

**European Joint Development Programme for Area C**  
**Discussion Note, June 2022**  
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*The purpose of the present note is to give an overview of the EU's approach in its Area C programme and propose a number of strategic reorientations with a view to maximise the impact of our engagement, towards a viable two state solution. This should be the basis of a joint and multi-annual programme on Area C, under the new MFF 2021-2027, in line with the European Joint Strategy 2021-2024 and garner momentum towards enhanced political engagement.*

**The European Union is committed to contribute to building a Palestinian State within 1967 borders and mobilize to this purpose its political and financial tools.** The European joint development programme for Area C is articulated within the EU's policy objective 'to protecting the viability of the two-state solution with an independent, democratic, contiguous<sup>1</sup> and viable Palestinian State, living side by side in peace, prosperity and security with the State of Israel'.<sup>2</sup> It aims at defending the rights of Palestinians living in Area C and preserving Area C as part of a future Palestinian State, in line with the Oslo Accords.

**The viability of the two-state solution is being steadily eroded by the progressive fragmentation and "creeping annexation" of Area C.** In the absence of any significant policy shift from the Israeli government regarding its continued de facto annexation and ever deepening control over Area C, Palestinian communities therein, are increasingly exposed to Israeli actions in the context of settlement expansion, settler violence, demolitions, destruction of livelihood assets, evictions, forcible transfers and confiscation, in systematic violation of international law. Development prospects for Palestinians in Area C are largely denied, access to services is limited, precarious living conditions and deepening vulnerabilities prevail.

**This calls for an enhanced, articulated and robust nexus approach mobilizing European political and financial means.** A joint and comprehensive response by the EU and European Development Partners is to be developed, leveraging in a coherent way the humanitarian, development and political means at our disposal. This effort should build on the collaborative work already underway, at programme and political level. To this end, this Concept Note builds on over 8 years of EU-led programming in Area C, rooted in the May 2012 Foreign Affairs Council (FAC) conclusions that developed a comprehensive EU policy related to Area C to be followed by a set of concrete steps and actions.<sup>3</sup>

**As part of this process, a number of critical assumptions need to be revisited.**

- The Israeli de facto annexation ('creeping annexation') can be contained so not to lead to irreversible fragmentation of Palestinian territory, people and institutions.
- The Palestinian Authority remains committed to supporting the resilience of Palestinians and Palestinian institutions in Area C, while Palestinian communities and organisations continue to be engaged and committed with their development processes.
- Engagement with Israeli Authorities in the West Bank and the Israeli government delivers results and occurs within the frame of mutual accountability
- The EU, European Member States and relevant Development Partners remain committed to support the Palestinian population in Area C, to respond collectively and leverage their political and operational instruments and means, and assume political and financial risk.

## **I. The EU Approach in Area C**

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<sup>1</sup> Referring specifically to the physical and geographic continuity of the territory

<sup>2</sup> European Joint Strategy in Support of Palestine

<sup>3</sup> The EU position and determination to contribute to maintaining the viability of the two-state-solution, as Area C is of critical importance for the viability of a future Palestinian state, in accordance with international law and its positions, is reiterated therein; additionally EU Foreign Affairs Council in December 2009, December 2010 and May 2011.

## 1. Overview of the Programme and its evolution

The EU's Area C programme aims to foster the resilience of people, services and institutions, to reinforce Palestinian presence in Area C and to protect the rights of Palestinians living in Area C. The programme contributes to serving Area C communities and Palestinian presence therein, so as to preserve Area C as part of a future Palestinian State - which is a *sine qua non* condition to a transfer of responsibilities to the Palestinian Authority, in fulfilment of the Oslo Accords. It aims to contribute to the resilience of Palestinian communities living in Area C by ensuring that they are better equipped to protect their physical, economic and social assets and rights.

There is a need for a shared European vision and a more coordinated approach between European Development Partners whilst piloting a nexus approach and maximizing scalability of interventions in Area C. This joint European programming effort should see the relaunching of the Area C Interest Group with a particular focus on political engagement in support of EU Area C programmes. Determining the most effecting paths for political follow-up, across European Representative offices to Israel and Palestine and Member State capitals, is key to a constructive and determinant policy on Area C; this begins with a shared political understanding and willingness strategically engage with Israel on Area C, bringing political advocacy to the fore of an Area C humanitarian-development-peace nexus approach. This should be complemented by reinforcement of the technical-level triangulation<sup>4</sup> by EU and MS, contributing proactively to the PA-ISR technical dialogue, and enhancing accountability. A move towards a joint EU multi-annual programme for Area C would further this effort.

While building on the experience of the current Area C programme's 'four pillar approach' (planning and mapping; social infrastructures; private sector development; local governance); the paper also proposes a technical upgrade to the programmatic approach. These include cluster planning driven by sector policies, land surveys and registration, an integrated approach for social infrastructure, aligning access to finance (EIP roll-out) and PPP with clusters, diversifying investments beyond agriculture and empowering local authorities (increased budget allocations) and communities, whilst applying an area-based and multi-sector approach. Another important aspect is to invest in enhanced research and analysis, impact-level monitoring and evidence-based advocacy on Area C, as well as legal assistance, through a new fifth cross-cutting pillar.

## 2. Key Principles that guide the Programme

**Do No Harm:** In order to mitigate the risk of exposing people to additional risks through our action; a long-term conflict-sensitive approach is adopted. In addition, the EU opted a **policy of non-confrontation with the Israeli authorities**<sup>5</sup> to proceed with the implementation of infrastructure projects within the master plans submitted to the Israeli Civil Administration, and either approved or tacitly approved<sup>6</sup> without major objection.<sup>7</sup> This approach should be maintained, yet reassessed and adjusted, possibly considering a shortened 6-month timeframe if deemed both politically feasible and necessary.

**Territorial Integration** is a *sine qua non* condition for a future Palestinian state: '*connecting people, connecting land*' shared principle to all the interventions in Area C with the overall objective to integrate Area C with Area A and B;

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<sup>4</sup> Non-Paper "Review of modalities of EU engagement on the ground in support of a two-state solution. State of play and way forward".

<sup>5</sup> In line with Mashraq/Maghreb Working Party (MAMA) report (July 2012) to Political Security Committee (PSC),

<sup>6</sup> The EU policy for project implementation in Area C aimed at mitigating the disproportionality of the Israeli Civil Administration (ICA) planning requirements and the risk that the plans would not receive final authorisation. The implementation of public and social infrastructure may start once a plan has been formally approved by the Israeli authorities or is considered as tacitly approved (once the 18 month deadline has been reached from the date of submission by the Palestinian Local Authority to the ICA). This policy driven approach was formally adopted under the Commission Financial Decisions C(2012)6283, C(2014)5986 and C(2018)7933 and Financing Agreements 2012/023-776, 2014/032-783 and 2018/041-137.

<sup>7</sup> For further details about what is considered major objections, see ARES (2016)7156144 dated on 23/12/2016

**Multi-actor approach:** the EU's interventions in Area C are strengthened by a joint European Approach and the active involvement of the different actors, starting with the Palestinian Authority. The coordination and complementarity between the European Development Partners, international organisations and local actors strengthen the overall approach and maximise impact.

**Rights-Based Approach (RBA).** The context of an ongoing occupation systematically deprives the rights and freedoms of Palestinians, notably in Area C. Adopting the RBA can transform power relations among stakeholders, holding duty bearers to account, including their obligations vis-a-vis rights holders. Special attention will be given to inclusivity, participation and the protection of those at risk.

**“Leaving no one behind”:** Through this programme, stakeholders take explicit action to reduce poverty, curb inequalities, confront discrimination and fast-track progress for the furthest behind.

### 3. The Four Pillars of Support

The EU programmatic approach in Area C currently stands on four main pillars, namely:

1. **Planning and mapping of land rights;** aims to strengthen the capacity of the local communities in Area C in planning their own resources and securing their land through local planning and mapping land right interventions that will provide a framework for investment and development.

2. **Provision of social and public infrastructure projects;** aims to improve access to basic services such as water, electricity, road infrastructure, education or health through investment in essential social and public infrastructure. Projects are identified in coordination with Palestinian Authority and based on the development needs identified by Palestinian communities in Area C. So far, this pillar includes contributions from Member States (MS), i.e Denmark, France and Germany (in addition to the United Kingdom).

3. **Private sector development and investment in Area C, notably in agriculture, green energy and resilience**<sup>8</sup>; this pillar aims to support private sector development and investment in Area C in order to contribute to sustainable and inclusive economic development of Palestinian communities.

4. **Local governance;** it aims to enhance Palestinian Local Authorities' contribution to governance and development processes in Area C, as a precondition for a more equitable, open and accountable society. It has been jointly implemented with Belgium and links to ongoing support to the Association of Palestinian Local Authorities and Local Governance Units in Area C.

The EU and its Member state have also supported civil society organisations in legal aid to Palestinian communities in Area C, to promote human rights, freedom of expression and peace-building activities.

## II. Key Suggestions for an Upgraded Approach & EU Programme

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### 1. Strategic Evolution of the Programme

**Consolidate a joint EU vision and programme for Area C.** HoMs, HoPs and HoCs need to speak with a common language and set up inter-connected agendas pertaining to Area C. Relaunching the Area C Interest Group, interlinking with the HoPs and HoCs, should be considered. A more effective and tactical strategy for political follow-up, across Representative Office to Israel and Palestine and Member State capitals, should be developed; this should start with a shared political narrative and willingness to strategically engage with Israel on Area C, bringing political advocacy to the fore of an Area C humanitarian-development-peace nexus approach. Where possible, confidence building measures specific to Area C should be leveraged (eg: solar energy opportunities). At political level, the EU should develop a strong (counter) narrative on Area C, and proactively and strategically communicate on Area C, with a clear role for the Palestinian Authority in this process. At operational level, a joint multi-year European programme for Area C should allow for bolder joint political and programmatic engagement; opportunities of European joint funding for nexus programming should be further explored and streamlined.

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<sup>8</sup> This pillar evolved from Land Reclamation and Rehabilitation Programme (AAP 2012), Improving access to Land and improved agriculture practices (AAP 2016) to Private sector development and investment in Area C, notably in agriculture (AAP 2020).

**Reinforce Triangulation<sup>9</sup> by EU by adopting a facilitator role in the dialogue between the parties**, both at political and operational/technical level. The EU and MS, while being careful not to take the PA role in negotiation, can contribute proactively to facilitation of a dialogue between PA and IL at all levels notably through triangulation. This needs to occur within a framework of enhancing mutual accountability and should deliver results (ie accelerating the Master Plan approval process etc) over time. A regular dialogue with the PMO should be accompany this effort.

**Reinforce results orientation and accountability:** One of the Mid-Term Review's<sup>10</sup> recommendation is to set up an Area C result framework management mechanism linked to the European Joint Strategy (EJS) Result Oriented Framework and in line with the Palestinian policy. As mentioned by the MTR "it is remarkable how EUREP has been able to "carve out" a programme in Area C, not being expressly marked as a focal sector; the structure with the four component build a credible logic going from planning to social services to land development, and finally to local governance, covering the large spectrum of targeted area needs". However, a close monitoring at outcome and impact level is necessary and a mutual accountability system to be put in place - data and analysis, impact-level monitoring and evidence-based decision making should be enhanced.

## 2. Nexus Operationalisation

**An evolution of the Area C programme must see a more systematic effort to operationalise the Nexus HDP approach**, at early design and implementation phases, but also in terms of coherent political advocacy and contributing the EU's strategic interests in Area C. Closer engagement with humanitarian actors working in Area C in needed, to explore concrete opportunities for joint analysis of risks and opportunities, feeding into the identification of complementary programming in areas of shared geo-priority, alongside EU development partners. This starts with joint analysis between the EU and key stakeholders on operationalising a nexus pilot in Area C, in a concrete way - where/how to be piloted best (geo specific vs sector specific approach) - and analysis on leveraging institutional/operational/political will and capacity.

Moreover the humanitarian approach towards protection and humanitarian advocacy is to be complemented by development assistance from social-economic development to service delivery to rights protection. Also the graduation of communities benefiting from humanitarian assistance towards longer term, at scale and sustainable interventions is an avenue to be pursued. The water sector is of particular interest, building sustainable and resilient water services is where humanitarian and development sector can develop concrete synergies at local level. Furthermore, this will contribute to promote good governance, sound environmental practices (including Climate Change adaptation) particularly with the added strain of the COVID-19 pandemic. Last but not least, linking to the HDP-peace pillar will require reinforced efforts at every opportunity by EU and MS at political but also at operational level with both Palestinian and Israel Authorities (AHLC, structure dialogue with ISR, triangulation), as mentioned above.

## 3. Upgrading the Pillars of our Approach

**Pillar 1: Planning & Mapping Land Rights: Upgrade the Master Plan Approach by fostering better integration of Area A, B and C and move from local urban master (outline) plans to a geographically wider and integrated vision including increasing support to mapping of land rights.** The geographical, service provision and institutional linkages between marginalised and isolated Area C communities is key. Cluster Master Planning<sup>11</sup> can directly contribute to better integration of the Areas A, B and C. Expanding the mapping of land rights will also contribute further to protect property rights (notably for women), stimulate investments and contribute in resolving social and family disputes.

- ✓ Expand the cluster planning approach, and continue the consolidation of the individual master plans.
- ✓ Reinforce the support of land survey and land registration in Area C.

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<sup>9</sup> Non-Paper "Review of modalities of EU engagement on the ground in support of a two-state solution. State of play and way forward".

<sup>10</sup> The MTR of the Programme was carried out in 2019

<sup>11</sup> See Annex 1 for a brief overview of the objective and scope of pilot cluster plans under preparation

**Pillar 2: Provision of Social and Public Services: Upgrade the approach by an integrated approach based on cluster master plans, driven by the sector policies and marked by flagship investment in green energy.**

In order to enhance impact of EU funded interventions, a more focused and integrated approach in support to social infrastructure is necessary. The extension of the (local urban) MP approach to the Cluster Master Plans will allow to reach more communities with a wider reach, with more potential impact. In coordination with the PA, an alignment with sector policies and investment plans, as well as a specific attention to sustainability, will be given. EU engagement in seam zones (behind the separation wall) is essential.

- ✓ Extend the (urban) Master Plan Approach and ‘*tacit approval principle*’ to Cluster Plans and fund infrastructure projects, based on an agreed set-up with the PA
- ✓ Support the deployment of massive solar energy plants in Area C through engagement with the parties on the obtention of the permits through an efficient and transparent process
- ✓ Upgrade the selection process of investments in order to better integrate sector-driven investment plans with community based participatory approaches
- ✓ Increase the efforts to ensure financial and sustainable sustainability of infrastructure investments
- ✓ Monitor the political instrumentalisation of archaeology as a means to stem Palestinian communities’ to grow, evolve and be serviced with social infrastructure in Area C

**Pillar 3: Economic development, notably in Agriculture and Green Economy: Reinforce strongly the Private Sector Support Pillar, notably through the use of new Financial Instruments and Public-Private Partnerships where possible.**

Only with sustainable and inclusive growth, notably based on agriculture and its value chains, can the Palestinian population in Area C assure a dignified future presence. With improved access to finance and financial risk mitigation, new financial instruments could allow us to scale interventions through private sector investments and reinforce resilience efforts. The roll-out of the EU External Investment Plan (EIP) should be aligned with the PA Policy on economic clusters. Specific efforts will be needed to ensure that EIP instruments are incentivised to reach Area C beneficiaries and support investments therein. Beyond agriculture, several sectors present investment opportunities: tourism, industry, communication and technology (ICT).

- ✓ Accelerate the roll-out of the EIP in Area C, notably in the agricultural sector and support the establishment of enabling environment for investments in Area C including flagships Solar projects
- ✓ Encourage investments, notably in Renewable Energy and Energy Efficiency (RE/EE)
- ✓ Develop and extend Public Private Partnership (PPP)
- ✓ Reinforce support to local NGO’s in the agriculture sector with full application of EU safeguards

**Pillar 4: Local Governance, including Green Local Economic Development (GLED).** Reinforce support to local clusters of village councils and municipalities with a comprehensive approach supporting integration of communities through a bottom-up approach led by local government.

- ✓ Support LGUs to develop incentives promoting GLED
- ✓ Introduce skills development of community services delivery in the green sector creating green jobs
- ✓ Extend an area-based approach, such as the ‘Area C Resilience Development (ARD)’ to new areas where the EU and EDPs have funded intervention under the previous pillars.
- ✓ Support the institutional linkages between LGUs in Area C and others in Area A and B through reinforcement of the efforts of APLA (Association of Palestinian Local Authorities).

**Proposed Pillar 5: Analytics, knowledge generation, for improved programmatic decision making, political advocacy, and nexus operationalisation Legal Assistance.**

The EU sees a clear need to build in a research, analytics and monitoring stream of work, to accompany its work in Area C. This will deliver in enhanced analysis, impact-level monitoring and evidence-based advocacy on the political narrative on Area C, as well as benefit collective and coherent decision making on Area C. In addition, and due to the scant possibility for the EU to have recourse to effective judicial remedy<sup>12</sup> in the Israeli system, but also in view of the need to strengthen the Palestinian capacities to provide legal aid services, enhancing a legal assistance and advocacy component to safeguard the EU taxpayer financial solidarity and Palestinian individual rights and properties will be considered.

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<sup>12</sup> Commission Legal Services Analysis, reference note Ares (2018)2070923 dated on 18/04/2018.

**Annex 0 – Background and context on Area C**

**Annex 1 – Overview of the Concept and Scope of piloted Cluster Plans (*under finalisation*)**

**Annex 2 – Map of Fragmentation in Area C (*under finalisation*)**

### *Political Background*

The Oslo Accords' division of the West Bank into Areas A, B and C was meant to be temporary, with the aim of gradually building up capacities on the Palestinian side to control and administer the territory. The Accords provided for the transfer of control of Area C to the Palestinian Authority to be completed within 5 years, while negotiations on the permanent status of the occupied Palestinian territory (oPt) was to take place during this interim period. These negotiations would tackle all final status issues, namely: Jerusalem, refugees, settlements, security arrangements, borders, relations and cooperation with other neighbours. The prospect was that after five years of negotiations an independent sovereign Palestinian State would be realised on the 1967 borders. It is well documented that the viability of the two-state solution is steadily being eroded by Israeli actions taken in the context of settlement activity, such as demolitions, destructions of livelihood assets, evictions, forcible transfers and confiscations, a majority of which occur in Area C. This also has a deeply negative impact on the sustainability and long-term impact of EU assistance.

**The viability of the two-state solution is steadily being eroded, with the progressive fragmentation of territory in Area C.** The Israeli announcement in 2020 to annex at least part of Area C, further pointed to a situation that on the ground has long been described as a “creeping annexation”<sup>13</sup> in terms of increased Israeli dominance over the territory. However, after signing normalisation agreements with a number of Arab States, Israel declared to suspend or postpone annexation until further notice, while assuring its domestic public that the issue is not taken off the table.<sup>14</sup> On the ground, little of that suspension is seen - the absence of any significant policy shift from the Israeli government regarding its continued de facto and ever deepening control over Area C continues to have negative impact on the sustainability and long-term impact of EU assistance. This takes place in the context of growing fiscal and governance challenges on the Palestinian side, and the limitation of the Palestinian Authority (PA) to exercise sovereignty in Area C.

**The coercive situation for Palestinians in Area C continued to deteriorate over the years.** Settlement expansion and demolitions have increased; plans for further expansion are developed by Israel at an accelerated pace.<sup>15</sup> In 2021, 722 structures were demolished or seized by Israel in Area C, of which 219 (30.3%) were funded by the donor community, including the EU Humanitarian office.<sup>16</sup> So far in 2022, 201 structures were demolished or seized by Israel in Area C, of which 48 (23.9%) were funded by the donor community, including the EU Humanitarian office.<sup>17</sup> And at the same time, **it continues to be next to impossible for Palestinians in Area C to obtain a building permit, leaving Palestinians with no other resort than to build illegally, according to Israeli law.**<sup>18</sup> Moreover, the furthering of new or amended regulations and military orders in Area C has also increased Palestinians vulnerability. An example is the introduction of Military Order 1797, whereby a demolition order can be presented or left on site with only a 96-hour notice, thereby severely limiting the possibility for Palestinians to legally challenge it.

Over the years Israel has continued to increase its control over Area C by establishing so called “facts on the ground” notably by steadily increasing the settler population, where today at least 325 000 are residing in

<sup>13</sup> The term first coined by the UN Human Rights Council in 2013, <https://www.un.org/unispal/document/auto-insert-205659/>

<sup>14</sup> Statements by PM Netanyahu and US officials, 2 September 2020 as reported by Reuters <https://www.reuters.com/article/us-israel-emirates-usa-communique-idUSKBN25T2FE>

<sup>15</sup> According to Israel's Settlement Policy in the West Bank, see “This Is Ours – And This, Too” issued by B'TSELEM & Kerem Navot, March 2021, “... at the end of 2020, there are more than 280 settlements and outpost in West Bank populated by more than 440,000 Israel citizens (excluding Jerusalem). Furthermore, more than two million dunams (1 dunam = 1,000 square meters) of Palestinian land have been stolen...”, -For more information, see [https://www.btselem.org/publications/202103\\_this\\_is\\_ours\\_and\\_this\\_too](https://www.btselem.org/publications/202103_this_is_ours_and_this_too)

<sup>16</sup> UNOCHA (2022) Demolitions Database <https://app.powerbi.com/view?r=eyJrIjoiMmJkZGRhYWQ0ODk0MS00MWJkLWI2NTktMDg1NGJIMGNiY2Y3IiwidCI6IjBmOUUzNWRiLTU0NGYtNGY2MCIiZGNjLTVIYTY0xNmU2ZGM3MCIiSImMiOjh9>

<sup>17</sup> UNOCHA (2022) Demolitions Database <https://app.powerbi.com/view?r=eyJrIjoiMmJkZGRhYWQ0ODk0MS00MWJkLWI2NTktMDg1NGJIMGNiY2Y3IiwidCI6IjBmOUUzNWRiLTU0NGYtNGY2MCIiZGNjLTVIYTY0xNmU2ZGM3MCIiSImMiOjh9>

<sup>18</sup> According to the Israeli NGO Peace Now, between 2009 and 2018, 98 construction permits for Palestinians were issued out of 4,422 filed requests. Between 2019 and 2020, Peace Now reports that 32 plans and permits for Palestinians in Area C were approved, while in the settlements 16098 plans were approved. For more information, see <https://peacenow.org.il/en/approvals-for-palestinians-in-area-c-2009-2020>

Area C in clear violation of International Humanitarian Law, and by increasingly declaring parts of Area C as military zones and “state land”, thus off limits for the Palestinian population. In addition, settler violence and confiscation of land campaigns are increasingly carried out in a structured and systematic way. Palestinians in Area C also face systematic legal discrimination as they are subject to Israeli Military law, meanwhile Israeli settlers are subject to Israeli civil law. Palestinians are confronted with permanent restrictions to their freedom of movement including limited access to their properties, natural resources and agricultural land (i.e checkpoints, separation wall), they are deprived of basic civil and political rights. This coupled with the systematic failure of Israel’s obligation as duty bearer, to provide basic assistance and facilitate humanitarian assistance.

While the Oslo accords envisaged the transfer of authority in Area C to Palestinian jurisdiction, Israel is still assuming full and sole responsibility over Area C. Israel is also failing to bear its responsibility under the International Humanitarian Law, notably the laws of occupation (Hague Convention, 1907) and the Fourth Geneva Convention (1949). From the Palestinian side, the PA is unable to promote social, cultural, economic and land development (including access to water & electricity) and the local governance is extremely weak, with Local Government Unit (LGUs) unable to provide the basic services there are responsible

### ***Development Background***

**Sustainable development in Palestine hinges on achieving a two-state solution, and Area C is critical in realising the full potential of Palestinian social and economic development.** Area C represents over 60% of the West Bank and is inhabited by an estimated 300,000 Palestinians living in approximately 540 communities.<sup>19</sup> Area C has large areas of uninhabited land<sup>20</sup> and the richest natural resources of the West Bank (valuable grazing and agricultural land, water resources and stones and marble quarries). Area C is therefore key to future Palestinian economic development in terms of; agriculture, mineral resources, construction, tourism, renewable energy and telecommunication. According to the World Bank, restrictions on economic activity in Area C have been particularly detrimental to the Palestinian economy. While Palestinian access to Area C and its natural resources could lead to a 35% increase in national GDP, or some 3.5 billion USD per year.

The development of Palestinian communities in Area C is affected by the continuous expansion of Israeli settlements (inhabiting an estimated 325,000 settlers<sup>21</sup>) and the restrictive legal systems imposed by Israel. At the same time, demolition of Palestinian homes and livelihood structures continue, causing a deepening of socio-economic vulnerabilities. By May 2022 alone, 201 structures were demolished or seized by Israel in Area C, of which 48 (23.9%) were funded by the donor community, including the EU Humanitarian office.<sup>22</sup>

This comes against a backdrop of **already scant provisions of basic social services** - including access to health, education, and basic public infrastructure - to communities across Area C that are in a highly vulnerable and marginalised situation, including women and persons living with disability, amongst others.

**Over 8 years of EU programming in Area C is rooted in the May 2012 Foreign Affairs Council (FAC) conclusions** that developed a comprehensive EU policy related to Area C to be followed by a set of concrete steps and actions.<sup>23</sup> The FAC conclusions call to continue to provide financial assistance for Palestinian development in Area C and expects such investment to be protected for future use. The EU has opted for a **policy of non-confrontation with the Israeli authorities** to proceed with the implementation of infrastructure projects within the master plans approved or tacitly approved by Israeli Civil Authorities.<sup>24</sup>

<sup>19</sup> Of which 283 communities are located entirely or mostly in Area C.

<sup>20</sup> Inhabited also largely because of the planning regime in place, which restricts Palestinians’ natural expansion, building permits, and development prospects for communities’ future.

<sup>21</sup> [http://www.btselem.org/topic/area\\_c](http://www.btselem.org/topic/area_c)

<sup>22</sup> UNOCHA (2022) Demolitions Database

<https://app.powerbi.com/view?r=eyJrIjoiMmJkZGRhYWQtdDk0MS00MWJkLWI2NTktMDg1NGJIMGNiY2Y3IiwidCI6IjBmQWUzNWRiLlU0NGYtNGY2MCIiZG9jLTViYTQxNmU2ZGM3MCIslmMiOjI9>

<sup>23</sup> The EU position and determination to contribute to maintaining the viability of the two-state-solution, as Area C is of critical importance for the viability of a future Palestinian state, in accordance with international law and its positions, is reiterated therein; additionally to the EU Foreign Affairs Council in December 2009, December 2010 and May 2011.

<sup>24</sup> As reflected in the Mashraq/Maghreb Working Party (MAMA) position of July 2012 to Political Security Committee (PSC). The EU policy for project implementation in Area C aimed at mitigating the disproportionality of the Israeli Civil Administration (ICA) planning requirements and the risk that the plans would not receive final authorisation. The implementation of public and social infrastructure may start once a plan has been



This policy driven approach was formally adopted under the Commission Financial Decisions C(2012)6283, C(2014)5986 and C(2018)7933 and Financing Agreements 2012/023-776, 2014/032-783 and 2018/041-137.

**To complement this process, the EU has continued its technical dialogue with the Israeli Civil Administration (ICA) and Palestinian Authorities, in its trilateral dialogue approach.** This follows the spirit of the May 2012 FAC conclusions which foresee that the EU engages with the Government of Israel on improved mechanisms for the implementation of donor funded projects for the benefit of the Palestinian population in Area C and is in line with the recommendations of the “Review of modalities of EU engagement on the ground in support of a two-state solution. State of play and way forward”.<sup>25</sup>

**In order to act more collectively on Area C, the EU is deepening its dialogue and engagement with European Development Partners** on a renewed approach on Area C<sup>26</sup>, confirming the EU’s policy objectives, key principles, and strategic direction moving forward. This process has enjoyed extensive support locally, with important financial commitments from key Member States including France, Denmark, Switzerland and Germany. Similarly, with a more focused engagement with humanitarian actors, the EU aims to further enhance nexus programming opportunities in Area C, thereby reducing humanitarian needs, accelerating development, and where possible, protecting the prospects for peace. Linked to this, **more comprehensive and conflict-sensitive data as well as political and legal analysis (that is not exclusively humanitarian in nature) specific to the problematic in Area C is being developed**, to contribute to more informed programmatic decision making, and improved impact-level analysis of policy and programmatic achievements in Area C.

**Palestinian Aspirations on Area C are well articulated in the new Palestinian National Development Plan: Resilience, Disengagement, and Cluster Development towards Independence (NDP 2021-2023)** includes within its 10 national priorities ‘Resilient Communities especially in Area C of the West Bank’.<sup>27</sup> The NDP 2021-2023 is committed to promoting people’s participation and engagement in public service delivery mechanisms, providing “high-quality gender-sensitive services” and ensuring gender mainstreaming in government policy-making, planning and budgeting. The proposed action also aligns with the Cross Sectoral National Gender Strategy and its concrete goal to increase the participation of women in decision-making processes. In parallel to the NDP 2021-23, the **Local Governance Strategy** and the first **Land Sector Strategy** for the years 2021-2023 were launched. The latter supports five strategic goals, including protection of immovable property rights and state property as well as capacity building and service delivery for land services, both drivers to this action. It also contains a reference to the EU support in Area C that falls under “6. Preparing an Inventory and Mapping of Rights for Area C”.

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formally approved by the Israeli authorities or is considered as tacitly approved (once the 18 month deadline has been reached from the date of submission by the Palestinian Local Authority to the ICA).

<sup>25</sup> Review of modalities of EU engagement on the ground in support of a two-state solution. State of play and way forward, Non-paper (Sept 2018).

<sup>26</sup> This is articulated as the European Joint Approach on Area C outlining lessons learned, reconfirming policy objectives and critical assumptions, and outlining strategic priorities moving forward.

<sup>27</sup> The Palestinian National Development does not isolate Area C, but rather articulates Palestinian policy priorities across ‘one people one land’, which a key focus on Cluster Development as a bundling of Palestinian geographies (NDP, p. 13)