

**Critical Ecosystem Partnership Fund  
35<sup>th</sup> Meeting of the CEPF Donor Council  
European Commission  
Brussels, Belgium  
23 October 2019  
14:00-17:00 Central European Summer Time (CEST)**

**Proposal to Begin CEPF Investment in the West Bank, Palestinian Territories**

**Recommended Action Item:**

The Donor Council is asked to approve CEPF grant making in the West Bank, Palestinian territories, in the context of the ongoing investment program in the Mediterranean Basin Hotspot (2017-2022).

**Background**

In 2016, the CEPF Donor Council approved a reinvestment phase in the Mediterranean Basin Hotspot. A new ecosystem profile was developed under the auspices of BirdLife International and the International Union for Conservation of Nature (IUCN). The profile considered the entire Mediterranean Basin, including Palestine<sup>1</sup>.

At the time of profile review, the World Bank informed the CEPF Working Group and Donor Council that investment in Palestine would be difficult for procedural reasons because *“the Palestinian territories (West Bank and Gaza) are not recognized as a country and not a member of the World Bank.”* The World Bank explained that *“because of (...) the desire of some World Bank donors, the World Bank has agreed to set up a separate Trust Fund (TF) specifically for activities related to reconstruction and economic development. All activities related to this TF need to be justified to and approved by the Board of the World Bank.”*

From discussions between the CEPF Secretariat and the World Bank, it appeared that requesting a specific approval from the World Bank Board for a CEPF investment in Palestine was not a practical option (and could have delayed approval of the ecosystem profile and subsequent investment in the remainder of the hotspot). Therefore, a decision was made not to consider Palestine as an eligible territory for CEPF investment.

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<sup>1</sup> This designation is without prejudice to the individual positions of the CEPF donors on the issue of the status of Palestinian territories.

At the 34<sup>th</sup> meeting of the Donor Council on 18 February 2019, the World Bank informed the other members that the second tranche of funding from the Government of Japan would be its final time managing CEPF funding and that this funding would be used only in the Caribbean Islands Hotspot. Consequently, its rules no longer apply to CEPF investments in other hotspots, which do not use any World Bank-managed funds. Moreover, in FY18, CEPF changed from managing its donors' funds in a single, pooled account to managing them in segregated accounts. This means that each donor's new contributions signed as of 1 July 2017, can be individually tracked to particular investment regions (hotspots) and specific grants. In this light, it should be noted that no funds from either the GEF or the World Bank will be used in the Mediterranean Basin Hotspot.

Given these changes, the CEPF Secretariat would like to ask the Donor Council to reconsider the eligibility of Palestine to receive CEPF investment. This request was discussed at the 61<sup>st</sup> meeting of the Working Group on 30 September 2019. Comments from the Working Group have been incorporated into this document now presented to the Donor Council.

### **Biological Importance**

Although densely populated and confronted by a difficult economic, political and security situation, the biological importance of Palestinian territories is not negligible considering their size. Palestine is situated in one of the major flyways for migratory birds and in a center of biodiversity for plants (in particular geophytes). The Gaza Strip and West Bank are home, respectively, to 17 and 42 globally threatened species, as shown in the table below.

<b>Territory</b>	<b>Freshwater fishes</b>	<b>Mollusks</b>	<b>Dragonflies/damselflies</b>	<b>Amphibians</b>	<b>Reptiles</b>	<b>Birds</b>	<b>Mammals</b>	<b>Plants</b>	<b>Total</b>
Gaza Strip	3				4	6	4		<b>17</b>
West Bank	7	4	4	1	4	11	6	5	<b>42</b>

Fourteen Key Biodiversity Areas (KBAs) have been identified in Palestine, representing about one quarter of the land area: A figure which is comparable to the situation in Lebanon or the Mediterranean portion of Jordan and Syria. Such a high figure can be put in relation with the high level of endemism and the role of uninhabited lands (mountains, valleys and rocky places) as refuges for wildlife in these densely inhabited regions.

<b>Site Code</b>	<b>ISO Code</b>	<b>KBA Name</b>	<b>Area km<sup>2</sup></b>
A_W_PS08	PSE01	Al Quds Region	51.7
A_W_PS07	PSE02	Central Ghor Region	216.3
A_IPA_PS05	PSE03	Dead Sea Coast Region	206.5
A_W_PS05	PSE04	'Ein el 'Auja and Wadi el Qilt Region	135.0
A_W_PS13	PSE05	Jabal Al Khalil North Region	57.6
A_W_PS09	PSE06	Jabal Al Khalil West Region	47.0
A_W_PS11	PSE07	Jerusalem Wilderness Region	109.0
A_W_PS10	PSE08	Masafer Yatta and Bani Naeim Region	143.2
A_W_PS01	PSE09	North Eastern Slopes Region	303.8
A_W_PS14	PSE10	North West Ramallah Region	20.7
A_W_PS02	PSE11	Umm er Rihan Region	74.9

<b>Site Code</b>	<b>ISO Code</b>	<b>KBA Name</b>	<b>Area km<sup>2</sup></b>
A_W_PS04	PSE12	Umm Safa Region	43.7
A_W_PS12	PSE13	Wadi el Quff Region	7.4
A_W_PS03	PSE14	Wadi Qana and Wadi Al Shaer Region	156.1
<b>Total Area</b>			<b>1,572.9</b>

Some parts of the West Bank are also part of the Central Jordan River and the Jericho Catchment Management Zones (CMZs), as well as the Orontes Valley and Levantine Mountains Conservation Corridor, which forms part of the most important flyway for migratory birds between Eurasia and Africa, and which requires conservation action at each point along the flyway. The corridor has also been designed to ensure conservation of KBAs within large landscapes where traditional management is applied. It supports a number of threatened species whose survival is dependent on the continuation of traditional management practices.



### Draft KBAs in the Mediterranean Hotspot of Palestine

- KBAs
- KBAs in Neighbouring Countries
- Candidate FW KBAs (from Hydrobasins Level 12)
- CMZs
- CMZs
- Protected Areas (WDPA July 2016)
- CEFP Corridors (2016)
- Hotspot Boundary
- Major Watersheds

Prepared by the BirdLife Information Management Team, January 2017



## **Civil Society Situation**

The updated ecosystem profile for the Mediterranean Basin included the Palestinian territories. A national workshop was organized for the Dead Sea, covering Palestine, in October 2016; 10 experts participated (see table below). Mr. Imad Atrash from Palestine Wildlife Society also represented Palestine at the regional consultation workshop held in Tangiers, Morocco, in November 2016.

<b>Participant</b>	<b>Organization</b>
Atrash, Imad	Palestine Wildlife Society (BirdLife Palestine)
Baba, Imad	Environment Quality Authority
Bani Odeh, Najeh	Ministry of Agriculture
Baqlah, Sami	Biodiversity Expert
Faroun, Hiba	Palestine Wildlife Society (BirdLife Palestine)
Hassasneh, Mohammad	Land Research Center
Koni, Raed	Al Najah University
Musa, Issa	Environment Quality Authority
Salem Khalid	Al-Quds University
Zuhair, Amr	Jordan University of Science and Technology

As noted in the Ecosystem Profile (CEPF, 2017), *“Palestine has a strong tradition of civil action and a diverse CSO community, with NGOs having a history of providing essential social services. Earlier government attempts to control NGOs were successfully resisted, leading to an NGO law passed in 2000 that was the ‘least restrictive in the middle east’ (ICNL 2013c). However, NGOs have been caught up in the political struggles within the Palestinian state, with arbitrary dissolution of NGOs perceived to be supporting rival groups. In 2015 and 2016, there were further efforts to monitor and control the financial affairs of NGOs.”*

These consultations demonstrated that civil society is active in the Palestinian territories, with a high level of expertise and great motivation, in spite of difficult working conditions. Civil society organizations are involved in conservation, education, ecotourism, training, and research related to biodiversity and environmental issues. Civil society organizations’ missions vary from public awareness and education to multiple tasks that cover most of subject matters related to biodiversity and conservation. Conservation NGOs, such as the Palestine Wildlife Society, are playing a major role in protecting the environment and helping government efforts to achieve concrete biodiversity conservation outcomes. There are also a number of academic institutions with relevant expertise on ecology and conservation, such as the Biodiversity and Environmental Research Center and the Palestine Institute of Biodiversity and Sustainability. Consultations with the regional implementation team confirm that there is sufficient capacity among the existing civil society community in the West Bank to absorb US\$150,000 in small grants for biodiversity conservation.

## **Potential for CEPF Investment**

From the workshops held at the time of the ecosystem profile and subsequent consultations that CEPF and the regional implementation team have held with local stakeholders, it appears that CEPF could play an important role in fostering the conservation community of Palestine.

The U.S. Department of the Treasury’s Office of Foreign Assets Control (OFAC) does not enforce any comprehensive territorial sanctions regarding Palestine. There are OFAC sanctions in place regarding parts of the Palestinian Authority. These will require stringent due diligence to ensure that no key staff

or board members of civil society organizations that CEPF would consider granting to are covered by the sanctions. However, they do not prevent CEPF investment in Palestine.

Considering the biological value and conservation need, as well as the political and security situation of the Palestinian territories, the CEPF Secretariat proposes to start investment in Palestine focusing solely on the West Bank, with a total investment of up to US\$150,000 (representing 1.5 percent of the total spending authority for the hotspot). This investment will be mostly disbursed via the small-grants mechanism (grants up to US\$20,000) managed by the regional implementation team whose office in Amman, Jordan, will provide close support to and oversight of grantees. Opening CEPF funding to civil society organizations in Palestine would also allow for representatives of the Palestinian conservation community to participate in and contribute to regional initiatives and events, such as those on migratory flyways or plant conservation, and to replicate good practice from other hotspot countries that is relevant to the local context in the West Bank.

More specifically, the investment could be open in the West Bank for (a) Strategic Direction 3 on cultural landscapes, which has the potential for linking conservation with much-needed economic and social development in Palestine; (b) Strategic Direction 4 on conservation of plants, which represent an important element of the natural heritage that Palestine is responsible for; and (c) Strategic Direction 5 on regional sharing of best practices and learning. The other two strategic directions do not seem appropriate for CEPF investment in the West Bank: Strategic Direction 1 focuses on coastal zone management, and the West Bank is a landlocked territory; and Strategic Direction 2 focuses on freshwater biodiversity, for which conservation opportunities are limited in the Middle East.

Strategic Direction	Investment Priority
3: Promote the maintenance of traditional land use practices necessary for the conservation of Mediterranean biodiversity in priority corridors of high cultural and biodiversity value.	3.1: Support local communities to increase the benefit they receive from maintaining and enhancing traditional, biodiversity-friendly land-use and agricultural practices.
	3.2: Promote awareness of the value of traditional, biodiversity-friendly land-use practices among local community and government decision makers, to secure their recognition and support.
	3.3: Encourage business actors in the trade chain to support and promote traditional, biodiversity-friendly land-use practices.
4: Strengthen the engagement of civil society to support the conservation of plants that are critically endangered or have highly restricted ranges.	4.1: Increase knowledge and skills to support assessment and planning for the conservation of plants and foster the emergence of a new generation of young professionals in plant conservation.
	4.2: Support integration of plant conservation into the management of protected areas.
	4.3: Support innovative actions for the conservation of important populations of plants, working with landowners and managers.
5: Strengthen the regional conservation community through the sharing of best practices and knowledge among grantees across the hotspot.	5.1: Support regional and thematically focused learning processes for CSOs and stakeholders.
	5.2: Support grantees to understand and engage with international conventions and processes.

### **Government Endorsement**

According to CEPF's Operational Manual (OM 5.3), no funds shall be disbursed for any activities in a country until the GEF Operational Focal Point for that country has endorsed the ecosystem profile. As there is no GEF Operational Focal Point for the Palestinian territories, it is proposed that, before grant making in the West Bank begins, CEPF will seek endorsement of the ecosystem profile from the relevant official within the Environment Quality Authority. This may be Mr. Mohammed Mahasneh, Director of Biodiversity and Protected Areas, who is the National Focal Point for the Convention on Biological Diversity.