portfolio outcome	(2) Contribution of the Swiss Programme	(3) Country development or humanitarian outcomes²⁷
<p>Outcome statement</p> <p>Local governance units (LGUs) are more effective, inclusive and accountable to their citizens and are able to fill the service delivery gaps jointly with local and international humanitarian actors.</p> <p>Indicators²⁸</p> <ul style="list-style-type: none"> • Number of persons reached in emergency situations (HA ARI 1) • Completion rate (primary education) • Proportion of women with a positive perception of their influence in exercising their political functions and social and cultural rights (GEN TRI 3) • Number of people participating in and influencing public services provision, decision-making and budgets in their localities (GOV ARI 1) • Number and type of initiatives implemented jointly by LGUs and citizens/CBOs 	<p>Citizens – including women, children, youth and persons with disabilities – are empowered to collaborate and interact with local authorities; and humanitarian actors are provided with the needed political support and financial resources. Through Swiss support:</p> <ol style="list-style-type: none"> (1) Citizens, especially women, youth and marginalised groups are empowered and actively participate in the decisions of the local authorities and the humanitarian actors. With innovative approaches through culture and arts and social media they enhance responsiveness and accountability of local governance units (LGUs). (2) LGUs are able to overcome systemic challenges, develop their plans and budgets in a more inclusive manner and enhance their governance through quality engagement with their communities. (3) Essential services (especially health, WASH, cash, DRR) are delivered to women and vulnerable groups through financial and political support of humanitarian actors. (4) UNRWA registered refugees have access to quality primary healthcare, basic education and relief and social services; reforms (including management initiatives and protection) are implemented; opportunities for youth employment and income generation for refugees are developed. <p>Opportunities</p> <ul style="list-style-type: none"> • Participation by Switzerland in multilateral platforms (UN), multi-donor initiatives (Good Humanitarian Donorship) and coordination mechanisms (Ad Hoc Liaison Committee). • Donors willing to support the local governance sector, incl. in state of emergency. • Implementing partners' strong integrity and the quality of their interventions. • Citizens, in particular women, youth and persons with disabilities willing to participate in local decision-making processes. • PA's commitment in the National Policy Agenda 2017–22 to putting citizens first. • PA's readiness to extend its role to that of regulatory oversight throughout the oPt (Ministry of Local Government, Prime Minister Office). 	<p>Outcome statement</p> <p>Citizens have access to quality essential services that leave no one behind and the most vulnerable have access to assistance and protection in a gender responsive, inclusive and accountable way.</p> <p>Proxy Indicators</p> <ul style="list-style-type: none"> • Number of persons reached with quality basic services through LGUs and humanitarian actors • Number of municipalities that move up one rank in MDP-3 in the performance assessment system • Number of functional complaints systems within municipalities and at Ministry of Local Governance • Number of municipalities with public disclosure of executed budget and strategic development and investment plans

²⁷ The reference documents for this column are: National Policy Agenda 2017–22; Local Governance Sector Strategy and Action Plan 2017–22; Strategic Framework and Implementation Plan for Area C 2018–19; Local Government Performance Assessment (World Bank), June 2017; UNDAF 2018–22 (SP2): "Supporting equal access to accountable, effective and responsive democratic governance for all Palestinians"; OCHA Area C Vulnerability Profile; MoLG Social Accountability toolkit (2017).

	<p>Risks</p> <ul style="list-style-type: none"> • Political weakening of the Palestinian authorities hampers functioning of LGUs and development programmes and/or creates a legislative/ regulatory vacuum that impacts their implementation. • PA financial transfers to LGUs are unpredictable/stopped. • Further settlement development (in particular in Area C) blocks implementation of development and humanitarian projects in the area. • Demolition, seizure or disruption of projects due to further restrictions imposed. • Funding partners withdraw from the local governance sector in Area C and Gaza. • Deteriorating living conditions and aid dependency leads to a shift in citizens' priorities away from participation and accountability. • UNRWA's financial instability, compounded by the pressure on its services linked to the worsening economic crisis, poses a serious threat to the services' quality. 	
(4) Lines of intervention (Swiss Programme)		
Theory of change		
<p>If LGUs are more effective, inclusive, diverse in their staffing (e.g. women represented and decision-takers) and accountable to their citizens and can jointly with local and international humanitarian actors fill the service delivery gaps, then citizens have access to quality essential services that leave no one behind and the most vulnerable have access to assistance and protection in a gender sensitive, inclusive, accountable, dignified and safe way, because humanitarian actors are supported and can fill the gaps, citizens access essential services and women, children, youth and persons with disabilities are empowered to collaborate and interact with local authorities.</p>		
Activities		
<ul style="list-style-type: none"> • Test, replicate and mainstream inclusive governance mechanisms, incl. effective dialogue between civil society and local authorities. • Engage at policy level with like-minded donors to promote enhanced social accountability and citizen engagement in the local governance sector. • Monitor youth and gender representation in LGUs and their participation in accountability mechanisms. • Support the humanitarian country team in providing essential services in a coordinated and principled way, including through national partners. • Support the capacity-development of Local Government Units, with a focus on use of social accountability toolkit and feedback mechanism • Support civic engagement that empowers youth and women through culture and arts interventions. • Support LGUs through SDC/multi-donor funded national programmes (MDP, LGSIP, GVCD, SRGVC). • Engage with national institutions through dialogue at technical and policy level to coordinate, enhance and harmonise efforts focusing on vulnerable communities, with a focus on basic service delivery in Area C and the Gaza Strip. • Support UNRWA core services financially as well as through policy dialogue and donor coordination, with a focus on the quality of the services provided and the reforms required to modernise the agency. <p>Gender equality and women's empowerment are pursued in all activities. Monitoring and dialogue with partners ensures that activities are gender sensitive (e.g. while selecting infrastructure projects), that active participation of women is promoted (e.g. by consulting women on finding appropriate timing for meetings / consultations), and that results are disaggregated by age (where appropriate) and by gender.</p>		
(5) Resources, partnerships (Swiss programme)		
<ul style="list-style-type: none"> • Financial resources: CHF 34.6 million (H: 14.4 million; D: 20.2 million incl. UNRWA projects). • Partnerships: Municipal Development Fund; UN agencies, Swiss, international and local NGOs. 		

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