

SUMMARY OF THE EVALUATION OF THE EUROPEAN UNION'S COOPERATION WITH PALESTINE AND SUPPORT TO PALESTINIAN PEOPLE – REF. 1327

Abstract

The evaluation concludes that EU has achieved a great deal - sustaining welfare for Palestinians, preventing fiscal and economic collapse, compensating for occupation losses, fostering stability and preserving functioning PA institutions capable of assuming the responsibilities of statehood; nevertheless, notwithstanding ardent declaratory policies and the massive financial support, the policy dialogue and other instruments deployed, the EU lacked of coherent and effective actions aimed at removing obstacles to Palestinian statehood and development. The EU has not successfully exercised leadership for strategic triangulation of a results-based dialogue with Israel and the Palestinians. The current Cooperation design and its implementation modalities have reached their probable limits in terms of the EU's political objectives. If continued in present form, the Cooperation is unsustainable and counterproductive to EU normative principles.

Subject of the evaluation

The evaluation covers the period between 2008 till the end of 2013. It is a strategic evaluation of EU co-operation with Palestine. It has been managed by the Evaluation Unit and followed closely by a Reference Group consisting of members of all relevant services in the Commission and EEAS, as well as the EUREP in East Jerusalem, the Palestinian General Delegation in Belgium, and representative of UNRWA.

Purpose

The purpose of the evaluation was to provide an overall independent assessment of the European Union's past and current Cooperation and partnership relations with Palestine and to identify key lessons in order to improve the current and future strategies.

Methodology

The evaluation process was structured in four phases: inception, desk, field work and synthesis. The evaluation used a mixed-methods approach to data and information collection, consisting of document review, semi-structured interviews, comparative analysis of evaluations and monitoring reports, analysis of EU Cooperation portfolio as well as direct observation in the field. Numerous documents were consulted and over 150 stakeholders were interviewed in Palestine, Brussels, Israel and Washington. Information was systematically triangulated so as to arrive at evidence-based findings. Considering the 'political nature' of this Evaluation, the team developed a set of evaluation questions (EQs) that moved beyond the more development perspective and fully integrated the political. A draft final report was prepared and discussed in a seminar in Ramallah with the Palestinian Authority, EU Member States, the United Nations, International Financial Institutions, the EU Delegation in Israel, civil society and other development partners. These discussions fed into the final report.

Main conclusions:

- The EU has been over many years the Palestinian people's *most reliable* partner and the largest contributor to Palestinian welfare. Predictability has been systematically guaranteed in a very unpredictable political climate.
- The EU has consistently sought both to help ensure the well-being of the Palestinian population and – in the context of a commitment to a two-state solution – preventing fiscal and economic collapse and fostering stability and security for the Palestinian Institutions.
- The EU has played a pivotal role in PA state-building efforts, including by promoting strong, democratic institutions and engaging with civil society
- Yet, little was done to remove the most significant obstacles to sustainable Cooperation outcomes and the achievement of a viable, democratic and contiguous Two-State solution, particularly Israeli occupation and settlement policies and the political division of the West Bank and Gaza. Absent effective measures to address these obstacles, the EU is unlikely to achieve its goal of a Two-State solution.
- In addition, the lack of democratic process has left Palestinians with virtually no mechanism for holding the PA accountable for resource allocation and management. Over time, as the Cooperation continues to support public service delivery through the PA, it also facilitates a governance system without mechanisms for accountability to the Palestinian population served – a pattern increasingly counterproductive to EU norms for good governance.
- Finally, Cooperation effectiveness is hampered by limitations in implementation, particularly a lack of results based programming and monitoring within and across Cooperation programmes, but also by missed opportunities to forge stronger alliances with regional actors, civil society and UNRWA.

Main recommendations:

It is recommended to the EU is to commence a “greenfield approach” to its overall Cooperation with Palestine. The evaluation team sees this as the necessary first step –a holistic overview not bound by past assumptions. A greenfield approach invites the EU to step back, face upfront the structural limitations of current approaches and on that basis design a more interconnected and coherent Cooperation framework. Not limited to ad hoc measures or simply augmenting or automatically repeating existing modalities, the exercise, initiated at a high level, would undertake a complete Cooperation review - open to possible substantial restructuring, taking full advantage of the Lisbon Treaty and the Agenda for Change.

A greenfield approach would begin with two threshold scenarios:

1. The first is based on the assumption that political conditions within the EU/Member States regarding Palestine and Israel will shift so that internal EU structural impediments to a more coherent EU approach can be mitigated. This would create space for the EU to engage Israel and Palestine in the triangular dialogue essential to achieve a viable, democratic, sustainable and contiguous Palestinian State.

2. A second and not so unlikely scenario rests on the basis that there will not be a significant change in the overall political approach of the EU/MS towards Palestine and Israel. In that case, focus would be on a more realistic and coherent strategy with operational improvements designed for achievement of short and intermediate goals consistent with EU norms.

From a more operational point of view the EU should apply smart conditionalities linked to good governance considerations and backed up by a results-oriented political and policy dialogue through:

- *Results-based approach.* Link disbursements to delivery of specific services at a certain level of quality standard, such as connections to water systems, reduction in water losses, delivery of basic health care or other targeted services identified in an agreed strategy document.
- *Results-based finance.* Disburse to a national (PA) or sub-national body after predefined results have been agreed and attained with verification.
- Build on PEGASE DFS support to achieve greater accountability to and participation by the Palestinians served, for example including transparency in administrative appointments, civil service reform, and wage bill limitations.

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