Each year, Sida conducts a humanitarian allocation exercise in which a large part of its humanitarian budget is allocated to emergencies worldwide. This allocation takes place in the beginning of the year as to ensure predictability for humanitarian organisations and to allow for best possible operational planning. In an effort to truly adhere to the humanitarian principles, Sida bases its allocation decisions on a number of objective indicators and parameters of which the most important are related to the number of affected people, vulnerability of affected people and level of funding in previous years. One of the indicators is also related to forgotten crises in order to ensure sufficient funding to low profile crises. Besides this initial allocation, another part of the humanitarian budget is set aside as an emergency reserve for sudden onset emergencies and deteriorating humanitarian situations. This reserve allows Sida to quickly allocate funding to any humanitarian situation throughout the year, including additional funding to Palestine.

For 2018, Palestine is allocated an initial 84 Million Swedish Kronor (MSEK). Close monitoring of the situation in Palestine will continue throughout the year for potential additional funding or amendments.

1. CRISIS OVERVIEW

1.1. Type of Crisis: Conflict

After fifty years of occupation and ten years of blockade of the Gaza Strip, large parts of the Palestinian population face a protracted protection crisis with humanitarian consequences caused by restriction on access to basic services and recurrent violations of International Humanitarian Law (IHL) and International Human Rights Law (IHRL) with lack of accountability for these violations. In spite of international and national efforts to advance prospects for peace between Israel and Palestine, the current political environment has not been conducive to a tangible progress in the Middle East Peace Process (MEPP). While in general, parties are awaiting possible American initiative, an agreement to end the national divide between Fatah and Hamas was brokered by Egypt in October 2017.

Palestinians in the West Bank, including East Jerusalem, and Gaza are under occupation, facing many challenges that include the following. The first challenge is the continuing need for protection measures for at least 1.9 million people identified as most in need of protection, or at risk of conflict and violence, displacement and denial of access to livelihoods, among other threats. The second, is the need to ensure delivery of essential services such as water and health care for the most vulnerable households, currently denied or with restricted access. A third challenge is the need to support vulnerable households to better cope with the prolonged nature of the humanitarian crisis and the recurrent cycle of shocks, natural and manmade.

The Palestinian population in the West Bank particularly in Area C, Seam Zone and East Jerusalem has for many years been subjected to economic deprivation with limited access to basic services. This takes the form of displacement and dispossession of land and housing through forced evictions which is triggered by multiple factors. These include building restrictions; the destruction of homes and livelihoods due to the lack of building permits; seizure of Palestinian land for the purpose of Israeli settlement construction and expansion which are illegal under international law, with the number of housing units advanced, approved or tendered since the beginning of 2017 more than doubled the total during 2016; conducting military training exercises near residential areas; settler violence; revocation of residency; restrictions on access to livelihoods; relocation plans; or combinations of these factors.

The blockade and three wars in the last 9 years have led to a state of de-development in Gaza, aggravating the overall socio-economic vulnerability of the population, with 1.6 million people in need of humanitarian assistance. The recurrent hostilities compounded by the lack of governance has further deteriorated the living conditions of 2 million people in Gaza and increased aid dependency.
The escalation in the internal Palestinian divide over the control of Gaza in April 2017 exacerbated Gaza’s chronic energy crisis as well as its health, WASH and livelihood sectors. This resulted in among other things a further reduction of essential lifesaving and diagnostic hospital services including medical referrals; the reduction in the provision of portable water to the population; and the release of raw sewage into the sea and the public health risks associated with it.

Most of the nearly two million Palestinians in Gaza remain unable to access the remainder of the occupied Palestinian territories (oPt) and the outside world. Only a minority is eligible for exit permits via Israel - primarily patients, business people and the staff of international organizations. Movement constraints have been worsened by the protracted closure of the Rafah terminal, which has only partially opened for 29 days in 2017, allowing 1,222 patients to exit for medical treatment.

The 2018 Humanitarian Needs Overview (HNO) identifies certain gender concerns and associated needs based on the differentiated impact, access and coping mechanisms of men, women, boys and girls affected by the humanitarian situation. In short, the concerns include Gender and Protection, Gender and food security and livelihoods, and Gender and access to basic services. All these concerns are elaborated in detail in the 2018 HNO.

1.2. Geographical areas and affected population

The affected population are 4.95 million Palestinians, among them 2.5 million in need for humanitarian assistance, out of which there are 1.4 million refugees. The total number of people targeted in the HRP is 1.9 million including, out of which 1.4 million lives in Gaza and the other 0.5 million lives in the West Bank and East Jerusalem.

1.3. Critical Assumptions, Risks and threats

The current Israeli-Palestinian political situation remains deadlocked with cautioned cause for optimism as all parties are awaiting the announcement of possible American initiative. The Political track continues to be unclear despite an agreement signed in October 2017 between Fatah and Hamas, most of the actions that triggered the recent deterioration have not been reversed. The lack of electricity and access to basic services in Gaza risks accelerating the ongoing de-development taking place in the Gaza Strip. With inadequate of WASH facilities, health access, and various other issues, risks increasing humanitarian needs among Gaza’s population is evident.

In recent months, the situation in occupied East Jerusalem has worsened considerably, negatively affecting the respect for Palestinian living in East Jerusalem. This is in sharp contravention of Israel’s obligation as an occupying power under international law. The recent eviction of a Palestinian family in Sheikh Jarrah, East Jerusalem, who had lived in its home for more than 50 years, marks a policy-shift of the Israeli government, since no such evictions have taken place in that area since 2009. According to UNOCHA, at least 180 Palestinian households in East Jerusalem have eviction orders filed against them, the majority filed by settler organizations, rendering them at risk of forcible transfer.

The Palestinian people remain affected by Human Rights and International Humanitarian Law violations and lack of protection. Violations of IHL include the blockade on the Gaza Strip for ten years, restrictions on movement, and exploitation of natural resources. These violations contribute to a coercive environment and progressive isolation and forcible transfer of the Palestinian population, in breach of the Geneva Convention.

Implementation of humanitarian programmes in Gaza, Area C, the Seam Zone and East Jerusalem continues to be challenged by restrictive access policies. The projection by the humanitarian clusters is that high levels of food insecurity are expected to prevail in Gaza and the West Bank and the continued Israeli restrictions will create more dependency on international assistance. It is estimated that the situation will remain as such until the occupation is ended.
1.4. **Strategic Objectives and Priorities of the Country Humanitarian Response Plan**

The goal of humanitarian assistance in Palestine is to protect the rights of vulnerable Palestinians, provide access to basic services for those who are acutely vulnerable and support the ability of households to cope with prolonged stresses to prevent a further deterioration in their situation, until more sustainable solutions are made possible. Three strategic objectives have been identified as well as some cross-cutting themes. These are:

1. The rights of Palestinians living under occupation, including those living under the blockade and other restrictions, are protected, respected and promoted in accordance with IHL and IHRL, while duty-bearers are increasingly held to account.

2. The basic needs of vulnerable Palestinians living under occupation are met through the provision of quality basic services and improved access to resources, in accordance with the rights of protected persons under IHL.

3. The capacity of vulnerable Palestinians to cope with and overcome protracted crisis, including from environmental threats, is supported, while solutions to violations and other root causes of threats and shocks are pursued.

Under strategic objective 1, interventions will, for example, monitor and document violations and advocate for respect for the IHL and IHRL; provide legal assistance to affected communities; mitigate the impact of violations, including through psychosocial support; provide services to those affected by Gender-Based Violence (GBV); Explosive Remnants of War (ERW); and seek to prevent forcible transfers of populations in occupied territory. Interventions under objective 2 will ensure services are provided to the most vulnerable, while continuing to advocate for the need of the occupying power to meet its responsibilities in accordance with the IHL. In Gaza, the target group will include those most affected by the 2014 conflict in which 25,500 are still internally displaced. In the West Bank, those targeted include people living in Area C and East Jerusalem, including people affected or at risk of demolitions and settler violence, and refugees living outside camps. As well as communities that the Vulnerability Profile and other assessments have identified as having the least access to services especially the 46 Bedouin communities in Area C Across the oPt. Clusters have identified particular groups such as people with disabilities, the elderly, widows, children, and female-headed households as high priorities under this objective. Interventions under objective 3 include food and cash assistance to prevent a further deterioration in food security (most acute in Gaza); promoting basic livelihoods, resilience, and safety nets; measures that seek to reduce the risk of displacement in Area C and East Jerusalem; and transitional solutions to conflict-displaced IDPs in Gaza.

2. **IN COUNTRY HUMANITARIAN CAPACITIES**

2.1. **National and local capacities and constraints**

The Palestinian Government has made significant progress in regard to institution building and the development of a sustainable Palestinian economy and has developed a National Policy Agenda for 2017 to 2022. As Israel is failing to fulfill many of its obligations as an occupying power, and the Palestinian Authority (PA) has limited possibilities to work in Area C under the Oslo Accords, the international community continues to step in to alleviate the immediate consequences of the occupation. Until a political solution is found and in light of serious protection needs, humanitarian support by Sweden is still required.

An inter-ministerial committee for Area C was established in 2015 which meets both at ministerial and technical levels. It is composed of five ministries; the Prime Minister's Office, the Ministry of Local Government, the Ministry of Finance and Planning, the Ministry of Agriculture and the Ministry of Jerusalem Affairs. The committee is responsible for establishing policies and priorities as well as overall coordination and monitoring of work progress in Area C. In order to further empower the inter-ministerial committee, the PA established a coordination office for Area C in June 2016 under the leadership of the Prime Minister's Office with support from Sweden, Austria and Norway. The Area C coordination office (ACCO) has been tasked to draft an Area C strategy for 2018-2020, an important document that is supposed to inform PA, UN, INGO's, NNGO's and donors on PA priorities in Area C and recommend development interventions that compliments the humanitarian assistance already provided.
In Gaza, the inter-Palestinian political divide continues to paralyze the National Consensus Government from resuming its basic governance in Gaza, aggravating the already fragile situation. Recently Fatah and Hamas agreed on Fatah to take over as the de facto government in Gaza, an agreement and process which will have to be followed and assessed further in 2018.

The national civil society’s humanitarian community has the capacity to respond to humanitarian needs in addition to the Palestine Red Crescent Society (PRCS). Unfortunately, not enough financial resources go to Palestinian NGO’s. Instead UN agencies and International NGO’s receive most support. Sida will increase its support to the OCHA managed Humanitarian Pooled Fund in 2018 through which national NGOs can access funding.

2.2. International operational capacities and constraints

There are roughly 100 semi active and 40 very active INGO’s and 19 UN agencies responding to humanitarian needs in Palestine. The Humanitarian Country Team (HCT) was established in the oPt in 2008 while coordination arrangements were formalized in March 2009. OCHA facilitates the work of the Inter-Cluster Coordination Group (ICG) that consists of the following six clusters/sectors: Protection Cluster, Food Security Sector, Education Cluster, Water Sanitation and Hygiene (WASH) Cluster, Health & Nutrition Sector and Shelter & NFI’s Cluster (the Gaza Strip and the West Bank). OCHA has been preparing the Humanitarian Programme Cycle on behalf of the HCT (since 2003), mobilizing humanitarian funding from the Central Emergency Response Fund (CERF), and acting as the manager of the local Humanitarian Pooled Fund (HPF) on behalf of the Humanitarian Coordinator (HC). Both the CERF and HPF, under the RC/HC’s leadership, have track records of supporting recurrent emergencies linked to hostilities and extreme weather events.

A good coordination structure exists in oPt among donors, PA, UN, INGO’s and NNGO’s. Sida’s assessment is that the cluster coordination needs to be strengthened better in Gaza. ECHO and Sweden as chair and co-chair of the local Good Humanitarian Donorship (GHD) group are participating as observers in the Humanitarian Country Team (HCT) and cluster meetings on need basis.

The last Humanitarian Coordinator, and UN Resident Coordinator, is expected to leave in January 2018. The OCHA office will most likely face certain financial challenges in 2018. Together these two factors would create challenging times for the OCHA office in 2018.

2.3. International and Regional assistance

The 2018 Humanitarian Response Plan (HRP) amounts to USD539.7 million compared to USD551 million in 2017, USD571 million in 2016 and USD704 million in 2015. In 2017, USD266 million has been funded of the HRP representing 48.3%. This continues to be a low level of funding for oPt compared to previous years. In a recent HCT plus meeting, the HC raised the issue of funding inside and outside the HRP. Total funding (inside & outside HRP) stands at USD317.3 million out of which USD51.2 million (16.1%) funded outside the HRP.

Table 1: Total funding per donor to projects listed in the 2017 Appeal as of 28th November 2017

<table>
<thead>
<tr>
<th>Donor</th>
<th>Funding (USD)</th>
<th>% of Grand Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>United States</td>
<td>112.0</td>
<td>42.1%</td>
</tr>
<tr>
<td>Germany</td>
<td>31.3</td>
<td>11.8%</td>
</tr>
<tr>
<td>European Commission</td>
<td>16.6</td>
<td>6.2%</td>
</tr>
<tr>
<td>United Arab Emirates</td>
<td>15.0</td>
<td>5.6%</td>
</tr>
<tr>
<td>Japan</td>
<td>12.3</td>
<td>4.6%</td>
</tr>
<tr>
<td>Canada</td>
<td>12.2</td>
<td>4.6%</td>
</tr>
<tr>
<td>Switzerland</td>
<td>8.1</td>
<td>3.0%</td>
</tr>
<tr>
<td>Sweden</td>
<td>8.0</td>
<td>3.0%</td>
</tr>
</tbody>
</table>

The 2018 HRP include 300 projects, of which 240 projects were approved through the vetting process. 13 UN organizations had 62 projects approved for a total of USD390,712,123. Some 31 INGO had 99 projects approved to a total of USD109,656,529 and 55 NNGO had 82 projects approved to a total of USD39,353,103.
In terms of national NGO participation, the number of NNGOs-led projects has increased in comparison to 2017, with nine more organizations, five more projects and additional USD6.6 million in the funding requirements for NNGOs.

In terms of the geographical scope of the 2018 HRP requirements, projects covering only Gaza represent 65% of the total requirements, compared to 68% in the 2017 HRP.

So far ECHO is the only donor that has shared its planned support for 2018, with an allocation of Euro 21 million.

2.4. **Access Situation**

Access restrictions for humanitarian actors are imposed by Israeli authorities. This goes for both the West Bank, East Jerusalem and Gaza. The Israeli authorities also impose movement restrictions on Palestinians and by doing so restrict their access to basic services, livelihoods, family and more. Due to Israeli access restrictions, Sida has challenges to follow-up projects and partners in Gaza since 2015.

3. **SIDAs HUMANITARIAN RESPONSE PLAN**

3.1. **The role of Sida**

Sweden is the co-chair of the locally established GHD group with ECHO. Sweden is an active member of the Advisory boards of both the Community Resilience & Development Program (CRDP) transition facility, the West Bank protection consortium for Area C as well as the Humanitarian Pooled Fund (HPF). Sweden’s aim is to influence the strategic discussions with the HCT team as well as the Palestinian Government, especially on resilience and transition. Through CRDP, Sida is promoting synergies to long term development by actively supporting a strategic shift towards long term interventions that are clustered geographically and thematically and where local government units show increasing ownership. Recent evaluations of individual Sweden supported programs motivate continued support to humanitarian interventions as long as the political situation is not changed on the ground. Sweden supports, through its bilateral strategy for Palestine, the international NGO platform, the Association of International Development Agencies (AIDA), gathering both humanitarian and development actors. Humanitarian advocacy remains a pre-condition for Sida and other humanitarian partners in Palestine with the understanding that the causes of the on-going deterioration of the humanitarian situation can only be addressed through effective advocacy, by calling all parties to respect IHL. To ensure the effectiveness of proposed interventions, Sida partners are expected to integrate advocacy results and activities in their actions that aim at raising awareness and strengthening accountability of the humanitarian system targeting the relevant audience. One of the main lessons learned is that humanitarian assistance is not the solution to the man-made crisis in Palestine, but humanitarian assistance contributes to alleviating the consequences of this man-made crisis.

3.2. **Response Priorities 2018**

Sida’s strategy for Palestine will continue to focus on IHL/protection of the most vulnerable population groups, emergency preparedness and service delivery, and humanitarian advocacy. Strategic partnerships with International NGO, UN and the Red Cross partners are essential to mainstream protection in the programmes.

Stronger linkages between humanitarian, recovery and long-term development will continue to be a priority for Sida’s and Sweden’s work in the oPt. The Community Resilience and Development Programme (CRDP), a flagship initiative with both humanitarian and development funding toward recovery and transition with a certain geographical focus (Area C & East Jerusalem), will end in March 2018. A possible continuation is looked into as Sida will continue to target vulnerable populations living in Area C. This will probably include the communities at risk of forcible transfer including the Palestinian population affected by outstanding demolition orders in Area C.

Sweden continues to assist OCHA in recruiting new donors to HPF. Sweden will continue to be active in the GHD meetings as well as continuing as co-chair together with ECHO.
3.3. Partners

Sida has various partners who have presence in the oPt such as UNRWA, UNOCHA, ICRC, Diakonia, Islamic Relief-Gaza, ACF, and the Christian Swedish Mission Council through local national coordinators in Jerusalem. Sida’s Humanitarian framework partners like NRC, Swedish Red Cross and MSB either have some presence or are very much engaged from HQ. Support to the Diakonia IHL resource centre 2017 onwards has moved as part of a global application (Thematic Sida support). For 2018 Sida will broaden its base of partners in Gaza by also supporting a food security project with ACF. Sida has increased allocation to the Humanitarian Pool Fund for 2018. The Cash-for-work program through Islamic Relief will be subject to an evaluation during 2018.

3.4. Strategic Funding in Protracted Crises

The UN Country team has developed a multi-year HRP 2018-2020. Sida has been supporting partners for several years, with the latest multi-year agreement decided in 2017 for the Swedish Ecumenical Accompaniment Programme in Palestine and Israel (SEAPPI) programme. In our humanitarian allocation for 2018 one relevant additional multi-year project was identified. Sida has previously been supporting SRC emergency health program, and recommends to continue supporting it 2018 with the possibility of funding also the last year of the project (to be decided in 2019 allocation). SRC will focus on integrating this work into PRCS which means this project enters a phase-out. Furthermore, Sida is positive to the multi-year planning by the HCT and will continue advocating for predictable and timely funding.

Generally, Sida supports multi-year humanitarian interventions with one of the following purposes:

A. Humanitarian assistance in protracted crises, in line with multi-year Humanitarian Response Plan (only in contexts with multi-year humanitarian planning)
B. Transition/phase out of humanitarian assistance (handing over to development and national/local actors according to a proposed plan within a specific time-frame).
C. Humanitarian assistance in specifically hard-to-reach areas. Based on the observation that in many of today’s humanitarian contexts, few actors tend to have access to those with the greatest needs, Sida would like to encourage partners to build strong and durable relations with concerned stakeholders in a view to facilitate swift and efficient access also to areas considered more challenging to reach.

<table>
<thead>
<tr>
<th>Recommended partner for Sida support</th>
<th>Sida sector/focus of work (incl. integrated or multi-sectorial programming)</th>
<th>If Multi-year support indicate category A or C</th>
<th>Proposed amount (MSEK)</th>
</tr>
</thead>
<tbody>
<tr>
<td>UNRWA</td>
<td>Emergency appeal/Multi sector</td>
<td></td>
<td>34</td>
</tr>
<tr>
<td>OCHA</td>
<td>Coordination</td>
<td></td>
<td>4</td>
</tr>
<tr>
<td>OCHA/CBPF</td>
<td>Multi sector</td>
<td></td>
<td>15</td>
</tr>
<tr>
<td>Swedish Red Cross</td>
<td>Protection and Health</td>
<td></td>
<td>4.2</td>
</tr>
<tr>
<td>ICRC</td>
<td>Protection</td>
<td></td>
<td>10</td>
</tr>
<tr>
<td>Islamic Relief</td>
<td>Emergency JCP – Gaza</td>
<td></td>
<td>9</td>
</tr>
<tr>
<td>NRC</td>
<td>Protection/Counselling and legal assistance (ICLA)</td>
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<td>5</td>
</tr>
<tr>
<td>ACF</td>
<td>Food security</td>
<td></td>
<td>2.8</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td></td>
<td></td>
<td><strong>84</strong></td>
</tr>
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### ADDITIONAL MULTI YEAR RESILIENCE FOCUSED FUNDING

<table>
<thead>
<tr>
<th>Recommended partner for Sida support</th>
<th>Sector/focus of work (incl. integrated or multi sectorial programming)</th>
<th>Multi-year support category B</th>
<th>Proposed amount (MSEK)</th>
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<tbody>
<tr>
<td>Swedish Mission Council in partnership with Christian Council of Sweden (SEAPPI)</td>
<td>Protection oPt/Israel</td>
<td></td>
<td>5 (agreed 2017)</td>
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<tr>
<td>Diakonia</td>
<td>Protection/IHL</td>
<td></td>
<td>5 (agreed 2017 within global method support)</td>
</tr>
<tr>
<td>TOTAL</td>
<td></td>
<td></td>
<td><strong>Already agreed: 10</strong></td>
</tr>
</tbody>
</table>

**Key References:**
- Occupied Palestine Territories Humanitarian Needs Overview, 2018
- Occupied Palestine Territories Humanitarian Response Plan, 2018 - 2020