



House of Commons
International Development
Committee

**Government Response
to the Committee's
Second Report:**

**Development
Assistance and the
Occupied Palestinian
Territories**

**Third Special Report of Session
2003–04**

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Third Special Report

On 5 February 2004 the International Development Committee published its Second Report¹ of Session 2003-04, Development Assistance and the Occupied Palestinian Territories. On 16 March 2004 we received the Government's response to the Report. The response is reproduced as Appendix 1 to this Special Report. On 3 March 2004 we received a letter from Timothy Rothermel, Special Representative, Programme of Assistance to the Palestinian People, United Nations Development Programme (UNDP). This is published as Appendix 2 to this Special Report.

In the Government Response, the Select Committee's conclusions and recommendations are in bold text. The Government's response is in plain text.

Appendix 1: Government Response

PREFACE

The Government welcomes the International Development Committee's report and the additional attention that its inquiry has brought to the humanitarian situation in the Palestinian Territory, and the action that is needed by Israelis, Palestinians and the international community to address it. We agree with the majority of the Committee's analysis and recommendations, many of which are already Government policy. While we understand the rationale behind the Committee's recommendations on the suspension of the preferential EU trade arrangements with Israel, and the appointment of a UN Humanitarian Envoy to ensure the occupation is as humane as possible, we think the problems that these recommendations address are better solved by reinvigorating the political process so progress can be made on the root causes of the conflict and Palestinian poverty. DFID cannot itself address all the issues identified in the Committee's report. Our approach is to focus on areas where our comparative advantage allows us to add value, notably conflict reduction, improved governance, and the more effective delivery of international assistance; and to work with the international community to ensure a coherent overall response to the situation. These ideas are set out in our draft Country Assistance Plan for the Palestinians, on which we would welcome the Committee's views.

¹ Second Report from the International Development Committee, Session 2003-04, Development Assistance and the Occupied Palestinian Territories, HC 230-I and II.

CONCLUSIONS AND RECOMMENDATIONS

Introduction

Conclusion 1:

Rates of malnutrition in Gaza and parts of the West Bank are as bad as anywhere one would find in sub-Saharan Africa. The Palestinian economy has all but collapsed. Unemployment rates are in the region of 60-70% and many of those who are employed are dependent upon NGOs or international relief organisations for employment. (Paragraph 6)

Answer:

We agree that malnutrition rates are comparable to certain parts of Africa. The Palestinian Bureau of Central Statistics notes that unemployment rates were about 30% overall in the West Bank and Gaza Strip for the time the IDC was conducting its research.

Conclusion 2:

There has to be a sense of realism about what development assistance can achieve. The World Bank told us that removing the "access controls" imposed by the Israelis would have increased real GDP by 21%, whereas a doubling of development assistance—without easing closure—would only reduce the number of people living in poverty by 7% by the end of 2004. The situation in the OPT, in other words, is not one which donor assistance can resolve. (Paragraph 10)

Answer:

We agree that humanitarian assistance can alleviate, but not resolve Palestinian poverty under conditions of occupation. Conventional development assistance under these circumstances is problematic, but still has a major role to play, including in supporting the Palestinian Authority (PA) to meet its peace process commitments and to build the institutions of a viable Palestinian state. The case for this kind of assistance is arguably even stronger when the peace process is not going well.

Conclusion 3:

We agree with the UK Government that the Geneva Conventions apply to the Israeli occupation. The 4th Geneva Convention should remain the standard by which the GOI should perform in the OPT. The UK Government has its own obligations to uphold the Convention, and monitor breaches of the rules of the Convention as regards to the civilian population. (Paragraph 18)

Answer:

We agree that Israel must respect international law, including international humanitarian law. It is in Israel's own interest to comply with its obligations. We have regular contact with a number of reputable human rights NGOs and we raise specific incidents of breaches of the Convention with the Government of Israel at the highest levels.

Conclusion 4:

Settlement activity, with its associated road building, threatens Palestinian territorial contiguity in the West Bank and the viability of a future Palestinian State. Freezing settlement activity and removing outposts would boost Palestinian confidence in the peace process. (Paragraph 24)

Answer:

We agree. Under the Quartet (US, UN, EU and Russia) Roadmap the Israelis are required to freeze all settlement activity, including road building. We are disappointed by the lack of progress made by both the Israelis and the Palestinians, and we regularly urge both to do more to fulfil their Roadmap obligations.

Conclusion 5:

We can understand why Israel, fearful of its security, wants to build the barrier. But any such security fence should be constructed on Israeli, not Palestinian, land. The construction process and path which the barrier takes support Palestinian fears about the motivation which lies behind it. The barrier destroys the viability of a future Palestinian state. One of DFID's key objectives is to help build the institutions of the Palestinian Authority in preparation for statehood—a statehood which the barrier jeopardises. (Paragraph 34)

Answer:

We support the Israeli government's right to take legitimate measures to protect its citizens. But unilateral measures, such as the barrier, will not provide lasting security. This can only be delivered by a negotiated settlement. Construction of the barrier on occupied territory is unlawful, inflames Palestinian public opinion and harms the prospects for peace. The confiscation of Palestinian land associated with the construction of the barrier is also unlawful and creates a physical obstacle to the two-state solution.

Conclusion 6:

Food aid is only ever an emergency solution. But in the OPT farmers cannot readily fill the gaps in food production because of the extreme dislocation brought about by closure and, in particular, the impact that movement restrictions and land confiscation have had on agriculture. (Paragraph 39)

Answer:

We agree. Dependency on food aid is not sustainable. Palestinians, supported by donors, continue to seek innovative ways to maintain production.

Conclusion 7:

Israeli control over water and restrictions on development of Palestinian infrastructure has, and continues to, severely affect the development of West Bank and Gaza. The wilful destruction of water infrastructure by the IDF and settlers is simply unacceptable. We commend the work that DFID, other donors, NGOs and their

partners are doing in enhancing Palestinian access to water, a basic human right. But we also think that there needs to be a revision of water access arrangements. This is an urgent need, which cannot be deferred to the final status negotiations. It is an area where the UK Government should be applying political pressure to move negotiations forward. (Paragraph 45)

Answer:

We agree that it would be beneficial for there to be early progress on securing Palestinian water rights. DFID has supported the Palestinian Negotiations Affairs Department to research their position in preparation for such negotiations. While it would be possible to advance discussions immediately, the link between water rights and other issues such as borders and the separation wall has so far led to a reluctance on both sides to engage on the issue outside the framework of the overall final status negotiations.

Conclusion 8:

We accept that ambulances might be used to carry terrorists and their weapons and that there can be no automatic exemption for ambulances from the requirement to be searched. But equally, there is no reason why an ambulance carrying an urgent case cannot be given priority for any security search, which may be needed. We discussed these matters with the Israeli authorities in Tel Aviv and whilst reassurance was offered, their description of smooth-running arrangements at checkpoints conflicted with what we ourselves had seen. We were told that checkpoints are now issued with lists of local people suffering from chronic illnesses so as to facilitate their speedy transfer to hospital when necessary. However, such a system would not work for emergency cases and might cause even more problems for those whose names are not on the lists. Nor, of course, could this practice work with temporary or “flying” checkpoints. (Paragraph 48)

Answer:

We agree. Under the Commitments Israel made to the UN Secretary General’s Humanitarian Envoy to the Middle East Catherine Bertini in August 2002 Israel has committed itself to a maximum waiting time of thirty minutes for ambulances at checkpoints. We have pressed Israel to ensure that this becomes routinely implemented in practice.

Conclusion 9:

The management of checkpoints is all too often handled by young, inexperienced IDF conscripts who may lack the training and experience to deal with large numbers of people passing through on their way to work or to study. We heard that waiting Palestinians often suffer harassment at the hands of both the IDF and local settler communities, making checkpoints a flashpoint for antagonism. A more sensitive and appropriate approach to checkpoint management could be learned from experience elsewhere, including British experience in Northern Ireland. (Paragraph 49)

Answer:

We agree. The IDF Chief of Staff commissioned a study on how to minimise civilian suffering during military incursions. The report recommended that checkpoints be made 'friendlier' including the positioning of more experienced and senior reserve officers. In practice, this policy has only been partially implemented at best, and only at major checkpoints. Cases of harassment and delays continue to be reported. As part of bilateral military relations the MOD regularly engages the IDF on a range of issues including the conduct of the IDF during operations in the Occupied Territories. The MOD has, as yet, provided no training on the management and manning of checkpoints to the IDF.

Conclusion 10:

The import of pharmaceuticals should be prioritised and classified as "humanitarian" to facilitate speedy delivery. (Paragraph 50)

Answer:

We agree. In theory, we believe that this is already the case. In practice it is not uniformly implemented.

Conclusion 11:

In a society where half the population is under 18, the effect of closure on education is widely felt. The psychological impact on children, arising from school closure and exposure to violence, is damaging future generations of Palestinians and will only serve to perpetuate the cycle of violence and hatred. (Paragraph 52)

Answer:

We agree. More than 200,000 children and 9,000 teachers have been prevented from attending their regular schools. However, schools and communities go to great lengths to maintain educational standards and protect children from trauma. The Palestinian Authority and, more recently, UNRWA schools have, with DFID support, involved teachers, pupils, parents, the wider community and education supervisors in monitoring and trying to reduce the effects of such trauma. UNRWA has arranged staff transfers between schools to minimise disruption and has strengthened school-based guidance and counselling. This has kept most schools functioning despite the closures and has helped reduce the psychological impact on children.

Conclusion 12:

Children's education, be it Palestinian or Israeli, must be kept free of incitement. We commend the positive work that the PA has carried out recently as well as the work of organisations such as Save the Children in working with the Palestinian Ministry of Education on curriculum development. In light of the allegations against the PA, we recommend that it acts to counter incitement allegations and demonstrate that it is upholding commitments made at Oslo as part of a wider programme of enhancing its public image across the world. (Paragraph 54)

Answer:

We agree. Both the Palestinian Authority and UNRWA are taking steps to develop a curriculum that incorporates issues of human rights, tolerance/respect, conflict resolution and democracy. A new curriculum subject, "Civics", has been introduced addressing such issues. We support their efforts to promote these positive steps.

Conclusion 13:

We strongly support the work of organisations such as the Parents' Circle in the education of the younger generation of Palestinians and Israelis. Support for this type of project is a way in which development can support the peace process. (Paragraph 55)

Answer:

We agree. There is already considerable EC support for such initiatives. We plan to explore the scope for DFID to develop conflict prevention activities with both the Palestinian Authority and civil society.

Conclusion 14:

Whatever immediate security benefits the barrier may appear to bring to the Israelis, the level of despair and anger felt by ordinary Palestinians at being denied the possibility of any semblance of an ordinary life is likely to further increase the supply of militants and suicide bombers. (Paragraph 57)

Answer:

We have made clear our view that building the barrier on occupied territory is leading to an intense reaction by Palestinians, who perceive this as a method to confiscate significant amounts of Palestinian land. The barrier will not provide lasting security to Israeli citizens. But the responsibility to prevent suicide bombs and tackle rejectionist violence lies with the Palestinian Authority primarily.

The Palestinian Authority**Conclusion 15:**

We are aware of the criticisms of the PA. Nevertheless, the PA is the only representative organisation of the Palestinians and, as such, building its capacity and institutions and ensuring the success of its reform programme, in order to make it an effective administration, are the keys to laying the foundations of a future Palestinian state. (Paragraph 63)

Answer:

We have supported the development of more effective and accountable Palestinian institutions in preparation for Palestinian statehood since 1994. DFID's current project to support public administration and civil service reform aims to help develop a modern, democratic, and merit-based public service. Reform of its security services should be the highest priority for the Palestinian Authority, for which the UK is providing a range of assistance.

Conclusion 16:

We are impressed with the reforms implemented by the Minister of Finance. But there is still need for further reform in the Palestinian Authority, particularly in relation to the accountability of the presidential accounts and in terms of the legal, executive and judicial reforms outlined in the 100 day reform plan. Continuing to drive through planned reforms is the best way for the PA to deal with its critics. The PA is an institution which is developing into what could be a credible foundation for a Palestinian state. It is in everyone's interest that every penny of international development aid to the PA, whether from DFID or charities, is fully and transparently accounted for. Some of the PA's critics would prefer to see donor funding stopped. But we believe this would do more harm than good. It would push more Palestinians below the poverty line and lead to total collapse of the PA. A collapse, which would have a detrimental effect on the peace process. In the absence of the PA, people would be more likely to turn to extreme positions and measures and support terrorism. (Paragraph 68)

Answer:

We agree. DFID is currently working with the World Bank on a Country Financial Accountability Assessment that evaluates the strengths and weaknesses of the Palestinian Authority's financial management systems and identifies where further improvements are required. This will help strengthen the case for multi-donor support for the PA's budget.

Conclusion 17:

It is vital for the credibility of the PA that it obtains a renewed popular mandate through elections as soon it can, including the election of municipal government structures. (Paragraph 72)

Answer:

We support Abu Ala's stated intentions to hold elections this year. This is also a key obligation under Phase One of the Roadmap. The PA faces a major legitimacy problem within Palestinian society, which is increasing the further time passes from the elections of 1996. A renewal of the democratic mandate is therefore essential and would likely add some impetus to the reform movement. While the PA has committed itself to organising municipal, legislative and Presidential elections, the PLC has not yet passed the appropriate enabling legislation. Elections would be logistically very difficult and probably flawed without a substantial relaxation of Israeli movement restrictions. We will continue to lobby both sides to take the necessary steps to allow for free and fair polls during 2004.

Conclusion 18:

We believe that suicide bombing, as well as being morally abhorrent, has been a catastrophic tactic that has done great harm to the Palestinian cause, and that the targeting of innocent civilians is indefensible. The Palestinian Authority, we are told, also takes this view; its condemnation needs to be heard more widely. (Paragraph 73)

Answer:

We agree. The Palestinian Authority must take immediate action on security to tackle rejectionist violence. We are encouraged by recent Palestinian steps to implement change on the ground – for example, creating a more visible security presence. We regularly press the PA to be more vocal in its condemnation of suicide bombings.

Conclusion 19:

We recommend that the donor community targets the Palestinian civilian police for “technical” assistance as part of building state institutions and the rule of law. Pressure should be put on Israel to allow this as part of the building of state institutions. The issue of security services should be dealt with as part of political and security negotiations. (Paragraph 75)

Answer:

If circumstances permit we will support the role of Palestinian Civil Police in improving law and order. As a first step DFID plans to appoint a police adviser to work in the Palestinian Interior Ministry. We have already provided funds for vehicles and equipment. Israel has not blocked UK assistance to the police.

The Palestinian Economy**Conclusion 20:**

We know of no other examples where this level of economic decline has taken place without the complete dissolution of the governmental apparatus, at least certainly not in a middle-income economy such as West Bank and Gaza. (Paragraph 77)

Answer:

We agree.

Conclusion 21:

Removing the “access controls” imposed by the Israelis would increase the size of the economy by 21%, and reduce the rate of poverty by 15%, whereas a doubling of development assistance would bring only a 7% reduction in the rate of poverty. This is not therefore a situation which donor assistance can solve. The lifting of closures would, in the World Bank’s view, allow the economy to rebound quickly in income

terms but not in capital terms. There would therefore be a role for donors to help replace assets, which had been lost. (Paragraph 78)

Answer:

We agree; see answer to conclusion 2. However the provision of infrastructure is not currently an area of focus for DFID.

Conclusion 22:

Our visit to Awarta demonstrated clearly to us that the restrictions placed on the internal movement of goods within the OPT were not always justified by security considerations. We raised the issue with the Israeli Ministry of Foreign Affairs and with the Coordinator for Government Activities in the Territories (COGAT). Neither explained the logic of the system. It is hard to avoid the conclusion that there is a deliberate Israeli strategy of putting the lives of ordinary Palestinians under stress as part of a strategy to bringing the population to heel. The West Bank back-to-back system, operating as we saw it, is not providing increased security to Israel or to settlers living in OPT. It merely serves to increase Palestinian poverty and suffering by strangling the local economy. (Paragraph 83)

Answer:

The Government of Israel could do a great deal more to ease the humanitarian and economic situation of the Palestinian people without threatening Israeli security. Improvements in the freedom of movement of people and goods would be the most significant step towards the recovery of the Palestinian economy. We have urged the Israeli government to take these steps.

Conclusion 23:

Movement restrictions have caused an unacceptable situation whereby an EU trade agreement is obstructed by a party (Israel) which itself benefits from preferential EU trade terms. (Paragraph 87)

Conclusion 24:

Trade agreements are usually based on the principle of reciprocity: that market access, freedom of movement, and tariff and duty regimes applied by one state or authority normally has to be applied even-handedly and in the same way by all participants in a regional trade agreement. Unfortunately, Israel's restrictions on the movement of Palestinian goods, its destruction of Palestinian infrastructure and its total control of the OPT's borders are denying Palestinian exporters access to EU markets. We therefore urge the UK Government to propose to the EU Council of Trade Ministers that Israel's preferential terms of trade with the EU be suspended until it lifts the movement restrictions, which it has placed on Palestinian trade. We recognise that EU exports to Israel, which are greater in value than EU imports from Israel, might suffer retaliatory action, but we do not believe that the EU's short-term economic self-interest with one trading partner should take precedence over a direct challenge to its trade

policy in the region and its trade obligations to the Palestinian Authority. (Paragraph 88)

Answer to 23 and 24:

The Government along with EU partners has regularly expressed our serious concerns about the impact of Israeli actions on the humanitarian and economic situation of Palestinians. At the EU/Israel Association Council in November 2003 the EU called on Israel to take no action that aggravates the humanitarian and economic plight of the Palestinian people. The roadmap also requires Israel to lift curfews and ease restrictions on movement of persons and goods. The Government and EU partners believes that, as a friend of Israel, constructive engagement with Israel is the best approach to exert influence on it to take the steps called for by the EU and in the roadmap. We do not believe that full or partial suspension of the EU/Israel Association Agreement would help influence Israel to take these steps or bring the parties any nearer to a peaceful resolution. This view is not based on the impact that action under the Association Agreement would have on the EU's economy, which would be negligible.

Development Challenges

Conclusion 25:

The UK Government should seek assurances that infrastructure will not be destroyed, not only for projects built by the UK and its partners, but for all projects vital to Palestinian communities. (Paragraph 96)

Answer:

We and our European and other international partners have repeatedly made representations to the Israeli government about the scale of the damage done to Palestinian infrastructure and the often disproportionate force used.

Conclusion 26:

The international community must put pressure on the Israeli Authorities to lift, or at least ease restrictions on the import of goods into the OPT to facilitate delivery of food-aid to the population of Gaza and the West Bank. Limiting imports into the OPT cannot be justified as a security measure. Provided Israel can be sure weapons are not being imported into the OPT, there can be no justification for further restrictions. (Paragraph 97)

Answer:

We agree and we frequently make representations to the Israeli government accordingly, bilaterally and with international partners.

Conclusion 27:

A future Palestinian state may be in a position to press for compensation or reparations, but this could only happen where destruction has been documented. DFID should investigate the possibility of its assistance to the PA being used for the systematic documentation of destruction. (Paragraph 100)

Answer:

The EC has established an audit of damage to EC and member state financed projects, and the World Bank carried out a thorough assessment of overall damage following Operation Defensive Shield in 2002.

Conclusion 28:

Rather than concentrating solely on compensation, donors that invest in physical infrastructure should seek guarantees that it will not be damaged. (Paragraph 102)

Answer:

There is a need to be realistic about what can be achieved in the current climate. Additional time invested in seeking guarantees may not result in any real protection to physical infrastructure.

Conclusion 29:

We would like to see this kind of co-operation encouraged during any negotiations, not least because MASHAV's expertise could make a contribution towards building a future Palestinian state as a viable, stable neighbour for Israel. (Paragraph 103)

Answer:

We agree that co-operation with the Israeli government, NGOs, and the private sector can offer real benefits. There is already good co-operation in the water sector and MASHAV has contributed to Sector Working Groups and the larger forums like the Ad Hoc Liaison Committee. We will explore extending this co-operation further, particularly if the political situation improves.

The Donor / Development Response**Conclusion 30:**

Such money as the international community, including DFID, is spending on improving "good governance" and capacity building within the PA is money well spent. (Paragraph 117)

Answer:

We agree. We remain committed to supporting the PA to make its institutions and governance systems more effective, accountable and inclusive.

Conclusion 31:

In the current situation of economic collapse, wage payment maintained by budget support, is an effective method of emergency poverty alleviation. (Paragraph 122)

Answer:

We agree, and are actively considering a contribution to the World Bank Budget Support Trust Fund.

Conclusion 32:

We are reassured by the EU's investigations, but the EU and other donors must ensure that there is no opportunity given for justified suspicions to be raised. The use of development aid to the PA, whether from EU, or elsewhere, must be fully, openly and transparently accounted for. (Paragraph 133)

Answer:

We agree and are working with the World Bank on a Country Financial Accountability Assessment (CFAA). This is providing important information about the strengths and weaknesses of PA financial management systems, and identifying where further technical assistance and follow up is needed.

Conclusion 33:

DFID has provided substantial support to the PA in the form of technical assistance. DFID could usefully provide greater levels of technical assistance and in particular could support the Palestinian Authority in developing poverty alleviation policies and enhancing Palestinian involvement in development planning. (Paragraph 128)

Answer:

DFID's support to a Participatory Poverty Assessment, carried out by UNDP in conjunction with the PA is planned to continue through a Participatory Poverty Planning initiative in partnership with the Ministry's of Planning, Local Government and Finance. Together with other donors we will explore ways in which this might be developed into a full poverty reduction strategy.

Conclusion 34:

If DFID were to move towards providing budget support it should investigate the possibilities of a unified monitoring system with other donors. Failure to do so could result in the PA being faced with managing a range of donor conditions and monitoring requirements. If development assistance is to be efficient and effective, aid must be delivered without putting an unbearable strain on an institution with weak capacity. (Paragraph 129)

Answer:

We agree. The World Bank Budget Support Trust Fund to which we are considering contributing would establish a common donor approach to conditions and monitoring.

Conclusion 35:

Donors operate in different ways but co-ordination is necessary to ensure that both development and emergency relief are delivered effectively. The OPT receives a large amount of donor aid. What this aid can achieve would be maximised if all donors can work towards an overall strategy for development. The best way of achieving this would be through a Palestinian-led process of development planning. (Paragraph 133)

Answer:

We agree. The Palestinian Socio-Economic Stabilisation Plan is a good starting point. We plan to work with the PA, and other donors, to develop further the PA's ideas on co-ordination and planning. DFID is putting an increasing proportion of its funds through co-ordinated multi-donor mechanisms.

Conclusion 36:

While we commend the work of the Task Force on Project Implementation, we are concerned that it is under strain and has difficulty undertaking such a huge and sensitive task. (Paragraph 138)

Answer:

We agree.

Conclusion 37:

In light of the continuing negotiations between Israeli Authorities and International agencies and the discrepancy between high-level military policy and the on-the-ground reality, we consider that details of cases of obstruction of humanitarian workers should be routinely documented. (Paragraph 140)

Answer:

We agree. The Task Force for Project Implementation, the Palestinian Red Crescent Society and the UN Office for the Co-ordination of Humanitarian Affairs already document such cases.

Conclusion 38:

The USA should use the leverage it has with Israel to facilitate delivery of humanitarian relief. (Paragraph 140)

Answer:

The USA, together with other members of the Quartet, has pressed both sides to implement their obligations under the Roadmap. The USA regularly presses the Israeli Government at high levels on issues of humanitarian access, with some success.

Conclusion 39:

There is clearly a need for a respected international interlocutor to negotiate with the IDF to try to ensure that the day to day conditions for occupied Palestinians are as humane as possible. (Paragraph 141)

Conclusion 40:

There is a multiplicity of UN Agencies and NGOs, all seeking to deliver a variety of humanitarian and other services to the Palestinian community, but none of these are in a position to negotiate successfully with the IDF or the GOI more humane treatment for occupied Palestinians, and indeed themselves in reality are subject to exactly the same restrictions of movement imposed upon Palestinians. (Paragraph 142)

Conclusion 41:

The fact is that Palestinians in Gaza and the West Bank have no state, neither de jure, nor de facto; no citizenship; no rights; no remedies, and no one from the international community taking the responsibility to seek to ensure that an occupied people in these circumstances are treated as humanely as possible. (Paragraph 143)

Conclusion 42:

UNSCO's authority, role and resources need to be strengthened. (Paragraph 144)

Conclusion 43:

In addition to strengthening the role of UNSCO and the Special Co-ordinator, it is time for the Secretary-General of the United Nations—with the authority of the Security Council—to appoint a further Humanitarian Envoy or Special Representative to undertake the specific task of ensuring that the occupation is as humane as possible and that there is a coherent and co-ordinated international scrutiny of what is taking place in the OPT. Such an appointment will need to be accompanied by provision of the necessary money, materials and resources. (Paragraph 144)

Answer to 39, 40, 41, 42, and 43:

We and other governments regularly discuss our humanitarian concerns with the Israeli and Palestinian governments. In addition, Marc Otte, EU Special Representative for the Middle East Peace Process and Terje Reod-Larsen, UN Special Coordinator for the Middle East Peace Process, raise humanitarian and other issues of concern with interlocutors at all levels. The humane treatment of Palestinians, the facilitation of adequate humanitarian assistance, and dialogue about economic and political rights of Palestinians feature prominently in all these discussions. We and other governments provide funding for UNSCO to play its full role on these issues. UN and other organisations already provide regular and detailed information about the humanitarian situation and rights violations. Monitoring of wider political developments and Roadmap implementation is the responsibility of the Quartet.

Based on previous experience, we do not believe that the appointment of a further Humanitarian Envoy or Special Representative by the UN will lead to a significant

improvement in dialogue between the international community and the Government of Israel, or in changes in the behaviour of the IDF.

Conclusion 44:

Unusually for us, during our visit to the West Bank, no one asked us for money! Neither the PA, nor the NGOs, nor the UN Agencies saw their problems as rooted in a shortage of funding. But they all asked for advocacy and political pressure to end the occupation. (Paragraph 146)

Answer:

We agree that many of the problems these organisations face are rooted in the occupation and the movement restrictions. But shortage of funding does prevent them from responding as adequately as they would like until advocacy and political dialogue resolve the causes of the situation. During this time aid is vital as a development tool and in preventing larger numbers of people falling into extreme poverty and desperation. The shortfall in the PA's budget for 2004, and the need for UNRWA to maintain its regular and emergency services, are very real challenges.

Conclusion 45:

All actors need to remind themselves of the need to avoid anti-Semitism and anti-Islamism, as well as stereotyping Arab or Jewish societies. International agencies that are engaged in dealing with the crisis and are witnesses to many of the problems Palestinians face could do much more to convey these facts, in an authoritative and non-polemical manner, to the media and the general public in the UK and Europe. An awareness programme of this kind, by neutral witnesses, and carried out by NGOs, donors, and the NSU, could provide a much-needed education of the public as to the everyday realities in the OPT. (Paragraph 149)

Answer:

We agree that an awareness programme about the everyday realities in the Palestinian Territory could be useful in Europe. We will consider this further in the context of DFID's overall approach to external communications. It could also be extended in the region. The Negotiations Support Unit has a particular role in supporting Palestinian negotiating capacity and communications, and would not be an appropriate organisation to do this kind of work on behalf of the UK government.

Conclusion 46:

We agree with the Government's position and urge it to be more forceful in its advocacy on these issues. We see DFID as having an advocacy role to play within the UK Government. The Secretary of State assured us that co-ordination with both the Foreign Office and the Department of Trade and Industry was good. It is essential that the Government's position is harmonised across departments and is consistent with all the parties' obligations under international law and agreements. (Paragraph 150)

Answer:

We agree. DFID will continue to work closely with the FCO and other parts of the UK government to ensure that our assistance to the Palestinians is integrated with other aspects of UK policy towards the region, and that humanitarian and development concerns are properly taken account of in relevant UK positions.

Conclusion 47:

We do not agree with the European Commission's approach. We believe in principle that where a sufficiently egregious case of human rights abuse has been established as to warrant economic sanctions, the EU should not be deterred from imposing them simply because the trade balance with the country concerned is in its favour. We urge the UK Government to take up this point with the European Commission and with its EU partners. (Paragraph 151)

Answer:

See answer to conclusion 24.

Conclusion 48:

We welcome the change of policy on the part of the GOI. In this case economic pressure was successful. However, there remains a risk of goods being falsely labelled as produced in Israel rather than in the settlements. We trust that HM Customs will maintain a close watch for false origin labelling (Paragraph 152)

Answer:

This change in Israeli policy came about after a long and careful period of negotiation. HM Customs and Excise maintain a close watch on the origin of all goods. They are aware of the potential risk of false declarations of origin of certain goods. If these products are suspected of having originated in the Palestinian Territory, HMC&E will request a guarantee against the difference between the preferential and the normal tariff applied to these goods, as well as initiating verification enquiries with the Israeli authorities.

Conclusion 49:

Few would argue for a resumption of Israeli, as opposed to PA, administration in the OPT. However it does seem that Israel's policies and actions in the last ten years have acted as an obstacle to the development of the PA into a government that is able to deliver services to its people—as was intended in the 1993 Declaration of Principles. (Paragraph 153)

Answer:

Actions by both Israel and the Palestinian Authority have contributed to the current crisis. It is in Israel's interest to have a stable Palestinian government delivering services effectively to its people. The PA must also take responsibility for its own actions including law and order, and failures.

Conclusion 50:

In the absence of any international authority mandated to represent the interest of the Palestinians under occupation, and until such “observers” are in place, this presence of bilateral and multilateral donor agencies provide a modicum of international “monitoring”, if not protection. (Paragraph 154)

Answer:

The UK supports the establishment of a credible and effective third-party monitoring mechanism as set out in the Roadmap. The USA began this process in 2003, and is likely to resume when the political process is further advanced. In the meantime the EU carries out informal monitoring using existing resources on the ground. Donor agencies usefully contribute to this process.

Conclusion 51:

To a degree we can understand the ICRC strategy. We do not think there should be a withdrawal of aid to the OPT but are concerned that the current situation cannot continue indefinitely. (Paragraph 156)

Answer:

We agree. This decision is for the ICRC to comment on, but we do not think there should be a withdrawal of aid to the Palestinian Territory. We note that the ICRC is only ending its emergency food aid in the West Bank, not closing its programme of assistance to the Palestinians altogether, and that other agencies, particularly World Food Programme and UNRWA, will continue to meet the needs of the poorest Palestinians.

Conclusion 52:

We think that DFID can have an influential role in increasing donor harmonisation through its support for Palestinian-led development. DFID’s work in building the PA’s capacity has been effective and meets its objectives of supporting the peace process and the development of a viable future Palestinian state. It could increase support to the PA in the area of planning capacity and effective communication with donors. (Paragraph 157)

Conclusion 53:

DFID is developing a country strategy for the OPT. We believe its strategy should seek to alleviate poverty not only through service provision or development, but also through the working to the broader objective of increasing aid effectiveness through donor harmonisation and through a development conversation with the GOI about the relative responsibilities of Israel as an occupier, and the responsibilities of donors in relieving suffering. DFID should also be considering its involvement with advocacy as part of long-term poverty reduction. In particular it should give greater attention to pressuring the GOI for freedom of movement for humanitarian goods and personnel. (Paragraph 158)

Answer to 52 and 53:

DFID's draft Country Assistance Plan identifies the more effective delivery of international assistance as one of three outcomes we can best contribute to. Humanitarian and development assistance is most effectively delivered by donors working together to provide harmonised support under the strategic guidance of the recipient. Progress on this has been made in recent years, and there are some good examples of several donors pooling resources effectively behind PA priorities, but more can still be done. The PA's capacity to lead on strategic planning and donor co-ordination has been constrained during the intifada. Yet with support from international partners it is now starting to play a more proactive role. DFID's proposed support to the Participatory Poverty Planning initiative would focus on the Ministry of Planning and could advance this process.

DFID's draft Country Assistance Plan would commit us to promoting a coherent donor response to Palestinian development priorities, as currently set out for 2004-05 in the Socio-Economic Stabilisation Plan. We are supporting the creation of a harmonised mechanism to support the PA's budget. When the time is right, we will support the PA in its desire (as set out in the Socio-Economic Stabilisation Plan), to develop "a priority-based, transparent, national development vision and framework supported by the international donor community". We will work towards creating the necessary conditions for donors to channel an increasing proportion of all aid through the PA budget, in support of PA reform and well defined plans that focus on poverty.

DFID will be consulting on the draft Country Assistance Plan in Israel. As part of these consultations, we will explore the scope for us to play more of a role on issues of humanitarian advocacy. In doing so, we will need to take account of what value we could add to what other international agencies are already doing in these areas and what can realistically be achieved in the current climate.

Department for International Development

16 March 2004

Appendix 2: Letter received from UNDP

Letter to the Clerk of the Committee

In the recently issued Report of the International Development Committee on "Development Assistance in the Occupied Palestinian Territories" there is a factual error on page 60, paragraph 134, for which I feel somewhat responsible. Specifically the reference to UNDP which states that "...only three out of 190 UNDP in-country staff is (sic) Palestinians" reverses the two numbers. In the discussions I was privileged to have with the visiting Members of the Committee, I drew attention to these two figures precisely to indicate the importance attached by UNDP to Palestinian-led development and to demonstrate the minimal number of international staff employed by UNDP in comparison with other development organizations.

I hope that this clarification will be useful.

Timothy Rothermel
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Programme of Assistance to the Palestinian People
United Nations Development Programme

3 March 2004