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Australia Palestine
Advocacy Network

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APAN BRIEFING

REVIEW OF FUNDING TO PALESTINE

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CORE PRINCIPLES:

1. Aid is required because of the effects of the Israeli occupation

As acknowledged by the World Bank and the current Aid Investment Plan, the primary reason aid is required in Palestine is the cumulative effects of Israel's occupation of Palestine. The Association of International Development Agencies, representing over 70 NGO's in Palestine, provided a systematic report into this in 2018, including detailing that Palestine is actually in a situation of de-development.

The most important contribution to Palestinian development would therefore be proactively supporting a just political solution.

2. As aid is required, it is in Australia's interests to be an active provider

Until a political solution is reached, then overseas financial support is vital. If countries like Australia withdraw their support, we are creating a vacuum which will be filled by other donors and entities, destabilising both Palestine and Israel.

Further, Australia's commitment to support a negotiated peace requires efforts to be made to support both sides in order to maintain Australia's role as an honest broker. If we honestly support a two-state solution, then we must be providing support for the Palestinian State.

3. UNWRA is a vital agency and must be wholeheartedly supported

UNWRA provides the foundations of life for many Palestinian refugees. We note the current AIP has provision of basic services to Palestinian refugees as a core objective, and we support this continuing. We must sustain our funding to UNWRA and respond positively to requests for emergency funding, as well as early dispersal of funds.

We note the frequent attacks on UNRWA seem to correlate with wider attacks on the rights of Palestinian refugees. For example, while Switzerland has just withdrawn their funding from UNWRA due to a leaked internal report, the Foreign Minister has previously argued that Palestinian refugees should be permanently settled outside Palestine and Israel.

The status of Palestinian refugees is protected by UN General Assembly Resolution 194 which provides for the return of Palestinian refugees and/or compensation provided. Palestinian refugee

rights are inalienable, and UNRWA ensures Palestinian refugees have basic services until these rights can be realised.

4. Palestinians should take the lead in creating positive changes in their communities

Palestinian led programs are vital – understanding Palestinians have the clearest understanding of own needs. Australian NGO partnerships enable strong people to people programs, which supports grassroots development. AMENCA and ANCP provide the avenues for these vital partnerships.

5. Aid must not be disrupted due to nefarious allegations.

DFAT has strong internal processes to minimise risk of any funds being diverted for illegitimate purposes. Due to the highly politicised nature of support for Palestinian human rights, there have been numerous allegations regarding aid to Palestine, which are often motivated by actors with political goals.

The cutting of aid to the Palestinian Authority, through the World Bank, was made following political attacks, not evidence based concerns. As our (attached) fact-sheet indicates, all payment made to Palestinian prisoners and their families are in line with international norms.

Allegations about mis-management of funds by Australian aid agencies and their partners have all been found to be baseless. We would strongly suggest that evidence, not just allegations be present before any withdrawal of funds is instituted.

This is the context of the current investigation within UNRWA. A number of staff have made complaints, and they are being addressed internally, as is appropriate. These allegations are being broadcast and inflated by organisations and governments that do not support the UNRWA mandate of supporting Palestinian refugees. For example, while Switzerland has announced a suspension of funding due the review, the Swiss Foreign Minister has historically criticised the role of UNRWA, and suggested Palestinian refugees should be permanently settled in neighbouring Arab nations. Unfortunately this appears to have created momentum for other Governments to do the same, and Palestinians are potentially being deprived of vital services while a review is undertaken. These politicised attacks should not be able to affect this vital work.

We understand that the UK thoroughly reviewed its engagement with UNRWA in 2015, and subsequently has remained one of [UNRWA's largest donors](#).

6. Textbooks in Israel & Palestine

The other common attack on UNRWA is regarding textbooks in schools funded by them. There has been more scrutiny about textbooks used in Palestine than anywhere else in the world. What has been consistently found through this scrutiny, is that there are very minimal examples of any material that could be characterised as incitement.

What is clear, as is to be expected in a place of such contested ideas of politics, is that both Palestinian and Israeli textbooks tend towards profiling their own political narrative, and does not have an unbiased view of 'the other'.

Therefore isolated examples where this dehumanising is found to be the case, should not be used to undermine the entire education system. See attached separate briefing paper about this.

IN RESPONSE TO REVIEW QUESTIONS:

1. Assessment of the PTs aid program (based on the latest AIP), including lessons learnt and recommendations for a future program.

- UNRWA provides quality core services for refugees, and Australian contributions are vital. The refugee situation is not improving with more land being taken for settlements and the continued occupation. The withdrawal of USA funds makes it imperative that this work around, health, education and basic services receives increased funding from Australia so that these services are maintained for this the poorest part of the population. This is particularly the case when, for political reasons, other funding sources are insecure.
- ANCP is a vital program that allows grassroots smaller scale and responsive initiatives and need to continue.
- AMENCA:
 - The AMENCA program has been a success and has improved the businesses and lives of Palestinians in both the West bank and Gaza. This is true even in Area C where Israeli restrictions are highest. Farmers are making increased profits from their farms, market access has increased and women and youth have been better integrated into agriculture. The project has been able to mobilise the private sector.
 - Getting farmers into cooperatives has enabled improvements in quality control for export and local markets and strengthened farmers bargaining position in relation to markets
 - Need to ensure that the amount of funding that actually reaches recipients is maximised and amounts of funding to management consultants kept to a minimum.
 - Given the PA's disengagement with DFAT following the withdrawal of direct funds, there needs to be alternative mechanisms to ensure that future objectives synergise with internal Palestinian directions and initiatives. We would recommend further consultation prior to the identification of goals of the next round of AMENCA funding would be ideal.

2. Identify trends that are likely to continue, including development and governance issues.

- The blockade of Gaza is likely to continue into the foreseeable future, resulting in substantial humanitarian needs.
- Israel's restrictions in the West Bank make for significant challenges. The success of AMENCA is partly to do with the resourcefulness of Palestinians and their organisations – with people finding ways around blockages and inhibitors – so increased support to local organisations is to be encouraged. However, it would be worth considering what support could be given to Palestinians navigating these challenges. For example, support to ensure agricultural products are able to cross borders in timely ways.
- Nefarious allegations towards Palestinian aid partners is likely to continue, and frameworks are required to limit any disruption to aid that this will cause.

3. Consider the extent to which current investments are effective, efficient and remain relevant given the high-risk nature of the operating environment, and make recommendations for future investments

- Palestinian agriculture is at risk, land is subject to confiscation and there is a high competition with agriculture commodities produced by Israeli settlements. The Palestinian agricultural sector needs sustained support. There are good business skills within the Palestinian population, but lack of finance and lack of access to markets are inhibitors that Australian Aid could assist in overcoming. This would include support to develop and strengthen organisations of farmers and small business people that can assist individuals in marketing through improved quality control, combined marketing initiatives and promotion. Examination of markets in the Gulf to support the Palestinian economy could be one opportunity.
- Given that a major priority of the Australian aid program is to boost the Palestinian economy, future investments could explore purchasing frameworks to systematically support the Palestinian economy – such as protocols about products, accommodation and transport providers.

- The humanitarian situation in Gaza is dire, with 80% of the communities relying on food aid. Important to have a continued presence in Gaza in case the humanitarian situation quickly deteriorates and there is a need for a significant humanitarian intervention – without a presence such a humanitarian scale up becomes exceedingly difficult. We would recommend increased focus on the situation here. Future investments could include:
 - Water – how to build increased sustainability to the use of water – and explore alternatives for safe access to water.
 - Infrastructure & energy – particularly renewable energy. Solar projects for example could assist Gaza to become more self-reliant for the basics of domestic power but also for key services like hospitals, medical centre, sewerage plant
 - Areas of health, education and trauma especially in Gaza remain big issues that need support from the Australian Aid program
- DFAT is rightly concerned about the risk of terrorism and financial mismanagement, and we share DFAT's commitment to ensuring that all overseas development expenditure is allocated appropriately to ensure it is used for its stated purpose. Aid agencies must be involved in defining effective and realistic standards of counter-terrorism procedures. These vetting measures should not be extended to vetting of beneficiaries and/or small-scale vendors of goods. To do so would add administrative requirements too burdensome to allow cost-effective programming, and also jeopardise Australia's commitment to non-discrimination and impartiality.
- Important to support strategic interventions to support and boost the Palestinian economy (including AMENCA), as individual-based employment or livelihood initiatives are crucial but in themselves are not sufficient in a context where the overall economic situation is dire
- Important to review DFAT's protection in humanitarian action framework for appropriate application to situations of protracted crises and displacement including West Bank and Gaza
- Many possibilities to support the strengthening of civil society, the private sector and a future government of Palestine. A small grants program, such as those run elsewhere in the Australian Aid program, could support local organisations with small grants for projects. These could build civil society skills and participation.
- There are a range of civil society organisations that support improved governance and increased transparency. We think that opportunities with both youth and women are important.
 - We need to support young people to find jobs or establish businesses. Unemployment rates are up to 50%, despite high university graduation rates. Programs that support youth participation in governance could be a key future investment.
 - Gender rights – programs that specifically look at increasing women's voice in the community and in decision making. Focus could include women's leadership and participation, gender based violence, economic development. This goal requires sustained support and resources due to historical injustices that Palestinian women have faced. This could link with a women's peace and security program – to build women's resilience to enable them to deal with a hostile environment