

# Summary Document of Bilateral Development Programme

## Palestine – Denmark (2021-2025)

### 1. Introduction

Denmark has maintained a strong and continuous engagement with Palestine since the establishment of the Palestinian Authority (PA) following the signing of the Oslo accords in 1993 and 1995.

This document provides an overview of the Denmark-Palestine Bilateral Development programme 2021-2025. The programme replaces the Denmark-Palestine Country Programme 2016-2020 and is an integral part of Denmark's overall relations with Palestine as set out in the Denmark – Palestine Strategic Framework 2021-2025. The strategic vision of Denmark's engagement in Palestine for the period 2021-2025 is to *support a peaceful solution to the Israeli-Palestinian conflict through the realisation of a two-state solution, while also striving to promote stability in the region and improving the lives of Palestinians, who are caught in the conflict.*

This vision will be promoted through three strategic objectives, in line with key national development objectives of Palestine, as expressed in Palestine's National Development Plan (NDP 2021-2023), and Danish political priorities:

**1. Human rights and democratic accountability.** A particular focus will be on enhancing state-citizen interaction as well as empowering rights holders to claim their human rights, and duty bearers to fulfil their human rights obligations.

**2. Creation of green, sustainable, inclusive economic growth and decent jobs** with a particular focus on women and youth.

**3. Resilience, peace and stability.** Strengthen resilience of the most vulnerable groups in Palestine to contribute to peace and stability and enable them to uphold a life in dignity where their home is and with the hope for a better future. In this context, women and youth are agents of change in increasing resilience and stability.

### 2. Overview of the Bilateral Development Programme 2021-2025

The three strategic objectives will be realised through the following nine (9) projects. A limited number of additional projects will be identified and formulated in the course of the programme using the adaptability reserve, cf. below.

The table below provides an overview of the full portfolio of projects under the bilateral development programme and their alignment to the overall strategic vision and strategic objectives. Each project contributes to one or more strategic objectives.

<b>Strategic vision:</b> To support a peaceful solution to the Israeli-Palestinian conflict through the realisation of a two-state solution, while also striving to promote stability in the region and improving the lives of Palestinians, who are caught in the conflict.			
<b>Strategic objectives</b>	1: Human rights and democratic accountability.	2: Creation of green, sustainable, inclusive economic growth and decent jobs	3: Resilience, peace and stability.
<b>Projects</b>	<b>Project 1.1: Municipality Development Programme (MDP) IV</b>	<b>Project 2.1: Reform and development of market chains and producers' organisations II</b>	<b>Project 3.1 [1.1.]: MDP IV</b>
<b>Project focus</b>	Strengthening good governance and service delivery in the local government sector. A particular focus will be on social accountability, digitised services and integrating climate change adaptation into the municipalities' services.	Reinforcing the capacity of agri-food production, processing and trade, through innovation, smart technologies and climate-based innovations. While aimed at maximising green, sustainable growth, a particular focus will be on creating decent job opportunities for women and youth.	<i>This project contributes to two strategic objects. Therefore, see description under project 1.1., as MDP IV will contribute to both strategic objectives.</i>
<b>Implementing partner</b>	World Bank	Food and Agriculture Organization (FAO)	<i>See project 1.1.</i>
<b>Budget</b>	DKK 112 MIO	DKK 96 MIO	<i>See project 1.1.</i>
<b>Projects</b>	<b>1.2: Core support to Independent comm. for Human Rights (ICHR)</b>	<b>2.2: Green Jobs and Sustainable Income Opportunities for Palestinian Female and Male Youth in the Agri-food Sector</b>	<b>3.2: Support to West Bank Protection Consortium (WBPC)</b>
<b>Project focus</b>	Strengthening ICHR to deliver effectively on its mandate as Palestine's National Human Rights institution and Ombudsman, through core support and a twinning arrangement with the Danish Institute for Human Rights.	Creating decent jobs and entrepreneurship opportunities for women and youth, including through strategic partnerships with local universities, colleges and technical and vocational training centres.	Strengthening resilience of vulnerable Palestinian communities, through support to legal assistance in protection of their rights under international humanitarian law and international human rights law.
<b>Implementing partner</b>	Independent Commission for Human Rights (ICHR)	Food and Agriculture Organization (FAO)	The Norwegian Refugee Council (NRC)
<b>Budget</b>	DKK 30 MIO (incl DKK 5 MIO to DIHR-ICHR twinning agreement)	DKK 35 MIO	DKK 10 MIO
<b>Projects</b>	<b>Project 1.3 Support to the Danish House in Palestine (DHIP)</b>	<i>Project 2.3 Access to Finance</i>	<i>Project 3.3: Strengthening the resilience of vulnerable communities</i>
<b>Project focus</b>	Increasing cultural diversity, pluralism and freedom of expression in Palestine, through cultural initiatives.	<i>Increasing Palestinian businesses' access to finance.</i>	<i>Strengthening the resilience of vulnerable Palestinian communities.</i>

<b>Partner</b>	Danish House in Palestine (DHIP)	TBD	TBD
<b>Budget</b>	DKK 10.3 MIO	TBD (Approx DKK 10-15 MIO)	TBD (Approx DKK 20 MIO)
<b>Projects</b>	<b>Project 1.4 Civil society organisations for inclusiveness, democratic governance and human rights</b>		
<b>Project focus</b>	Focus will be on supporting civil society organisations to contribute effectively to the promotion and protection of human rights		
<b>Implementing partner</b>	United Nations Development Programme (UNDP)		
<b>Budget</b>	DKK 30 MIO <sup>(i)</sup>		

(i) The project runs until end of 2023. However, a total budget of DKK 56 mio. is set aside for CSO support under the Bilateral Development Programme whereby the remaining DKK 26 mio. is reserved for the period 2024-25 (for the UNDP project to be extended if deemed pertinent).

### 3. Budget overview

The table below summarises the budget for the bilateral program. Given the complex Palestinian context and fragile situation, unallocated funds, the so called adaptability reserve, have been included under each strategic objective to build in room for adapting the country level engagement where needed.

Programme budget 2021-2025	Total for the period 2021-2025 (DKK, mio.)
<b>SO 1: Human rights and democratic accountability</b>	
1.1: Municipality Development Programme (MDP) IV	56
1.2: Core support to Independent Comm. for Human Rights (ICHR)	30
1.3 Support to the Danish House in Palestine (DHIP)	10.3
1.4. Civil society organisations for inclusiveness, democratic governance and human rights	56 <sup>(i)</sup>
Danish JPOs (2)	8
Technical assistance	2
Other	2
Unallocated fund	15.7
<b>Subtotal</b>	<b>180</b>
<b>SO 2: Creation of green, sustainable, inclusive economic growth and decent jobs</b>	
2.1 Reform and development of market chains and producers' organisations II	96
2.2: Green Jobs and Sustainable Income Opportunities for Palestinian Female and Male Youth in the Agri-food Sector II	35
Technical assistance	2
Other	2
Unallocated funds and possible 3 <sup>rd</sup> engagement	30
<b>Subtotal:</b>	<b>165</b>
<b>SO3: Resilience, peace and stability<sup>(ii)</sup></b>	
3.1: Municipality Development Programme (MDP) IV <sup>(iii)</sup>	56

3.2: Support to West Bank Protection Consortium	10
Technical assistance	2
Other	2
Unallocated funds	35
<b>Subtotal:</b>	<b>105</b>
<b>Total</b>	<b>450</b>
<b>Percentage of unallocated funds</b>	<b>18%</b>

(i) A total budget of DKK 56 mio. is set aside for CSO support under the Bilateral Development Programme. Of this DKK 30 mio is programmed for the UNDP engagement, running until the end of 2023, whereby the remaining DKK 26 mio. is reserved for the period 2024-25 (for the UNDP project to be extended if deemed pertinent).

(ii) In addition hereto is foreseen an annual core contribution to UNRWA of DKK 105 million under § 06.39.01.11 of the Finance Act. This humanitarian contribution is part of the funding channelled in support of the implementation of strategic objective 3.

(iii) Budget reflects the Municipality Development Programme's (MDP) contribution to strategic objective 1 and 3.

#### 4. Contextual risks

Risks are an unavoidable reality when delivering development aid in a conflict setting. Given the specific challenges and volatility stemming from the local conflict situation and the related barriers for development, it has therefore been considered from the on-set in the design of the Bilateral Development Program 2021-25 that it must consist of fairly 'robust' engagements designed with the needed consideration for the local context and thus with imbedded mechanisms for adaptation.

The composition of the chosen bilateral engagements is therefore also to a large extent based on different areas and types of interventions where Denmark has proven results and experience from the field – hence placing a certain level of risk mitigation at the foundation of the program design.

In turn, successful implementation of the Bilateral Development Program cannot be measured solely against short term results or a willingness to leave projects behind the moment that lack of results or other barriers occur. The program and project designs, as reflected in the above, needs to be robust in the sense that it can withstand and function under a high degree of volatility or conflict escalation. On the other hand a political robustness on the donor side, combined with a willingness to adapt engagements where needed, are at the heart of the Danish approach to delivering development aid in Palestine.

#### 5. Management, monitoring and evaluation

##### 5.1. Management and partnership set-up

The Bilateral Development Program will be implemented using an approach newly introduced in the Danish MFA, namely 'Doing Development Differently' (DDD). Compared to previous practices, this approach places increased importance on

- complementarity and synergy between activities and interventions (such as between the projects of the Bilateral Development Program and other funding instruments applied by Denmark in Palestine such as interventions by Danish NGOs, and interventions by multilateral organisations with Danish funding),
- adaptability of interventions to contextual changes, and
- learning based on experiences made across sectors, themes, instruments, and modalities of the interventions implemented.

The Danish engagement is based on an expected continuation of the relatively stable status quo with gradual deterioration of the economic, humanitarian and political situation while taking into account the risk of considerable deterioration. However, Denmark's engagement in Palestine is subject to difficult

and evolving political framework conditions. Denmark will therefore apply an adaptive and flexible approach in our engagement hereby responding strategically and continuously to lessons learned, emerging opportunities and challenges in both the external and internal political framework. This could mean adjusting individual projects or possibly adapting the composition of the project portfolio by, for instance, adding projects.

In order to allow for maximum adaptability and flexibility in the management of the programme, the budget includes 18 per cent in unallocated funds, the so-called adaptability reserve. The budget set aside shall ensure that new and meaningful projects can be implemented, responding to evolving risks, challenges, needs, and opportunities. The funds will be allocated to activities within the scope of the three strategic objectives of the Strategic Framework.

Pursuant to the agreements made for each of the nine projects, the implementing partners are responsible for the implementation of the agreed projects. The Danish Representative Office in Ramallah, on behalf of the Government of Denmark, oversees the implementation of the projects in consultation with other donors.

## 5.2. Monitoring, review, evaluation and learning

The Danish Representative Office in Ramallah will monitor and collect lessons learned from the implementation of the bilateral programme in line with the Ministry of Foreign Affairs of Denmark's guidelines. The monitoring will guide the continuous assessment of assumptions, theory of change and risks and feed into regular discussions with partners on lessons learned. The objective of the monitoring efforts is to ensure the achievement of tangible results and learning. To this end, the Danish Representative Office will continuously assess if there is a need to adapt the bilateral programme or individual projects in light of lessons learned or significant changes in the context.

The following four areas shall inform decisions on adaptation:

- 1) The monitoring, evaluation, accountability and learning (MEAL) system applied in the individual projects will enable the testing of the assumptions of the projects' theory of change.
- 2) The progress measured against results. Data to inform about progress will be derived from (a) progress on the Strategic Framework indicators (see annex 2 Strategic Framework Results Framework), and (b) project implementing partner reporting.
- 3) Risks and scenario assessments undertaken by the DRO on continuous basis. Changes in risks at project level may also trigger changes to project prioritisation and will therefore be monitored as well.
- 4) Financial monitoring will provide indications of ability to deliver against targets (and over- and under-budgeting) and the need for possible adjustments accordingly. This will be based on reporting from implementing partners.

## Annexes

### Annex 1: Results frameworks and project descriptions

<b>Strategic Objective 1</b>	Human rights and democratic accountability. A particular focus will be on enhancing state-citizen interaction as well as empowering rights holders to claim their human rights, and duty bearers to fulfil their human rights obligations.
Outcome 1.1	More sustainable and accountable local government institutions for citizen focus and equal delivery of public services.
Outcome 1.2	Strengthened national accountability institutions and CSOs, and improved protection of Palestinians' human rights and the civic space.
Projects:	1.1: Municipality Development Programme (MDP) IV 1.2: Core support to Independent comm. for Human Rights (ICHR) incl. twinning with Danish Institute for Human Rights (DIHR) 1.3 Support to the Danish House in Palestine (DHIP) 1.4 Civil society organisations for inclusiveness, democratic governance and human rights
Description:	Denmark will continue to support strengthening the sustainability of local government institutions and the PA's local government sector reform with a view to promoting active non-discriminatory citizen engagement of women and youth in particular, enhancing social accountability and ensuring adequate service provision. In accordance with the Palestinian National Development Plan, digitised services aiming at greater transparency with citizens will be emphasised. Focus of the support will also be on integrating climate change adaptation into the municipal operations and services. Denmark will also support the Ministry of Local Government's strategic planning and coordination role through advisory and technical assistance to facilitate and promote delivery of local government services and reform. Denmark will contribute to strengthening national accountability institutions and CSOs to contribute effectively to the promotion and protection of human rights. Denmark will also contribute to an open and tolerant Palestinian society through support for cultural exchange and initiatives that focus on young people as agents of change.

<b>Strategic Objective 2</b>	Creation of green, sustainable, inclusive economic growth and decent jobs with a particular focus on women and youth.
Outcome 2.1	Increased sustainable and inclusive economic growth through smart agribusiness value chains development, which generates decent jobs.
Outcome 2.2	Increased green jobs- and sustainable income opportunities in the agribusiness sector for Palestinian youth.
Projects:	2.1 Reform and development of market chains and producers' organisations II 2.2: Green Jobs and Sustainable Income Opportunities for Palestinian Female and Male Youth in the Agri-food Sector
Description:	Denmark will support maximising green, sustainable growth of incomes and productivity in agribusinesses with a focus on youth and women. By reinforcing the capacity of agri-food production, processing and trade mainly through innovation, smart technologies and climate-based interventions, sustainable economic growth will be realised and decent job opportunities. A particular focus of Denmark's support will also be on development of professional qualifications and on-the-job training for women and youth. Through strategic partnerships with local universities, colleges, technical and vocational training centers and apprenticeships, youth graduates and young entrepreneurs will be equipped with skills and competencies related to environmentally sustainable food production practices and the use of green agricultural technologies. Furthermore, Denmark will promote youth-led entrepreneurship in green technology and innovation in the agri-food sector.

<b>Strategic Objective 3</b>	Resilience, peace and stability. Strengthen resilience of the most vulnerable groups in Palestine to contribute to peace and stability and enable them to uphold a life in dignity where their home is and with the hope for a better future. In this context, women and youth are agents of change in increasing resilience and stability.
Outcome 3.1	Strengthened resilience of vulnerable Palestinian communities, through support to improve their lives and protect their rights under international humanitarian law and international human rights law.
Projects:	3.1 Municipality Development Programme (MDP) IV ( <i>MDP IV will contribute to both strategic objective 1 &amp; 3</i> ). 3.2: Support to West Bank Protection Consortium (WBPC)
Description:	Denmark will seek to strengthen the resilience of Palestinian communities in vulnerable areas, including women and youth. This is in line with the PA's priority of providing government wide services and support to the Palestinian communities in these areas, as highlighted in the National Development Plan. Denmark will work towards sustaining development outcomes by strengthening the complementarity of interventions across the humanitarian-development-peace nexus. In addition, Denmark will support Palestinian communities through support to the creation of sustainable and decent jobs within agribusiness as also described under SO2.



Annex 2: Strategic results framework

