



Country Partnership Framework

PALESTINE - SPAIN

(2015 – 2017)

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ACRONYMS

AECID	Spanish Agency for International Development Cooperation
AIDA	Association for International Development Agencies
CAD	Development Assistance Committee
CEDAW	Convention of the Elimination of all forms of Discrimination Against Women
CPF	Country Partnership Framework
CSP	Country Strategy Paper
ECHO	Humanitarian Aid and Civil Protection
EIB	European Investment Bank
EU	European Union
FAO	Food and Agriculture Organization of the United Nations
FONPRODE	Development Promotion Fund
GDP	Gross Domestic Product
GEC	Stable Coordination Groups
ICO	Official Credit Institute
IHL	International Humanitarian Law
IMF	International Monetary Fund
INAP	National Institute for Public Administration
LACS	Local Aid Coordination Secretariat
LDF	Local Development Forum
MAEC	Ministry of Foreign Affairs and Cooperation
MDG	Millennium Development Goals
NDP	National Development Plan
MP	Master Plan of the Spanish Cooperation 2013 - 2016
MS	Member States
NGDO / NGO	Non-Governmental Development Organization
OCHA	Office for the Coordination of Humanitarian Affairs
ODA	Official Development Assistance
OECD	The Organization for Economic Co-operation and Development
OTC	Technical Cooperation Office
PG	Palestinian Government
PCG	Permanent Coordination Group
PEGASE	Palestinian-European Mechanism for Management of Socio-Economic Aid
PLO	Palestinian Liberation Organization
PNGO	Palestinian Non-Governmental Organizations Network
SGCID	Secretary-General for Development Cooperation
UNDP	United Nations Development Program
UNESCO	United Nations Educational, Scientific and Cultural Organization
UNICEF	United Nations Children's Fund
UNIFEM	United Nations Development Fund for Women (currently UN WOMEN)
UNMAS	United Nations Mine Action Service
UNRWA	United Nations Relief and Works Agency for Palestine Refugees in the Near East
UNSCO	United Nations Special Coordinator for the Middle East Peace Process
UN WOMEN	United Nations Entity for Gender Equality and the Empowerment of Women
WFP	World Food Program

INTRODUCTION

Context

Palestine is a territorial entity made up of West Bank, on the western bank of the Jordan River, the Gaza Strip, on the Mediterranean coast, and the eastern part of Jerusalem. The Palestinian Government exercises restricted governmental competences, in accordance with multiple geography and political factors established in the Oslo Accords signed by Israel and the PLO (1993 and 1995). The several failed attempts to come up with an Israeli-Palestinian peace agreement and the current standstill in the talks, prevent from discerning a definitive solution to the conflict to fully serve the interest and demands of both sides in the near future.

According to the United Nations Development Program (UNDP), Palestine holds a medium level of human development¹, and ranks 110th, above Egypt and Syria, and below Jordan. The total population of Palestine is 4.55 million of people, 2.79 million of whom live in West Bank and East Jerusalem, and 1.76 million in Gaza. The Gaza Strip is one of the most densely populated areas of the world. The circumstances resulting from the lack of self-government, movement and land access restrictions imposed by Israel, as the occupying power, plus the internal political division and no election either parliamentary activity since 2007, have plunged Palestine into an extremely delicate political and economic situation and have turned Palestine into a backdrop of a chronic humanitarian crisis, with special relevance in Gaza.

The external funding in the Palestinian public finances is an essential pillar. The aid was notably increased during the period between 2005 and 2009. Nevertheless, nowadays it is undergoing a significant reduction in global terms. The military offensive in Gaza (July - August 2014), resulted in thousands of people killed, wounded, and displaced, and the massive destruction of homes and basic infrastructure, has given new injections of international aid intended for the reconstruction of the Strip.

Regarding the achievement of the Millennium Goals, the indicators show substantial progress, as well as a significant involvement of the government authorities, civil society, private sector and international partners. Despite the advances in education and health, levels of poverty, unemployment and food insecurity remain high in Palestine, especially in Gaza, where in financial terms the impact of the blockade is total. Water remains a big problem both in West Bank, due to the limitations of access, extraction and construction of infrastructure, and in Gaza, where there is only one aquifer exploited and the water extracted is not suitable for human consumption.

At the end of 2013 the total population of refugee Palestinians was 4.96 million, constituting the largest refugee population in the world. In Gaza the refugee population comprises 1,240,082, while in West Bank there are 754,411 people registered. The refugee camps have their own schools, health service and social and community centers, in which the UN manages financial and technical coordination independently of the Palestinian Government.

¹Data for 2013

Internationally, Palestine is full member of the League of Arab States, the Non-Aligned Movement and the Organization of Islamic Cooperation. In October 2011, Palestine was admitted as full member in the United Nations Organization for Education, Science and Culture (UNESCO). In November 2012, the General Assembly of the United Nations passed the resolution 67/19 upgrading Palestine to non-member observer Status.

Spanish Cooperation in Palestine

The presence of the Spanish Cooperation in Palestine responds to an extensive commitment launched on 29th July 1994 in Tunisia, by the signature of the “Memorandum of understanding on Hispanic-Palestinian cooperation”. This agreement has been renewed and consolidated by the five Joint Commissions signed to date.

In 2005, a **Country Strategy Paper (CSP) 2005-2008** was identified and formulated. Its Global Strategic Aim was to support the peace process in the Middle East, through interventions of development cooperation, which ultimately, enabled the creation of a viable Palestinian State, supporting the Palestinian Government priorities in matters of poverty alleviation and strengthening the structure of the State.

The **V meeting of the Joint Spanish-Palestinian Commission for Cultural, Educational, Scientific and Technical Cooperation** was held in Madrid on 22nd January 2008. It put a stress on Spain’s commitment in favor of a fair and peaceful solution for the conflict according to the international law, as well as the creation of a sovereign, independent Palestinian state, with recognized borders, living side by side in peace and security with the State of Israel, in accordance with the resolutions of the UN, the Madrid Peace Conference (1991) and the Arab Peace Conference (2002). This V Joint Commission included as priority areas for action “Basic Services”, “Agriculture” and “Culture for Development”, and stressing as strategic lines of action, the sectors “Governance” and the support to the civil society in terms of “Peace-building”.

The current **Partnership Framework 2015-2017** renews Spain’s commitment for the creation of a sovereign, independent and democratic Palestinian state respectful with the human rights. As a result of that commitment and in the interests of the Palestinian development, the Spanish Cooperation will support public administration reforms, democratic governance, citizen involvement and institutional reinforcement, and will work for the sustainable economic development and the inclusion of empowering women as a vital part of its actions.

ANALYSIS

I. DEMOCRATIC OWNERSHIP

The Palestinian **National Development Plan (NDP) 2014-2016**, approved by the Council of Ministers, considers an absolute priority, the same as in the previous NDP: the creation of a viable Palestinian state, both politically and economically independent and democratic, within 1967 borders, with full sovereignty over West Bank and Gaza, and East Jerusalem as the capital. The governance action pillars are based on the following sectors:

1. Governance and institutional reinforcement
2. Social Protection and Development
3. Economic Development and Employment
4. Infrastructures

The new Plan includes a political agenda, a medium-term macroeconomic framework, a planned public expenditure 2014-2016 and an accountability system. The Plan 2014-2016 identifies as strategic orientations those mentioned below:

1. Palestinian development inevitably requires the strengthening of economic public and private institutions, in order to create employment and increase productivity.
2. Proceed with the establishment of a politically viable Palestinian state by strengthening public institutions, respecting human rights and rule of law, in order to provide adequate services to the citizenry at state and local levels, as well as engage civil society in governmental affairs.
3. Special attention to gender and young empowerment, adequate offer of social services considering groups with special needs and the proper preservation of the cultural and historical heritage.
4. Sustainable development of infrastructures that contribute to economic promotion, development and modernization of a future state.

The identification and the drafting of the new NDP 2014-2016 have been based on the participation, by open procedures reaching ordinary citizens, the free flow of information and the accessibility to be as much representative as possible and to assure the decisions made consistent in much with the population expectations, opinions and interests. In those consultative processes have been actively involved women organizations and NGDO specialist in gender issues.

The current Partnership Framework was developed according to the principles and priorities described in the NDP, sectoral strategies and action plans, valuing the Palestinian leadership.

2. ALIGNMENT. QUALITY OF DIALOGUE ON POLICIES WITH THE PARTNER COUNTRIES

The Spanish Cooperation keeps a continuous dialogue with the Palestinian Government, through institutionalized forums for donors' coordination where the Palestinian Government participate actively, and at bilateral level. Traditionally, the dialogue and the agreements between the Spanish Cooperation and the Palestinian Government are performed through the "Ministry of Planning and Administrative Development". This ministry leads, coordinates and manages Palestinian Development policies, and it is officially the interlocutor for the Palestinian Government with the International Community. Furthermore, there is a close and friendly relationship between the Palestinian Government Presidency, the Prime Minister Office and the Ministry of Foreigner Affairs.

After successful decades of cooperation between Spain and Palestine, the historically strong relationship between Spain and the Palestinian Government, together with the strong commitment to get the peace and the creation of a Palestinian State that Spain has always shown, dialogue is to be commended. For its part, the Palestinian Government sees Spain as a reliable partner, considering the large quantity of disbursed funds as well and the Spanish compromise at local and international forums. Spain, as many of the donors, is aligned with the priorities identified by the Palestinian Government into the strategic plans and develops its cooperation policy, in accordance with such priorities.

Regarding the involvement of civil society, Spanish cooperation has a close and fruitful relationship. Despite there are not formally dialogue platforms, the dialogue takes place properly and fluently through Spanish NGOs on the ground, as in a bilateral way. The representation of Spanish NGOs in Palestine has traditionally been high. It has led excellent relations with Palestinian organizations and it has created an excellent working environment and mutual respect.

3. USAGE OF NATIONAL SYSTEMS

According to the Paris Declaration about the effectiveness of Development Aid (2005), "Alignment" implies not only to base its global support on partners' national development strategies but also to make use of "national systems". That alignment involves using institutions and procedures of countries able to offer adequate guaranties regarding on public finances, accountability, audits, procurement, results frameworks, monitoring and evaluation, avoiding the creation of structures in charge of the common administration and the implementation of externally-funded projects and programs, among others. For the partner countries that implies, among other issues, undertaking the reforms required to assure the efficiency, responsibility and transparency of the development resources from the systems, institutions and national's procedures managing them.

At institutional level, the Palestinian Government has made tangible progress. In 2011 a reform plan in the medium term was launched, and it has been actualized in 2012 and 2013, in order to increase

control mechanism and the running of the single treasury account, the improvement of the treasury management and adaptation and compliance of the international standards of the finance management. Furthermore, since 2007, Palestine has implemented many public financial management system reforms. Specially the creation of framework regulation, the adoption of a Single Treasury Account, the creation of public debt management departments, the cash flow planning and the modernization the budgetary classification and the nomenclature of the national accounts has been the most significant advances carried out. A computer system to manage financial information has been developed, and accountability and reporting mechanisms have been strengthened through the creation of Internal Audit Departments within the ministries.

In order to achieve international standards on this matter, Palestine is required to improve its institutional capacities and to continue public finances reform process, including a better control of the expenditures. Expenses will be redirected towards investment, and running cost will be reduced with a view to prevent most of them to be covered by international aid.

Public procurement procedures

Public Auction Law was adopted in 2011, supported and assisted by the World Bank. The Ministry of Finance is responsible for the Palestinian Government procurement system. This system was centralized due to most donors complains at the end of the nineties, in order to reinforce the control over expenses as well as the transparency of public finances management. All purchases of goods or public services (regardless of the fact that the sources of funding are either the Palestinian Government regular budget or a specific contribution to be made by a donor) in excess of 10,000\$, must be directly managed by the Central Tendering Department of the Ministry of Finance.

Use of Palestinian national systems by Spanish Cooperation

Spanish Cooperation and most of the donor community keep a highly alignment with national development priorities. The donor community in coordination with the EU and Member States has taking into account the potential progress and the reform of the Palestinian public administration, at administrative and operational level as well as the implementation of the commitments in effectiveness of the aid, deriving from the Paris Declaration. The donors' community has initiated a period of reflection, whether or not the current fund channeling systems and finance management systems, are suitable in order to enable contributions to common funds managed by the Palestinian Government, provided that there are reasonable technical and accounting assurances.

4. DONOR HARMONIZATION AND HARMONIZATION FORUMS

Palestine is one of the world's largest recipients of foreign aid. It is highly dependent on external aid, especially in budgetary support and infrastructure financing. This dependency is accentuated by the serious budget deficit that the Palestinian state coffers burden. During last years² the external aid has

²The total amount of external aid in Palestine raised to \$2500M in 2010, to \$2400M in 2011 and \$2000M in 2012.

been significantly reduced. Palestine currently has a total of 83 bilateral donors and more than 150 international NGOs.

A total of 24 UN agencies operate in Palestine, with multiple roles and mandates, in order to gain in coherence, efficiency and effectiveness in the work done by different agencies based in Palestine. The overall strategy of the United Nations, it is to improve Palestinian population capacities and resilience and to support the creation of a Palestinian state by strengthening its public institution, all within a framework of security promotion and human development. UN humanitarian aid and emergencies deserve special mention. According on its mandate based on the chronic humanitarian needs of the Palestinian population due to the occupation, UN ensures the delivery of basic services and supplies to the most vulnerable communities, especially in Gaza, Area C and East Jerusalem.

Palestine is a **priority partner country of the EU**, which has concentrated its efforts and funds on the creation of a viable and democratic Palestinian state as well as the support of the successive peace processes. The EU is the most important donor along with USA. The current EU's relations with Palestine take place in the context of a changing political environment in the region. The Palestinian Government has been the first partner to work with an Action Plan in the framework of the European Neighborhood. In 2011, EU set the procedural foundations for a new architecture for European donor coordination placed in Palestine, through the entitled "Joint Programming". This process is expected to finish over the course of the year 2017. EU's commitment to a negotiated solution to the conflict and the creation of two states living peacefully side-by-side within defined borders, lies in the active role of EU on sensitive subjects such as the support of East Jerusalem as the capital, socioeconomic development in Area C, the internal reconciliation process and the end to the blockade in Gaza. Regarding the fields of action, UE's priorities are (apart from the strengthening of civil society and gender as transversal priorities) "governance", "economic development and private sector support" and "water and rural development".

Donor harmonization forums

The large international presence in Palestine is manifested in the existence of multiple donors coordination forums, classified according to whether or not the Palestinian Government participates in them. The most important ones are described below:

Coordination and dialogue system between donors and the Palestinian Government:

1. **Ad Hoc Liaison Committee:** It is the main coordination mechanism of external aid. Created in 1993 in order to provide guidance and coordination of the External Aid flows, it is comprised by 15 permanent members: Norway, holding the presidency, the World Bank, holding the secretariat, EU, UN, USA, Russia, Canada, Egypt, IMF, Japan, Jordan, Saudi Arabia, Tunisia, Israel and the Palestinian Government. It is the most important donor coordination forum and it seeks to promote the dialogue between funders, the Palestinian Government and Israel. Spain participates within EU.
2. **Local Development Forum (LDF):** Comprises representatives of the Palestinian Government, all donors and bilateral cooperation agencies, as well as the Association of International Development Agencies (AIDA). The Ministry of Planning of the Palestinian Government, the World Bank, Norway and the Office of the United Nations Special Coordinator for the Middle East Peace Process (UNSCO) held

the presidency. The Palestinian Prime Minister attends meetings. It is the main instrument for coordination between the Palestinian Government and the donor community in functional and technical terms. Comprise four key groups and different working groups and subgroups. Spain is actively involved, and it holds the co-presidency in the Agriculture sectoral group.

3. Humanitarian sector coordination: OCHA is the responsible body for the coordination of humanitarian affairs and it is the direct interlocutor with the Palestinian Government, by brokering with the donors, including Spain.

Coordination system between donors

1. Heads of Mission (EU HOMs): On a regular basis the European Head of Mission in Palestine (General Consuls in Jerusalem and Ramallah) hold a meeting in order to coordinate and arrange political actions.
2. Heads of Development Cooperation (EU HOCS): The Heads of Development Cooperation of the Member States hold meetings on a regular basis in order to coordinate actions, to keep the continuing information forum going and to take forward joint programming.
3. European Policy Advisers: Just as Head of Mission and Heads of Development Cooperation hold meetings, so too do European Policy Adviser. They analyze the political situation and its impact in the development cooperation policies, and support Heads of Mission by producing report of the situation in Gaza, East Jerusalem and Area C.
4. Humanitarian Aid Coordination Group (Friday Group): Organized by ECHO and led by OCHA, it is where United Nation Agencies, international NGOs (AIDA), Palestinian NGOs (PNGO) and donors held meetings on a regular basis. It enables to monitor operational follow-up to the context as well as to report the status of the humanitarian access.
5. Humanitarian Aid Donors Group (Humanitarian Donor Group): Mechanism of coordination exclusively for humanitarian donors. Led permanently by ECHO along with another donor, currently Sweden. In this forum donors share information and agree common positions on Multilateral Agencies and the Palestinian Government, but it seldom enables to lay the foundations for an effective work division.
6. EU Interest Groups: There are multiples forums for sectoral donor's coordination within the EU. Most of them have been created "ad hoc" due to a specific event or a constant concern. Spain usually participates in all of them. Along with clusters related to water, civil society and UNRWA, are included the ones related to East Jerusalem, Area C and Gaza.
7. Coordination Forum PEGASE: The Palestinian-European Mechanism for Management of Socio-Economic Aid started on 1 February 2008 as a common fund for European donors in order to direct budget support for the Palestinian Government. Spain contributed to PEGASE Fund 2008-2014 over €100 million. EU held a meeting with the donors on a regular basis in order to provide information about the use and destination of the funds.
8. European Coordination Group of Gender: Under the wing of EU, led by Italy and Spain, with the active

participation of Sweden. In October 2013 a European Technical Gender Working Group was created. Its aim is to take forward joint programming and to create a forum of specialist.

9. Donors group in United Nations Forums: Traditionally donor countries hold meetings biannually to exchange opinions and information about the United Nations Agencies management and about the donors' vision about the topics of the running programs. Spain engages in coordination meetings with FAO.
10. UNRWA: The United Nations Relief and Works Agency for Palestine Refugees in the Near East (UNRWA) was created in 1949 under the Mandate of the United Nations General Assembly. Its aim was to provide emergency aid and social assistance programs to the Palestinian refugees. After more than 60 years, UNRWA present mission is to provide assistance and protection to more than 5 million Palestinian refugees currently living in camps in Jordan, Syria, Lebanon and Palestine, waiting for a definitive solution to their status. UNRWA was originally designed as a temporary organization. It has progressively adapted its programs to cover the refugees changing needs over last six decades. The donors coordination forum, operational and officially is referred to as "Ad Com – Advisory Commission", holds a meeting twice a year with 25 donors countries along with three observers. Since 2005 Spain attends to Ad Com Meetings, although it is a donor country since 1958. The preparatory meetings are the so-called "Sub Com – Sub Committees" and they aim to assist Ad Com in decision-making and to support the work of UNRWA general management.
11. QUARTET: EU, USA, UN and Russia created the so-called "Quartet" as a way to support and to facilitate the peace process. There is a permanent office in Jerusalem and Tony Blair is its representative. The Quartet office is made up of a group of political advisers from various backgrounds working with Palestinian Government, Israel, international community, Palestinian civil society and private sector both Palestinian and Israel in order to promote Palestinian political and economic development. The largest donors are USA, Canada, European Commission and Norway. In terms of priorities, it is remarkable economic strengthening actions and the construction and rehabilitation of hospitals and schools in Area C. The donors hold a meeting at least twice a year, in order to coordinate activities and offer information about the project development on going. Spain attends informative meetings.
12. WORLD BANK: The World Bank plays an important role channeling donors' funds in order to support the Palestinian Government reform program. Since 2008 it has managed the Donors Fund "Trust Fund for Gaza and West Bank", which donors are co-financing by budget support for the Palestinian Government in order to implement the Development National Plan. The World Bank withholds disbursements regularly if progress is made in the agenda of the National Plan. Furthermore, the Bank co-finance or finance simultaneously projects approved by other donors. Since 1993, the Bank has operated as secretary of the Ad Hoc Liaison Committee (AHLC), reporting every six months of the progress of the reforms. The Bank main areas of action are institutional strengthening linked to fiscal sector, economic growth through private sector initiatives. It hold regular meetings to inform the donors, although they have no the capacity of intervention in decision-making about the end-use and destination of the funds. On 2006 Spain was donor.

5. REGIONAL PROGRAMS

MASAR Program

Through AECID and MAEC, the Spanish Cooperation created in 2012 the so-called MASAR program in order to contribute to the success of the democratic process initiated in several countries on the southern side of the Mediterranean. It was designed as a regional program to support the democratic governance process in the Arab World, in line with the European Neighborhood Policy and to add value to the experience and ties of Spain in the area by a regional approach. **The geographical action scope** include the countries of North Africa and Middle East, depending on the situation and the possibilities of intervention at each point in time, regarding always the different political and contextual circumstances that will render practicable the support of the Spanish Cooperation.

The **aim of MASAR Program** is the promotion of institutional, social and economic development policies that will support democratic governance and social cohesion of the partner countries by the strengthening of their institutions and their social society. As instruments for the modernization and the strengthening of key actors and institutions, the program proposes the transfer of knowledge, the exchange of good practices and the training and learning, addressing both public institutions and relevant actors of the civil society, for the purpose of enhancing their capacity of political dialogue and influence on the collective decision-making process.

MASAR Program in Palestine has been addressed to modernize governmental institutions, to professionalize civil police within a democratic and respectful of human rights framework, to mainstream effectively gender perspective in public policies, to defend women's rights and the empowerment of women and to promote civil society as relevant actor in the decision-making process that affects the collectivity.

ACERCA Program

ACERCA is a training program for the Development in the Cultural Sector. It was created in 2005 in order to implement AECID strategy for Culture and Development, in terms of human capital development in the culture scope. It aims to facilitate the creation and the improvement process of cultural agents and professionals within the development cooperation framework, as well as to promote diffusion of values and contents shared and stimulated by the International Community. In 2014, Palestine was selected to participate in the Program.

6. COMPARATIVE ADVANTAGE

The value of the comparative advantage of Spanish Cooperation in Palestine has been identified during several meetings and contacts with governmental partners and representatives of the Palestinian civil society. After this work and the pooling of experiences and the assessments of the parties concerned, it was concluded that **the three highest rated sectors in terms of comparative advantage are the following:**

Strategic Guideline I: Consolidating Democratic Processes and the Rule of Law

Government, partner institutions and civil society have rated very positive the contribution to the country capacity building in terms of democratic governance. The proceedings of Spanish Cooperation in Palestine in the fields of “democratic governance” have prioritized the promotion of democracy, the strengthening of Rule of Law and the development of the central and local Administration. Actions to contribute to strengthening civil society are also prominent by supporting its capacity of political advocacy and its participation in conflict management. The Spanish Cooperation has funded actions to strengthening public institutions guarantors of collective rights, including parliamentary representation and local entities, with specialized counterparts, as well as Palestinian Government Ministries.

The different budget support programs for the Palestinian Government from the Spanish Cooperation through PEGASE instrument, the cooperation with the Ministry of Foreign Affairs, the Presidency office, Ministry of Interior, Ministry of Agriculture and Ministry of Women Affairs among others, clearly show the Spanish engagement in the sector.

The cornerstone of the development cooperation program in Palestine is the promotion of a fair and lasting peace by protecting and restituting rights for the people affected by the conflict, defending human rights and promoting dialogue and joint action between Palestinian and Israeli civil society. A very wide range and type of actions are highlighted: easy access to justice in case of human rights violation, with special attention to the problems faced by residents in East Jerusalem, area C and the ones affected by the wall, as well as peace building actions committed to the creation of a common space for dialogue and conciliation to provide potential solutions for the conflict based on civil society peaceful coexistence and mutual respect. Actors of all kinds with a large experience and proven abilities, participate in this sector. Government, partner institution and civil society assessments are absolutely positives. Thus, Spanish Cooperation is regarded as a relevant actor because of its commitment and its contribution to peace and justice, respect to international law, effective defense of human rights and support for the victims.

Strategic Guideline 3: Promoting economic opportunities for the poorest

Spanish Cooperation has been a constant in this large cooperation sector, working with both civil society organizations (NGO's, research centers, universities) and public institutions. Noteworthy are the actions in agriculture, sector led by Spain. Actions designed to animal health, development of cooperatives, re-utilize farm land, water saving measures (including non revenue water aiming to reduce the water leakages and enhancing service providers capacity) and research applied to rural development

as remarkable, along with continuous and pioneering efforts in order to reinforce local public agencies capacities by institutional strengthening plans, animal vaccination campaigns and development of palm tree incubators. It should be pointed out, the training for women to enable them to manage agriculture cooperatives. The Ministry of Agriculture in Palestine and specialized Palestinian organizations are historical partners of the Spanish Cooperation.

The work performed in renewable energies (rural photovoltaic), tourism (local private sector support and integration in international economy) and access to credit for rural population has also been successful. Assessments from both Palestinian public institutions and civil society have been positive, specially the involvement of Spain in the agricultural sector and Spanish NGOs specialization in a sector with a traditionally lack of international contributions.

Strategic Guideline 5: Promoting women's right and gender equality

Spanish Cooperation has been supporting initiatives for drawing up and adopting a large number of strategic documents, which formed the basis for gender mainstreaming in the Palestinian Government Ministries that seeks to promote gender-sensitive public policies. We might mention the draft "National inter-sectoral strategy of Gender" (2011-2013), the establishment of the "National Women's Employment Committee" as an advisory body of the Ministry of Labor, the " Strategy to Combat Violence Against Women" (2011-2019), and the support to Palestinian Central Bureau of Statistics in order to collect data on the incidence of violence against women.

Spain has been at the fore in mainstreaming gender in security working closely with Palestinian Civil Police, the Ministry of Interior and specialized international and local organizations. Noteworthy are the actions in the MASAR Program framework that contributes to Palestinian Government institutional strengthening by the exchange and the technical experience of Spanish experts, with the Ministry of Women's Affairs as a local partner.

Regarding advocacy actions through funded projects carried out by Spanish NGOs, the most remarkable actions are the promotion of women's rights (sexual and reproductive rights and the right to a life free from violence) and the training of partner organization in effective gender mainstreaming.

The actions carried out within the Spain MDG Achievement Fund Thematic Window for Gender Equality made a significant contribution to the capacity-building of concerned ministries government officials, as well as serve as a basis to conduct interventions in this domain.

STRATEGIC DECISIONS

I. STRATEGIC GUIDELINES OF CONCENTRATION

Since the signature of the Memorandum of Understanding for Hispanic-Palestinian cooperation, Spain has firmly supports the creation of a Palestinian sovereign, independent and economically sustainable state. As a result of this commitment, the Spanish Cooperation in Palestine has invested heavily in multiple strategic sectors, which has resulted in uncoordinated efforts that must be remedied.

An effective aid implies an appraisal of our own capacities, an analysis of our past actions impact and an estimation of our comparative advantage over other donors, will allow us to focus on sectors where our presence have a demonstrable added value. The Spanish Cooperation, in order to face this challenge and to apply Paris, Accra and Bussan principles has involved Palestinian leadership, consensus among Spanish organizations, in-depth context analysis both political and economical and an honest appraisal of our capacities as partners.

The Spanish Cooperation challenge in Palestine within the post-2015 agenda framework is to help guarantee goals and objectives addressed in the Palestinian National Plan 2014-2016, to enhance our own capacity for coordination and harmonization, to implement a development strategy based on the result-based management and to prioritize mutual accountability in terms of responsibility and transparency.

In order to ensure due alignment with national developments priorities, during the implementation period of the CPF, AECID's financial support to the Palestinian Government Institutions, either direct or channeled through multilateral mechanisms, and contributions to International Development Organizations, will be identified in coordination with the Palestinian Ministry of Planning and Administrative Development (MOPAD).

The Spanish Cooperation, based on such key principles and regarding the analysis exercise performed, will concentrate its interventions on the following three Strategic Guidelines:



I. Consolidating Democratic Processes and the Rule of Law (Strategic Guideline I)

The interventions of the Spanish Cooperation in Palestine in the *consolidation of democratic processes and the Rule of Law*, in alignment with the Objective I of the Palestinian National Plan “Good governance and Institutional Strengthening”, will reinforce and consolidate the work performed to date supporting public sector reforms, in order to contribute to ensuring the role of the Administrations as guarantors of the collective rights and to reinforcing the participation systems of civil society on government affairs. Equally, Spanish Cooperation standard will remain the promotion of a fair and lasting peace by defending human rights, promoting peace-building actions and supporting international and local protection mechanism of refugee population. On this basis, the action lines identified are the following:

- ACTION LINE 1: We will boost the quality of democracy

The good governance necessarily involves the capacity of the system to enhance the participation of the citizens in collective decision processes, both directly and through institutions that represent appropriately and inclusively the civil society. The civil society is responsible for channeling the demands and the needs the population as a whole, mediating between State and society. Palestine lacks the status of “State”, determining the character and the scope of the Palestinian civil society participation. Such participation is traditionally constructed not as a bridge between citizens and public authorities but as, somewhat, a surrogate authority. Thus, the Palestinian civil society plays a main role in defense of human rights, in promotion of democracy and good governance, in gender equality, agriculture, water, health and education, and it has a key role in provision of services, cohesion and national identity.

- ACTION LINE 2: We will reinforce the structure and management systems of public sector

Over the past five years, Palestinian Government has redoubled its efforts in providing administration with proper quality service for citizens, as well as with enough strength to enable its viability as a public entity of an independent and sovereign state. The justice, security and finance sectors reforms are ongoing, and it should be stressed the investment in construction of infrastructures and in public officials training. Such comprehensive reform process has been inexorably slowed down by limitations inherent to the military occupation, the lack of parliamentary activity and the political and territorial division between Gaza and West Bank. It is also noticed the lack of women political engagement and the under-representation of women in Palestinian governmental bodies.

In this context, Spanish Cooperation has prioritize the strengthening of public institution in order to ensure its viability for the forthcoming sovereignty, including both central institutions and local entities, contributing to the creation of an effective and impartial public administration. This CPF validates Spain commitment to upgrade and consolidate a transparent, participatory, stable, effective and predictable public management model, with a strong focus on gender and on the promotion of right and democratic governability.

- ACTION LINE 3: We will work for the rule of Law and the guarantee of Human Rights

Both, the Israeli occupation and the deep internal Palestinian division, make a challenging context in terms of peace, security and human rights. The Spanish Cooperation bulwark in Palestine is the promotion of a fair and durable peace through the protection and restitution of rights of the people affected by the conflict, the defense of human rights and the promotion of dialogue and joint action of both civil societies. The Spanish Cooperation has acquired recognition as a reference donor in the matter. Such a strong dedication to a fair peace necessarily requires a special sensitivity towards the Palestinian refugee's situation, both in Palestine and in host countries, and it results in a continued international financial support since 1958 to the United Nations Relief and Works Agency for Palestine Refugees in the Near East (UNRWA) guaranteed over the following years.

2. Promoting economic opportunities for the poorest (Strategic Guideline 3)

The Palestinian economy is absolutely affected by the lack of sovereignty over its territory and natural resources, with a highly dependency on international aid. Movement restrictions of people, goods and services, difficulties in access to land and water, as well as the geographical fragmentation between East Jerusalem, Gaza and West Bank, as consequence of the occupation, remains the biggest obstacle to growth. Economic figures reveal a chronic budget deficit, a high unemployment rate, especially among women, and serious levels of poverty and food insecurity in Gaza. In this context, agriculture sector and the relationship with the land is an essential dimension of Palestinian identity, with the consequent social, cultural and economic impact.

Considering the above, Spanish Cooperation will concentrate its interventions on the following lines of action:

- ACTION LINE 1: Rural and territorial development and agriculture as key sectors

In economic terms, the relevance of the potential of the agricultural sector in Palestine is not yet fully reaped. The agricultural activity and farming are refuge sectors for Palestinian population and impact in many areas, such as protecting the land from confiscation attempts, combating food insecurity, influencing directly on public health and ensuring the preservation and the protection of the environment, if a proper and sustainable management of natural resources is carried out. The main irrigated crops are: citrus fruit, vegetables (tomatoes, cucumbers, peppers, etc.), strawberries and cut flowers. Among non-irrigated crops are fruit plants, olives trees, almond trees and vineyards. The local production is significant with regard to olive oil, poultry, dairy products, tubers and vegetable consumption, but Palestine remains dependent on basic food imports.

Spain plays the role of chairman of the Agriculture Sector Working Group, and leads donor role towards agriculture, supporting and promoting the sector as economic motor, as well as strengthening institutionally public entities and the civil society. The Spanish Cooperation will continue to maintain its presence in this large cooperation sector by keeping the leadership in agriculture supporting the promotion of the economic fabric and the social development under the present CPF.

- ACTION LINE 2: Inclusive and sustainable economic growth

The Palestinian economy is deeply affected by movement limitations and movement restrictions of people, goods and services. Spanish Cooperation has developed actions intended to promote local

economy in order to contribute the Palestinian economy growth. Strengthening this working line, the present CPF aims to contribute toward the promotion of employment and wealth generation, through actions that provide a sustainable economic environment, the promotion of the economic, business fabric at a local level and the strategic sectors such as renewable energy, sustainable tourism and to gain access to credit.

3. Promoting women's rights and gender equality (Strategic Guideline 5)

The Palestinian women have attained a high level of schooling, in both basic and secondary education, and the presence of female students in higher education exceeds the presence of male students. Nevertheless, on the labor market the wide gap between the two sexes persists, and unemployment is significantly higher among women. Equally, the levels of political participation are low. In terms of gender violence, there is no specific legislation, and the different applicable regulatory frameworks (Israeli, Jordanian, Egyptian or Palestinian) condition the access to justice of Palestinian women. Regarding family law "Sharia" court is still in force.

Despite of gender has been mainstreaming in Palestine, specific projects within MASAR Program has recently started. Due to Palestinian interest in having Spain as a main partner in the fight against gender-related violence, and our large experience in actions designed to increase the presence of women in the labor market and in political decision-making bodies, the present CPF comprises women's rights advocacy and gender equality as the third strategic orientation. Thus, Spanish Cooperation mainstream gender equality as a double priority, as a horizontal and sectoral priority by consolidating past achievements, especially in the fight against gender-based violence, encouraging women's participation in public matters and sexual and reproductive rights, particularly the specialization of Spanish NGOs and involving our public bodies, at both state and local levels. In that regard, the present CPF prioritize the following lines of action:

- ACTION LINE 1: Formal equality

Spanish Cooperation has supported initiatives to develop and adopt a large number of strategic documents, which have formed the basis for the gender mainstreaming in Palestinian Government Ministries and to promote public policies related to gender equality. Spanish Cooperation will support actions designed to adapt the Palestinian legal framework to the gender international standards, especially in equality, fight against gender violence and promotion of gender public policies.

- ACTION LINE 2: Real equality

The most important donors and coordination forums with Palestinian Government have not gender working groups. Spanish Cooperation offers its experience and work within the present CPF framework, in order to serve as a catalyst to promote the mainstreaming of gender perspective.

- ACTION LINE 3: Specific actions for women's empowerment

Our approach for the future is to support actions designed to increase women presence in the labor market and in the decision-making bodies and to ensure action in the matter of fighting against gender violence, in consultation with Spanish specialist officials from public institutions.

2. RESULTS FRAMEWORK

RESULTS FRAMEWORK (E.O 1) CPF PALESTINE			
IMPACT		EFFECT	
STRATEGIC OBJECTIVES OF PALESTINIAN NATIONAL PLAN (2014-2016)	STRATEGIC OBJECTIVES OF THE MASTER PLAN OF THE SPANISH COOPERATION (2013-2016)	ACTION LINES	DEVELOPMENT RESULTS OF SPANISH COOPERATION
Strategic objective I: Good Governance and institutional Strengthening	Strategic Guideline I: Strengthening democratic process and the rule of law	<i>Line 1: We will boost the quality of democracy</i>	R1. Created a mechanism for citizen participation that allows monitoring effectiveness and efficiency and to impact on the design of public policies in terms of good governance, accountability and fight against corruption.
		<i>Line 2: We will reinforce the structure and management systems of public sector</i>	R1. The Palestinian Government develops initiatives that enable the implementation of appropriate and effective public policies in terms of cohesion, social protection, with a particular focus on vulnerable population. R2. The Palestinian Administration has professionals and more appropriate means designed to ensure equity and quality in public services access, management and provision. R3. Setting up a National Gender Equality Program. R4. Palestinian grass-roots communities and local entities in Area C and East Jerusalem have territorial organization and basic habitability, providing access to land use.
		<i>Line 3: We will work for the rule of Law and the guarantee of Human Rights</i>	R1. Citizens of East Jerusalem, Gaza and West Bank access to information, counseling, and legal assistance services with special emphasis on demolitions, legal protection of human rights defender, and research and dissemination of Human Rights violations. R2. The refugee population in Palestine improves their living conditions by decent education, health and social protection systems, with special emphasis on minors and women.

RESULTS FRAMEWORK (E.O 3) CPF PALESTINE			
IMPACT		EFFECT	
STRATEGIC OBJECTIVES OF PALESTINIAN NATIONAL PLAN (2014-2016)	STRATEGIC OBJECTIVES OF THE MASTER PLAN OF THE SPANISH COOPERATION (2013-2016)	ACTION LINES	DEVELOPMENT RESULTS OF SPANISH COOPERATION
Strategic Objective 2: Economic Development and Employment	Strategic Guideline 3: Promoting economic opportunities for the poorest	<i>Line 1: Rural and territorial development and agriculture as key sectors</i>	<p>R1. Disadvantaged rural population groups, with special focus on small producers and women, develop productive initiatives that improve food security levels.</p> <p>R2. In the selected rural areas, sustainable, inclusive and competitive agricultural systems are introduced and modernized that allows to increase food provision in local markets and revenue sources diversification.</p> <p>R3. Public sector has key capacities to launch technological research and development plans, agricultural extension services, lending facilities, agricultural funding and insurance, designed to improve performance with a sustainable development approach.</p>
		<i>Line 2: Inclusive and sustainable economic growth: Promotion of strategic sectors or with highly potential of development and access to credit, saving and insurance.</i>	<p>R1. Business fabric at a local level boosts business generation and merchandising of quality products.</p> <p>R2. Rural communities boost renewable energies use and sustainable tourism as a development factor.</p> <p>R3. Rural population with limited access to formal financial tools, benefited from loans on beneficial terms that allow boosting the local economy.</p>

RESULTS FRAMEWORK (E.O 5) CPF PALESTINE			
IMPACT		EFFECT	
STRATEGIC OBJECTIVES OF PALESTINIAN NATIONAL PLAN (2014-2016)	STRATEGIC OBJECTIVES OF THE MASTER PLAN OF THE SPANISH COOPERATION (2013-2016)	ACTION LINES	DEVELOPMENT RESULTS OF SPANISH COOPERATION
Strategic Objective 3: Development and Social Protection	Strategic Guideline 5: Promoting women's rights and gender equality	<i>Line 1: Formal equality</i>	R1. The Palestinian policy frameworks are in line with international policy, specially the implementation of Beijing, Cairo + 20, 1325 Resolution, Post-2015 Goals and CEDAW, improving protection and Palestinian women's empowerment mechanisms.
		<i>Line 2: Real equality</i>	R1. "Gender in Development" perspective is mainstreamed in LACS structures.
		<i>Line 3: Specific actions for women's empowerment: strengthening of feminist organizations and fight against all forms of violence and discrimination</i>	R1: Women, women's organizations and feminist organization increase their presence in decision-making positions and local structures. R2. More effective prevention and response to gender-based violence mechanisms with special focus on the strengthening of legal and social protection systems and integrated response to victims. R3. Created employment opportunities, social security access and promotion of women's participation in the formal economy. R4. Population aware of the issue of work-life balance and distribution of roles.

3. GEOGRAPHICAL AREAS OF WORK AND LINES OF ACTION BY AREA

Spanish Cooperation will work in the whole Palestine, therefore includes:

1. East Jerusalem

- Guideline 1, Strengthening democratic process and the rule of law (*Rule of Law and Human Rights line*): The focus will remain on the improvement of the Palestinian civil society capacity to advocate in the Palestinian civil society in East Jerusalem, supporting their bonds with West Bank and Gaza. Actions promoting access to justice, especially with regards to demolitions, civil right, familiar reunification and reports of human rights violation will be carried out.
- Guideline 3, Promoting economic opportunities for the poorest (*Rural and territorial development and agriculture as key sectors and Inclusive and sustainable economic growth lines*): for those preferential sectors for economic development, such as sustainable tourism or renewable energy, the viability of the area will be analyzed. The possibility of working on rural areas development will be studied.
- Guideline 5, Promoting women's rights and gender equality (formal equality, real equality and women's empowerment): the achievement of gender equality and the promotion of women's rights in Palestine are inherently linked to its political, economic and social development, which has particular characteristics in East Jerusalem. In this regard, actions designed to fight against gender-based violence; property access and economic empowerment of women will be prioritized along with legal protection, access to justice, with special focus on the strengthening of the civil society and women organizations in East Jerusalem.

2. West Bank / Area C

- Guideline 1, Strengthening democratic process and the Rule of Law (*Quality of democracy, reinforcement of the structure and management systems of public sector and Rule of Law and Human Rights lines*): Includes actions to improve civil society capacities and to boost the citizen participation, the modernization of public policies management, institutional strengthening, transparency, and accountability. Furthermore, Spanish Cooperation will pay particular attention within the Peace Building Program framework, to actions in favor of a fair solution to the conflict and to the defense of the affected people, especially on protection, refugee assistance, demolitions, and displacement in Area C.
- Guideline 3, Promoting economic opportunities for the poorest (*Rural and territorial development and agriculture as key sectors and Inclusive and sustainable economic growth lines*): A special attention will be paid to improving the livelihood of the most vulnerable communities, including areas adjacent to the separation barrier, areas turned into military zone or nature reserve under the permanent risk of confiscation and isolated communities in strategic locations in the Jordan Valley. We will work on the access to basic productive resources, such as water, land, and means of production. In terms of

strategic planning, it is not possible to include the global development of rural areas of Area C because the permit and restriction regime don't guarantee a viable planning in response to the concerns of the communities.

- Guideline 5, Promoting women's rights and gender equality (Formal equality, Real equality and women's empowerment): All actions designed to diminish the gender gap in Palestine, to strengthen gender equality and women's empowerment. We will work in close cooperation with Ministries, specially the Ministry of Women's Affairs, International bodies and civil society, with special focus to women's organizations and feminist organizations. Special attention will be paid by Spanish Cooperation in West Bank to setting a normative framework in line with international agendas, to effectively mainstreaming gender perspective within coordination structures, as well as improving the representation and participation of women in decision-making spheres. The fight against gender based-violence and women's economic empowerment will be a pillar of action for our cooperation. Regarding the latter, women's cooperatives in Area C focused.

3. **Gaza Strip**

Gaza is an absolute priority for Spanish Cooperation. The ruthless land, sea and air blockade of the Strip prevents the free movement of goods and people. The latest escalation of hostilities between Israel and Gaza's militias (July and August 2014) has left behind thousands of dead and houses and basic infrastructures destroyed.

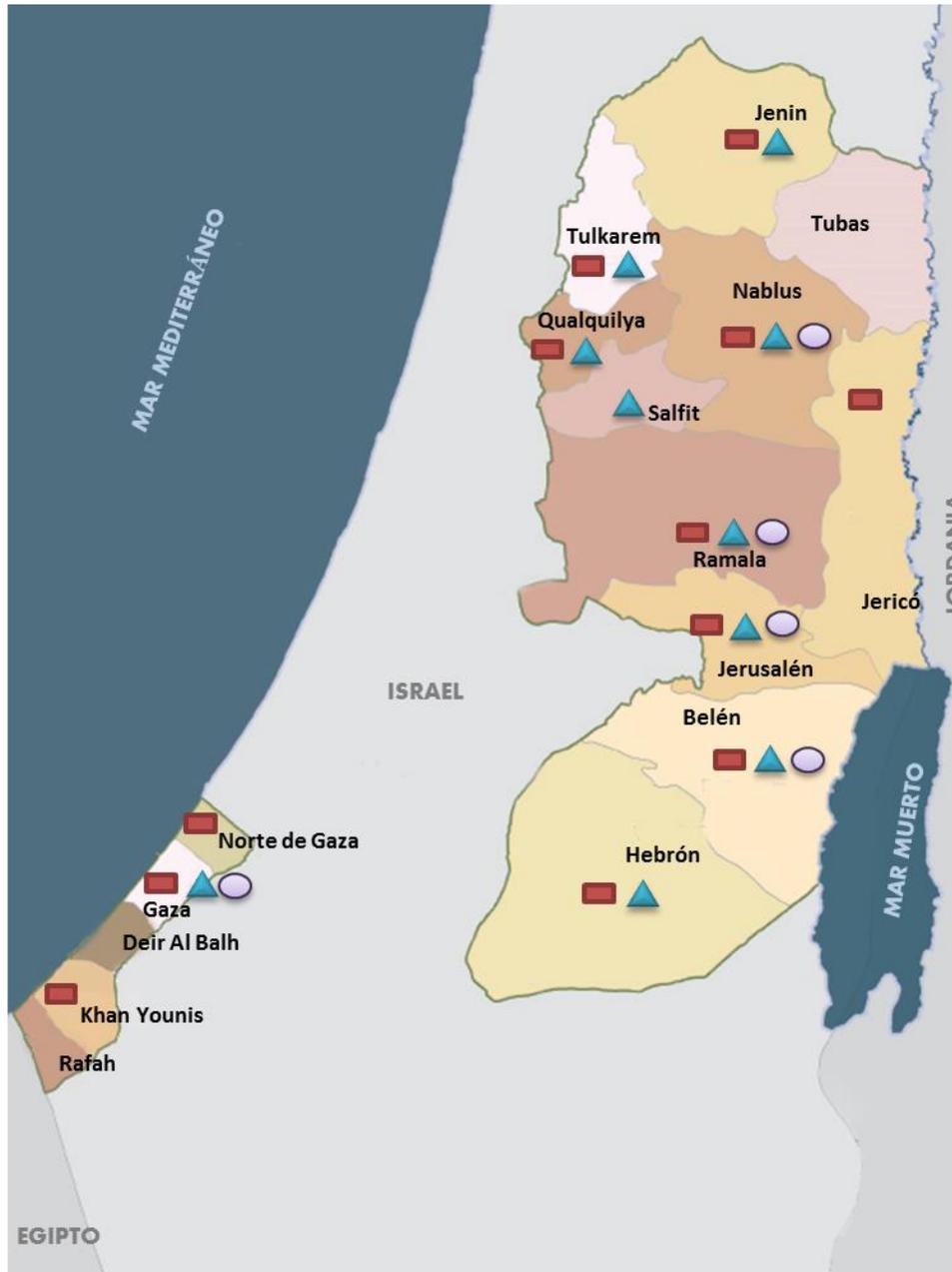
According to the Donors Conference held in Cairo on 12nd October 2014, Spain and the rest of the International Community committed to allocate large disbursements for the reconstructions and recovery of the Strip. This commitment will be implemented not only in the budgetary inputs designed to Gaza, but in the prioritization of the Strip over the implementation period of this Strategy. Thus, we will work in the following actions:

- Guideline 1, Strengthening democratic process and the rule of law (*Rule of Law and Human Rights lines*): On 23rd April 2014 Fatah and Hamas announced the signing of a reconciliation agreement, within the interested parties pledged to establish a consensus government and to call presidential and legislative elections. Once the government is composed, the elections are expected to be held, which can change the political situation affecting the scope of Spanish Cooperation governance action in terms of institutional strengthening and modernization of public administration. In any case, Spanish cooperation would therefore continue to support actions design to defend human rights within the Peace building program framework.
- Guideline 3, Promoting economic opportunities for the poorest (*Rural and territorial development and agriculture as key sectors and Inclusive and sustainable economic growth lines*): the reconstruction of agricultural infrastructure, especially irrigation systems, will be one of the priorities. The key role played by agriculture, as a sector to promote economic growth is limited due to the lack of access to means of production, resulted from the blockade and most especially, from the chronic water crisis in Gaza. An increase in output for local consumption will be promoted in order to reduce

both Israeli importations dependency and international aid contributions. Technical improvements in agricultural production systems will be one of the key orientations.

- Guideline 5, Promoting women's rights and gender equality (Formal equality, Real equality and women's empowerment): The latest military escalation in the Gaza Strip during July and August 2014 has increased the stress levels suffered by families, particularly, Gaza women and girls. Add to that we should add the particularity of Gaza society, characterized by a patriarchal mentality, where there is degrees of reluctance to recognize women's contribution to social, economic and political development, both in public and private sphere by limiting and curtailing the exercise of their rights. Gender-based violence levels are higher in Gaza than in the rest of Palestine and the legislative reform processes are too slow. In this regard, Spanish Cooperation will support the work on promotion of women's rights, with special focus to fight against gender-based violence and to economic empowerment. Achieving formal and real equality in Gaza will also be a priority objective for Spanish Cooperation, which means we will keep supporting all those actions that will enable its achievement promoted by both, the government and the civil society.

Spanish Cooperation Activities Country Partnership Framework (2015-2017)



-  E01: Strengthening democratic process and the rule of law
-  E03: Promoting economic opportunities for the poorest
-  E05: Promoting women's rights and gender equality

4. EUROPEAN UNION JOINT COUNTRY PROGRAMMING

In order to avoid aid fragmentation and budgetary uncertainty, in October 2011 the EU launched the so-called EU-Palestine Joint Programming for the division of labor among European donors.

The implementation of a Joint Programming between the EU and the Member States in Palestine, addresses a process expected not to be completed before 2017. As to date, the EU and the Member States have made progress by establishing Interest Groups, establishing European Global Funds, developing guidelines for common action and drafting sector fiches, within common objectives for Member States in reference sectors previously identified. Such tools are currently under review in order to enhance the Joint Programming by proper characteristics of a real division of labor, according to comparative advantage criteria and sectoral concentration.

Within such methodological revision, Sector fiches are been conceptually and formally modified in order to make progress regarding a veritable Joint Programming in Palestine. Spain leads the drafting of the Agriculture fiche, and is responsible for assessing the Gender fiche together with Italy. Spain is also actively involved in Security, Water, East Jerusalem and Area C groups, and collaborates with Social Protection and Energy groups. Despite some sector fiches include future action proposals, those are unilaterally identified by the Member States, without including either a result framework or indicators identified jointly, and without addressing a common strategy, budget or timetable.

Although the effective implementation of Joint Programming is a priority for the EU and the Member States, the specific features of the Palestinian context and the difficulties stemming from the effective launching of a real division of labor among such a large and diverse group of donors, makes it an extremely complex and slow process. The Partnership Framework must be revised according to the commitments undertaken by Spain and the consequent segregation of responsibilities within UE, in the event that joint programming process will finish during its implementation period.

5. DELEGATED COOPERATION

Delegated cooperation is a modality of provision for Official Development Aid, within one or several actors (silent donor) provide funding to a third one (leader) for implementation of all or only part of the activities involved in the aid. Thus, the comparative advantage of all participants in the process is leveraged and an effective management of resources promoted. So far, Spanish Cooperation in Palestine was not involved in any delegated cooperation exercise, either as a donor, or as a leader.

The Spanish International Cooperation Agency for Development (AECID) holds the appropriate homologation from European Commission for the implementation of Delegated Cooperation operations. On August 2013, AECID expressed its interest in involving itself in a possible Delegated Cooperation operation in terms of *Sustainable Economic Development*, due to its leadership in agriculture and its experience in implementing programs related with the promotion of economic fabric. At the end, due to management and budget problems, the Commission decided to suspend the process, relinquishing the delegation as a mean for the implementation of the program. However, the interests and the availability of AECID remain on the table for the future.

6. MULTILATERAL COOPERATION AND FINANCIAL COOPERATION

Multilateral Cooperation

Spanish Cooperation in Palestine has a long history of collaboration with United Nations Agencies. It was the partner of UNDP, UNICEF, FAO, UNRWA, WFP, OCHA, UNMAS, UNESCO and UN WOMEN among others. In that regard, we emphasize the founding of *Spanish MDG Fund thematic windows on Gender Equality and Women's Empowerment 2009-2012* and *Spanish MDG Fund Culture and development thematic windows 2009-2012* in Palestine. Such large programs amounted more than €9million and UNDP in cooperation with UNWOMEN and UNESCO led their implementation over 4 years respectively. It's also remarkable the long-term relationship between Spanish Cooperation and UNRWA.

During the implementation period of the present CPF, Spanish Cooperation is expected to cooperate with United Nations Agencies supporting the following interventions described below:

- UNRWA: The Funding of General Fund will continued along with possible extraordinary appeals, in order to offer assistance and services to the more than 5 million Palestinian refugees living in camps in Jordan, Syria, Lebanon and Palestine, with special focus on the needs appeared following the recent military offensive in Gaza.
- FAO: The Food and Agriculture Organization of the United Nations will remain a priority partner in institutional capacity building for the public agricultural sector as both a regulator and enabler of activities such as research, technology access, and sustainable development, as well as improving the small-scale production.
- UN WOMEN: The working line initiated after the implementation of the Spanish MDG Fund thematic windows on Gender Equality and Women's Empowerment will remain, especially in the appropriateness of the Palestinian legislative frameworks to the international legislation, fight against gender-based violence, economic empowerment and the promotion of gender public policies.
- PNUD: Within the new framework "Fund for Sustainable Development"³, UN WOMEN in cooperation with the Palestinian Ministry of Women affairs, will lead the Sustainable Entrepreneurship Creation System, where FAO and ITC will take part for the economic empowerment and to enable the access of Palestinian products into the market, specially focused on the empowerment of women's cooperatives in Area C.

³An administrative agreement was signed with the PNUD on 13th December 2013 in order to create a new Mechanism to use the remaining funds from the MDG Fund. The new Fund helps to deepen the work started, ensuring its continuity within Post 2015 Agenda framework.

Financial cooperation

In 2011 it was agreed an operation with the European Investment Bank under the Development Promotion Fund (FONPRODE) designed to revitalize the economic and social fabric of the countries of the southern side of the Mediterranean, and to avoid the risk of economic stagnation in the short term. By 30 June 2014, the establish deadline to formalize operations within the framework of this operation with the EIB, agreements with five Funds have been achieved along with a direct investment in the First National Bank in Lebanon. One of this funds, Badia Impact Fund, which has investments located in Jordan, can invest up to a maximum of 10% of the size of its equity (3 million \$) in other Mediterranean countries, including Palestine. The targeted sectors of such Fund are Internet, mobile telephone, health technology, e-commerce and digital media. The investment in the EuroMena III Fund, other operation approved, may also include investments in Palestine, as EuroMena I Fund did earlier. Regarding an investment portfolio, calculations have shown possible investment in Palestine up to a maximum of 3% regarding operations included within EIB framework.

In terms of “micro-finances”, in 2005 a prospection mission was held in the area, following which it was concluded that the difficult Palestinian context made it difficult to operate with micro-financial institutions through the then existing debt instrument, the Microcredit Fund for Basic Social Development Projects Abroad (today integrated within FONPRODE). Due to the interest on implementing an operation in this field, a 10 million Euros operation was finally implemented with the Palestinian Government. As a prerequisite for the disbursement, Palestinian public institutions should present a financial regulation to be approved by AECID. Such regulation was not formalized and the disbursement did not take place, thus, the operation was finally cancelled by decision of the VII Executive Committee FONPRODE on 30 July 2012.

The possibility of operating in the field of “micro finances” under FONPRODE instrument during the Country Partnership Framework implementation period shall be subject to the updating of the diagnosis of the Palestinian micro-finance industry. In principle, the private local entities within the so-called *microfinance first tier* are potentially eligible partners.

7. PROGRAM-BASED AID

To date, Spanish Cooperation has used Program-based Aid as a Cooperation instrument, both in direct budget support and sector-wide approach. Within the Strategy implementation framework, following the compliance of the commitments on aid effectiveness derived from the Paris Declaration and on coordination with the EU and the Member States a period of reflexing will be launched. The goal is to increase to the extent possible the use of Program-based Aid, providing appropriate conditions on good governance, transparency and accountability, distributed as follows:

- Direct budget support: within the lifetime of the present CPF, Spanish Cooperation will continue to fund direct budget support to the Palestinian Government through the European mechanism PEGASE (Palestinian-European Mechanism for Management of Socio-Economic Aid), which provide an accountability and follow-up system.

- Sector-wide approach: traditionally, Spanish Cooperation has channeled aid through subsidies to the Ministry of Agriculture, Tourism, Women's affair, Foreigner Affairs, and Presidency Office. They are guided by the local regulation for contracting and procurement of goods and services, addressing the achievement of the result previously identified. Following this line, we will continue funding the so-call "Job Creation Program" in Gaza, attached to the Presidency Office. It is also expected support to the Ministry of Women's Affair with regards to formal and real equality as well as women's empowerment. Along with such institutions, over the implementation period of the present CPF, analysis will be developed in order to assess the management capacity of other public institutions and decide upon whether or not such instrument is suitable for channeling aid.

8. HUMANITARIAN AID

The purpose of the Spanish humanitarian action commitment represents the concretization of the International Humanitarian Law (IHL), International Refugee Law and the Human Rights corpus, in compliance with humanitarian principles of independence, humanity, neutrality and impartiality, contained in the Oslo Guidelines, the principles and good practices of humanitarian donorship and the European Consensus on Humanitarian Aid.

The present CPF does not include strategic humanitarian neither any framework. Spanish Cooperation commitment in Palestine in terms of Humanitarian Aid will be materialized over the implementation period of the CPF by annual planning regarding the analysis of purely humanitarian needs, excluding different criteria (political or geographic priority). Interventions supporting particularly vulnerable populations, protection to victims and protection of the humanitarian space, and implementing, where appropriate, LRRD approach (Linking relief, rehabilitation and development) as a way of improving the coherence of actions and the establishment of the synergies among the different modalities and instruments will be prioritized.

9. PARTNERSHIP FRAMEWORK

PARTNERSHIP FRAMEWORK					
CPF PALESTINE					
SECTOR CORRELATION		TERRITORIAL SCOPE	SC ACTORS		COUNTRY PARTNERS
D.P. Strategic Guideline	Action Line	Geographical Areas	Leader	Stakeholders	Partner institutions
SGI: Strengthening democratic process and the Rule of Law	We will boost the quality of democracy	West Bank and East Jerusalem	AECID	Ministry of Justice, lawyers association, Ministry of Health, Social Services and Equality (Equal Opportunity Directorate), National Institute for Public Administration (INAP); Office of the Public Defender, Spanish NGO's specialist on political advocacy and promotion of the social participation, foundations and academic and research institutions.	Ministry of Justice, Ministry of Women's Affairs, Legislative Council, Municipalities and local entities, and other Palestinian public institutions identified during the CPF lifetime to support representative and participatory democracy. Palestinian civil society organization working on the improvement of citizen participation and transparency are included.
	We will reinforce the structure and management systems of public sector	West Bank	AECID	Ministry of Justice, Ministry of Interior (Police Authority and General Directorate of Traffic), Ministry of Health, Social Services and Equality (Equal Opportunity Directorate), National Institute for Public Administration (INAP); Regional Governments (Andalucía) and Local entities, Office of the Ombudsperson, Spanish public institutions and companies specialized in governance, Spanish NGOs specialized in institutional strengthening and public management.	Palestinian Civil Police, Ministry of Interior, Ministry of Planning, Ministry of Justice, Ministry of Agriculture, Ministry of Women's Affairs, Presidency Office, Prime Ministry Office and other Palestinian public institutions identified during the CPF lifetime. Palestinian civil society organizations specialized in fight against corruption and public authority control.

	We will work to ensure rule of law and Human Right respect	West Bank, Gaza and East Jerusalem	AECID	Institutions and Spanish NGOs specialized in Human Rights, mediation, conflict prevention and peace building. Academic and research institutions specialized in Human Right and Peace Building. Regional Governments (Andalucía, Cataluña, Castilla La Mancha, Navarra, Galicia) and Local Entities.	Public Institution for Human Rights protection. Civil organization specialized in peace promotion and building, peaceful conflict resolution and defense of the civil, social and political rights of the Palestinian populations affected by the conflict.
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PARTNERSHIP FRAMEWORK**CPF PALESTINA**

SECTOR CORRELATION		TERRITORIAL SCOPE	SCACTIONS		COUNTRY PARTNERS
D.P. Strategic Guideline	Action Line	Geographical Areas	Leader	Stakeholders	Partner institutions
SG3: Promoting economic opportunities for the poorest	Rural and territorial development and agriculture as key sectors	Rural Areas of West Bank in preference to Area C, East Jerusalem and Gaza.	AECID	Ministry of Agriculture, Food Quality and Nature, Ministry of Development, Spanish NGOs specialized in rural development. Rural, Agriculture and International Studies Center. Regional Governments (Andalucía) and Local Entities. Enterprises in the sector of wastewater treatment and reuse. National Entity of Agrarian Insurances (ENESA), Irrigation (CENTER) and Watering (CEDEX)	Ministry of Agriculture Program for the employment creation Gaza – Presidency Office. Palestinian Water Authority. FAO (Food and Agriculture Organization of the United Nations) Local NGOs: potential partners cue to its capacity and availability (*) Local cooperatives Local enterprises for the marketing of its own agricultural and livestock production.
	Inclusive and sustainable economic growth: Promotion of strategic sectors or with highly potential of development renewable energy, information technology, small and medium-size enterprises, sustainable tourism and	West Bank and Gaza	AECID	Spanish institutions and organization specialized in the reference sector.	Palestinian organizations specialized in the sector. UNDP, UN WOMEN, FAO and ITC will be involved in the implementation of the Sustainable Development Fund.

	transport.				
	Inclusive and sustainable economic growth: It will facilitate access to credit, saving and insurance access for all citizens.	West Bank and Gaza	AECID (FONPRODE)	ICO	Reef Finance and other microfinance institutions in the rural sphere.
PARTNERSHIP FRAMEWORK					
CPF PALESTINA					
SECTOR CORRELATION		TERRITORIAL SCOPE	SCACTIONS		COUNTRY PARTNERS
D.P. Strategic Guideline	Action Line	Geographical Areas	Leader	Stakeholders	Partner institutions
SG5: Promoting women's rights and gender equality	Lines for formal equality	Gaza, West Bank and East Jerusalem.	AECID	Ministry of Health, Social Services and Equality, Social services and equality, (Equal Opportunity Directorate, Gender-based violence Directorate), Institute for Women's Affairs and for Equal Opportunity, Government Office for Gender Violence, Senate Committee on Equal Opportunities. Spanish NGOs specialist in the promotion of gender equality and women's rights. Platforms, Organizing Committees and Networks for the promotion of gender equality and defense of women's rights. Academic and research institutions and Foundations. Ministry of Education and Ministry of Labor. Regional Governments and Local entities. Spanish Federation of Municipalities and Provinces.	Ministry of Justice, Ministry of Labor, Ministry of Education and Ministry of Women's Affairs, Legislative Council, Municipalities and local entities, and other Palestinian public institutions identified during the CPF lifetime in order to support progress in the attainment of formal equality. Organizations, networks, platforms and Palestinian NGOs.
	Lines for real equality	West Bank	AECID	Spanish NGO's specialized in promotion of gender equality and women's rights. Platforms, Organizing Committees and Networks for the promotion of gender equality and defense of women's rights. Regional Governments (Castilla La Mancha) and Local Entities	Palestinian LACS, platforms, groups and NGOs.

	<p>Specific actions for women's empowerment</p>	<p>Gaza, West Bank and East Jerusalem</p>	<p>AECID</p>	<p>Ministry of Health, Social Services and Equality Social services and equality, (Equal Opportunity Directorate, Gender-based violence Directorate), Institute for Women's Affairs and for Equal Opportunity, Government Office for Gender Violence, Senate Committee on Equal Opportunities. Spanish NGOs specialist in the promotion of gender equality and women's rights. Platforms, Organizing Committees and Networks for the promotion of gender equality and defense of women's rights. Academic and research institutions and Foundations. Ministry of Education and Ministry of Labor. Regional Governments (Cataluña) and Local Entities. Spanish Federation of Municipalities and Provinces.</p>	<p>Ministry of Justice, Ministry of Women's Affairs, Ministry of Labor, Ministry of Education, Social Affairs. Legislative Council, Municipalities, Local entities and other Palestinian public institutions. Palestinian organizations, networks, platforms and NGOs.</p>
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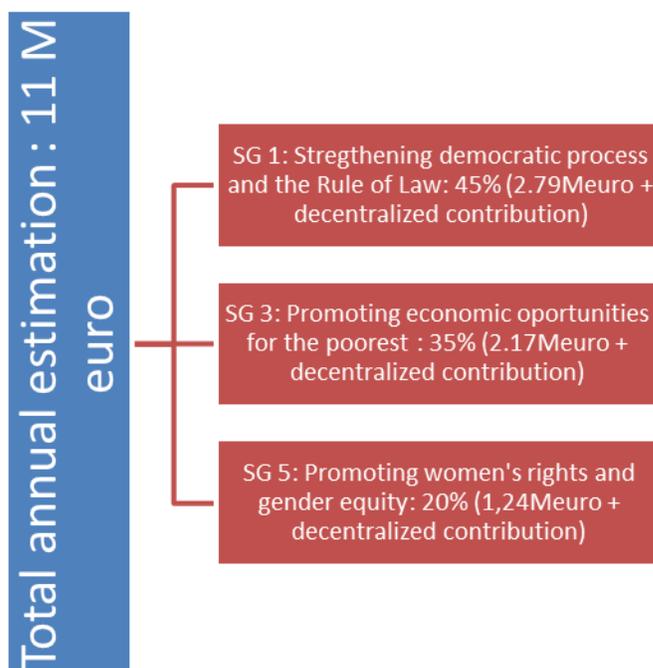
PARTNERSHIP STRATEGY

I. RESOURCES

Palestine is one of the largest recipients of international aid in the world, and Spain is a historical partner and an important donor. Over the years 2008, 2009 and 2010, Spanish aid rose to 111M€, 124M€ y 113M€ respectively, which made Spain main donor during this period, along with EU, USA and Norway. The budgetary adjustments suffered by Development Cooperation policy in Spain, have been translated into a gradual reduction of our contributions in Palestine. The budgetary forecast identified within the present CPF depends inevitably on this fact.

The Donors Conference for Palestine and the reconstruction of Gaza was held in Cairo on 12 October 2014. In such Conference Spain announced a 36M€ (decentralized cooperation funding from Regional Governments and Local Entities is not included) contribution for Palestine over 2014-2017 period, of which at least half were assigned to Gaza. Such announcement entailed the revalidation of an historical commitment strengthening Spain presence in Palestine and reinforcing its position as a priority partner of the Spanish Cooperation.

In line with this announcement, the present Partnership Framework foresees a global yearly amount of 11M€ during the period 2015-2015. **Without prejudice to the possible review that such allowance by Strategic Guidelines can undergo during the implementation lifetime of the present CPF**, the indicative distribution among Strategic Guidelines is as follows:



2. EFFECTIVENESS COMMITMENTS

Development Cooperation is not a unilateral relationship, but it implies assuming mutual commitments. Our aim, along with public authorities and Palestinian civil society, is to facilitate the achievement of positive changes and a tangible improvement of the life of the population and the exercise of their full legal rights. To that end, we will not only focus on aid effectiveness per se, but on the effectiveness of the development policies identified within this CPF. According to the Paris Declaration must meet the following criteria:

Ownership:

Spanish Cooperation must respect the Palestinian leadership, both at the governmental and civil society levels, by helping to strengthen both institutional and procedural, government system able to promote sustainable human development, and by enhancing civil society participatory systems within collective decision processes.

Alignment:

Spanish Aid has to go along with the Palestinian priorities, systems and procedures, both public and from civil society, by helping to expand their capacities. Thus, Spanish Cooperation will:

- Deal with monitoring and review processes of the present Palestinian National Plan.
- Address the indicators identified within sector strategies and action plans as the basis for a proper monitoring of the Partnership Framework.
- Use Palestinian systems and procedures, among others, for public finance management, accounting and audits and results frameworks, by providing performance, transparency and mutual accountability evaluations⁴.
- Respect financial commitments identified within the present CPF.
- Decouple aid, in line with the 2001 DAC Recommendation on Development Official Aid.

Harmonization:

Avoiding duplication of efforts and streamlining Spanish Cooperation activities in order to achieve the highest possible performance through:

- Improvement of the coordination between central and decentralized cooperation by creating, under the present CPF, a protocol of action for regional and local authorities that allow the mutual information exchange and avoid overlapping.
- Improvement of the coordination between Spanish Cooperation actors in the field, by institutionalizing and giving content to sectoral meetings AECID – NGOs, as well as

⁴ See section “Usage of national systems”, Analysis in the present CPF.

- increasing the regularity of general meetings, with the presence and the support of the General Consulate of Spain, where possible.
- Increasing the presence and visibility of the Spanish Cooperation in donor coordination forums and sector groups.
 - Fully Use of Spanish Cooperation comparative advantage in terms of EU Joint Programming.
 - Enhancing the role of Spain within the EU as a manager of delegated cooperation.

Management for development results:

All Spanish Cooperation actors must mainstream identification of development results during the CPF lifetime, not only by implementing and monitoring cooperation action but also managing procedurally and administratively in the field. Thus,

- Improvement of proposals identification and evaluation procedures, mainstreaming higher standards of thoroughness and attention to details in programming and budgets, as well as further action monitoring, once approved.
- Actions funded by Spanish Cooperation must mainstream development results, indicators and goals, in line with the CPF and the Palestinian National Plan by supporting gender approach on all occasions.
- All Spanish Cooperation actors must have a delegation of authority to the field.
- Encouraging, to the extent possible, the simplification of the financing procedures.
- Spanish Cooperation actors must have enough and appropriate human resources for result-oriented management and an effective technical work.
- Spanish Cooperation must mainstream and implement a system of quality that enables to stand in for the weaknesses observed in the field of visibility and make both internal and external communication flows, official among all actors.

Mutual accountability:

Spanish cooperation in Palestine must prioritize the extension of responsibility and transparency within the usage of public resources, of both, Spain as main donor, and Palestine, as a priority partner. To that end:

- Spanish Cooperation must provide transparent and full information about the aid.
- Palestinian partners must provide the information considered relevant for the proper monitoring of the destination and the usage of the funds. To that end, the monitoring reports of the National Plan and national strategies will be the key instrument.
- Conducting sectoral evaluations and evaluation of actions, that both, technically and budgetary, will be relevant.

3. COHERENCE OF POLICIES

As designed in the Master Plan of the Spanish Cooperation, the principle of policy coherence enables the generation of synergies between policies outside the field of cooperation and development goals, by increasing aid effectiveness. On the other hand, raising level of coherence implies to avoid the contradictions on promoting policies adversely affecting development, stability and peace partner prospects.

The Palestinian context is extremely complex, and therefore, sensitive. Apart from the regular development cooperation actions, the Spanish political actions in the area should always bear in mind the particular situation of Palestine, its demands regarding sovereignty and its particular situation as an entity under military occupation. Therefore, this is a special case, where policy coherence reaches a unique dimension, due to the involvement of multiple actors with different interest not only in Palestine, but also in the whole region.

Thus, for the sake of coherence and coordination, the creation of communication and working spaces will be essential. Such spaces are as follows:

1. Embassy of Spain in Israel, General Consulate of Spain in Jerusalem and AECID – OTC Jerusalem: information exchange concerning to CPF implementation and Spain policies in the region. Economic and Commercial Office of Spain in Israel deserve special mention, which also manage the economic and commercial relations between Spain and Palestine.
2. Ministry of Interior, Ministry of Health, Ministry of Social Affairs and Equality, Ministry of Agriculture, Nature and Food: directly involved in the achievement of development results of the present CPF through their presence in activities to institutional strengthening of counterpart institutions in Palestine. The effective launching of the present CPF involves more dialogue between Spanish Cooperation and the administrations involved. The role of AECID headquarters, OTC and the General Consulate of Spain in Jerusalem should be emphasized.
3. Decentralized cooperation: Palestine traditionally has a strong support, in both political and economic terms from Regional Governments, and Spanish local entities. Despite of budget adjustments, their presence in Palestine is guaranteed during the CPF implementation period. In order to improve quality and coordination, it is needed to reinforce information flows, both in headquarters, through SGCID and in the field, through AECID – OTC in Jerusalem, as well as the compromise among the part to facilitate the proper information exchange for the successful accomplishment of the CPF.

4. MONITORING, EVALUATION AND MUTUAL ACCOUNTABILITY SYSTEM

Spanish Cooperation Framework Partnership Agreement in Palestine includes both follow-up and evaluation system to monitor and measure the compliance of the identified development results, the coherence of the policies and actors coordination, as well as a possible review of the division by Strategic Guidelines due to the context and new commitment among the parties involved, where needed

FOLLOW-UP:

1. Stable Coordination Groups (GEC): The aim of GEC is to ensure the communication, coordination, coherence and complementarity of all actors in Palestine within the strategic partnership period. Despite offering strategic guidance for the creation of CPF process was the main role, GEC is the platform within Representatives of Spanish Cooperation meet with special focus on the follow-up and evaluation stage. Thus, in order to analyze sectoral the compliance of the stated results there will be a meeting twice a year. An annual written report from the Technical Cooperation Office (OTC) will be approved by GEC. That report will include both the effective compliance of efficiency and coherence commitments and possible suggestions to improve or modify the results framework.
2. Follow-up Committee with the Palestinian Government: OTC Jerusalem and General Consulate of Spain in Jerusalem will meet once a year with the Planning Ministry to present advances and possible problems during the lifetime of CPF. Several preparatory sectoral meetings will be held before the annual meeting with the participation of the main public actors concerned. Identified indicators of the national strategies and national plans will be the monitoring execution tools.
3. Follow-up Committee with Palestinian civil society: Three annual sectoral workshops will be organized by the OTC Jerusalem with the representatives of GEC participation to evaluate the Country Partnership Framework execution.

PRODUCT	RESPONSABLE	DATE
<ul style="list-style-type: none"> • Annual follow-up report. 	<ul style="list-style-type: none"> • OTC - Validated by GEC 	<ul style="list-style-type: none"> • January 2016 • January 2017 • January 2018

EVALUATION:

The Partnership Framework will be evaluated twice according to the following criteria:

1. **Interim evaluation:** At mid-realization of the, advances on the development results and efficiency, aid quality commitments and policy coherence will be revised. The interim evaluation, prepared by the OTC and approved by GEC, will analyze eventual context changes and therefore, incorporate any necessary amendments to the Partnership Framework with a better and adapted results framework, if an eventual reformulation is appropriate. Palestinian Government and civil society will participate in producing the interim evaluation agreeing all amendments and improvements. SGCID will be informed of the results from the interim evaluation to transfer conclusions to the Spanish Cooperation actors concerned. A gender analysis will be included in the interim evaluation.
2. **Final evaluation:** Following the implementation period, and within the Partnership Framework, effective level of achievement, quality and efficiency of actions and the effective achievement of commitments will be analyzed by external evaluators. SGCID will lead the final evaluation process in collaboration with AECID and other important either local or Spanish actors. Proper conclusions and suggestions will be included in the final report, which will conclude the management cycle identified in CPF 2015-2017.

PRODUCT	RESPONSIBLE ENTITY	DATE
<ul style="list-style-type: none"> • Midterm evaluation • Final evaluation 	<ul style="list-style-type: none"> • OTC - Validated by the GEC • SGCID - External Evaluation 	<ul style="list-style-type: none"> • May 2016 • May 2018

MUTUAL ACCOUNTABILITY:

In regard of the information, conclusions and suggestions from the follow-up and evaluation of the Partnership Framework, in terms of transparency and accountability, Spain will disseminate the important information with governmental and non-governmental Palestinian partners. That information will be disseminated within the annual follow-up committee with Palestine and civil society, in which public institutions and important civil society representatives will participate. Using the proper and required communication platforms Palestinian partners will be in charge of disseminating the proper information to citizenry.

Considering the proper accountability to the Spanish Cooperation actors, GEC will be the channeled to update all the information about the implementation of CPF in the field. SGCID, AECID and public Spanish bodies will be in charge of disseminating in Spain the Partnership Framework actions.

