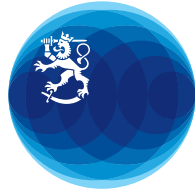


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Country Programme for Development Cooperation

Palestine 2025–2028

Ministry for Foreign
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Country Programme for development cooperation Palestine 2025–2028

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Abstract

Finland's Country Programme for Development Cooperation in Palestine (2025–2028) supports a two-state solution and contributes to regional peace and stability. Finland's activities in Palestine are based on the premise that a functioning democracy, the rule of law, human rights and a vibrant civil society are prerequisites for sustainable development. Finland supports the rules-based international system and respect for international law. Building on long-term cooperation since the Oslo Accords, Finland promotes democratic, accountable institutions and strengthens the resilience of Palestinians in vulnerable situations. The programme focuses on inclusive state-building, high-quality, equitable and inclusive education, socio-economic recovery, civic space, and human rights—especially for women, girls, and persons with disabilities. Amid ongoing conflict and humanitarian crises, Finland provides acute assistance and supports livelihoods in Gaza, the West Bank, and East Jerusalem. The programme follows a comprehensive, triple nexus approach, integrating peacebuilding, humanitarian assistance, and development. Cooperation is implemented with the Palestinian Authority, EU, UN, and civil society, while also engaging Finnish actors to share expertise.

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EXECUTIVE SUMMARY

The Country Programme for Development Cooperation in Palestine 2025–2028 is part of Finland’s comprehensive approach, in which the objectives of Finnish foreign and security policy as well development policy goals are mutually supportive with the aim of contributing to regional stability and peace. The results achieved and lessons learned from the Country Programme are at the core of Finland’s political dialogue and policy work in international fora. Finland has been a reliable partner for Palestine supporting Palestinian state-building through development cooperation since the Oslo Accords. The Country Programme builds on previous long-term cooperation, contributing to the prerequisites for the two-state solution and creating opportunities for an independent, vibrant, and democratic Palestine. Finland’s activities in Palestine are based on the premise that a functioning democracy, the rule of law, human rights and a vibrant civil society are prerequisites for sustainable development. Finland supports the rules-based international system and respect for international law.

The long-term objective of the Country Programme for Development Cooperation, the emergence of the negotiated two state solution, currently seems distant prospect, despite the continued efforts of the international community. Palestinian political and economic development is suffering heavily from the protracted Palestinian-Israeli conflict. The latest escalation in Gaza has claimed the lives of tens of thousands of people and has caused massive destruction and displacement. Increased Israeli military operations and settler violence have also intensified in the West Bank. Further restrictions on the movements of Palestinians, as well as the cancellation of work permits in Israel, have stalled the Palestinian economy and increased poverty. The Palestinian Authority (PA) suffers from a severe budget deficit due to the Israeli government withholding tax and customs revenues. Internal Palestinian challenges such as the democratic shortfall and human rights violations are contributing to the slowing of development.

In taking the overarching long-term objective of achieving and supporting a two-state solution into account, Finland’s development cooperation in Palestine during 2025–2028, focuses on two result areas: democratic, accountable and resilient national institutions; and the resilience of the Palestinians in the most vulnerable situations. Finland continues to support Palestinian inclusive state-building efforts

by supporting institutions to develop their capacities. Finland will continue its effective long-term commitment in the Palestinian education sector, supporting reform aiming for high-quality, equitable and inclusive education. Finland supports Palestine's socio-economic recovery and development, as well as the civic space and the promotion of human rights. Through its actions, Finland strengthens the resilience and rights of the Palestinians in the most vulnerable situations by providing acute humanitarian assistance, as well as by contributing to the strengthening of the livelihoods of the Palestinians in the most vulnerable situations in the West Bank, including East Jerusalem and in Gaza.

Respect for human rights, especially the rights of women and girls, as well as of persons with disabilities, and defending the rules-based system are at the core of Finland's political dialogue and advocacy activities in Palestine.

The Country Programme continues its comprehensive approach, bringing together different actors and stakeholders along the principles of the triple nexus approach to peacebuilding, humanitarian and development efforts. Finland's development cooperation is implemented with the Palestinian Authority, the EU, the UN, and international and national civil society organisations. Multi- and bilateral, political, and policy dialogue constitutes an integral part of development cooperation efforts. Partnerships with Finnish public, private and civil society actors is promoted to share Finland's expertise in areas where it has value added.

1 Country context and Finland's interests and objectives

Stability in the Middle East is an important interest for Finland, as the region's political and economic development directly affects Europe.

Finland opened a representative office in Ramallah in 1999, and Palestine has been represented in Finland since the 1980s. Finland and Palestine enjoy very good relations. Both Finland and the international community are committed to a two-state solution and advance this political aim both politically and through development cooperation. Finland's objective is to support Palestinian state-building and to end the conflict between Israel and Palestine through a peaceful negotiated two-state solution, with the State of Israel and an independent, democratic, contiguous, sovereign and viable State of Palestine living side by side in peace and security and mutual recognition. In practice, a two-state solution requires the establishment of a Palestinian state alongside Israel's internationally recognized territory, implemented in accordance with internationally approved parameters. Finland respects and adheres to international law, including the decisions and opinions of the International Court of Justice and the International Criminal Court. The International Court of Justice (ICJ) issued an advisory opinion in July 2024 stating that Israel's occupation of the Palestinian Territories is illegal.

The aim is to resolve the conflict sustainably safeguarding the security needs of both Palestine and Israel. Finland rejects any kind of violent radicalisation or extremism. Terrorist organisations like Hamas must not play any role in the future organisation of the Gaza Strip, whether in security or governance.

The conflict intensified after Hamas launched a terrorist attack against Israel on 7 October 2023, leading to the war in Gaza. The war has created a severe humanitarian crisis in Gaza, with 1.9 million people displaced, more than 54,000 deaths and 123,000 injuries as of 28 May 2025. The damage to infrastructure has been unprecedented. Increased Israeli military operations and settler violence have caused displacement and augmented humanitarian needs also in the West Bank.

The GDP of Palestine is estimated to have contracted by 27 per cent in 2024. Unemployment in Gaza has risen to 80 per cent, while it had doubled to 29 per cent in the West Bank by the end of 2024. Poverty increased from 29 per cent in 2023 to 40 per cent at the end of 2024. In Gaza, multidimensional vulnerability remains at critical levels with widespread malnutrition and the lack of basic goods.

Finland's foreign and security policy and development policy objectives are deeply intertwined in Palestine. Finland promotes the realisation of democracy and a vibrant civil society, the rule of law and human rights in Palestine. Finland supports the Palestinian Authority, especially the development of its operational capacity and the strengthening of its institutions. Economically, Finland supports the development of Palestinian socioeconomic recovery, reducing dependence, promoting local investments and employment, and strengthening livelihoods.

2 Development Policy And Cooperation: Objectives And Means At The Country Level

Finland's Country Programme for Development Cooperation in Palestine (2025–2028) contributes to the realisation of the two-state solution, advancing Finland's foreign and security policy goal of increasing stability in the Middle East. In doing so, Finland seeks a comprehensive approach in which political dialogue and peace building measures are combined with humanitarian actions, resilience building and long-term development efforts of the Palestinian Authority (PA). The programme is aligned with and supports the implementation of the Palestinian Authority reform agenda, and related government strategies and plans. It is also intended to align with the emerging plans for Gaza's early recovery and reconstruction.

The Country Programme contributes to the two main long-term objectives that are crucial for the viability of the two-state solution: democratic, accountable and resilient national institutions, as well as the resilience of the Palestinians in the most vulnerable situations. The first objective entails improving the capacities of the PA to safeguard the right to inclusive education, as well as supporting the PA in making, planning and implementing inclusive policies that strengthen resilience and can lead to economic recovery and socio-economic development. Furthermore, Finland promotes the participation of human rights and civil society organisations so that they can fulfil their role in Palestinian society. To contribute to the objective of strengthening the resilience of Palestinians in vulnerable situations, Finland provides humanitarian assistance to address the most acute needs of persons in humanitarian contexts and supports communities in the most vulnerable situations to maintain and develop their livelihoods, which can contribute to their longer-term economic recovery and development. Overall, the programme contributes to the prevention of violent extremism and radicalisation.

The Programme is based on the Finnish Government Report on International Economic Relations and Development Cooperation (2024) premise that functioning democracy, the rule of law, human rights and a vibrant civil society are prerequisites for sustainable development. The Country Programme emphasises the right to peace, equality and non-discrimination. It promotes the realisation of the goals of Agenda 2030 and is based on respecting international law and defending

the rules-based international system, which are at the core of Finland's foreign and security policy as defined in the Government Report on Finnish Foreign and Security Policy. Respect for human rights and defending the rules-based system are at the core of Finland's political dialogue and advocacy activities in Palestine.

The Country Programme promotes economic activity and domestic resource mobilisation as crucial elements for recovery and development. It encourages the participation of Finnish actors in collaboration with Palestine.

The Country Programme will consider Finland's dialogue with multilateral actors such as the UN and the World Bank. In addition, Finland will be an active partner in the EU dialogue on Palestine. In the dialogue with the UN, especially with organisations which receive Finland's core funding, Finland will seek collaboration and promote a stronger emphasis on equity and gender equality, disability inclusion, the use of innovation and digitalisation in development, and enhanced risk management.

Finland actively participates in the work of the Global Alliance. The aim of the Global Alliance is to advance joint efforts and tangible measures for the implementation of the two-state solution and to achieve and maintain ceasefire in Gaza. Formed 2024 in New York during UNGA Week, the alliance includes 94 states and international organisations.

In addition to programmable development financing and humanitarian assistance, Finland supports Palestine through Finnish and international non-governmental organisations, based on demand-driven calls for proposals. The participation of Finnish expert institutions and private-sector actors is encouraged, keeping the limitations set by the very volatile context in mind.

3 Expected Results of the Country Programme

Result Area 1 Democratic, Accountable And Resilient National Institutions

Advancing inclusive Palestinian state-building requires effective, accountable, and resilient institutions that deliver accessible and relevant public services to citizens. It also requires democratic processes and enhanced citizen participation. The sustainability of the PA and its possibilities of providing services are largely constrained by the ongoing conflict. Israel collects and transfers the clearance revenues of the PA, which constitute most of the PA's budget. Since October 2023, these transfers have shrunk by more than 50 per cent. Domestic revenue collection has also decreased significantly due to the economic downturn caused by Israel's further restrictions on work permits and movement in the West Bank, as well as the war in Gaza. This has caused severe cuts in public spending, leading to significant arrears in civil servant salaries and increased domestic borrowing.

Elections in Palestine have not taken place in years. In the absence of a functioning legislative council, democratic legitimacy increasingly relies on the inclusion and empowerment of civil society in societal debate, decision-making and public policies. However, over the years, the space for civil society has been shrinking, and CSOs face a lack of funding and operational constraints in Palestine. These include Israeli attacks on human rights defenders and other restrictive measures towards non-governmental organisations, the arbitrary application of Palestinian legislation on CSOs, stagnation in democratic development, and internal political division.

The government of Palestine has launched an ambitious reform agenda, which includes significant austerity measures to reduce public spending, measures to boost private-sector-led economic development to reduce dependence on international financial support, and ambitious reforms to modernise Palestinian institutions. Institutional reforms entail improving transparency accountability at all levels of government, reforming public financial management, reforming the rule of law and the judicial system, and empowering local government units, and driving digital transformation. It also aims to enhance democracy and human rights, invest in health and education reforms, and promote economic development through private-sector-led growth, as well as to reform the security sector. These reforms

are needed to improve service delivery and to increase the legitimacy of the PA. Reforms need to be accompanied by the process of democratisation leading to elections. Progress in the reforms is also vital for international support for the PA to continue.

Finland focuses its support on the education sector reforms and on enhancing the capacity of the PA and local government units in regional planning and inclusive local economic development. Finland also contributes to the reform of the security sector through active participation in formulating common EU policies and by contributing to EU civilian crisis management missions. The collaboration of Palestinian and Finnish public institutions is sought through EU twinning and other funding arrangements.

As an international benchmark for governance, transparency, and equity and gender equality, Finland is in a strong position to promote these core values in policy dialogue with Palestinian stakeholders. In its policy dialogue with the PA, Finland stresses citizen-centred and inclusive policy making, planning and service delivery. In addition, Finland calls for transparency and the accountability of duty bearers, promoting the inclusion and participation of civil society actors in development processes. There will be a particular emphasis on the rights of women and girls, as well as persons with disabilities.

Finland has special expertise in the education sector, and this can be shared with Palestine. Universities, expert institutions and ministries will be involved in cooperation. Cooperation may include technical expertise, exchange visits and other means of cooperation. Cooperation is carried out with the UN Innovation Centers operating in Finland, especially with UNICEF's Global Learning Innovation Hub. Collaboration is sought in the area of digitalization.

Outcome 1.1. Palestine Safeguards Children's Right To Equitable And Inclusive Quality Education

A unified education system in the West Bank, including East Jerusalem and Gaza, is an important part of state-building for Palestinians. Modern, equitable, inclusive and high-quality education is essential for promoting active citizenship, critical thinking and conflict resolution. The deterioration of the political situation, war and conflict, and the worsening socioeconomic opportunities in Palestine have compounded the pre-existing challenges that children face to fulfil their right to education and to become active citizens. Due to the war, more than 650,000 children in Gaza have been out of school since October 2023. Increased settler

violence and tough restrictions on movements for Palestinian students and teachers have affected the schooling of around 780,000 students in the West Bank. The dire fiscal situation of the PA has caused cuts in teacher salaries and consequent strikes. This has amplified the learning loss and increased disparities in access to inclusive quality education, especially for children in the Gaza Strip and the marginalised and hot spot areas in the West Bank, including East Jerusalem. Children from the most vulnerable groups including children with disabilities are the most affected. The ability of the Ministry of Education and Higher Education (MoEHE) to address the situation has been greatly diminished.

Finland has been a long-term partner in education for Palestine and played an important role in the building of the sector. The collaboration goes beyond bilateral cooperation including cooperation with universities, education institutions and non-governmental organisations in Finland and Palestine. As education continues to be one of the priorities of Finland's development policy, and given Palestine's increasing need to address the educational crisis, education sector support remains an important part of Finland's support for Palestine.

Finland supports the PA, particularly the MoEHE, in safeguarding Palestinian children's right to equitable and inclusive quality education, and in implementing education sector reforms as stipulated in the national Education Sector Strategic Plan for 2025–2027 (ESSP). The support enhances access to, participation in, and inclusion in education, improves the quality of education, and strengthens the accountable governance and management of the education system in Palestine. Efforts to respond to the humanitarian response, early recovery and the eventual reconstruction of Gaza's education sector are also supported.

Finland supports the MoEHE by providing funding to the Joint Financing Arrangement (JFA). The Representative Office of Finland in Ramallah, with other development partners interacts with the Ministry, along with active technical and policy dialogue in sector and thematic working groups. Finland will also contribute to system strengthening and the quality of education by promoting interaction, technical dialogue and institutional cooperation between Finnish and Palestinian institutions and educators.

Through its partnership with UNICEF in the UNICEF Education Quality and Inclusion Project (EQUIP), Finland focuses specifically on consolidating the capacities of the MoEHE to provide inclusive education, including the needs of children with disabilities. Collaboration in inclusive education entails the participation of Finnish

education sector stakeholders as well as the UNICEF Global Learning Innovation Hub in Helsinki. Finland promotes the digitalisation of education through the Joint Financing Arrangement and through collaboration with UNICEF.

In its policy dialogue, Finland will promote Palestinian children's right to education. In the policy dialogue with the PA, Finland will pay particular attention to inclusive education and improving access to quality pre-school for children in vulnerable circumstances, as well as reducing disparities in learning opportunities for boys and girls in secondary and vocational education. Based on its own experience, Finland recognises the importance of qualified teachers in improving the quality of education. Finland will also promote the dialogue on the role of education in protecting the rights of women and girls in Palestine. The Representative Office of Finland in Ramallah will be an active partner in the education sector working group and the ESSP's relevant thematic working groups.

Outcome 1.2. Palestine Plans And Implements Inclusive Policies For Socio-Economic Recovery And Development

The conflict between Israel and Palestine has had a lasting and differentiated impact on Palestinian institutions, questioning the viability of the two-state solution. Territorial fragmentation has been manifested as fragmentation and separation between and across Palestinians in the East Jerusalem, West Bank and the Gaza Strip, which has been exacerbated by increasing illegal settlement building, the Separation Wall, and most recently the war on Gaza and increased Israeli military operations in the West Bank. Geographical fragmentation and political divisions have made it difficult to plan and implement unified and inclusive national policies and reforms that would address specific local challenges. The PA's lean presence and weak and fragmented service delivery at the local level have also contributed to the low legitimacy of the PA.

Finland supports the Palestinian Authority, in particular the Prime Minister's Office, selected line ministries and local government units, to develop their capacities in making, planning and implementing inclusive and gender-responsive national policies that boost local socio-economic recovery and sustainable development, building on the Transformative Resilience Framework, which emphasises national ownership and leadership, self-reliance, social cohesion (including gender equality), and Palestinian identity. To do this, Finland continues its support to the PA through the UNDP TARABOT programme. As the programme's first phase (2021–2024) concentrated on strengthening the planning capacities of selected PA institutions, its second phase also addresses the financial sustainability of plans and identifies

innovative financing sources for their execution at the local level. With the support of the United Nations Capital Development Fund (UNCDF), attention is paid to supporting the government in identifying opportunities to leverage innovative blended and private-sector funding. This is in line with Finland's development policy objective of strengthening countries' own domestic resource mobilisation and ability to leverage private capital for development.

Finland's policy dialogue will promote accountability, transparency and anti-corruption measures as well as the inclusion of civil society, particularly women, young people, and persons with disabilities, into planning processes and investments. Finland will also seek ways to promote the digitalisation of the public sector through bilateral and multilateral partnerships. Finland also urges the UNDP to play a strong role in advocating digitalisation in its operations in Palestine. In its policy work, Finland also makes use of the opportunities offered by the core funding of the UNDP.

The EU has been crucial in providing budget support to the Palestinian Authority through the PEGASE-mechanism, which contributes to the payment of teachers' and health personnel's salaries and pensions, social security payments, and payments accumulated for the East Jerusalem Hospitals. Finland will participate in discussions related to EU development financing and related PA reforms in accordance with its own political and policy objectives. This outcome may also include the Finnish contribution to the EU package through the PEGASE mechanism in the coming years.

Outcome 1.3. National Human Rights And Civil Society Organisations Are Able To Fulfil Their Roles

Finland recognises the need to support citizens' engagement in promoting national unity and in democratic decision-making. However, the space for civil society has been shrinking in Palestine due to measures taken by both the PA and Israel. CSOs face a lack of funding and operational constraints such as Israeli attacks on human rights defenders, the arbitrary application of Palestinian legislation to CSOs, internal political divisions and stagnation in the overall democratisation process. The PA promotes a citizen-centred agenda in its national policy and its reform agenda, which also includes improvements to the legislation concerning civic space.

Finland supports Palestinian civil society with a particular focus on promoting human rights, accountability, and the empowerment of women and young people. Women are underrepresented in social and political life in Palestine. Palestinian

legislation does not sufficiently protect women, especially in relation to gender-based violence. While Palestinian young people are well educated, many are increasingly disillusioned by the lack of social and employment opportunities and poor future prospects. If given hope and meaningful opportunities, Palestinian young people and women can be catalysts for positive change. Finland promotes advocacy campaigns and the efforts of civil society to make the agenda of women's rights and their representation more visible. In its advocacy work, Finland intends to engage with and support the agenda of UN Women and UNFPA at the country level to advocate the combating of gender-based violence and enhancing the participation of women in the Women, Peace and Security Agenda.

Finland seeks to ensure that civil society and the voices of young people and women are heard in its dialogue with the PA. The Representative Office in Ramallah participates in the PA's Gender Working Group and Civil Society Working Group with Palestinian civil society partners and the international community. Direct funding, through the Fund for Local Cooperation is channelled to selected CSOs promoting women's and young people's participation and rights.

Finland continues its support to the Independent Commission of Human Rights of Palestine (ICHR) with other international partners. This is in line with Finnish foreign and security policy and the development policy commitment to strengthen international law, democracy and human rights including the rights of sexual and gender minorities, as well as to promote international humanitarian law and combat impunity. International support to the ICHR is crucial to strengthen the accountability of the PA and combat impunity. Through support and engagement with the ICHR, Finland can enhance the capacities of the institution and advocate for a stronger emphasis on the rights of women and girls, persons with disabilities, and on the right to inclusive quality education. The Representative Office of Finland in Ramallah will participate in the joint work of international partner consortia and respective dialogue with the ICHR and other human rights stakeholders.

Finland also supports Palestinian civil society through financing Finnish civil society organisations. Currently, the Finnish CSOs working in Palestine with programme-based support are Finn Church Aid, with a special focus on strengthening resilience and education in both humanitarian assistance and development activities, the CMI Martti Ahtisaari Peace Foundation, supporting a regional approach to promoting peace and security and women's political agency in conflict resolution, and YMCA Finland, focusing on the resilience of young people and women (2023–2025). In addition, the Finnish Life-long Learning Foundation (KVS) implements a project on media literacy (2023 – 2026). Finland also channels support to Palestine through the INGO actor Access Now as part of a broader approach focusing on defending

human rights in the digital age. As part of INGO support, Finland provides general support to the International Planned Parenthood Federation (IPPF). The IPPF member organisation the PFPPA (Palestinian Family Planning and Protection Association) operates in Palestine. PFPPA provides sexual and reproductive health services in the West Bank, Gaza and East Jerusalem and promotes SRH rights in Palestine. This support creates an opportunity to promote sexual and reproductive health and rights through policy work.

Result Area 2 Resilience Of Palestinians In Most Vulnerable Situations Strengthened And Rights Protected

According to the UN, 3.3 million people are currently in need of humanitarian assistance in Palestine. Furthermore, 5.7 million Palestinian refugees in Palestine, Jordan, Lebanon and Syria now depend on UNRWA's support to meet basic needs and protection, while the Israel parliament is implementing laws to prohibit the operations of the organisation in Palestine, and the PA's opportunities to respond to the crisis have deteriorated. The escalation of the conflict since 7 October 2023 has also affected the environment in many ways: soil and water have been contaminated, sewage, wastewater and solid waste management systems and facilities have collapsed. All this has implications for people, their health and well-being. Displaced persons are facing increased protection risks, but forced immobility also increases their climate vulnerability.

Palestine requires international support to address its huge humanitarian needs, strengthen the resilience of communities in the most vulnerable situations and advocate for their rights. Vulnerability in Palestine is based on several factors, including exposure to conflict, displacement, poverty, climate change, and restrictions to access to basic services, legal and administrative barriers, and exposure to violence and protection risks, as well as health vulnerabilities and disability. Finland contributes to meeting the acute humanitarian needs and protecting the rights of Palestinians in the most vulnerable circumstances in Gaza and the West Bank, including East Jerusalem. In addition, Finland contributes to the efforts to address the medium- and long-term needs of those in vulnerable situations to strengthen their resilience by enhancing their livelihoods and improving living conditions. Finland aims for comprehensive interventions that address the drivers of fragility with a nexus of humanitarian, development and political actions to slow down and reverse the de-development process, while

preserving opportunities for a just and peaceful two-state solution to the conflict. Finland supports the mandate of UNRWA in providing humanitarian assistance and services to Palestinian refugees.

In its policy dialogue, Finland supports a strong and coordinated UN system highlighting the need to respect obligations under international humanitarian law. Finland promotes the implementation of the humanitarian-development nexus. Furthermore, the rights of persons with disabilities, as well as of women and girls in humanitarian situations are promoted. Finland promotes the participation of the Finnish private sector and non-governmental organisations in humanitarian efforts in Palestine. Finland strives to promote their participation in UN procurements and is open to various opportunities in the recovery and reconstruction of Gaza.

Outcome 2.1. Palestinians In Most Vulnerable Circumstances Are Provided Humanitarian Assistance And Protection

Finland contributes to the humanitarian response in Palestine through programmable aid and humanitarian funds channelled through the UN, the International Red Cross and Red Crescent movement, and Finnish humanitarian organisations. Since October 2023, Finland has increased its support to respond to the humanitarian crisis in Palestine. A total of EUR 15.5 million in new humanitarian support has been granted in 2023–2025 in addition to multiannual financing for UNRWA, whose grant contract with Finland covers the years 2023–2026. Apart from UNRWA, Finland’s humanitarian assistance has been channelled through the International Committee of the Red Cross (ICRC) and the World Food Programme (WFP). Through the Finnish Red Cross (SPR), Finland supports the ICRC field hospital in Rafah in Gaza.

Finland provides basic services to Palestinian refugees. Finland aims to strengthen disability inclusion and gender equality in UNRWA’s programming. Finland actively participates in donor oversight and in pursuing continued improvements in the efficiency and risk management of the agency’s operations. Finland’s ambassador to Palestine is also Finland’s representative to UNRWA.

Through programmable funds within the UNDP TARABOT II programme, humanitarian assistance, especially cash for work assistance, is provided to communities in vulnerable situations in the West Bank, including East Jerusalem and Gaza. Finland also provides education and mental and psychosocial support to children in the humanitarian context, including children with disabilities, through the UNICEF Education Quality and Inclusion Project (EQUIP) in the West Bank and Gaza.

Furthermore, Finland provides humanitarian assistance through ECHO to the West Bank Protection Consortium, which protects Palestinian communities in the most vulnerable situations in the West Bank against human rights violations. The consortium provides humanitarian protection, strengthens the development conditions for Palestinian communities in Area C, influences the underlying causes of vulnerability, and strengthens the accountability of duty bearers through emergency response, resilience building and advocacy.

Outcome 2.2. Livelihoods Of Palestinians In Most Vulnerable Situations Are Restored And Strengthened

Through the partnership with the UNDP, within the TARABOT II programme, Finland continues to contribute the strengthening of the livelihoods of Palestinians in the most vulnerable situations in the West Bank, including East Jerusalem as well as in Gaza. The aim is to reduce reliance on humanitarian assistance by strengthening livelihoods and creating jobs, developing entrepreneurship, and increasing access to markets. It is expected that in the longer term this will lead to local investments that will stimulate the Palestinian economy and domestic revenue. This will not only restore economic self-reliance but will also empower communities to drive their own socioeconomic recovery. The aim is to involve private sector funding in investments, reducing dependence on development funding. By promoting clean investment, the programme promotes Finland's cross-cutting objective of low-emission development and climate resilience, as well as the protection of the environment and biodiversity. Palestinians are particularly vulnerable to the impacts of climate change due to the interplay of conflict and hazards.

Finland pays special attention to strengthening the resilience of women and persons with disabilities. Through the TARABOT II programme, Finland will support the economic participation and leadership of women and strengthen the position of women as workers and entrepreneurs. This outcome also includes the resilience activities of the West Bank Protection consortium in the protection of communities at risk of forcible transfer in the West Bank by developing their livelihoods and constructing and improving small scale infrastructure such as roads, shelters and schools. The consortia provide a useful platform for evidence-based advocacy for the respect of international law.

The Representative Office of Finland in Ramallah engages in country level dialogue on early recovery and reconstruction to promote equity, inclusion, and the protection of rights of women and girls, as well as persons with disabilities. It also aims to identify possibilities for Finnish private-sector actors to participate in early

recovery and reconstruction efforts, as well as for the use of Finland's private-sector instruments to promote trade and investments. Finland will promote participation of Finnish private sector actors in future investment in Palestine, including in relation to the EU Global Gateway initiative. This outcome may include additional funding for Gaza's early recovery and reconstruction.

4 Implementation

4.1 Risk management

Risk identification and management are integral to implementing development cooperation. The Risk Management Policy for Development Cooperation¹ of the MFA describes the operating model and processes for risk management and sets its overall objectives, principles, and responsibilities. During programme implementation, careful monitoring, evaluation, and oversight ensure that funds are used appropriately, and that development cooperation delivers results².

Palestine is a high-risk and fragile environment for development cooperation. Strategic risks include the further escalation of conflict and violence, the possible annexation of the West Bank, and the further weakening of the legitimacy of and/or financial collapse of the PA as the main partner for Finland's programmable development cooperation. International advocacy and political dialogue with the government of Israel, as well as close dialogue and engagement with the PA, are crucial to mitigating these risks. Operative risks relate e.g. to access and other operational restrictions, confiscations and demolitions. Financial risks are related to the diversion of funds in some cases and issues related to capacity. These are mitigated through careful monitoring and strong programme management safeguards. Due to the conflict operating environment, damage risks include the possible destruction of donor-funded infrastructure and exposure to violence of staff and programme related personnel by Israeli security forces and violent settlers. Careful attention must also be paid to doing no harm to beneficiaries, especially those under threat of forcible transfers and settler violence in the West Bank.

The Country Programme responds both to the humanitarian needs arising from the volatile and fragile context and to the medium- to long-term needs for system strengthening. Modalities within the programmable assistance are mostly flexible in terms of being able to move from long-term development efforts to humanitarian response and vice versa, according to the situation. This nexus adaptability and flexibility form an important part of the programme's risk management.

1 <https://um.fi/development-cooperation-risk-management-policy>

2 <https://um.fi/monitoring-evaluation-and-oversight>

To mitigate risks related to cooperation, Finland continues to work with well-established, long-term partners in Palestine. It collaborates with both multilateral and bilateral partners and seeks joint financing arrangements to share and mitigate risks. Finland focuses on strengthened capacity, continuous monitoring and active engagement in political dialogue with various stakeholders, including the international community. Finland will advocate for the importance and legitimacy of the UN organisations fulfilling their mandates in Palestine.

The assessment of Finland's development cooperation in Palestine finalised in late 2023, concluded that risk management and control mechanisms worked well, and cooperation funds had been used accordingly. The Ministry for Foreign Affairs of Finland and the Representative Office of Finland in Ramallah will continue to enhance risk management mechanisms and closely monitor the implementation of Finnish development assistance in Palestine. With its partners, Finland will pay attention to the status and strengthening of risk management measures.

4.2 Monitoring, evaluation and learning

Roles and responsibilities related to monitoring and reporting are defined in the rules of procedures of the MFA. Embassies support these duties at the country level. This work follows the norms, rules and guidelines of the MFA. In joint arrangements, Finland will participate in joint reviews and evaluations and aims to support the development of local monitoring and evaluation frameworks and capacity. This especially concerns the EU-funded projects and programmes.

4.3 Tentative financing plan

Between 2015 and 2024, Finland allocated a total of approximately 84 million euros of ODA funds to support Palestine. Most of the funding was channelled to the education sector. It accounts for about 40 per cent of all development cooperation. The next largest amount of support has been channelled to public administration and support for civil society.

In 2024, development cooperation disbursements to Palestine totalled 7.39 million euros. Of this, bilateral programmable development assistance accounted for 7.09 million euros. The total amount of CSO support was 300,000 euros. A total of 15.5 million euros of humanitarian assistance has been channelled to Gaza since October 2023.

In 2025–2028, bilateral programmable development assistance will be channelled to Palestine. In addition, humanitarian assistance, civil society funding, including for INGOs, and grants in the form of general support for UN organisations, will be directed to the region. Finland will strive to work actively to increase the participation of Finnish actors in cooperation in Palestine.



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