Refining AFD’s Interventions in the Palestinian Territories
Increasing Resilience in Area C

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FOREWORD

Since it was established in 1872, Sciences Po has trained France’s top policy makers. In more recent years, the school has undertaken a comprehensive effort to expand beyond France’s borders to educate students from around the globe to engage issues of global importance from a European perspective. The Master of Public Affairs plays a central role in that expansion and stands today among the best programs of its kind in the world. Established in 2005, it is a two-year Professional Master’s degree that focuses on the analysis and implementation of public policies with a global focus. With just 40 students admitted per year from over 25 countries and an international faculty of practitioners and scholars, it is remarkably global yet also a tight-knit community. MPA students arrive with at least three years of post-undergraduate work experience.

In their first two years, MPA students engage in a rigorous course curriculum that emphasises quantitative and qualitative skills in equal measure. This produces students who have a holistic perspective on the policy process. The program is taught entirely in English and dual degrees are also offered with Columbia, the London School of Economics and several other major universities. In their second year, students undertake a year-long applied research Capstone Project which trains students to produce research of professional quality on questions of public importance. Capstone projects are carried out by a small group of between three and five students under the supervision of a member of the Sciences Po MPA’s faculty. The experience goes beyond the application of analytical tools by engaging students in a hands-on professional experience. The group experience is critical to this learning process, as is the learning that comes from understanding client’s needs and working to produce a final report that is polished, professional and useful.

In October 2012, a group of five MPA students embarked on a Capstone project with Agence Française de Développement (AFD) for a study commissioned by the Evaluation and Capitalisation Unit within the AFD Research Department. The study offers recommendations for the prioritisation of AFD’s future local development projects in a specific area of the Palestinian Territories, by extracting added value from different studies and evaluations launched by the AFD field office, with the goal to increase the resilience of vulnerable Palestinian communities in that area. The project covered a period of 8 months which entailed both an extensive literature review, interviews in Paris with different stakeholders, and two field visits in the West Bank.

The conclusions of the study were presented to AFD in its headquarters and in the local agency in East Jerusalem, as well as at Sciences Po during the Global Affairs Forum.

The team for the capstone with AFD was composed of five international students with various professional backgrounds: Tarik Carney, Imane Lahlou, Roger Schrader, Isvary Sivalingam and Carine Viac. They worked under the supervision of Thierry Sénéchal, Policy Manager at the International Chamber of Commerce (ICC), who has more than fifteen years of experience in the design, implementation and evaluation of development policies, programs and projects in Africa, the Middle East and Europe.
ACKNOWLEDGEMENTS

The following report is the product of a series of interviews, discussions and presentations, as well as an extensive literature review. Elements incorporated into this document were collected both in Paris, France, and in the West Bank, Palestine. Throughout the process, from data collection to analysis, we have received an overwhelming amount of support and assistance, without the process which this report could not have been possible.

We would like to thank Mr. Hervé Conan and the entire staff of the AFD Jerusalem Office for their limitless support and continued efforts to aid and advance the quality of our work. We must also thank Ms. Emilie Aberlen, Mr. Laurent Fontaine, Marike Gleichmann and the staff of the AFD Headquarters in Paris, who have provided us guidance and constructive feedback throughout. Further, we would like to thank Mr. Thierry Sénéchal, who as our advisor has reviewed and corrected our work in addition to providing us direction and feedback.

The many interviews, discussions, and correspondence exchanged with individuals in Palestine and Paris constitute the majority of the material utilised in this report. Though too numerous to list, we extend our sincere thanks and deep appreciation to everyone who took time to meet with our team, provide us with information, and take an interest in the research we have conducted.

We further extend special thanks to the staffs of the IPCC, ARIJ, and the UNDP PAPP, from whom we have asked too much and have in return received even more. We also want to thank Mr. Alon Cohen-Lifshitz of Bimkom for his invaluable support towards the preparation of the map highlighting the most vulnerable villages.

Finally, we want to dedicate this report to our beloved families and friends who have continuously encouraged us and believed in our work.

Thank you,

The Sciences Po Capstone Palestine Team
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EXECUTIVE SUMMARY

Area C is a region of the West Bank that is rich in natural resources and also has the potential for substantial economic development. However, it is the only portion of the West Bank in which the Palestinian Authority has no security or administrative control. Rather, more than 60% of the West Bank landmass that constitutes Area C is under the jurisdiction of the Israeli Civil Administration. Here, Israeli military zones occupy large swaths of land while Israeli settlements continue to spawn and expand each year. Palestinian communities living in Area C therefore find themselves marginalised, often without access to basic services, without adequate schools or clinics, and sometimes even without water or electrical networks.

In recent years, Area C has emerged as a key priority for both the Palestinian Authority (PA) and international actors in the Palestinian Territories (PTs). The development potential of Area C has been acknowledged to be critical to the viability of a two-state solution by these actors and it is now increasingly important to empower existing Palestinian communities to preserve their assets, way of life and, most importantly, their continued presence on the land. The underlying reality of Area C is that it holds the key to the future of the Palestinian state. As the current division of the West Bank has the more urbanised and densely populated Areas A and B forming a patchwork of "isolated islands", Area C is critical for the realisation of a contiguous future state.

Given the interest of Agence Française de Développement (AFD) in aligning with the PA and its commitment to state-building objectives, there is now a renewed focus on Area C for its interventions in the PTs. Correspondingly, there emerges a need to refine AFD’s strategy for intervention in Area C, given the particular constraints resulting from the Israeli presence. This report capitalises on ex-post project evaluations commissioned by AFD and also builds upon data gathered from an extensive literature review, numerous interviews, and two field missions to propose a strategy for AFD that would provide insights and shape its future interventions in Area C.

Within this context, this report aims to refine AFD strategies for intervention by answering two key questions: 1. How can AFD better prioritise its operations? 2. How can AFD’s current processes of implementation be refined to address the needs and constraints in Area C? A key issue in answering the first question relates to understanding what the priority needs in Area C are and where they are located so that relevant responses can be designed. The second issue was to determine what approaches would best allow AFD to meet these identified priority needs, given the constraints that exist in Area C.

In addressing what needs are present in Area C, it was found that stakeholders in the West Bank are not uniformly assessing priority. Donor presence in Palestine is high, and there is a plethora of actors operating projects throughout the West Bank. Unfortunately, with the myriad of actors present, there also exist diverse organisational mandates and accordingly different approaches for the implementation of projects.

Importantly, it was also found that the needs of communities throughout Area C are not homogenous. As Area C is composed of communities living in areas with different levels of urbanisation and development, and with varying levels of access to larger city centres, this observation is not surprising, but leads to the important realisation that projects should be founded on the specific needs of the targeted community. In light of the difficulty that exists in assessing the urgent needs and locating the communities that are most in need, a methodology is presented in Chapter 3 of this report. Criteria for identifying vulnerable communities are proposed, and by employing a case study, it is shown how needs assessments can form the basis of project design while taking into account the mandate and objectives of AFD.
In addressing the second objective of this report, broad approaches for interventions as currently used by the donor community in the West Bank are assessed. Chapter 4 provides a detailed breakdown of the advantages and limitations of these approaches and provides a tool for assessing both their suitability to AFD’s objectives and their limitations.

Overall, the research presented in this report demonstrates that Area C presents unique challenges for development initiatives which limit the avenues through which both donors and NGOs can impact their targeted beneficiaries. Nevertheless, analysis has shown that the urgent needs of vulnerable communities can be understood through comprehensive needs assessments and, in basing its interventions on these assessments, AFD is poised to play a significant role in increasing the resilience of Palestinians in Area C. Additionally, there are opportunities for innovative approaches in implementation that can improve the efficiency of these interventions.

**Comprehensive needs assessments make it possible to better meet the communities’ most urgent needs, and consequently to strengthen their resilience. These assessments should form the basis for designing interventions.** In addition, strengthening community resilience in Area C further empowers beneficiaries to remain on their land, critical for ensuring the viability of a future Palestinian state.

**AFD’s interventions could focus on the villages which are furthest from urban centres and most under threat from Israeli closures: the concentration of vulnerable communities as well as the feasibility of intervention can serve as criteria to select the areas which could be addressed first.** Due to the constraints of the Israeli occupation, these communities suffer from limited access to urban centres in Areas A and B and hence access to basic services. This would also support the increasing need in Area C to shift the focus to development interventions and involve the PA or by extension the LGUs as key stakeholders in project origination and implementation.

**AFD’s response to the identified needs could be assessed against the organisation’s objectives and risks; a methodology is provided to this end.** A grid is presented in Chapter 3, which can serve as a tool to prioritise the projects to be implemented. The grid can be further refined, with more criteria added as AFD deems necessary, and helps to assess the feasibility of the different responses.

**A combination of community-based and cluster approaches will produce the most efficient response to community needs.** The planning approach can be used to complement these approaches by offering opportunities for hard infrastructure projects to be realised. The first two approaches are natural complements to each other as vulnerable communities are often small and clustering, enabling the most efficient response thanks to the creation of a critical mass. Further, it was determined that selecting communities which already have a master plan could prove beneficial for the clustering approach, as new structures within these communities may prove less vulnerable to threats of demolition.

**AFD should continue to encourage dialogue sessions to strengthen coordination among donors and other actors, and make sure to include humanitarian agencies.** Coordination of donor efforts as well as knowledge sharing on Area C remain challenging issues. While each donor has a unique mandate and set of objectives, the entire donor community stands to gain from increased dialogue and understanding of one another’s operations in the field.
1. INTRODUCTION

1.1. AFD in the Palestinian Territories

AFD has been active in the Palestinian Territories since November 1998. The opening of an agency in Jerusalem in August 1999 and initial operations fell within the framework of the Oslo Agreements, which aimed to resolve the Israeli-Palestinian conflict. Since its involvement in the Palestinian Territories, AFD has allocated a total of EUR 222 million – mainly in grant form (AFD 2013).

When first implemented in the Palestinian Authorities, AFD’s strategy followed the policy initiated by the French Foreign Ministry to contribute to establishing the foundations of a future Palestinian state. Following the Paris Conference of 2007 where France, among other countries, decided to substantially increase its aid in the Palestinian Territories, AFD increased its volume of activities and aimed its operations in the Territories at solving a twofold issue: 1. Contribute to the emergence of a viable Palestinian State by strengthening institutions and creating the conditions for sustainable development, and 2. Contribute to preserving cohesion and social peace.

The operations in the field aimed at meeting these objectives focus on three major areas: 1. Water and sanitation, 2. Municipalities and community development, and 3. Support to the Palestinian private sector. The concentration on these three major areas evolved between 1998 and 2011 towards the following structural changes: the development of the private sector as a strategic area, the phasing out of the health sector, the enhanced strategic positioning on water and sanitation, and the strategic evolution from meeting basic needs to promoting local development. As of 2011, investments in heavy infrastructure (water and energy) and local/municipal development sectors represent nearly 80% of total AFD commitments in the area. AFD works in close cooperation with Palestinian partners and NGOs (French and local) to reach its goals in its three strategic areas of intervention. Concerning water, AFD has provided access to drinking water for more than 800,000 individuals through support to the Palestinian Water Authority (AFD, 2010).

For the local and municipal development sectors, the objectives of AFD’s intervention are the following:

- Support the structuring of institutions providing services to the people;
- Improve accessibility to the quality of basic services to the people.

Box 1. Definition of “Local Development”

The term “local development” collectively refers to both the processes and to the outcome of the complex interactions and actions of different stakeholders at the local level to promote human development (UNDP, 2007). In the context of the Palestinian Territories, as a process, local development involves a range of different stakeholders – local communities, village councils and Joint Service Councils (units of local government), civil society organisations such as Non-Governmental Organisations (NGOs) and Community-Based Organisations (CBOs), international donors and the Ministry of Local Government as the representative of the national government. Local development as an outcome refers to access to quality basic services such as water, sanitation, health, education and energy sub-sectors to the people and economic development at the local level.
To reach these objectives, AFD supports the Municipal Development and Lending Fund (MDLF) and some key public services (water and wastewater, energy, solid waste collection, etc.).

Improving the efficiency of services delivered by NGOs and increasing coordination and synergies between the public and the NGO sectors are key to promoting local development and municipal sectors.

1.2. Capitalisation on ex-post project evaluations

In recent years, AFD’s interventions in the Palestinian Territories have been designed to assist the Palestinian Authority (PA) in building its institutions within the larger goal of creating a Palestinian state. However, there exist multiple stand-alone villages which are out of the PA’s reach and still suffer from a lack of basic services in health, education, accessibility, etc.

The extreme conditions of Area C have driven the donor communities to intervene more forcefully and effectively to enhance the resilience of these threatened and marginalised communities. Within the broader goal of assisting in the creation of a viable Palestinian state, AFD’s interventions in the Palestinian Territories are currently being designed to better serve the needs of these marginalised areas, so as to align with the PA’s recent shift towards Area C as a strategic priority for intervention (AFD, 2008). The AFD field office wishes to strategically reflect on how AFD intervenes in the local development sector of these marginalised areas.

Moreover, the AFD field office in East Jerusalem, in accordance with AFD headquarters, has recently launched various evaluation studies (See Appendix 1). AFD wishes to consolidate findings from these evaluations — supplemented by other donors’ publications and findings from local NGOs — to enhance its strategy, optimise its operational utility and procedures, and prioritise its interventions to address the marginalised communities’ most urgent needs.

This objective should also be understood in relation to the local context, where:

• There is a risk that the focus is disproportionally placed on the quick and safe disbursement of these funds, as opposed to the process of efficiently addressing the beneficiaries’ needs, especially in situations where a substantial flow of funds from several donors is provided in a fragile institutional environment;

• Current mechanisms (like MDLF and NDC) are in place, which refrain from thinking “outside the box”, although such thinking may be needed to adjust their processes in order to address the specific local development needs of final beneficiaries.

1 A more detailed section on the division of the West Bank into three areas with three different sovereignties as well as the specificities of Area C is introduced at the beginning of Chapter 2.
1.3. Objectives and methodology of the study

This study aims to contribute to the design of AFD’s future local development projects in Area C. The study provides recommendations to AFD for a more efficient strategic road map in local development in order to contribute to the design of future local development AFD projects in Area C. It aims to extract added value from the different studies and evaluations launched by the AFD field office, so as to address local development (defined as encompassing infrastructure, water, sanitation and energy sub-sectors in the Palestinian Territories in Area C and other localities where marginalised Palestinian communities live) in a more responsive way at field level.

To meet this objective, the following questions will be addressed:

1. How can AFD better prioritise its operations?

2. How can AFD’s current processes of implementation be refined to address the needs and constraints in Area C?

In the elaboration of this report, the following methodology was used. First, a desk review of key strategic and implementation documents, including the five ex-post evaluation reports commissioned by AFD, gave the team an initial understanding of the main issues at hand and programmes in place. Brief descriptions of the ex-post evaluation reports are provided in Appendix 1. Then, the team conducted interviews with AFD staff in Paris as well as with some of the consultants who published part of the evaluation reports (see Appendix 7). Finally, the team conducted field interviews in the West Bank, first in January 2013 and then in March 2013, where it met key stakeholders and visited different project sites.

The following report is composed of four main sections. Chapter 1 will present the context of Area C and explore the challenges and opportunities it offers in terms of local development. Chapter 2 will define, identify and classify the marginalised communities in Area C and their most urgent needs according to the different needs assessments which currently prevail in the PTs. A case study will be used to illustrate the various needs of the selected communities as well as how AFD can prioritise its responses to better address those needs. In Chapter 3, the different implementation approaches promoted by the various stakeholders working in Area C will be explored and assessed based on selected key criteria. For this purpose, the team developed an evaluation grid for AFD’s use to determine which approach is most appropriate based on AFD’s objectives and risks. In the final chapter, recommendations will be presented so as to harmonise the most urgent needs identified with the most appropriate approach to efficiently catering to them.

These recommendations will strive for realism in order to align with AFD’s resources and mandate.
Nearly twenty years ago, the Oslo Accords – an arrangement between the Israeli Government and the Palestinian Liberation Organisation (PLO) – were signed, dividing the West Bank into three zones under different sovereignties: Area A over which the PA has complete control of administration and security (17% of the territory), Area B (23%) under Palestinian civil control and mostly Israeli security control; and Area C (60%) under complete Israeli control (AFD 2011), as shown in the map in Figure 1.

These accords, which planned a gradual transfer of sovereignty from Israelis to Palestinians in the West Bank and Gaza over a period of 5 years, remain in effect today. More importantly, the non-fulfillment of these accords by Israel, pushing the Palestinian communities living there into further marginalisation, has created growing frustration within the PA and the donor community. According to OCHA monthly humanitarian monitor and Protection of Civilians weekly reports, Israeli settlements in Area C have grown dramatically in both number and size (and are accompanied by increasing settler violence), land has repeatedly been confiscated.

Much of the land behind the Barrier is Area C. In parts that have been declared “seam zone”, Palestinians wishing to reside in their houses or access their land in the closed area must apply for a permit from the Israeli authorities.

2. BACKGROUND OF AREA C

Nearly twenty years ago, the Oslo Accords – an arrangement between the Israeli Government and the Palestinian Liberation Organisation (PLO) – were signed, dividing the West Bank into three zones under different sovereignties: Area A over which the PA has complete control of administration and security (17% of the territory), Area B (23%) under Palestinian civil control and mostly Israeli security control; and Area C (60%) under complete Israeli control (AFD 2011), as shown in the map in Figure 1.

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The recent emergence of Area C as a priority, as highlighted in the Palestinian National Development Plan (2011-2013) and supported by the donor community, may be related to two major trends: (1) the growing need for space and economic resources available in Area C to sustain the growing Palestinian population and struggling economy, and (2) the political importance of Area C for the viability of a Palestinian state and the growing threat of its annexation into Israel as stated in the PA’s National Development Plan (Palestinian Authority, 2011).

2.1. Area C’s economic and political importance for the viability of a Palestinian state

Area C’s current status quo threatens the viability of a Palestinian state. Area C, being the only contiguous area in the West Bank, has a significant impact on the viability of a Palestinian state. While Area C represents 60% of the West Bank, the continued expansion of Israeli settlements and the movement and access restrictions known as “closures” have resulted in the fragmentation of this area into a fragmented set of social and economic islands or enclaves (Areas A and B) which are cut off from one another (World Bank, 2008). Access to approximately 40% of the West Bank is highly restricted to Palestinians, due to illegal Israeli settlements, outposts, bypass roads, military bases, closed military areas and areas Israel has designated as nature reserves (OCHA, 2011). The areas where movement and access is most severely impeded include land within Area C and the “Seam Zone” (land trapped between the Wall being built by Israel and the Green Line/1967 Armistice line).

This effectively has resulted in the systemic marginalisation of Palestinians who live in or are dependent on gaining access to these “closed zones” either for access to basic services, water or for livelihood opportunities. Since 1967, the Palestinian...
population has reportedly decreased from 350,000 to the current estimated 150,000 people. By contrast, the number of Israeli settlers in Area C has increased from 1,200 in 1972 to 310,000 (European Union, 2011).

Given that Area C is home to a relatively small percentage of the total Palestinian population and their particular vulnerability, there are real concerns that in the absence of concrete policy changes and support from the international community, these communities may disintegrate or disappear altogether over the course of the next generation. Such demographic shifts and the perpetuation of Israeli settlements will undoubtedly impact the ethnic makeup of the West Bank and gives rise to serious concern.

**Area C’s economic potential is substantial, which is key for the sustainability of a Palestinian state.** Area C’s untapped economic potential has become critical in times of increasing land scarcity in Areas A and B. Communities throughout Areas A and B are overpopulated. With a projected population growth rate of 2.9% (2010-2015), the growing number of Palestinians cut off from the resources present in Area C continues to increase. With the vast majority of the West Bank’s population residing on a minority of the landmass, the need for expansion into Area C will become more critical as spatial constraints and limited resources continue to confront the population.

Area C includes the majority of agricultural land and fields that could be used for cattle grazing. Natural resources such as water, minerals, and oil have also been identified in Area C. A study commissioned by the Palestinian Authority in 2012 estimated that the potential profits associated with resources in Area C were greater than USD 3.5 billion annually (Palestinian Authority 2013).

"Area C is the key to economic cohesion and is the most resource abundant space in the West Bank" with “land reserves that provide an economic foundation for growth in key sectors of the economy”.


These potential gains are believed to be attainable through increased agricultural activities, access to water for crop production, the cultivation and use of the Dead Sea, and an increase in mining and quarrying activities. The resources present in Area C could have a tremendous benefit for the Palestinian people, who today face a number of challenges in the West Bank.

### 2.2. Conditions of Palestinians in Area C

Increasing conditions of extreme marginalisation in Area C create an urgent need for action. The living conditions of Palestinian communities in Area C are dire. The 150,000 Palestinians living there struggle to access the most basic services: domestic water supply falls below the average recommended by the World Health Organisation (WHO), since it is exploited and monopolised by Israeli settlers; access to health clinics and schools is too costly and difficult – with checkpoints and roadblocks inhibiting movement – and dangerous due to settler violence; houses and infrastructure are destroyed because of a lack of permits, leading to the displacement of more than 15,000 people between 2009 and 2011; and the lack of employment opportunities gives Area C communities some of the highest poverty levels in the West Bank, thus inciting migration to urban centres in Areas A and B.

Palestinian communities in Area C are faced with mounting violence and threats from Israeli settlers: in 2011 alone OCHA
counted 3 deaths, 183 injuries and 290 incidents leading to damaged properties, an increase from 2010 statistics (OCHA, 2011). Structures, including water infrastructure and agricultural assets, continue to be demolished, thus leading to the displacement of families and children as illustrated in Figure 2, originally published by OCHA in May 2012 (Oxfam, 2011).

Figure 2. Number of demolitions & displacements of Palestinians in Area C between 2008 & 2011

Source: OCHA, May 2012.
NB: The total number of “Palestinians displaced” for 2008 is 1,180.

Not only does Israel maintain control over the flow and volume of water, but it targets water resources for destruction: in 2011 only 3 out of the 38 water projects submitted to the Israeli water authority were approved while in 2012 alone, 60 water and sanitation structures, including 36 cisterns, were demolished, affecting 1,632 people including 426 children (PASSIA, 2012). According to OCHA, most of the 99 communities (representing slightly less than 15,000 people) with the highest risk of chronic water scarcity, live in Area C (OCHA, 2012). Oxfam reports that only 28% of Area C receives water through network supply, the rest mostly dependent on harvesting rainwater in storage tanks, and 41% of households in Area C do not have a source of electricity (Oxfam, 2011).

“The removal of such critical infrastructure places serious strains on the resilience and coping mechanisms of these communities, who will become increasingly “dependent on economically unsustainable sources such as tankered water.”

Maxwell Gaylard, UN Humanitarian Coordinator for the PTs; 1st February 2011.
This destruction and restricted movement and access to land greatly threaten the livelihood of Palestinians in Area C. The restrictive planning regime applied by the Israeli authorities in Area C makes it virtually impossible to build. In the first 6 months of 2012, agricultural structures and assets belonging to 242 families living in Area C were destroyed, thus depriving over 1,452 people of their main or sole source of livelihood (PASSIA, 2012). Farming and herding are constrained or inhibited, and major necessary rehabilitation projects are obstructed. In 2011, 79% of Palestinians in Area C lacked access to sufficient nutritious food (as compared to a food insecurity level of 22% in the entire West Bank) while 84% of families relied on humanitarian aid to subsist (Oxfam, 2011).

Access to schools is severely hindered by the long distances to schools and high transportation costs, physical obstacles and threats by the Israeli army and settlers, resulting in high drop-out rates, particularly among girls (OCHA, 2012). Thirty-one percent of schools have inadequate water and sanitation facilities and are unsafe, as schools are often housed in tents, caravans, or tin shacks (PASSIA, 2012). Nearly 10,000 students in Area C began the 2011/12 school year in such accommodation, benefitting from minimal protection from both heat and cold.

Healthcare is also a major concern in Area C. Hospitals and clinics are present only in urban centres within Areas A and B, and access is difficult and limited by checkpoints and high transportation costs. The movement of ambulances and medical personnel is also very restricted, resulting in more than 20% of Area C communities having very limited access to healthcare services (PASSIA, 2012).

2.3. Challenges to local development in Area C

In Area C, the reach of the Palestinian national government is very limited. As Area C is under full Israeli security and civilian control, the Palestinian Authority does not have any municipal or planning authorities in this area, which has led to the area receiving little attention in Palestinian national plans until recently. The Palestinian Reform and Development Plan (PRDP) 2008-2010 did not take Area C into full consideration and did not provide recommendations on how to deal with the needs of its residents. Similarly, the new Palestinian National Development Plan (NDP) 2011-2013 excludes a strategy for Area C, seam zones and East Jerusalem. However, this has changed recently with a separate Area C strategy being prepared by the PA, with input from the United Nations (UN) (European Union, 2011). The two entities within the PA taking a lead on Area C initiatives are the Ministry of Local Government (MoLG) and the Ministry of Planning and Administrative Development (MoPAD), respectively. In our interviews with officials from these two institutions, however, it was observed that their programmes targeting Area C populations were being developed independently and reflected a lack of coordination within the PA.

Moreover, coordination with local governance units is lacking. Predating the PA in the Palestinian Territories, there are long-established governance units at the local level which consist of municipalities and village councils. Since the creation of the PA, these units have now legally come under the supervision of the MoLG. At last count, the official statistics spoke of 245 village councils and 134 municipalities – 23 of which are in the Gaza Strip (PCBS, 2013). The law on local government passed in 1997 organises the system of local government and distinguishes between “municipalities” and “village councils”. Municipalities are local governments as such, with autonomy over decision-making, budgets, personnel management, and with members elected by the population. Village councils are administrative structures that depend on a supervisory ministry (i.e. MoLG) whose purpose is to represent the central power in distant outlying areas. Their leaders are nominated (Signoles, 2010).

Apart from communities residing on plots classified as Area C but falling within municipal boundaries, the authority and
provision of basic services such as drinking water, electricity or household refuse collection for communities in Area C lies with the respective village councils. These village councils, while intended to be an extension of the MoLG, receive limited financial support due to the PA's dire financial situation (Signoles, 2010). Additionally, they directly negotiate with the Israeli Civil Authority (ICA) for matters concerning building permits and physical planning. This has granted village councils considerable autonomy.

With the renewed focus of the PA on Area C and the interest in taking the lead on programmes targeting Area C communities, opportunities emerge for fruitful collaboration between the central and local government levels. However, certain risks associated with the entry of an important new actor (on the ground) and the teething problems of a more intimate working relationship should also be considered.

When looking at local development in Area C, the multiplicity of international donors emerges as potentially problematic after analysing past experiences in Areas A and B. With the new focus on Area C, many actors have turned their attention and activities to this part of the West Bank. As demonstrated during a donor forum in March 2013, more donors are designing programmes and projects in Area C, yet they are not fully aware of one another’s work, strategies and programme details.

Studying past experience in Areas A and B can be useful in illustrating how the multiplicity of actors in the Palestinian Territories has inhibited coordination and efficiency. The donor community in the PTs is extensive and diverse, making the PTs the first recipient of aid per capita in the world. Much of donor assistance goes to government, and rose by 500 percent in the West Bank and Gaza between 2001 and 2008. By 2008, it represented 58 percent of GDP (USD 3.4 billion, 210 and 130 percent more than in 2002 and 2006 respectively). While the level of aid has decreased slightly over the last few years, foreign assistance is still considerable. In 2010, budget support to the government alone was USD 1.1 billion (World Bank, 2012).

However, an ex-post evaluation conducted by Groupe de Recherche et d’Échanges Technologiques (GRET)4 has concluded that the multiplicity of donors with different objectives and expertise has made coordination difficult among them as well as between donors and the PA, often mitigating the efficiency of projects (Huyghebaert et al. 2013). This lack of coordination and cooperation has led to projects with less than optimal outcomes. A 2010 Governance and Social Development Resource Centre Helpdesk Report (Governance and Social Development Resource Centre, 2010) asserts that the un-coordinated and short-term involvement of donors with NGOs has undermined its effectiveness. The GRET report also indicates that the lack of coordination did not provide a clear idea of what exactly is being done on the ground in the different sectors and left the donor community and the PA without a proper understanding of where donor money is going (Huyghebaert et al. 2013).

Another challenge arises from the multiplicity of NGOs, of special importance for Area C since NGOs have become the primary delivery mechanism for services in the absence of the PA. The limits of the sovereignty and legitimacy of the PA in Area C have made the implication of players other than the PA indispensable to improving accessibility and quality of basic services to the people. In all of Palestine, as a response to the strong demand for the services provided by the NGOs in relation to strong donor interest, a large community of NGOs has arisen.

Past experience in Areas A and B again provides lessons for potential issues which may be applicable to Area C. The large number of NGOs has created an environment in which they compete for funds, and as they become more established, may begin competing with the public authorities as well (Constantini et al. 2011). This increased competition and the

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4 GRET is a French development NGO which was commissioned to evaluate ex-post two AFD-sponsored projects on local development which aimed at developing infrastructure in marginalised areas (as put in place through PECDAR and NDC).
resulting lack of coordination has impacted project efficiency as “more organisations ended [up] doing the same thing with little comparative advantages between one another, with little specialisation, and adjusting to donors’ calls for tender” (Altai Consulting, 2010). An ex-post evaluation of projects jointly implemented by French and Palestinian NGOs highlighted that the most successful projects were those which had close cooperation between the partnering NGOs (Channel Research, 2012). As donor funds shift towards Area C, it is likely that NGO projects will follow the trend, increasing competition and thus presenting great concerns for the projects’ efficiency.

**Finally, dealing with the ICA poses challenging constraints.** Permits need to be obtained for the construction of any new forms of infrastructure, including roads, homes, water systems, schools and hospitals. Permits are also required for the development of land for agriculture, industry or tourism. Since the permit regime has been implemented, the process has been characterised by long delays and a decrease in the number of permits approved by the ICA over the years. A 2008 report by Bimkom on Israeli planning policy in the Palestinian villages in Area C illustrated the decline in both the application for permits and the number of approved permits, from 2,199 applications with 2,123 approved in 1972 to 189 applications with 13 approvals in 2005, as shown in Figure 3 (Shalev and Cohen-Lifshitz, 2008). In the same report, Bimkom indicated that from 2000, the year of the Oslo Accords, until 2007, 1,624 applications were submitted, an equivalent of 241 per year. Of these, 91 were approved, the equivalent of 13 per year, representing an approval rate of 5.6% for this period. The Palestinian Authority’s 2013 report to the Ad Hoc Liaison Committee indicated that the permit approval rate for the year 2011 is 6% and the process is still distinguished by long delays.

In December 2012, PASSIA reported that under the Israeli zoning system, Palestinian construction is essentially banned in 70% of Area C. The bulk of these off-limits areas have been zoned for Israeli settlements or military zones. The areas that have been designated for Palestinian construction make up the remaining 30% (18% of the total West Bank). However, within this area construction is restricted to specific areas that have detailed planning schemes and, even in these areas, obtaining a permit is very difficult. Areas that have these special plans make up only 1% of Area C.

**Box 2. Initiatives not requiring a permit**

Land reclamation or business support, rehabilitation of already-existing structures which are not illegal in the eyes of Israeli Authorities, community mobilisation and participation initiatives, livelihood development projects, community mobilisation and advocacy, portable solar-powered units, etc. (CRDP 2012)

![Figure 3. Permit approval rate](source: Adapted from Bimkom, 2013.)
In conclusion, the economic and political importance of Area C for the viability of a Palestinian state highlights the emergence of Area C as a strategic priority for the PA and international donors. The extreme marginalisation of the Palestinian population living in this area and their resulting migration to Areas A and B threaten this viability, and demonstrate the need to strengthen this population’s resilience. The next section engages in a mapping exercise that aims at delineating where the most vulnerable communities are in Area C, and proposes a methodology to prioritise AFD’s future interventions to better address their needs. The different challenges to development in Area C are key to understanding what donors are able to do and what they should consider when designing projects.
3. PRIORITISING THE NEEDS OF THE MOST VULNERABLE COMMUNITIES IN AREA C

Before defining which approach AFD should use when implementing projects, the most vulnerable communities in Area C will be defined, their top needs identified and AFD’s responses to address these needs will be prioritised. To do so, this chapter will first look at the different classifications of Area C to understand the differences within it, and compare and assess the different needs assessments which are currently being conducted by various organisations and available in different localities.

3.1. Disparities within Area C

This section intends to reflect the large disparities of needs within Area C even for communities that fall into the same classifications. As a consequence, the currently available tools are not sufficient to map the most urgent needs.

The needs of Area C communities are not homogenous. Indeed, Area C is not homogenous in terms of the levels of development or urbanisation. The most urgent needs differ in the various communities and villages of Area C. These differences can be attributed partially to varying levels of urbanisation (influenced by proximity to urban centres and/or access to basic services) and their associated levels of development.

As observed during both field trips, some communities and villages are small and somewhat isolated, and others are more urban with larger, more densely populated conditions. In comparing two communities visited during the first field trip, we saw that Battir, a village in the Bethlehem Governorate, and Arab Rashayeda Bedouin community, serve as useful examples of the variety that exists in terms of development by virtue of their relative proximity to urban centres.

Box 3. Example of a needs assessment – Arab Rashayeda community

In our discussions with the Arab Rashayeda community and based on ARJ’s specific village profiles, their own assessment of needs indicate that the top priorities are as follows:

- Water: Bedouins need water primarily for their own needs as well as for their livestock. Current water pipes are damaged and leaking, and the costs of rehabilitation are too high for the community to undertake on their own.

- Electricity: This is especially needed to refrigerate dairy products from their livestock, partially contributing to their income. A Solar Panel Project funded by the Spanish Agency for International Development Cooperation (AECID) is sustaining their refrigeration and other electrification needs.
Transportation: The lack of roads and the increase in barriers (roadblocks and checkpoints) makes it difficult for them to transport their saleable produce as well as to buy fodder for their livestock. This effectively makes them reliant on a few merchants who buy the dairy products at a low price and charge extraordinarily high prices for fodder. It was conveyed that fodder price has increased by a thousand times and as a result they are trapped in the vicious cycle of debt.

Access to Education and Health: These are direct consequences of the difficulty in transportation. Currently this Bedouin community’s children have to walk at least 3.5 km to reach school, which mainly impacts girls. Enrollment rates are dropping significantly after 9th grade as parents worry for their safety. Similarly, while a donor-sponsored generalist visits them once a week, they face immense difficulties in emergency situations such as childbirth or accidents.

The Arab Rashayeda is an example of an isolated community of Bedouins, who live in tents and have almost no permanent solid infrastructure. Additionally, they are not connected to the power grid, and only about half are connected to water mains. They receive no basic services such as health care or education. Residents lead a traditional way of life based on shepherding, even though their access to pastures and markets is limited. Accordingly, the needs of these communities are distinct, and particular to their respective states of urbanisation.

Also in Area C, the village of Battir presents more developed features than Arab Rashayeda, which shows different needs at the community level. Battir is a more urbanised village with multi-story buildings and infrastructure in place for water and electricity. People are well-educated and have access to basic services, contrary to the Arab Rashayeda. As a consequence, the needs for the Battir community concern improving inhabitants’ quality of life. They are focused on containers for solid waste management, the construction of a sewage disposal network, the construction of water reservoirs, and opening and paving roads. The Village Council of Battir also intends to develop eco-tourism activities and is looking to create more footpaths and any other infrastructure that can sustain eco-tourism activities in the localities.

Box 4. Example of a needs assessment – Battir community

In our discussions with the Battir village council and based on ARIJ’s specific village profiles, the top priorities for Battir are as follows:

- Roads: There is a need for opening new roads and organising the paving of other roads. In total, 22 km of roads must be either created or rehabilitated.
- Water: In Battir, there is a need for creating a water reservoir.
- Sewage: The construction of sewage disposal networks and the creation of containers for solid waste management are requested by the inhabitants.
- Eco-tourism: During our discussion with the Head of the Village Council, some initiatives had already been launched to develop eco-tourism in the area. The Village Council is now looking into expanding these activities with the creation of new footpaths and a guesthouse.

Moreover, existing classifications of Area C do not lead to a clear identification of priority needs. When attempting to use existing classifications of Area C to identify top needs that could be common among different types of Area C, two main conclusions appear.
First, there exist various classifications of Area C, as influenced by the mandate of the actor classifying it. The various actors on the ground have attempted to classify Area C into distinct categories, and this has largely been influenced by their mandates. Humanitarian actors such as OCHA were among the first to map communities in Area C, and their identification of the 271 communities that are entirely or partially situated in Area C are currently used by actors with different mandates. OCHA is also active in tracking the development of access restrictions (barriers) and other trends such as settler violence and land takeover. For some developmental actors such as UNDP, this mapping has proved useful in identifying and targeting communities most at risk of displacement and in greatest need of resilience aid.

Organisations such as the International Peace and Cooperation Centre (IPCC) and the Palestinian Central Bureau of Statistics (PCBS), which respectively are active in the physical planning and the collection of statistical data that add value to planning, have taken the approach of classifying communities in terms of their relative degrees of territorial urbanisation. The key defining criteria for classifying communities by such organisations has been firstly population size and secondly access to basic services, which is used as a proxy for the level of urbanisation. A summary is presented below.

**Table 1. Various classifications of Area C**

<table>
<thead>
<tr>
<th>IPCC</th>
<th>Small isolated communities</th>
<th>Semi-urban medium scale communities</th>
<th>Communities on the outskirts of urban centres</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>- entirely in Area C</td>
<td>- partially situated in Area C</td>
<td>- informal expansion of Areas A &amp; B into Area C due to natural growth</td>
</tr>
<tr>
<td></td>
<td>- &lt; 1,500 people</td>
<td>- 1,000 to 10,000 people</td>
<td>- &gt;10,000 people</td>
</tr>
<tr>
<td></td>
<td>- includes Bedouin &amp; herder communities, the Seam Zone, and communities difficult to reach</td>
<td>- where urbanisation and development are being disrupted</td>
<td></td>
</tr>
<tr>
<td></td>
<td>- threatened by forced displacement and natural emigration for lack of employment opportunities</td>
<td></td>
<td></td>
</tr>
<tr>
<td>PCBS</td>
<td>Rural</td>
<td>Urban</td>
<td>Camps</td>
</tr>
<tr>
<td></td>
<td>- &lt; 4,000 people</td>
<td>- &gt;10,000 people</td>
<td>- any locality referred to as a refugee camp and administrated by the United Nations Relief and Work Agency for Palestinian Refugees in the Near East (UNRWA).</td>
</tr>
<tr>
<td></td>
<td>- all localities with population size of &gt;4000 and &lt;10,000 people, lacking four of these elements: public electricity network, public water network, post office, health centre with a full-time physician and a school offering a general secondary education certificate</td>
<td>- all localities with population size of &gt;4000 and &lt;10,000 people, provided they have at least four of the elements discussed in the previous column</td>
<td></td>
</tr>
</tbody>
</table>

*Source: IPCC and PCBS, 2013.*
Second, the most urgent needs do not appear to be necessarily consistent between communities within the same classification. However, it is viewed that the above classifications have certain limitations when used to classify needs. The most urgent needs are not common among communities with the same level of urbanisation. One example can be demonstrated by studying the village profiles\(^5\) for two villages, Al Jib and Abu Dis. They belong to the same governorate, have nearly the same population, and display similar levels of urbanisation. As illustrated by their village profiles, however, it is apparent that the most urgent needs are different for each village. Despite similarities in terms of urbanisation, Abu Dis has no priority needs in terms of agriculture, but lacks a wastewater network. Al Jib, however, has eight (out of nine) “strongly needed” improvements for its agricultural sector, but has a fully functional wastewater network in place. This disparity in needs demonstrates that urbanisation levels alone cannot forecast community needs. Hence, for communities such as these two, the most urgent needs do not always correspond to their levels of urbanisation and could be influenced by other factors.

It is also important to note that isolation, as defined by IPCC, includes communities which are threatened by forced displacement and natural emigration for lack of opportunities. Isolated zones include land areas in the Jordan Valley and surrounding East Jerusalem which include land classified as nature reserves or military zones by the Israeli Administration. Isolation in the context of Area C is further brought about by the presence of barriers, Israeli settlements and other restrictions to movement and access. Communities in the vicinity of or wedged between such structures often find themselves lacking access to basic services and this significantly impacts their most urgent needs.

### 3.2. Existing needs assessments

In addition, information on the priority needs of communities is incomplete. Multiple needs assessment studies are being conducted concurrently by various actors from the international community, the PA as well as local NGOs, each motivated by their respective mandates. By studying these needs assessments, however, it is obvious that there is no shared approach amongst them in terms of what information is sought, what sectors are prioritised, or how information should be tallied with regard to ranking the most urgent needs.

Five actors are currently conducting needs assessments which are in the process of being finalised. First, within its planning mandate, the IPCC NGO is conducting needs assessments for each locality that received an initial approval from the ICA on the outline master plan (see Chapter 4 for more details). As of today, IPCC has conducted needs assessments for 13 localities\(^6\) in Area C and assessed needs in terms of building infrastructure. Second, the Applied Research Institute Jerusalem (ARIJ),\(^7\) one of the first organisations to conduct needs assessments in Area C, produces village profiles for each community, focusing primarily on agricultural needs within the communities. Third, within the CRDP programme, Birzeit University researchers are currently undertaking community needs assessments to better select NGO projects. Despite their recent launch, these needs assessments already provide a comprehensive picture of the population’s needs to improve their resilience, now studied over a large spectrum of sectors. Finally, OCHA, a UN agency with a humanitarian mandate, considers needs mostly in terms of humanitarian emergency, while the Palestinian Central Bureau of Statistics, an entity generating statistical data, gathers different information on different needs in the region.

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\(^6\) Um Al Lahem, Wadi el Nis, Walaajeh, Abdallah, Younis, Tarqumiya, Iminezel, Izbet Tabeb, Ras el Tira, Ras Elwad, Harmala, Tinnek, Tarqumiya, Tuwani.

The various needs assessments are currently in different stages of progress and to date only OCHA provides an assessment of all communities in the PTs, but does not cover all sectors. Table 2 summarises the characteristics of the different needs assessments both in terms of sectoral and geographical coverage. It also includes a broad overview of the methodology in use by each of these actors.

Table 2. Characteristics of the different needs assessments

<table>
<thead>
<tr>
<th>Sectors and sub-sectors</th>
<th>IPCC</th>
<th>ARIJ</th>
<th>CRDP</th>
<th>OCHA</th>
<th>PCBS</th>
</tr>
</thead>
<tbody>
<tr>
<td>Energy resources</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Electricity networks</td>
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<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
</tr>
<tr>
<td>Other sources of electricity</td>
<td>✓</td>
<td>✓</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Health</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Access to health sector</td>
<td></td>
<td></td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
</tr>
<tr>
<td>Health infrastructure</td>
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<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
</tr>
<tr>
<td>Transportation</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Infrastructure (mainly roads)</td>
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<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
</tr>
<tr>
<td>Means of transportation</td>
<td>✓</td>
<td>✓</td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>Distance to service centres</td>
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<td></td>
<td></td>
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<tr>
<td>Natural Resources</td>
<td></td>
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<tr>
<td>Natural springs</td>
<td></td>
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<td>✓</td>
<td>✓</td>
<td>✓</td>
</tr>
<tr>
<td>Sources of water</td>
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<td></td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
</tr>
<tr>
<td>Historical areas</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>✓</td>
</tr>
<tr>
<td>Environmental areas</td>
<td></td>
<td></td>
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<td></td>
<td>✓</td>
</tr>
<tr>
<td>Advocacy and rights of Palestinians</td>
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<td></td>
<td>✓</td>
</tr>
<tr>
<td>CBOs and grassroots organisations</td>
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<td></td>
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<td></td>
<td>✓</td>
</tr>
<tr>
<td>Rule of law and access to justice</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>✓</td>
</tr>
<tr>
<td>Agriculture</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Land reclamation</td>
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<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
</tr>
<tr>
<td>Other agricultural related sub-sectors</td>
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<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
</tr>
<tr>
<td>Economic opportunities</td>
<td></td>
<td></td>
<td></td>
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<td></td>
</tr>
<tr>
<td>Business development</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>✓</td>
</tr>
<tr>
<td>Non-agricultural livelihood</td>
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<td></td>
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<td>Water</td>
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<tr>
<td>Access to water</td>
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<td>✓</td>
<td>✓</td>
</tr>
<tr>
<td>Water networks</td>
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<td>✓</td>
<td>✓</td>
</tr>
<tr>
<td>Sanitation</td>
<td></td>
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<td></td>
<td></td>
</tr>
<tr>
<td>Sanitation networks</td>
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<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
</tr>
<tr>
<td>Education</td>
<td></td>
<td></td>
<td></td>
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<td></td>
</tr>
<tr>
<td>Infrastructure</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
</tr>
<tr>
<td>Access to education</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
</tr>
</tbody>
</table>
From the above template and from findings in the field, it appears that none of the existing approaches to needs assessments covers all the sectors, suggesting a holistic comprehensive approach is still lacking. Nevertheless, in terms of sector coverage, CRDP needs assessments offer the most comprehensive picture to assess a large spectrum of needs, although it is still being completed. In terms of geographical coverage, to date only OCHA’s needs assessments cover all the 271 communities from Area C. CRDP \(^8\) hopes to complete all needs assessments by the end of 2013.

Needs assessments are not necessarily the basis of project design, leading projects away from meeting the most urgent needs of the communities. As confirmed at a meeting with the authors of the GRET report, it appears that the needs of the communities are not necessarily met by the projects implemented. In their report, GRET highlighted that “attention seemed to have been more on the technical criteria of feasibility, the budget and the implementation plan than on the social dimension/justification or relevance of the project”. This is rooted in the lack of a needs assessment of beneficiaries in the project design. An illustration of the type of basic justification of social needs under one micro project included “it will help the poor” / “being educated will ease their social life”. As a result, the authors strongly emphasised the importance of taking into account a project’s relevance to the needs of the communities before any other requirement, and stressed adopting participative approaches in the design of needs assessments so that “those who are ‘really’ affected have their voices heard” (Huyghebaert et al, 2013).

The report cites the example of an NGO project in Areas B and C, the Simia Agriculture Cooperative, close to the Hebron Governorate. Located in Area C, this project was assessed by GRET during their field visit. Funded by Danish cooperation, it dealt with the creation of 33 wells in zones B and C for “the use of poor and marginalised families who are owners of land that need reclamation in marginalised areas”. GRET underlined

\(^8\) It was shared through communication with the CRDP project team that 100 communities chosen for the first needs assessments were selected based on geography (north, center and south), political sensitivity and size of population.
that the building was underused and questioned the real “poverty” of the families who benefited from the agriculture cooperative services. Indeed, the families visited owned large tracts of land – 22 dunum – and one was constructing a new house.

This finding was supported by the team’s experiences in the field. A visit to a youth club in Jiftlik shared anecdotes of training programmes that were, according to them, irrelevant as projects. In Kardala, girls from the youth club were given lessons on the ills of early marriage even though the problem did not exist in that community. Furthermore, members from the youth club showed frustration that training programmes repeatedly offered similar content, without follow-up programmes requiring them to use the acquired skills. The lack of job opportunities was highlighted as the biggest hurdle faced by youth in these villages, especially women, who are unwilling to live far away from their families and then return after university only to find themselves overskilled and underemployed.

3.3. Identifying the most vulnerable communities

AFD wishes to select a target population in need of aid for resilience to economic and political crises. As discussed in earlier sections, the particular constraints that exist in Area C result in the increased vulnerability of communities that live there. However, it is also obvious that some of these communities are more vulnerable to threats due to their greater exposure to the following:

i. Limitations to Palestinian movement and access, use of land and the corresponding access to basic services;

ii. The presence of settlements and the associated settler violence.

In this case, “vulnerability” refers to a community’s inability to withstand the impacts of the multiple stressors which they are exposed to. In the context of Area C, this state of vulnerability threatens the viability of the community and is manifested as a factor in displacement. Communities which face this risk of displacement are especially in need of resiliency in order to meet their basic sustenance needs and thereby maintain their presence on the land (CRDP, 2012). Poverty levels of communities were also considered as they are factored in other commonly used definitions of vulnerability (World Bank, 2012). However, data was only available at the governorate level and is unlikely to reflect the particular socioeconomic conditions faced by communities in Area C. Poverty data at the family-level, made available through data from the Ministry of Social Affairs, however, could be useful for a second-level targeting of impoverished families within the target communities.

In order to identify the communities with a greater need for resiliency, the following methodology proposes criteria for selecting vulnerable communities as defined here:

1) Greater physical exposure to constraints due to location and proximity to physical barriers to access, specifically (OCHA 2012)

- Location in the Seam Zone or in military firing zones established for Israeli military training;

- Proximity to checkpoints, road closures, military bases and checkpoints.
2) Greater distance and hence a greater lack of access to basic services that would be available in urban centres in Areas A and B (Bimkom; OCHA, 2012)

- Communities with entire built-up areas in Area C and relatively more distant from Areas A and B.

Based on an initial list of 149 communities with entire built-up areas in Area C, a shortlist of 35 communities from 8 governorates was generated. They are presented here with associated data (Table 3) and geographically on a map (Figure 4).

Figure 4. Map of vulnerable communities in Area C

Communities around East Jerusalem were excluded from the scope of this study.
Table 3. Shortlist of most vulnerable communities

<table>
<thead>
<tr>
<th>LOCALITY</th>
<th>GOVERNORATE</th>
<th>Population (OCHA)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1   Ar Rawa‘in</td>
<td>1  Bethlehem</td>
<td>260</td>
</tr>
<tr>
<td>2   Khallet al Balutla</td>
<td>1  Bethlehem</td>
<td>350</td>
</tr>
<tr>
<td>3   Khallet Sakaha</td>
<td>1  Bethlehem</td>
<td>667</td>
</tr>
<tr>
<td>4   Al Buweib</td>
<td>1  Bethlehem</td>
<td>65</td>
</tr>
<tr>
<td>5   Al Fakheit</td>
<td>1  Bethlehem</td>
<td>700</td>
</tr>
<tr>
<td>6   Arab al Fureijat</td>
<td>1  Bethlehem</td>
<td>135</td>
</tr>
<tr>
<td>7   Birin</td>
<td>1  Bethlehem</td>
<td>79</td>
</tr>
<tr>
<td>8   Haribat an Nabi</td>
<td>1  Bethlehem</td>
<td>390</td>
</tr>
<tr>
<td>9   Inmaizil</td>
<td>1  Bethlehem</td>
<td>131</td>
</tr>
<tr>
<td>10  Isfay Foga</td>
<td>1  Bethlehem</td>
<td>33</td>
</tr>
<tr>
<td>11  Isfay Tihata</td>
<td>1  Bethlehem</td>
<td>300</td>
</tr>
<tr>
<td>12  Jinba</td>
<td>1  Bethlehem</td>
<td>64</td>
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<tr>
<td>13  Mirkez</td>
<td>1  Bethlehem</td>
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</tr>
<tr>
<td>14  As Sa‘a‘da</td>
<td>1  Bethlehem</td>
<td>198</td>
</tr>
<tr>
<td>15  Dhafer al Malih</td>
<td>1  Bethlehem</td>
<td>22</td>
</tr>
<tr>
<td>16  Khirbet al Muntar al Qabba</td>
<td>1  Bethlehem</td>
<td>44</td>
</tr>
<tr>
<td>17  Khirbet al Muntar ash Sharqiya</td>
<td>1  Bethlehem</td>
<td>56</td>
</tr>
<tr>
<td>18  Khirbet Suruj</td>
<td>1  Bethlehem</td>
<td>370</td>
</tr>
<tr>
<td>19  Ummar al Rihan</td>
<td>1  Bethlehem</td>
<td>411</td>
</tr>
<tr>
<td>20  Wad ad Dab‘ri</td>
<td>1  Bethlehem</td>
<td>3700</td>
</tr>
<tr>
<td>21  Al Jiftik</td>
<td>1  Nablus</td>
<td>330</td>
</tr>
<tr>
<td>22  Khirbet Tana</td>
<td>1  Nablus</td>
<td>222</td>
</tr>
<tr>
<td>23  Arar al Ramadin al Janubi</td>
<td>1  Nablus</td>
<td>260</td>
</tr>
<tr>
<td>24  Arar al Ramadin ash Shamali</td>
<td>1  Nablus</td>
<td>155</td>
</tr>
<tr>
<td>25  Izbat al Tabib</td>
<td>1  Nablus</td>
<td>260</td>
</tr>
<tr>
<td>26  Wadi ar Rasha</td>
<td>1  Nablus</td>
<td>221</td>
</tr>
<tr>
<td>27  Wadi Gana</td>
<td>1  Nablus</td>
<td>133</td>
</tr>
<tr>
<td>28  Al Farisiya</td>
<td>1  Nablus</td>
<td>43</td>
</tr>
<tr>
<td>29  Al Hadidiya</td>
<td>1  Tulkarem</td>
<td>211</td>
</tr>
<tr>
<td>30  Al Malih</td>
<td>1  Tulkarem</td>
<td>179</td>
</tr>
<tr>
<td>31  Ibziq</td>
<td>1  Tulkarem</td>
<td>293</td>
</tr>
<tr>
<td>32  Khirbet ar Ras al Ahmar</td>
<td>1  Tulkarem</td>
<td>133</td>
</tr>
<tr>
<td>33  Khirbet Humsa</td>
<td>1  Tulkarem</td>
<td>60</td>
</tr>
<tr>
<td>34  Khirbet Yarza</td>
<td>1  Tulkarem</td>
<td></td>
</tr>
<tr>
<td>35  Khirbet Jisr ‘Ali</td>
<td>1  Tulkarem</td>
<td></td>
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</tbody>
</table>

- Seam Zone
- Military Firing Zones
- Communities with ARU Needs Assessments
Hebron and Jenin emerge to have the largest number of communities which meet the “vulnerability” criteria. In Hebron however, many of them are located in military firing zones which makes project implementation virtually impossible. However, in other communities located in the Seam Zone in Qalqilya, implementation feasibility is greater. Communities which have benefited from the various spatial planning (to be discussed in Chapter 4) initiatives (ICA, IPCC, Binko) are also interesting and are highlighted on the shortlist as they offer the possibility for construction or rehabilitation to infrastructure that is particularly difficult to achieve in Area C due to the low approval rates of building permits.

Tubas can be used as a case study as its needs assessment is most complete to date. Out of all the governorates, Tubas has the highest number of communities with needs assessments from both ARIJ and OCHA. After reviewing the ARIJ village profiles as well as OCHA's database, the greatest needs of the selected communities are as follows:

► Livelihood through agriculture: 90-100% of livelihoods revolve around agriculture, 5 out of 6 are herding communities.
► Access to education: No schools in 5 of the communities, only one with an elementary school nearby.

As a response for each need, possible project options were brainstormed and scored based on a scale of 0 to 3 to reflect how well they responded to AFD’s objectives and on a scale of 0 to -3 to assess how much risk they pose for AFD. The intervention objectives and risks were defined based on those expressed during discussions with the AFD Jerusalem office as well as those documented in AFD’s “Operational Guidelines” (“Cadre Opérationnel”). This list of objectives and risks is intended to provide a guide for AFD and can be supplemented with additional objectives and/or weighted to reflect different degrees of importance. Accordingly, the scores indicate a qualitative assessment and reflect the authors’ judgment. The projects which emerge with the highest scores indicate interventions that AFD should prioritise as they correspond to the needs of the community, but also factor in the feasibility of implementation.

Box 5. More data is required to address the needs of Hebron and Jenin

The Jenin and Hebron Governorates have the highest concentration of marginalised communities based on the defined vulnerability criteria. However, only data from OCHA needs assessments are available for these communities and lack some development indicators. This data needs to be updated once CRDP needs assessments are complete.

However, in the interest of providing a first look at the common needs of the identified communities, a table detailing the needs for the communities in Jenin is presented in Appendix 3.

10 An example of how the scoring was conducted for one of the responses is included in Appendix 2.
Refining AFD’s Interventions in the Palestinian Territories

Based on the matrix, the AFD could prioritise the following interventions (based on achieving a score of 0.6 and above):

- Land reclamation.
- Renovation of existing buildings as schools.
- Mobile clinics.
- E-learning initiatives.

These interventions address the earlier identified top needs for Tubas Governorate. These are also interventions which could be implemented without a building permit and satisfy the lower risk appetite\(^{11}\) of AFD.

\(^{11}\) AFD’s prefers to adopt a “zero risk” approach to project implementation. In addition to smaller scale and community-focused projects, AFD also undertakes a number of large-scale infrastructure projects, whose approval is contingent on a good working relationship with the ICA. Hence, it would be counter-productive if risks from some projects negatively impacted the success of others, and is therefore a factor for consideration.
4. IDENTIFYING APPROACHES FOR AFD INTERVENTION

The second key question the report aims to answer relates to the most appropriate approach AFD should undertake when implementing projects. In this section, the different programmes currently being implemented or designed for Area C are introduced and assessed.

4.1. No common approach among various donors

Based on the observations from the field, it was noted that various donors have now prioritised interventions in Area C. However, communication gaps remain between donors concerning their priorities and corresponding programmes. Given the fairly nascent stage of development interventions addressing Area C, it is viewed that there is a window of opportunity for donors to be more engaged in sharing their ideas and ensuring that the programmes developed are complimentary in nature.

The current programmes developed by donors can be grouped into the following four key approaches. The first three approaches are seen as naturally related to each other, and the fourth, planning, as complementary to the other three.

1. Competitive: This approach encourages projects to be designed by the implementing agent, in this case the NGOs, who make their own assessments of community needs and produce relevant initiatives to respond to these needs. These agents compete for funds from different donors and are selected on a rolling basis using specific criteria.

2. Community-based: This approach focuses on a specific community and aims at responding to its needs by implementing projects in different sectors so that these different initiatives build on each other for greater impact.

3. Clustering: This approach targets communities that are geographically closer together and groups (clusters) them together to allow for the implementation of joint projects that are potentially more efficient due to the larger critical mass of beneficiaries.

4. Planning: This is a territorial approach to development where projects are implemented within delineated borders, based on master plans which are discussed with the ICA.
4.2. The competitive approach

The competitive approach aims to select projects in a transparent manner, but there is a need to ensure that they are better targeted at the urgent needs of communities. The competitive approach essentially uses the mechanism of “Call for Proposals” (CFP) which seeks to guarantee objectivity and transparency in the award of financial support. In the context of Area C, where NGOs have emerged to be the primary implementing agents, this mechanism is intended to support organisations which are able to demonstrate management and technical quality. The use of this mechanism in the PTs also strives to ensure that the project proposals submitted are driven by demand and require demonstration of buy-in at the grassroots level through cooperation with Local Governance Units (LGUs). In doing so it serves to strengthen civil society and to promote community empowerment and participation.

Despite the benefits offered by this mechanism, it also poses some risks which are highlighted in the following discussion of two programmes currently being implemented in the PTs which utilise this mechanism for project selection. They are namely the Palestinian NGO (PNGO) programme managed by NDC and the Community Resilience and Development Programme (CRDP) managed by the PA and UNDP.

The PNGO programme aims to address risks associated with the CFP mechanism and projects funded are generally viewed successfully by communities. The initial phase of the PNGO programme was initially funded by the World Bank and the most recently completed phase (IV) was also funded by AFD. The PNGO programme supports NGOs through three types of grants and their main objective are presented in the table below.

Table 5. Grants and objectives – PNGO programme

<table>
<thead>
<tr>
<th>Grant</th>
<th>Objective</th>
</tr>
</thead>
<tbody>
<tr>
<td>Empowerment</td>
<td>Support experienced NGOs where they have a comparative advantage</td>
</tr>
<tr>
<td></td>
<td>Target vulnerable people with special needs (youth, orphans, women-headed</td>
</tr>
<tr>
<td></td>
<td>households, etc.) and possibly also use geographic targeting to identify</td>
</tr>
<tr>
<td></td>
<td>those in the poorest and marginalised districts (e.g. East Jerusalem, Gaza</td>
</tr>
<tr>
<td></td>
<td>and communities affected by the Separation Barrier)</td>
</tr>
<tr>
<td>Mentoring Partnership</td>
<td>Support community-based organisations (CBOs) partnering with experienced</td>
</tr>
<tr>
<td></td>
<td>NGOs, enabling smaller players to improve the quality of their social</td>
</tr>
<tr>
<td></td>
<td>service delivery through knowledge sharing and networking</td>
</tr>
<tr>
<td>Innovation</td>
<td>Support non-traditional or inherently high-risk types of activities that</td>
</tr>
<tr>
<td></td>
<td>nonetheless show significant potential for success and precedent-setting</td>
</tr>
<tr>
<td></td>
<td>impact. Themes will be identified through consultations with other key</td>
</tr>
<tr>
<td></td>
<td>actors (NGOs, networks, experts etc.)</td>
</tr>
</tbody>
</table>

Source: NDC, 2013.
The variety of grants represents an interest on the part of NDC to try to address the associated risks of the CFP mechanism. For example, the mentoring partnership programme addresses the common problem of excluding smaller, less well-resourced and experienced NGOs or CBOs. Our field mission provided useful evidence that the larger, more experienced NGOs do successfully serve as mentors to the smaller organisations and assist them in building their capacity so that they are able to function independently. For example, we visited one of the sites of this initiative, where Ma’an, a long established NGO, has partnered with several youth clubs in a number of villages in the Jordan Valley. The project resulted in these youth clubs overcoming existing rifts at the village level, resulting in greater overall social cohesion, harmony and cooperation among the neighbouring villages. The youth clubs have subsequently initiated various other social and training activities such as a dance club, computer training, anti-drug advocacy and women’s empowerment. Nevertheless, several weaknesses of this mechanism and NGOs were also highlighted in the interviews with the various stakeholders.

There is evidence of a mismatch between the communities’ most urgent needs and projects supported by the PNGO programme. There is a common view that the CFP mechanism does not necessarily ensure that the most urgent needs of the community are met and hence NGOs are increasingly disconnected from the community (Songco, Nijem and El Farra, 2006). The recent 2012 STEM-VCR report also highlighted the current mismatch between NGOs in the fields of social service provision and the needs of the communities.

While a community needs assessment exercise is expected to be part of project design in the PNGO programme, there are no specific guidelines and communities are not expected to verify or validate this assessment (NDC, 2013). The consequences of this were expressed during interviews with beneficiaries during the team’s visit to two villages in the Jordan Valley. Members from a youth club in Jiftlik shared anecdotes of how training programmes were often the focus of implemented projects and found them to be sometimes irrelevant and redundant. Similarly, young women from Kardala village shared about a project that advised on the ills of early marriage when the problem did not exist in this community.

Additionally, there was also a strong sense of fatigue expressed towards training initiatives that were provided in isolation, without any follow-up programmes that would enable the use of the newly acquired skills. It is plausible that this also results from the CFP mechanism which generates isolated and poorly coordinated initiatives or an unbalanced focus on certain themes or regions due to its top-down nature. The apparent redundancy and duplication of projects could also result from the relatively short time for project development (1 month between the announcement of a call and award of projects). This general preference for technical criteria over social dimensions was also raised by the GRET report and further concludes that in this manner the CFP mechanism opens the way for opportunistic behaviour (Huyghenbaert et al, 2013).

The PA and LGUs currently only play a limited role in project proposals submitted to CFPs. Another key weakness raised is the lack of involvement of LGUs as well as the PA in project development. In the context of Area C, LGUs are critical actors since they are effectively representatives of the PA and hence the key actors for state-building at the local level. At the same time however, there is little administrative or financial support from the PA for LGUs. As mentioned by the Mayor of Battir, Bethlehem Governorate, LGUs receive less than 20% of their operational budget from the PA.

Additionally, while the PNGO programme tries to involve the PA by requiring a letter of endorsement by the line ministry, the PA’s participation does not extend beyond this. As highlighted in the GRET report, this is problematic in the context of Area C, where donors currently must encourage the PA to demonstrate greater interest in programmes and corre-
sponding projects (Huyghebaert et al., 2013). The recent evaluation reports also bring to light existing tensions between PA ministries and NGOs. Specifically, tension has arisen between NGOs and MoPAD when the NGOs did not inform the MoPAD of their activities (Huyghebaert et al., 2013). Tensions have also arisen as NGOs and the Ministries are perceived to be competing with each other as service providers (STEM-VCR, 2012). This problem needs to be addressed as NGOs will remain key actors on the ground and the strength of this triangular relationship between the PA, LGUs and NGOs is critical for the success of projects.

CRDP, which used the CFP mechanism in its first phase, focused on the identification of community needs as the basis of projects with the renewed focus on PA as a central actor. CRDP aims (CRDP, 2012) to empower local stakeholders in Area C and East Jerusalem, through the most appropriate partners (LNGOs, INGOs), to act with resilience in response to the threats that affect their sustenance on the land through:

• Preventing the erosion of Palestinian development capital in Area C and East Jerusalem;
• Protecting Palestinian land, livelihoods and property in Area C and East Jerusalem;
• Mitigating and reversing migration flow and forced relocations from Area C and East Jerusalem (CRDP, 2012).

The programme was designed to “assist the Palestinian Authority to plan, channel resources and implement actions for Area C and East Jerusalem to strengthen resilience of local communities and promote local development” (Fatiq, 2013).

While the first set of projects was selected through a blind call, the key strength of the programme lies in its acknowledgement of the importance of community needs. Currently, a comprehensive needs assessment exercise is being conducted by a team from Birzeit University and will identify priority areas of intervention for the selected 100 communities.

This exercise will help design the next call for proposals with a more targeted and sectoral approach. One of the objectives of a comprehensive assessment is also to allow for the identification of complementary projects that can address multiple needs in one area, thus enabling a holistic approach. Additionally, the programme grants ownership to the PA which is involved in the geographical and sectoral reach of the projects and in this way, the Ministry of Planning and Administrative Development (MoPAD) will have direct oversight on projects in Area C.

CRDP is in the early stages of implementation and some teething problems have emerged. While the needs assessment exercise aims to be comprehensive, there were doubts raised by the Birzeit team concerning the rigour of the exercise. They said that while a participatory approach is taken and statistical tools are used to validate data, the main limit has been time. Each exercise lasts 1-2 days and this has not allowed for sufficient time to contact the right people and build relationships.

UNDP is a contractual partner and while it serves as a legal tool in dealings with ICA, there have been questions raised about its high consultancy and management fees. On another note, CRDP currently uses the mechanism of CFP, similar to PNGO, and it should be ensured that both programmes operate in a complimentary fashion in order to realise their respective added values.

It should be noted that both CRDP and PNGO are moving into their second phases and will be changing. CRDP is expected to be more community-based and World Bank funded projects intend to use a “packaging approach”, whereby

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13 The call for proposals did not specify specific sectoral or geographical preference.
14 Covering various sectors and collecting information on (1) water and sanitation, (2) Education (access to schools), (3) Livelihood data, (4) Natural resources (land use), (5) Energy resources (electricity), (6) Health (access to care and transport).
the World Bank will select a group of NGOs (between two and four) to respond to more than one theme to be addressed at the village level. Villages will be selected on the basis of their relative poverty levels.

4.3. The community-based approach

The community-based approach can be successful at meeting the most urgent needs of vulnerable communities, but more time is needed to fully assess its potential limitations. The community-based approach designs projects at the community level in Area C. One main objective of this approach is to ensure a strong responsiveness to the most urgent needs of communities by first understanding the needs and designing projects with the relevant implementing agents to address them. This approach offsets the weaknesses of the competitive approach, which was earlier noted to result in mismatches between the funded projects and the most pressing needs. However, given the territorial fragmentation of communities in Area C and the limited geographical spread of these types of interventions, it may be difficult to reproduce the success of projects in specific communities at a larger scale.

UNDP has developed a programme, the Deprived Families Economic Empowerment Programme (DEEP), using a community-based approach to respond to the economic needs of the populations of Area C. A first project under the programme focuses on family units, whereas a new pilot project is being developed to increase project outreach to a community level. It will focus on villages not heavily targeted in the past and select families using a poverty scoring based on consumption and income, not assets. While both projects will be described below, only the newer project serves as an example of the use of the community-based approach to project design. Both projects aim to promote the economic empowerment and the business opportunities of the communities in Area C.

The DEEP project serves as a useful example to demonstrate the results of the community approach when projects at both family and community levels are considered. Additionally, an AFD pilot project in the village of Khirbeit Zakaria, with projects addressing sectoral needs, serves as a second example of the community-based approach and is also discussed.

Box 6. DEEP Phase I

The first DEEP project aims to support the livelihood of individual families in Area C based on the promising results in Areas A and B, but has limited outreach. The project uses the family approach to target the neediest, using the MoSA list of needy families as a point of reference. DEEP is being implemented by UNDP with the financing of the Islamic Development Bank, the Qatari Charity, New Zealand Development Agency and Swedish International Development Cooperation Agency. SIDA has supported the livelihood of individual families in the most marginalised areas of the PTs since 2007. The programme provides an inclusive approach to targeting vulnerable, yet productive, households and engaging their family members in sustainable income-generating activities, mainly micro and small enterprise development, by providing them with financial and business development services.

These microfinance loans are granted under Islamic banking, which facilitates the acceptance of loan subscriptions by the families. This initial approach has been developed in Areas A and B since 2007, and more than 9,000 families have benefitted from this programme and created family-owned businesses. According to the outcome evaluation (conducted by the Islamic Development Bank and the Palestinian Authority for the first three years), the results on reducing the poverty gap are positive: around 80% of the established enterprises
were operational and gradually closed the household poverty gap three years after their startup date, and approximately 20% of them have grown and have completely closed the poverty gap by providing employment for other households.

The project adopts a participatory methodology in the design of income-generating interventions that builds on and develops the existing capitals that define the household’s livelihoods. Through this methodology, the project ensures that the targeted entrepreneurs are actively engaged in the process of design and implementation, thereby ensuring a strong sense of ownership to help guarantee the sustainability of the intervention. The families are selected according to a two-fold process: (1) a measurement of a poverty scoring based on a consumption basket food formula as defined by the Ministry of Social Affairs, (2) a household livelihoods assessment in order to evaluate the existing social, human and financial capitals of the families.

However, the business development possibilities are relatively small in Area C, therefore creating a risk of redundancy of the different microfinance projects which may lead to non-profitable businesses. Indeed, the size of the population in Area C is rather small compared to Areas A and B and the replicability of the programme’s success from Areas A and B to Area C is still to be tested. In addition, the process to assess the existing capitals within families does not seem well-defined. The results of this programme are difficult to assess, as its development in Area C is indeed still very recent.

Based on these promising results, the project has been extended to the most marginalised communities in Area C so as to grant them the ability to sustain themselves on their own. Eventually, this programme will help create employment opportunities as well as a feeling of self-satisfaction.

DEEP has developed a second programme to initiate a “win-win” mechanism with established business partners. The Business Engineering programme under DEEP supports the development of well-designed economic projects and custom-made financing modalities. This innovative program is a business development program targeting families. It links Palestinian small businesses and businesspeople, particularly those from low-income families, with experienced larger businesses and partner investors. This initiates a “win-win” mechanism for both the large investor and the small families. Supported by the Islamic Development Bank (IDB), this project was influenced by promising results from a similar project in Sudan. Thanks to spillover effects, net benefits of this initiative are enjoyed both at the family and community levels. As both small and large businesses expand, employment in the community will increase. Additionally, the program is designed so that both the established partner and the poor have a stake in the outcome (Fatiq, 2013).

As of today, there are seven projects under discussion to launch with the Deep Business Engineering: six are in the agricultural field (development of olive oil industry, creation of a date business, etc.) and one aims at creating a plastic factory. Where construction is required, facilities are likely to be built within Areas A or B, but recruitment of the labour force will include populations in Area C.

In this mechanism, the different actors are business partners all committed to a joint venture capital. This initiative is rather innovative in the PTs where the business environment and culture are still very weak. Interviews in the field have reflected that the high demand for Palestinian exports is currently not matched by Palestinian capacity and know-how. By linking experienced businesses and investors with endeavours in Area C, economic opportunities are generated for the mainly young, skilled and motivated population and a mutually profitable arrangement is reached. This serves to boost the Palestinian market and provide a valuable transfer of business knowledge.
However, at this stage, the results of the new phase of the programme which targets Area C remain to be assessed. The success of securing business partners who are willing to invest in Area C, usually seen as a high risk venture, still needs to be tested. In addition, it is difficult to anticipate how Israeli laws could evolve towards greater restrictiveness of Palestinian business development and they may pose obstacles to the overall success of this initiative.

The Kirbeit Zakaria pilot project provides a positive example of a multi-sectoral project built on a combined family and community-based approach. While in the field, the team was exposed to a pilot project that attempts to implement multi-sectoral solutions in sensitive areas within Area C. This pilot project takes place in the village of Khirbet Zakaria, which is surrounded by 12 settlements, a military camp and Civil Administration offices and therefore put in a precarious position and under close scrutiny by ICA.

In this village, NDC, in coordination with AFD, performed a needs assessment exercise to define the most urgent needs of this community. Based on the identified needs, NDC, in coordination with AFD, designed multi-sectoral projects and directly identified implementing partners to respond to these needs. These NGOs were not selected through a call for proposal but rather chosen for their expertise in certain sectors to respond to the needs of the selected community. Several projects were then designed in accordance with the community. These projects, such as home rehabilitation and cistern renovation, both served to support needy families as well as to build community resilience (AFD, 2013).

The first phase of the project comprises two sub-projects. The first one, which is at the family level, deals with the refurbishment of several homes in the village through Riwaq, a local NGO whose purpose is to enhance the living conditions of the most marginalised families in the village. The second sub-project, which is at the community level, aims at building income-generation projects and fostering empowerment for women through the technical support of the Young Men’s Christian Association (YMCA). The team met with the beneficiaries of both sub-projects of the first phase, visiting the rehabilitated homes and meeting the newly created Women’s Committee in the village.

The second phase of the project is mainly based at the community level, with the exception of the second phase of housing renovation. Three sub-projects are currently in the inception phase: one microfinance initiative which would focus on identified potential business to link with Microfinance Institutions (MFIs), possibly the Arab Center for Agricultural Development (ACAD); a psychosocial initiative which is still in development with the technical assistance of the Palestinian Counseling Center (PCC); and a last sub-project based on land reclamation and cistern renovation.

The initial results of the Khirbet Zakaria pilot project are promising. The housing renovations improved the houses significantly and 45 women participated in the empowerment classes as well (AFD, 2013). In addition, the multi-sectoral nature of the project serves the goal of reaching different but equally urgent needs within a specific community, and creates the possibility of different projects building on each other, while primarily increasing community resilience.

However, it must be acknowledged that in trying to scale up this pilot project, understanding the needs of a number of targeted communities and designing solutions collectively with the community and NGOs is a time-consuming process.

\[15\] YMCA has designed an integrated training program including both theoretical & practical training in several fields (agricultural work, family health, environmental health, first aid, animal production, beekeeping, food processing, small project management, nutrition, and photography) (NDC, 2013).
4.4. The clustering approach

Starting at the community level, the clustering approach involves grouping small communities together so that they can benefit from the provision of shared services and resources. Small communities within Area C, such as the village of Hammamat Al Maleh in the Tubas Governorate, are sparsely populated or have populations of less than 100 persons (see Table 3). In these instances, the provision of a full-blown health center or school to such a small population may result in the inefficient use of donor funding. By consolidating small communities and providing resources that villages can equally share and access, however, a critical mass can be created and services delivered more efficiently. The effectiveness of clustering can be limited by the necessity for a level of cooperation among villages. Logistically, the presence of Israeli checkpoints can serve as an impediment to clustering as it can make the sharing of services difficult at the practical level by restricting movement.

The amalgamation initiative aims at consolidating communities with similar needs, but requires cooperation between villages. Amalgamation aims to group villages who share common needs and who are willing to act collectively in the provision of infrastructure (roads) and basic services, such as health, education and waste collection. This would be achieved through the creation of Joint Service Councils, which are legal entities that are able to collect revenues, such as taxes and service charges. The Ministry of Local Government oversees this process in partnership with the MDLF.

In order to participate, villages that want to undergo amalgamation must apply to the MoLG through their local village councils. The MoLG conducts the necessary field study to identify clusters within the PTs, and once identified, villages within the same cluster can agree to merge and become a new municipality, that is a new entity, not just a cluster of villages that are cooperating with each other to share services. Once this new municipality is formed it becomes eligible for the Municipal Development Lending Fund (MDLF), receives increased financial resources and is able to conduct municipal functions.

Amalgamation supports the Local Government Reform and Development Programme (LGRDP), which is aimed at decentralisation at the village council level. The second aim of the amalgamation initiative is to support the decentralisation process at the village council level in general and more particularly, the local government development process. This decentralisation process, which commenced in 2011, is put into effect through three parallel components:

(i) Direct institutional capacity development of all stakeholders involved in decentralisation, territorial administration and local governance: MoLG, its regional branches and Local Governments Units (Villages and Municipalities); through the MDLF, the new municipality can receive more financial resources and can perform municipal functions;
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(ii) Support to four LGU clusters in the framework of the amalgamation strategy through the Municipal Development and Lending Fund (MDLF) in charge of implementing the MoLG policy. The great number of small Local Government Units illustrates the need to integrate them into larger, more viable municipalities, which will perform municipal functions and provide a set of basic services to their citizens as defined in the Local Government Law of 1997;

(iii) Support to new amalgamated municipalities through the Municipal Development Fund (MDF).

While the strengths of the amalgamation initiative are numerous, its success is contingent upon the villages’ willingness to agree on resource sharing. The amalgamation initiative is largely supported by the MoLG and mainly funded by the Belgian development cooperation agency (BTC). The benefits of this approach are two-fold: (1) it provides high-quality service delivery for the communities at a limited cost, and (2) it empowers LGUs, and especially villages, whose competencies and resources have been limited until now. The importance of involving people at the local level was often mentioned during the interviews and confirmed in the literature review. This idea has also been supported in the literature, where it is viewed that “the local level is a scale of action of the utmost importance” in the PTs (Signolles, A. 2013, Huyghebaert et al., 2013). Villages and the municipalities are indeed the oldest levels of governance within the PTs. This long history partially explains why Palestinians are tied to the local levels of governance, which represent a respected authority. A discussion at the bottom level to initiate the amalgamation process will naturally foster synergies between projects.

However, amalgamation is difficult to implement. First, at the LGU level, agreements are difficult to reach between village councils. In Palestinian Territories, power conflicts at the village levels can be intense and it may prove difficult for village chiefs involved in an amalgamation process to give up their local powers. As a consequence, the amalgamation approach is still at an initial phase and will be complicated to implement. Second, at the PA level, coordination among the different partners involved in this programme can be problematic, as the Ministry of Local Governance, the Ministry of Local Government (MoLG), the Ministry of Planning, the Municipal Development and Lending Fund (MDLF) and the Local Government Units (LGUs) all have different mandates. Second, an expert stated that only the municipal coordination between Bethlehem, Beit Jala, and Beit Sahour is showing some success because these municipalities have been working together for a certain period of time and they do not have any more space to develop on their own (Signolles, 2013). In addition, between the PA and the local level, there is a clear lack of communication and coordination. The internal procedures for designing the amalgamation process at the Ministry level and for conducting the implementation at the municipality/village levels appear not to be well-defined.

In a long-term perspective, the team identified two other potential risks. First, the conditionality of merging for receiving the Municipal Development Fund can create perverse incentives for villages to amalgamate where there is a low rationale in terms of geographical proximity and no common development patterns exist. In this case, the funding appears as the only rationale to merge. Second, amalgamated municipalities can suffer from a certain lack of legitimacy as their representatives are not directly elected by the population. For these reasons, the PA is shifting its focus and is moving away from creating new municipalities and focusing on initiatives that encourage villages to share services.

Therefore, the amalgamation process is not a good indicator of the feasibility of the cluster approach. It provides evidence on the issue regarding the dialogue among neighbouring villages.

Due to the limits posed by the amalgamation process, the PA is moving towards an agglomeration process. Based on
the French example of decentralisation, each village will keep its power and its autonomy, but some services will be shared to ensure they are sustainable. These shared services will be determined upon an agreement between the PA and the different localities according to the scope of competencies and responsibilities that can be shared between localities. The financing will be shared between communities according to different criteria to be defined (demographics, size of the locality, etc.).

The Village Neighbourhood Development Project (VNDP) targets economically vulnerable communities for joint project implementation. However, the design of joint projects can be a slow and difficult process. The Village Neighbourhood Development Project (VNDP) aims at promoting coordination between communities to both build their capacities and allow for the joint management of resources. The VNDP is implemented by the Ministry of Local Government (MoLG) and funded by the World Bank, with a project budget of USD 10 million and a four-year implementation time frame, from 2009-2013. The aim of this project is to assist the most marginalised neighbourhoods, village communities and refugees, employing a community-driven development (CDD) model of implementation to manage and target resources. Target beneficiaries are selected through poverty mapping with an aim at servicing communities with populations of less than 5,000 people in more remote communities, deemed to have less mobility.

Grants are not expected to provide an incentive for community planning and collaborative implementation of activities at the local level. Through planning and the implementation of susub-projects, communities are expected to “learn by doing” and acquire the skills to manage their own development. The World Bank designed VNDP to be implemented within two 24-month phases. The first 24-month phase, or “programme cycle”, was completed in 2011 and the second programme cycle will be completed by October 2013.

Community mobilisation is achieved through the creation of a project support group (PSG). These PSGs are comprised of village council members, the youth, and women from the community. PSGs from different villages are then brought together to form a joint project support group (JPSG), which will work together to develop joint projects for the communities represented.

Although the VNDP prioritises capacity building for LGUs, tensions and distrust can make joint project design difficult to realise. VNDP has a strong capacity building component, aimed at bolstering the tools of LGUs to be responsible for their own development. This allows the village councils to take ownership of the development of their communities, serving the larger goal of state-building. In addition, the community development plans designed as part of the process can be used as a tool to leverage additional funding.

However, as in the amalgamation initiative, strong trust issues and tensions between village councils and CBOs have made the design of joint projects slow and difficult. The programme also encountered difficulties during project implementation as construction has proved difficult due to projects requiring a permit from ICA.

To conclude, the clustering approach optimises intervention efficiency by creating a critical mass of beneficiaries, but is dependent upon neighbouring villages’ willingness to share services. This approach provides strong responsiveness to the needs of the communities while supporting the advancement of state-building. However, the provision of shared services in villages of Area C will naturally be hampered by Israeli constraints for approving permits to build physical infrastructure. If a cluster is envisioned between several villages in Area C where the needs are common in terms of health buildings, classroom buildings or sewage, the clustering approach by itself will not allow the building of any hard infrastructure. The planning approach, using the master plan tool, may be a useful option to overcome this constraint.

16 The “Intercommunalité” legislation in France is mainly based on “Loi ATR” (1992) and Loi “Chevènement” (1999). The adoption of the 2010 law entitled “Loi de réforme des collectivités territoriales” gives the latest institutional framework for the different forms of gathered localities.
4.5. The planning approach

The planning approach aims to design development projects by zoning and delineating the needs of communities in terms of infrastructure. The main tool currently used under this approach is Master Planning. Originally initiated in 2009 by a Palestinian non-profit research centre, the International Peace and Cooperation Centre (IPCC), the Master Plan initiative was taken up by the Ministry of Local Government (MoLG), with the support of some members of the international donor community such as BTC, France, GIZ and the UK, as part of its comprehensive action plan for Area C. The Master Plan initiative was taken up by the Ministry of Local Government (MoLG), with the support of some members of the international donor community such as BTC, France, GIZ and the UK, as part of its comprehensive action plan for Area C. The cost of the creation of a Master Plan is variable. At a round table organised for donors in Jerusalem, BTC indicated that it estimates that plans cost between EUR 25,000 and EUR 40,000 per plan.

Master planning consists in creating physical plans for the built-up areas of all 275 communities in Area C by 2014 and submitting them to the Israeli Civil Administration (ICA) for approval. The built-up areas represent approximately only 1% of the entire Area C, leaving agricultural lands and non-exploited lands unplanned. As of today, 32 of these Master Plans have now been completed (first by IPCC, then revisited by MoLG in accordance with the local village councils to better fit the Palestinians’ development objectives), and submitted to ICA by the village councils. A period of 6 months is allotted for technical discussions and objections to be registered (a non-response will be interpreted as a tacit approval), after which MoLG will start physical construction according to these plans (MoLG, 2013). No Master Plan has officially been approved as of today (OQR, 2013; Palestinian Authority, 2013), yet the political pressure from the international community has pushed for the pre-approval of the first six Master Plans, with another six currently under review at the Ministry of Defence office (see Appendix 4 and 5).

Master Planning provides a tool for construction to take place within planned borders. The production and submission of physical zoning plans of the communities to ICA effectively places a moratorium on demolition laws for the duration of the plan approval process. Discussion at the round table also revealed that although Master Plans do establish zones in which construction can be done, ICA permits must still be obtained for the construction to be legal. However, communities feel protected by the moratorium in place upon plan submission and have made efforts to construct new buildings. To date, this moratorium has been respected by ICA and no demolition of the new construction has been recorded within areas under a Master Plan (Bimkom, 2013). In this way, these plans can serve as a legal tool to halt demolition orders and to act as a shield against future demolition orders as well as settlement expansion (BTC, 2013). It was also noted that some actors, namely the Palestinian Authority, are starting to treat ICA silence as tacit approval and have decided to launch projects involving construction even if it has not been formally approved by ICA, pushing donors to support construction following the 6 months allocated for technical comments and objections, assuming that there are not any (Palestinian Authority, 2013). The MoLG policy is now to start physical construction according to these plans.

Master Planning is a long-term solution and is viewed by some to be detrimental to Palestinian state-building objectives. Through Master Plans, village councils are awarded the responsibility and gain the skills required to plan for the long-term developmental needs of their communities. However, concerns have also been raised that Master Plans are in this way being used to restrict development within planning limits (Bimkom, 2013). A fear associated with this reality, and stressed by actors such as ARIJ and Bimkom, is that this exercise could provide ICA with the means of zoning land outside of these limits as “state land” which then gives it full jurisdiction.

The Planning Approach presents a solid foundation for looking at the developmental needs of the communities. The plans lay out the different zones for the communities and physically define the different uses for the land.
However, master plans are a long-term solution for development as the process can take years to complete and hence might not be useful for addressing urgent needs and building immediate resilience for communities.

“Master Plans are only an administrative solution” (UNDP representative).

MDLF, selected to be the implementing mechanism for the Master Plans, has a good track record but faces criticism that has led some donors to seek alternate ways to fund Local Governmental Units. According to an interview with MoLG, MDLF’s mandate will be expanded to allow for it to fund development projects in Area C, as defined in the Master Plans. However, MDLF will implement only hardware projects, such as infrastructure. Software projects such as land reclamation cannot be handled by MDLF, although these can fall under the purview of others, such as UNDP (Fatiq, 2013).

Master Plans have been adopted by the PA under the auspices of the Ministry of Local Government. The European Union, France, United Kingdom, BTC, and GIZ are providing funding. The EU is leading the Master Plan approach and has selected MDLF to be the implementing agency. The EU has created a project dedicated to the Master Plan initiative to facilitate the deliverance of construction permits. The EU expects the process, after perimeters are set, to take only 6 months for formal approval, and specifies the PA as the authority to grant construction permits (European Union, 2013).

Box 7. Assessment of MDLF

Although still a relatively young fund, MDLF has already built up a solid reputation, according to an AFD ex-post evaluation on MDLF in 2011. It has proven itself to be an effective mobiliser of donor funds and had an acceptable level of outputs vis-à-vis the projects that it had carried out on behalf of donors. In terms of efficiency, the evaluation indicated that MDLF was satisfactorily efficient, but that there were areas where MDLF could make the project cycle more streamlined, particularly in the bidding and negotiation phase (Sénéchal, 2011).

MDLF also came under some criticism for its accountability and reporting structures which the evaluation highlights as not being completely up to donor standards. Specifically it was reported that it was not as quick or as reliable as it should be and that donors desired that MDLF be more transparent in its reporting. The legitimacy of the fund as the sole mechanism for channelling PA and donor funds to the local government was called into question as some external donors had taken steps to channel funds to LGUs outside of the MDLF mechanism (Sénéchal, 2011).

Master Planning could be useful in the short term when combined with other approaches. The planning approach is by nature an independent exercise to the other approaches described in earlier sections and can be carried out in parallel. It is viewed that the “protective” element awarded by this approach through the moratorium on demolitions could benefit other approaches, particularly when construction is a critical need.

Considered together with the clustering approach in particular, the planning approach can be useful to determine the location of potential clusters in Area C. If a cluster consists of a village or community that has benefitted from the Master Planning exercise, the protective feature of Master Plans can be shared by neighbouring villages in the same cluster. For example, the required physical infrastructure can be constructed in the village with a submitted Master Plan and the other villages in the cluster could benefit from the provision of shared services and resources.

17 The Municipal Development and Lending Fund (MDLF) was created in 2005 with the aim of encouraging the allocation of various Palestinian Authority funds, as well as donor funds, to the Palestinian local government and local government units (LGUs). The objective of MDLF is to improve the delivery of municipal services, promote economic development, increase accountability, and improve efficiency with regard to municipal service provision. MDLF also works to improve the mobilisation of donor assistance, streamline intergovernmental financial practices, and enhance emergency response capacities. It channels funds from the PA to 134 municipalities located both in Gaza and the West Bank. Currently, the PA is allocating money based on the size of the population, its needs and the efficiency of the municipal management. Municipalities are allocating the resources to different projects through the Strategic Development and Investment Plan – SDIP (a prioritisation process performed by municipalities through participation).
Box 8. The possibility of combining clustering and planning approaches

A combination of the clustering and planning approaches may be capable of yielding gains that neither of the approaches can offer when implemented alone. If planning is selectively done for a community, which would otherwise be identified as appropriate for inclusion in a cluster, this community can become the focal point for shared resources. As this central community may become less vulnerable to demolition once its planning/zoning is accepted, there may exist an opportunity to provide the basic services of health and education to a group of communities, who would in fact share in the use of resources housed within one planned community amongst them. Reaching a critical mass with efficient service delivery and a level of sustainability for gains made is the main benefit that this combination of approaches appears to offer.

In order to address the second research question of how AFD’s interventions could be refined to meet the needs of communities, the most suitable approaches for AFD need to be identified. To this end, the different approaches previously discussed are assessed according to how well they meet AFD intervention objectives (on a scale of 0 to 3) and the extent to which they pose certain risks (on a scale of 0 to -3). The intervention objectives were defined based on those expressed during discussions with the AFD Jerusalem office as well as those documented in AFD’s Operational Guidelines. Risks are also critically analysed in view of AFD’s preference to adopt a “zero risk” approach to project implementation. In addition to smaller scale and community focused projects, AFD also undertakes a number of large-scale infrastructure projects, whose approval is contingent on a good working relationship with ICA. Hence, it would be counter-productive if risks from some projects negatively impacted the success of others, and this is also a factor for consideration.

The relative performance of each approach is given in the summary grid presented in Table 6. These objectives have been selected based on analysis of background documents and interviews in the field. This list of objectives is intended to provide a guide for AFD and can be supplemented with additional objectives and/or weighted to reflect different degrees of importance. The objectives and risks are as follows:
### Table 6. Approaches: Description of objectives and risks

<table>
<thead>
<tr>
<th>Objectives</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Responsiveness</td>
<td>Assesses the ability of the approach to address the most urgent needs of the community through an analysis of the extent to which project design or selection takes “community needs assessments” into account</td>
</tr>
<tr>
<td>State-building</td>
<td>Assesses the ability of the approach to strengthen the capacity of LGUs through their involvement in project identification and implementation</td>
</tr>
<tr>
<td>Sustainability</td>
<td>Assesses the ability of the approach to contribute to long-term development goals</td>
</tr>
<tr>
<td>Coverage</td>
<td>Assesses the number and type of beneficiaries reached under projects/programmes under this approach</td>
</tr>
<tr>
<td>Geographical reach</td>
<td>Assesses the geographical coverage of the projects/programmes under this approach</td>
</tr>
<tr>
<td>Capacity of NGOs</td>
<td>Assesses the viability and/or success of the multi-sectoral impact of projects/programmes under this approach</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Risks</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Political sensitivity</td>
<td>Assesses the impact on the relationship with the Israeli Civil Authority Administration as a result of required negotiations for approvals or permits</td>
</tr>
<tr>
<td>Time for project implementation</td>
<td>Assesses time taken for project implementation and factors in delays resulting from (i) complexity in the coordination of different actors, (ii) the presence of an established process for project selection and fund disbursement</td>
</tr>
</tbody>
</table>
Refining AFD’s Interventions in the Palestinian Territories

Table 7. Assessment grid for intervention approaches

<table>
<thead>
<tr>
<th></th>
<th>Objectives</th>
<th>Risks</th>
<th>Total (out of 24)</th>
<th>Score</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Responsiveness</td>
<td>State-building</td>
<td>Long-term Development</td>
<td>Coverage</td>
</tr>
<tr>
<td>Competitive</td>
<td>1</td>
<td>1</td>
<td>1</td>
<td>2</td>
</tr>
<tr>
<td>Community-based</td>
<td>3</td>
<td>1</td>
<td>3</td>
<td>1</td>
</tr>
<tr>
<td>Cluster</td>
<td>3</td>
<td>2</td>
<td>2</td>
<td>2</td>
</tr>
<tr>
<td>Planning</td>
<td>0</td>
<td>2</td>
<td>3</td>
<td>1</td>
</tr>
</tbody>
</table>

Box 9. A new AFD-sponsored programme in the making focusing on Area C

AFD is in the process of developing a programme in collaboration with the Islamic Development Bank (IDB) and UNDP, which aims at enhancing the resilience of the population of the most marginalised communities. The main idea is to go beyond the mono-themed one-off interventions to establish a more comprehensive programme targeting mid-term impact on both the individual family and the community level (according to AFD-UNDP-IDB’s concept note). The programme plans to use an essentially community-based approach within a cluster of villages, but could also benefit from a combination with a clustering approach.

Cluster and community-based approaches emerge as the most suitable in terms of meeting AFD objectives as well as addressing risks. While “clustering” is being evaluated as a separate approach, it can also be viewed as an extension of the community-based approach which focuses on grouping multiple communities with similar needs and a will to cooperate. Upon studying many of the villages selected for the shortlist according to the vulnerability criteria defined, the most vulnerable villages are often small. The cluster approach offers the additional benefit of enabling a more efficient response due to the creation of a critical mass and results in wider impact. It also provides a framework by which families can be reached in an efficient manner. Community-based approaches are fundamentally founded on a needs-based approach and provide greater assurance that addressing the community’s most urgent needs are the main objective of projects/programmes.

In trying to combine the objectives of the two approaches, certain technical challenges arise for AFD as a donor and it would need to select relevant partners to assist with project implementation. At the cluster level, partners are required to coordinate activities and communicate between the different village councils. Some partners who have previously played this role in AFD projects include NDC and UNDP. Additionally, in terms of designing specific projects to address the identified needs at the community level, the expertise of specialised NGOs would be required. These NGOs could still be selected...
through a competitive bidding process, although this process
would likely be limited to a smaller group of candidates and
should feature the results of a community consultation exercise
as a key component of the project proposal.
The planning approach does not perform as well according to
this grid, particularly as the long-term view of this approach
does not make it the most responsive one. Additionally, the
extensive interactions required with ICA and the long ap-
proval period pose risks for AFD. However, as discussed in
an earlier section, the “protective” feature of plans developed
through this approach is valuable and complementary to the
clustering approach.
5. RECOMMENDATIONS

**Recommendation 1**: Comprehensive needs assessment will allow for the communities’ most urgent needs to be met, and consequently strengthen their resilience.

Understanding the challenges to development in Area C as well as its economic and political importance for the viability of a Palestinian state, resilience becomes a prime objective for development agencies. Field interviews and many of the evaluation reports highlight that projects are not addressing the most urgent needs. Local development interventions should focus on the most vulnerable communities, i.e. the people that are most likely to leave their land. Understanding the most urgent needs of these communities is key for these interventions to be efficient and effectively increase their resilience.

Despite the fact that none of the current needs assessments are complete at this stage of the report, donors could base their actions on the findings of the existing needs assessments. These needs assessments can help guide project choices on a strategic level, and should be complemented with meetings with the community and the local village councils to confirm the needs and describe them in more detail. In addition, a certain fatigue is palpable within the communities regarding the multiplicity of needs assessments.

At the time of drafting this report, OCHA’s humanitarian needs assessment include the 271 communities in Area C, are the most comprehensive and most up-to-date, and can be used to identify the general needs of the most vulnerable communities. However, the level of detail of these assessments is insufficient and they need to be complemented by ARIJ’s village profiles when available. Although some that date from 2006 have not been updated, the newer profiles include needs that are not taken into consideration by OCHA (such as agricultural needs) and prioritise projects with the community in accordance with their needs. Upon their completion, scheduled by the end of 2013, the CRDP needs assessments will be the most comprehensive and will cover a large spectrum of sectors, some of which have not been assessed by any other stakeholder until now. These assessments will be very valuable and AFD is encouraged to work closely with CRDP so that the database is accessible. In the meantime, due to time constraints the Birzeit University research team faces in conducting the needs assessments for CRDP, we recommend that AFD compare CRDP’s needs assessment with ARIJ’s and OCHA’s identified needs on the specific communities where the French agency is targeting interventions.

**Recommendation 2**: AFD’s interventions could focus on the villages which are furthest from urban centres and most under threat from Israeli closures: the concentration of vulnerable communities as well as the feasibility of intervention can serve as criteria to select the areas which could be addressed first.

The communities which are further away from urban centres in Areas A and B face the most difficulty in accessing (due to the constraints of the Israeli occupation) the basic services which are essential to sustaining themselves on their land. This is important as the continued presence of Palestinian communities in Area C has wider implications on the legitimacy of the two-state solution. While some of the basic needs of these communities identified might be currently addressed by humanitarian interventions, there is now an increasing need to shift the focus to development interventions and involve the PA, or by extension the LGUs, as key stakeholders in project origination and implementation.
Hebron includes a high number of vulnerable communities. However, many of them are located in military firing zones, which makes project implementation virtually impossible, whereas in other communities located in the seam zone in Qalqilya, implementation feasibility is higher. A first level of selection of territories for intervention could be to look at the governorates with the highest number of vulnerable communities, as well as the presence of military zones and other closures which can impede implementation.

**Recommendation 3:** AFD’s response to the identified needs could be assessed against the organisation’s objectives and risks; a methodology is provided to this end.

The grid presented earlier can serve as a tool to prioritise the projects to be implemented. The grid can be further refined, with more criteria added as AFD deems necessary, and helps to assess the feasibility of the different responses. Furthermore, the community should be involved in the prioritisation process, as their own priorities should be at the source of the direction taken so that the objective of keeping them on the land is met.

**Recommendation 4:** A combination of the community-based and cluster approaches will allow for the most efficient response to the community’s needs. The planning approach can be used to complement these approaches by offering opportunities for hard infrastructure projects to take place.

AFD could design its future projects based on a combination of the community and cluster approaches. The two approaches are natural complements to each other, as vulnerable communities are often small and clustering enables the most efficient response by creating critical mass. This allows for common critical needs to be met in one project instead of multiple community-based projects, thus resulting in wider impacts. Both approaches also begin project design with an understanding of the needs of the communities, avoiding a possible mismatch between community needs and project outcomes. The multi-sectoral nature of the community-based approach is key to ensuring that various needs are met for a wider pool of beneficiaries, while LGUs are empowered to take responsibility for their development.

The strongest limitation of this combination relates to the longer time for projects to be implemented as the process of understanding and matching the needs of different communities, and obtaining buy-in from different community leaders, can be time-consuming. AFD should be sure to gauge the willingness of neighbouring communities to work together on joint projects and provide incentives such as the possibility for each community to develop and design its own project.

Therefore, a second level of selection of communities for AFD to intervene contains those which are geographically close to each other and provide a potential for clustering, with an emphasis on whether some of them have spatial plans under the Master Planning initiative. Communities which have benefitted from the various spatial planning initiatives are interesting as they offer the possibility for construction or rehabilitation to infrastructure that is particularly difficult to achieve in Area C due to the requirement for permits.

Moreover, AFD should aim to involve people at the local level. This idea is supported by one of the experts interviewed, Aude Signolles, and highlighted in the GRET report which deems "the local level (to be) a scale of action of the utmost importance" in the PTs. As recommended by GRET, the team supports creating positions of “local development workers” who will work as an intermediary between AFD and the local village council. In terms of needs identification, this worker can be a “social facilitator or mediator to bring together different groups of actors to discuss and exchange about their problems and their needs in order to allow them to assess their own priorities and needs in connection with broader planning efforts and strategies at local level when they exist” (Huyghebaert et al, 2013). The addition of these workers is particularly relevant for projects under a community-based approach. Moreover, as part of the staff of the local village council or of the small municipality, the team believes that the local development worker can work in close cooperation with the head of the...
village council to monitor the disbursement process at the population level and reduce the risks of corruption.

**Recommendation 5**: AFD should continue to encourage dialogues to strengthen coordination among donors and other actors and make sure to include humanitarian agencies.

Area C represents a relatively new focus for donors who have been present in the West Bank and Gaza for decades. Accordingly, coordination of donor efforts as well as knowledge sharing in Area C remain issues for which many improvements still stand to be made. This fact was repeatedly underlined during interviews in the field. While each donor is unique in composition and must adhere to a specific mandate and set of objectives, practical gains can benefit the entire donor community through increased dialogue and understanding of one another’s operations in the field.

In March 2013, AFD initiated a forum for donors to discuss their currently ongoing projects in Area C (Appendix 8). This forum demonstrated that donors are not fully aware of one another’s work, but also served to illustrate the advantages that open dialogue between these entities can bear. AFD should continue to lead dialogue sessions within the donor community, providing an arena for collaboration and constructive debate. Furthermore, as the humanitarian agencies have been present in Area C the longest, their inclusion is recommended so that the added value of lessons learned can be incorporated into the discussions. There is a great potential for synergies between humanitarian and developmental interventions in Area C, and the team has sensed a strong willingness and readiness from humanitarian agencies and human rights advocacy NGOs to join forces in Area C.
APPENDIX 1. Presentation of the five *ex-post* evaluations

The key documents guiding our study are the five evaluation reports as detailed below:


   This *ex-post* evaluation was commissioned with the purpose of reviewing the AFD Municipal Development Project (MDP), which was implemented by the Municipal Development and Lending Fund (MDLF) in 2004. The threefold objectives of this evaluation therefore were (i) to provide an evaluation as to the efficiency, relevance, and impact of the MDP for the programming period from 2004-2010, (ii) to review sector-wide questions related to municipal development, such as financing sustainability, implementation priorities, and strategic orientations, and (iii) to draw lessons learned in connection to future strategic planning for the programming period of 2010-2013. In addition to evaluating the MDP, a series of recommendations are provided within this evaluation with the aim of improving functionality.

2. *Ex-post* evaluation of French NGO projects financed in the Palestinian Territories as related to the NGO Partnerships Department (within AFD) and the AFD Evaluation Division – 2012.

   The evaluation intended to evaluate the performance of French NGO projects financed by the Ministry of External and European Affairs and AFD. All projects, except for one from 2004, were financed between 2008 and 2011. The majority of French NGO partners were Palestinian NGOs. Overall the report concluded that the most successful projects had competent and experienced project managers, good Palestinian partners, adequate management and implementation, and close positive relationships with their partners. The report presented some key recommendations for AFD and DPO (NGO Partnership division – “Division du Partenariat avec les ONG”): AFD’s need to clarify its objectives *vis-à-vis* humanitarian *versus* development assistance; the need for studies to clarify Palestinian NGO needs and the PA’s development needs (to be shared with the French NGO community); and AFD’s need to have more stringent approval procedures for NGO projects and delineate clear roles and responsibilities *vis-à-vis* French NGOs and their partners.

3. *Ex-post* evaluation of two projects on local development which aim at developing infrastructure in marginalised areas (put in place through PECDAR and NDC) – 2012.

   The purpose of this *ex-post* evaluation was to formulate a reasoned and well-argued opinion on the relevance, effectiveness, efficiency, impact and sustainability of two projects funded by Agence Française de Développement comprising 87 micro-projects, with respect to the context, policy and procedures of AFD Group’s intervention. The two AFD projects in the Palestinian Territories aimed both at building small infrastructure at local level in order to meet the basic needs of the population and at creating jobs, but relied on two different approaches: the Community Development Programme in the West Bank, implemented by the Palestinian Economic Council for Reconstruction and Development — PECDAR (CPS3002 from 2004-2007) and the Job creation and infrastructure building project in the West Bank & Gaza, implemented by the NGO Development Center — NDC (CPS3007 – from 2006-2010).
4. Mapping study of Palestinian NGOs’ activities in the Bethlehem Governorate in order to evaluate the complementarities and competition among the services provided by the state, the municipalities, and civil society as well as the existing dialogue between actors – 2012.

This study aims to identify the main dynamics and factors related to the relationships between Civil Society Organisations (CSOs) and public authorities in the provision of social services. The study is primarily concerned with the investigation of a set of risky dynamics which include: a) the dependency of service provision by donors; b) “ad hoc” project or project-based service delivery; c) the fragmentation of service delivery and/or the overlapping of services; d) the lack of service standards; e) the proliferation of NGOs and other kinds of organisations only focusing on service provision; f) the competition among CSOs and between them and the PA; g) the emergence of governance voids, particularly at grassroots level; h) the reduction of public legitimacy of CSOs (STEM-VCR, 2012).

The understanding of these dynamics is critical and relevant, and could have potential applications in the context of Area C where CSOs have traditionally been the key implementing agents. Additionally, this study could offer lessons in dealing with what is expected to be a more complex setting for project implementation given the new focus and commitment of a new and yet critical actor, the PA, to Area C.

5. Internship report on the different intervention modalities existing in Area C — 2012.

The report describes the challenges of aid development in Area C and how AFD can tackle them to intervene efficiently in this area. This report also articulates the value of the humanitarian approach taken by actors such as ECHO and raises the important question of whether additional development projects can be achieved while circumventing constraints posed by the Israeli Administration. Within this context, AFD has chosen another direction and has decided to focus on the resilience of population in Area C. To do so, two options are presented: the DEEP programme and the redefinition of the NDC mechanism towards a more “assembler” role. The discussion of “The Master Plan” also highlights existing knowledge gaps in understanding the lack of consensus in the international community. Please note that the “internship report” was a solid base for understanding the background of Area C, its constraints and opportunities. However, the team did not rely on this report for the analysis presented herein.
APPENDIX 2. Example of the scoring of potential AFD responses to address needs

Every response brainstormed to address the common needs identified for the communities was assessed on a scale of 0 to 3 to reflect how well they responded to AFD’s objectives (0 meant that the response added no value to the objective and 3 added a high value) and on a scale of 0 to -3 to assess how much risk they create for AFD (0 meant that the response created no risk for AFD and -3 a high risk).

An example of a response assessed was land reclamation, the process of restoring an area of land to a more productive state, to address the need of increasing the population’s livelihoods through agriculture.

► **Resilience**: Land reclamation adds high value to resilience as it allows farmers to work their land more productively, to go beyond merely sustaining themselves and their families and create a more dependable source of revenue. The score for resilience is 3.

► **Long-term development**: Land reclamation adds high value to long-term development as land can be used for many years to come and allows the community to sustain itself over a long period. The score for long-term development is 3.

► **State-building**: Land reclamation adds little value to state-building as it does not necessarily involve local Government units in the implementation of the projects. State-building is supported by contributing to people’s resilience but the building of institutions that would make up a state will not be enabled. The score for state-building is 1.

► **Coverage**: Coverage is measured in terms of the number of beneficiaries which can benefit from the project. Land reclamation adds some value to the objective of wider impact as it can offer labour opportunities for other people in the community in addition to a higher product yield which can be sold to other families. The score for potential for wider impact is 2.

► **Investment risk** (e.g. risk of demolition): Land reclamation creates no financial risk for AFD as it does not involve construction, and falls under initiatives presented by CRDP as not needing a permit. The score for investment risk is 0.

► **Risk to donor relationship with ICA**: Land reclamation creates no risk to AFD’s relationship with ICA as permits are not needed. The score for the risk to donor relationship with ICA is 0.

After adding all scores together, the total score of 9 was normalised to a value of .75.
## APPENDIX 3. Jenin’s needs

<table>
<thead>
<tr>
<th>Village</th>
<th>Health</th>
<th>Water</th>
<th>Education</th>
<th>Physical Access</th>
<th>Electricity</th>
<th>Sewage</th>
<th>Type</th>
<th>Population</th>
<th>Distance to closest locality</th>
</tr>
</thead>
<tbody>
<tr>
<td>Wa'ad al-Dawleh</td>
<td>Yes</td>
<td>No</td>
<td>No School</td>
<td>Limited water access</td>
<td>No Need for renovation and upgrade</td>
<td>Yes</td>
<td>No Transport</td>
<td>Yes</td>
<td>No Network</td>
</tr>
<tr>
<td>Qums al-Rihan</td>
<td>Yes</td>
<td>Yes</td>
<td>No School</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
<td>Farming 379</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Khirbet al-Muntar al-Char'ibiya</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
<td>Farming 22</td>
<td>3</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Khirbet al-Muntar al-Shar'ayye</td>
<td>No</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
<td>Farming 44</td>
<td>4</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Dhibbar al-Mahn</td>
<td>Yes</td>
<td>No</td>
<td>No School</td>
<td>Yes</td>
<td>Yes</td>
<td>Herding 190</td>
<td>3</td>
<td></td>
<td></td>
</tr>
<tr>
<td>As Sa'ida</td>
<td>No</td>
<td>Yes</td>
<td>No School</td>
<td>Yes</td>
<td>Yes</td>
<td>Herding 29</td>
<td>4</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Khirbet Siriyah</td>
<td>Yes</td>
<td>No</td>
<td>No School</td>
<td>Yes</td>
<td>Yes</td>
<td>Herding 58</td>
<td>4.5</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Legend:
- Blue: IPCC Outline Plans
- Green: Plans by BMKOM
- Yellow: ICA Special Outline Plan
- Orange: Presence of Settlements
## APPENDIX 4. Progress table of IPCC planning work in Area C

<table>
<thead>
<tr>
<th>NO.</th>
<th>Locality</th>
<th>First Submission date to ICA</th>
<th>Plan No. (ICA statutory plan number)</th>
<th>Plan Version number</th>
<th>Status 30th of Mar, 2013</th>
<th>Note</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Hararma</td>
<td>July 2011</td>
<td>1624</td>
<td>8</td>
<td></td>
<td>• Submitted 15th of April each plan submitted 6 versions for the different departments of ICA. Last submission was in 30th of January 2013.</td>
</tr>
<tr>
<td>2</td>
<td>Abdallah Younis</td>
<td>July 2011</td>
<td>3108/1</td>
<td>9</td>
<td></td>
<td>• Preparing the appendix files, (Roads network plan, roads sections, Cut and File plan) are resubmitted in 30th of January 2013.</td>
</tr>
<tr>
<td>3</td>
<td>Shenezei</td>
<td>July 2011</td>
<td>1791</td>
<td>9</td>
<td></td>
<td>• Preparing for Abdallah Younis and Inmetal waste and water waste which resubmitted in 30th of January 2013.</td>
</tr>
<tr>
<td>4</td>
<td>Tawani</td>
<td>July 2011</td>
<td>1784/1</td>
<td>13</td>
<td></td>
<td>• Abdallah Younis get the transportation approval. Submitted officially 7 hard copies.</td>
</tr>
<tr>
<td>5</td>
<td>Eilaba</td>
<td>July 2011</td>
<td>1240/1</td>
<td>9</td>
<td></td>
<td>• After agreement on the boundaries with ICA planning committee and submission to ICA departments, alternative plan was requested considering special regulations to the Archeological site.</td>
</tr>
<tr>
<td>6</td>
<td>Ras Tira</td>
<td>July 2011</td>
<td></td>
<td></td>
<td></td>
<td>• It resubmitted in 14th of August with special regulations and taking in consideration road no. 80 &amp; Archaeological site. Last submission was in 30th of January 2011.</td>
</tr>
<tr>
<td>7</td>
<td>Tanquamiya South</td>
<td>July 2011</td>
<td>1786/1</td>
<td>6</td>
<td></td>
<td>• Preparing the appendix files, (Roads network plan, roads sections, Cut and File plan) are resubmitted in 30th of January 2013.</td>
</tr>
<tr>
<td>8</td>
<td>Tifneek</td>
<td>July 2011</td>
<td>1169/1</td>
<td>4</td>
<td></td>
<td>• One plan for the two localities.</td>
</tr>
<tr>
<td>9</td>
<td>Um Laheem</td>
<td>May 2012</td>
<td>1519/1</td>
<td>5</td>
<td></td>
<td>• The last resubmission was in 19th of December.</td>
</tr>
<tr>
<td>10</td>
<td>Isbet Tabil</td>
<td>June 2012</td>
<td>1287</td>
<td>4</td>
<td></td>
<td>• Preparing the appendix files, (Roads network plan, roads sections, Cut and File plan) are resubmitted in 30th of January 2013.</td>
</tr>
<tr>
<td>11</td>
<td>Beita’amar</td>
<td>August 2012</td>
<td>1622/1</td>
<td>1</td>
<td></td>
<td>• ICA request to divide the cluster plan to 5 outline plans.</td>
</tr>
<tr>
<td>12</td>
<td>Qibban &amp; Jab el Desb</td>
<td></td>
<td>1647/1</td>
<td></td>
<td></td>
<td>• IPCC resubmitted the plan in 5 separated plans in the 12th September.</td>
</tr>
<tr>
<td>13</td>
<td>Al Radayeh</td>
<td></td>
<td>1639/1</td>
<td></td>
<td></td>
<td>• The last resubmission was in 8th of January 2013.</td>
</tr>
<tr>
<td>14</td>
<td>Kibbutz Lim Dyon</td>
<td></td>
<td>1645/1</td>
<td></td>
<td></td>
<td>• It was resubmitted in 8th of January 2013.</td>
</tr>
<tr>
<td>15</td>
<td>As Tura</td>
<td></td>
<td>1646/1</td>
<td></td>
<td></td>
<td>• It was resubmitted in 8th of January 2013.</td>
</tr>
<tr>
<td>16</td>
<td>Walla el Nis</td>
<td>July 2011</td>
<td>1614/1</td>
<td>2</td>
<td></td>
<td>• The last resubmission was in 10th of February.</td>
</tr>
<tr>
<td>17</td>
<td>Jalut el Shama’a</td>
<td></td>
<td>1617/1</td>
<td></td>
<td></td>
<td>• After separated Jalut el Shama’a cluster plan, Khatelet Hadad plan become fully in Area B. So it will be submitted to MoGL.</td>
</tr>
<tr>
<td>18</td>
<td>Mrah Ma’ala</td>
<td></td>
<td>1649</td>
<td></td>
<td></td>
<td>• It was resubmitted as a one plan for all the communities in 24th of December.</td>
</tr>
<tr>
<td>19</td>
<td>Elma’sara</td>
<td></td>
<td>1629/1</td>
<td></td>
<td></td>
<td>• Discussion on the suggested plan held in the 30th of January. Sent to get approvals from the different ICA departments in the 6th of March 2013.</td>
</tr>
<tr>
<td>20</td>
<td>Khatelet Hadad</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>• After separated Jalut el Shama’a cluster plan, Khatelet Hadad plan become fully in Area B. So it will be submitted to MoGL.</td>
</tr>
<tr>
<td>21</td>
<td>Ras Al Ward</td>
<td>July 2011</td>
<td>1608/7</td>
<td>7</td>
<td></td>
<td>• ICA suggest new boundary which restrict the planning area and not include all the exist buildings. IPCC reject these boundaries which didn’t have any planning logic.</td>
</tr>
<tr>
<td>22</td>
<td>Arab Al Fatia</td>
<td>July 2011</td>
<td>1286</td>
<td>5</td>
<td></td>
<td>• IPCC prepared alternative plan and submitted in 19th of Sep.</td>
</tr>
<tr>
<td>23</td>
<td>Shahin North</td>
<td>July 2011</td>
<td>1704/1</td>
<td>5</td>
<td></td>
<td>• The last resubmission was in 23rd of Dec.</td>
</tr>
<tr>
<td>24</td>
<td>Wala’yeh</td>
<td>July 2011</td>
<td>1628/7</td>
<td>1</td>
<td></td>
<td>• The last resubmission was in 13th of January 2013.</td>
</tr>
<tr>
<td>25</td>
<td>Luwein</td>
<td>July 2011</td>
<td></td>
<td></td>
<td></td>
<td>• It was agreed on the last suggested plan with the ICA committee and discussed in 23rd of Dec.</td>
</tr>
<tr>
<td>26</td>
<td>Asafet Haneke</td>
<td>July 2011</td>
<td></td>
<td></td>
<td></td>
<td>• The local council to integrate the Jerusalem part of the locality with Area C plan before they signed it.</td>
</tr>
<tr>
<td>27</td>
<td>Kibbutz Teyyeq</td>
<td>Jan 2012</td>
<td>1232</td>
<td>2</td>
<td></td>
<td>• Coordination with the local council to approve the plan.</td>
</tr>
<tr>
<td>28</td>
<td>Dallheit Riha’ene</td>
<td>Jan 2012</td>
<td></td>
<td></td>
<td></td>
<td>• IPCC will update the plan upon the locations of the park and the hospital to submit again.</td>
</tr>
<tr>
<td>29</td>
<td>Ar Nabi Samuel</td>
<td>July 2011</td>
<td>101107/4</td>
<td>4</td>
<td></td>
<td>• Coordination with the Municipality</td>
</tr>
<tr>
<td>30</td>
<td>Masr a’al</td>
<td>July 2011</td>
<td>1812/1</td>
<td>2</td>
<td></td>
<td>• The last resubmission was in 25th of July.</td>
</tr>
<tr>
<td>31</td>
<td>Rashid ahyeh</td>
<td>July 2011</td>
<td>1417</td>
<td>1</td>
<td></td>
<td>• ICA presented authorized plan providing a future inventory.</td>
</tr>
<tr>
<td>32</td>
<td>Um Rehan</td>
<td>July 2011</td>
<td></td>
<td></td>
<td></td>
<td>• The last resubmission was in 26th of June with new entrance suggestion.</td>
</tr>
</tbody>
</table>

- **ExPost**
- **AFD 2014**
APPENDIX 5. Example of IPPC action plan for the village of Wadi El Nis

<table>
<thead>
<tr>
<th>No.</th>
<th>No. of land on the plan*</th>
<th>Land Usage</th>
<th>Existing Built Up Area (dunum)</th>
<th>Proposed built Up Area (dunum) include the existing</th>
<th>No. of beneficiaries</th>
<th>Description of needs</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td></td>
<td>Residential</td>
<td>30</td>
<td>60</td>
<td>1600 (include area B)</td>
<td>Building Percentage up to 70%, 2 housing unit per 500m² (to preserve rural character of the locality).</td>
</tr>
<tr>
<td>2</td>
<td>1</td>
<td>Stadium</td>
<td>0</td>
<td>12</td>
<td>15000</td>
<td>Propose an International stadium with 15000 seats.</td>
</tr>
<tr>
<td>3</td>
<td>5</td>
<td>Orphanage and charitable society</td>
<td>4</td>
<td>4</td>
<td>All</td>
<td>-</td>
</tr>
<tr>
<td>4</td>
<td>7</td>
<td>Mosque</td>
<td>1</td>
<td>1</td>
<td>All</td>
<td>-</td>
</tr>
<tr>
<td>5</td>
<td>8</td>
<td>School (secondary)</td>
<td>1.5</td>
<td>1.5</td>
<td>360</td>
<td>-</td>
</tr>
<tr>
<td>6</td>
<td>4</td>
<td>School (secondary)</td>
<td>0</td>
<td>5</td>
<td>360</td>
<td>A new school proposed on public land, (1st -10th grade)</td>
</tr>
<tr>
<td>7</td>
<td>4</td>
<td>Kindergarten</td>
<td>0</td>
<td>.5</td>
<td>30</td>
<td>A new kindergarten proposed.</td>
</tr>
<tr>
<td>8</td>
<td></td>
<td>Kindergarten</td>
<td></td>
<td></td>
<td></td>
<td>-</td>
</tr>
<tr>
<td>9</td>
<td>9</td>
<td>Local council</td>
<td>0.6</td>
<td>0.6</td>
<td>All</td>
<td>-</td>
</tr>
<tr>
<td>10</td>
<td></td>
<td>Youth center</td>
<td></td>
<td></td>
<td></td>
<td>-</td>
</tr>
<tr>
<td>11</td>
<td></td>
<td>Water Network and water tank.</td>
<td>2.5 km</td>
<td>6 km include the existing</td>
<td>All</td>
<td>Rehabilitation for the current water network propose expansion and build water tank</td>
</tr>
<tr>
<td>12</td>
<td>2</td>
<td>Wastewater Network and treatment plant.</td>
<td>0</td>
<td>4.5 km</td>
<td>All</td>
<td>Propose wastewater network and treatment plant</td>
</tr>
<tr>
<td>13</td>
<td></td>
<td>Roads</td>
<td>2 km</td>
<td>6 km include the existing</td>
<td>All</td>
<td>Planned roads need to be open and paved, Existing roads are currently need repaving after the water and wastewater networks done.</td>
</tr>
</tbody>
</table>
APPENDIX 6. Example of the scoring for one of the approaches: the community-based approach

The different approaches for intervention in Area C were assessed on a scale of 0 to 3 to reflect how well they responded to AFD’s objectives (0 meant that the approach added no value to the objective and 3 added a high value) and on a scale of 0 to -3 to assess how much risk they create for AFD (0 meant that the approach created no risk for AFD and -3 a high risk).

As an example, the analysis of the community-based approach is detailed below:

• **Responsiveness**: This approach ensures there is a strong responsiveness to the economic needs of the communities so that they can engage in sustainable income-generating activities. In addition, both phases of the DEEP programme are based on families and individuals. The Kirbeit Zakaria project confirms that this approach is very efficient to reach the most urgent needs of the population. This approach scores high on this dimension (3).

• **State-building**: This approach supports the resilience of the population within the villages by enhancing their livelihoods and improving their living conditions. In this sense, the creation of a Palestinian state and the strengthening of the PA are supported. However, conducting isolated actions on a community-based approach will have limited impact in terms of significantly increasing the resilience of the population. We demonstrated that combining the community-based approach and clustering approach can offset this limited impact. Conducted solely, the community-based approach will score low, (1) on the state-building dimension.

• **Long-Term development**: This approach allows families and individuals to sustain themselves on their own over the medium and long run. The outcomes of the first phase of DEEP in Areas A and B are positive in terms of poverty reduction and economic development. We expect this approach to score high in terms of long-term development (3).

• **Geographic outreach**: This approach is initiated at a community or a village level and the geographic outreach cannot be important. As of today, this approach is only based on the identification of families on the territory without taking into account their localisation. The score on this dimension is estimated at (1).

• **Building the capacity of NGOs**: This aspect is very important for the DEEP approach – Phase I as the different business projects are managed and implemented through local NGOs while being closely monitored by UNDP. In addition, the Kirbeit Zakaria project also highlighted the capacity building for NGOs: Riwaq and YMCA worked successfully with AFD on their respective projects. Therefore, the score on that dimension is very high (3).

• **Multi-sector impact**: The pilot project of Kirbeit Zakaria is a good example of a cross-sectoral project that yields a positive impact both on economic empowerment and housing rehabilitation. Within the DEEP Business Engineering Programme, an agricultural project will impact the agricultural sector while creating more economic opportunities at the community level. Therefore, the community-based approach
creates impacts at a multi-sector level that is currently the new leitmotiv for intervention in Area C. The score on that dimension is very high (3).

*Coverage:* Within this approach, the main goal is not to reach a very large number of beneficiaries but to cater for those who are the most in need. In addition, the number of people living in the marginalised communities is generally low. However, this approach can generate some positive spillover effects on the other members of the communities if the microfinance business initiatives are strong and sustainable enough to provide employment opportunities for other households. Therefore, despite potential spillovers, the scoring in that dimension is only estimated at (1).

*Political risk:* There is no risk for AFD to launch any project under this approach. Contacts with both the PA and ICA will be rather limited if not inexistent, as the main contacts with AFD will take place at the local level. The score is 0 on that dimension, meaning that negative scoring does not impact the overall scoring of this approach.

*Project implementation (time and feasibility):* As this approach deals with direct intervention and is constrained neither by administrative and approval procedures nor by building constraints, project implementation can be done quickly. Therefore, there is no negative scoring for this criterion.

After adding all scores together, the total score of 15 was normalised to a value of .63.
APPENDIX 7: List of Persons Interviewed

Agence Francaise de Développement (AFD Paris)

(a) Samuel Lefevre, Project Manager, Local Government and Urban Development Department
(b) Arthur Germond, ex-Regional Coordinator, Palestinian Territories
(c) Simon Goutner, ex-Program Officer (AFD Jerusalem Office)
(d) Marike Gleichmann, Regional Coordinator, Palestinian Territories, and Rejane Hugouenq, Research Officer, Economic and Social Research Unit
(e) Irène Salenson, Secrétariat technique du Partenariat français pour la Ville et les Territoires (PFVT)
(f) Thierry Liscia, Expert in conflict and post-conflict traumas
(g) Philippe Lecrinier, Former Director, AFD Jerusalem

Agence Française de Développement (AFD Jerusalem Office)

(a) Hervé Conan, Director (AFD Jerusalem Office)
(b) Hani Tahhan, Programme Officer (AFD Jerusalem Office)

Other interviews in France

(a) Aude Signolles, Professeur IEP Aix en Provence
(b) Radhia Oudjani, French Consulate, Service for Cooperation and Cultural Action, Social and Humanitarian Affairs.
(c) Jean-Marc Druette, in charge of cooperation for the Middle East & Céline Poullin, Civil Management of Crises, Ministry of Foreign Affairs
(d) Emmanuelle Bennani, CCFD
(e) Patricia Huyghebaert, Programme Manager, Social and Citizen Policies Department, GRET
(f) Didier Nech, Programme Manager, BOI

Municipal Development and Lending Fund (MDLF)

(a) K. Rajab, Acting General Director of Operations

Palestinian Authority

(a) Estaphan Salameh, Special Advisor to the Minister, Ministry of Planning and Administrative Development
(b) Mazen Ghoneim, Deputy Minister, Ministry of Local Government,
(c) Walid S. Abu Halaweh, Minister Advisor on International Cooperation, Ministry of Local Government
d) Dr. Azzam Hjouj, SDIP National

Donors and International Organisations

(a) Lina A. Abdallah, Operations Officer, Middle-East and North Africa Region, Sustainable Development Department
(b) Nasser AL-Faqih, UNDP, Team Leader for Poverty Reduction and Productive Capital,
(c) Sufian Mushasha, UNDP, Senior Advisor Head of Research and Advisory Team
(d) Ureib Amad, Programme Assistant, European Commission, Directorate General for Humanitarian Aid (ECHO)
(e) Maher Daoudi, Deputy Head of Development Cooperation, Consulate General of Sweden
(f) Izumi Tanaka, Japan International Cooperation Agency, Chief Representative
(g) Guillaume Fine, Office of the EU Representative, Head of Sector, Infrastructure, Water and Sanitation, Food Security and UNRWA
(h) Ulrich Nitschke, Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ), Head of Programme
(i) Benoit Tadie, Conseiller de Coopération et d’Action Culturelle, Directeur de l’Institut Français de Jérusalem, Service de coopération et d’action culturelle (SCAC)
(j) Olivier Donnet, Chief Technical Officer, Belgian Development Agency (BTC)

NGOs

(a) Ghassan Kasabreh, NGO Development Center, Director
(b) Jamileh Sahlieh, NGO Development Center, Programme Officer.
(c) Daniel Sherman, B'Tselem, Director of International Relations
(d) Mohammed Saaideh, Oja Environmental Center, Education Officer, FoME
(e) Dr. Jad Isaac, Director General, ARIJ
(f) Roubina Nasri Ghattas, ARIJ, Head of Biodiversity and Food Security Department,
(g) Bernard Delpuech, ACTED, Country Director
(h) Samir Barghouthi, ACAD, General Manager
(i) Dr Rami Nasraslah, IPCC, Director
(j) Basel Koutena, IPCC, Project Manager (field visit close to Bethlehem) (k) Alon Cohen, Bimkom, Project Manager
(l) Sabri Giroud, Diwan Voyage, Director
(m) George Rishmawi, Executive Director, Masar Ibrahim.

Local Government Units and Community Based Organisations

Battir

(a) Head of Village Council
(b) Head of Joint Service Council
(c) Hassan Muamer, Battir Landscape Eco-museum

Beit Zakaria

(a) Head of Village Council
(b) Members of the Women’s Union

Bedouin Communities

(a) Head of Village Council, Almaleh and Bedouin Area Village Council (Northern Valleys)
(b) Head of Rashayeda Arab Bedouin Community

Phone interviews

(a) Gianfrancesco Costantini, Director, STEM VRC
APPENDIX 8 List of participants at the donors’ round table

On 7th March 2013, the team organised a round table with several donors operating in Area C. The following actors were present:

1. Nasser Al-Faqih, UNDP, Team Leader for Poverty Reduction and Productive Capital,
2. Amad Ureib, Programme Assistant, European Commission, Directorate General for Humanitarian Aid (ECHO)
3. Hervé Conan, Director (AFD Jerusalem Office)
4. Daoudi Maher, Deputy Head of Development Cooperation, Consulate General of Sweden
5. Olivier Donnet, Chief Technical Officer, Belgian Development Agency (BTC)
6. Judith Joannes, Office of the European Union representative
7. Sufian Mushasha, UNDP, Senior Advisor Head of Research and Advisory Team
8. Benoît Tadié, Advisor for Cooperation and Cultural Action, Director of the Institut Français de Jérusalem, Cooperation and Cultural Action Service (SCAC)
9. Hani Tahhan, Programme Officer (AFD Jerusalem Office)
10. Cara Vollreth, Programme Officer, GIZ,
11. Stefan Ziegler, Barrier Monitoring Unit, UNRWA.
# ABBREVIATIONS AND ACRONYMS

<table>
<thead>
<tr>
<th>Abbreviation</th>
<th>Description</th>
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<tbody>
<tr>
<td>ACAD</td>
<td>Arab Center for Agricultural Development</td>
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<tr>
<td>ACTED</td>
<td>Agency for Technical Cooperation and Development</td>
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<tr>
<td>AECID</td>
<td>Spanish Agency for International Cooperation for Development</td>
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<tr>
<td>AFD</td>
<td>Agence Française de Développement</td>
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<td>ARIJ</td>
<td>Applied Research Institute Jerusalem</td>
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<td>BTC</td>
<td>Belgian Development Agency</td>
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<td>CAP</td>
<td>Consolidated Appeals Process</td>
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<td>CBOs</td>
<td>Community Based Organisations</td>
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<tr>
<td>CDD</td>
<td>Community-driven Development</td>
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<td>CFP</td>
<td>Call for Proposals</td>
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<td>CRDP</td>
<td>Community and Rural Development Program</td>
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<td>DANIDA</td>
<td>Danish International Development Agency</td>
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<td>DEEP</td>
<td>Deprived Families Economic Empowerment Programme</td>
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<td>ECHO</td>
<td>European Community Humanitarian Office</td>
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<td>EU</td>
<td>European Union</td>
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<td>GIZ</td>
<td>Deutsche Gesellschaft für Internationale Zusammenarbeit</td>
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<td>ICA</td>
<td>Israeli Civil Authority</td>
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<td>IDB</td>
<td>Islamic Development Bank</td>
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<td>IMF</td>
<td>International Monetary Fund</td>
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<td>IPCC</td>
<td>International Peace Cooperation Center</td>
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<td>Acronym</td>
<td>Description</td>
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<tr>
<td>JPSG</td>
<td>Joint Project Support Group</td>
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<td>LGRDP</td>
<td>Local Government Reform &amp; Development Programme</td>
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<td>LGUs</td>
<td>Local Government Units</td>
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<td>LNGOs</td>
<td>Local Non-governmental Organisations</td>
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<td>INGOs</td>
<td>International Non-governmental Organisations</td>
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<td>MDLF</td>
<td>Municipal Development and Lending Fund</td>
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<td>Microfinance Institutions</td>
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<td>Ministry of Education</td>
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<td>MoLG</td>
<td>Ministry of Local Government</td>
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<td>MoPAD</td>
<td>Ministry of Planning and Administrative Development</td>
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<td>MoSA</td>
<td>Ministry of Social Affairs.</td>
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<td>NDC</td>
<td>NGO Development Centre</td>
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<td>NDP</td>
<td>National Development Plan</td>
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<td>NGO</td>
<td>Non-governmental Organisation</td>
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<td>NRC</td>
<td>Norwegian Refugee Council</td>
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<td>OCHA</td>
<td>Office for the Coordination of Humanitarian Affairs</td>
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<td>PA</td>
<td>Palestinian Authority</td>
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<td>PAPP</td>
<td>Programme of Assistance to the Palestinian People</td>
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<td>PASSIA</td>
<td>Palestinian Academic Society for the Study of International Affairs</td>
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<td>PCBS</td>
<td>Palestinian Central Bureau of Statistics</td>
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<td>PCC</td>
<td>Palestinian Counseling Center</td>
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<td>PECDAR</td>
<td>Palestinian Economic council for Development and Reconstruction</td>
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<td>PLO</td>
<td>Palestinian Liberation Organisation</td>
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<td>PNGO</td>
<td>Palestinian NGO</td>
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<td>PRDP</td>
<td>Palestinian Reform and Development Plan</td>
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<td>PSG</td>
<td>Project Support Group</td>
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<td>PTs</td>
<td>Palestinian Territories</td>
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<td>PWA</td>
<td>Palestinian Water Authority</td>
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<td>RRF</td>
<td>Results and Resources Framework</td>
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<tr>
<td>SIDA</td>
<td>Swedish International Development Cooperation Agency</td>
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<td>UN</td>
<td>United Nations</td>
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<td>UNDP</td>
<td>United Nations Development Programme</td>
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<td>UNRWA</td>
<td>United Nations Relief and Works Agency</td>
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<td>USAID</td>
<td>United States Agency for International Development</td>
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<td>VNDP</td>
<td>Village and Neighbourhood Development Project</td>
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<tr>
<td>WHO</td>
<td>World Health Organisation</td>
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<tr>
<td>YMCA</td>
<td>Young Men’s Christian Association</td>
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