

Integrated Country Strategy

OFFICE OF PALESTINIAN AFFAIRS

FOR PUBLIC RELEASE

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1. Chief of Office Priorities

Since the 2019 merger of the U.S. Embassy in Jerusalem and Consulate General Jerusalem, the Office of Palestinian Affairs (OPA) has been responsible for U.S. relations with the Palestinian Authority (PA) and the Palestinian people. Through the OPA and its interagency partners, including USAID, the U.S. Security Coordinator, and others, the United States actively engages a wide range of political, economic, cultural, and educational contacts in Jerusalem, the West Bank, and Gaza. The mission's primary goal is to advance the conditions necessary for the realization of a negotiated two-state solution to the Israeli-Palestinian conflict and Palestinians' enjoyment of measures of freedom, security, dignity, and prosperity equal to that of Israelis. Our engagement is focused on establishing conditions conducive to negotiations that would end the conflict and yield a viable Palestinian state.

We continue to help the PA, within the directives of U.S. law and policy, to build credible institutions of governance that can respond to the needs of its population, be a peaceful and prosperous regional partner, and meet its commitments and responsibilities on trade, security, and other issues that impact the wider region. Targeted U.S. diplomacy supports governance, education, human rights, and civil society; promotes a viable private sector-led economy; and supports a professional PA security force under civilian command and control. We will continue efforts to diversify and expand contact networks and topics of reporting to develop a more inclusive understanding of the issues affecting Palestinians. Additionally, we work closely with international partners to improve the quality of life for Palestinians.

Another major U.S. priority is to help move the Palestinian economy from donor dependence and structural deficits to a healthy model of sustainable, private sector-led investment, growth, and job creation. Through public diplomacy and foreign assistance programming, engagement with the private sector, and economic policy advocacy with the PA and the Israeli government, we seek to improve the investment climate, remove obstacles to commerce and investment, and cultivate a spirit of entrepreneurship, particularly among youth and women. We also encourage inclusive, private sector-led economic growth; provision of critical services, including

for health, water, and sanitation; and robust civic engagement among all groups. A focus on climate sustainability underpins efforts across sectors.

U.S. support to preserve the possibility of a two-state solution also includes maintaining the *status quo* at the Haram al-Sharif/Temple Mount in Jerusalem. Our messaging and engagement consistently call for all sides to exercise restraint and refrain from provocative actions and rhetoric that give the appearance of violating the *status quo*. We will continue to push for close and frequent consultations between Israel and Jordan and a more regularized approach to address and resolve points of contention at the site.

It is critical to avoid steps that could exacerbate tensions or take us farther away from peace. This includes maintaining clear efforts to promote the long-standing U.S. policy that, while the United States recognizes Jerusalem as Israel's capital, the final extent of Israeli sovereignty in Jerusalem is a subject for future negotiations. In support of this policy point, our engagement includes, *inter alia*, opposition to evictions in East Jerusalem and efforts to reduce the Palestinian presence in East Jerusalem. Our support for ensuring the conditions for a two-state solution also includes opposition to expansion of settlement activity, settler violence, home demolitions, acts of terrorism, public expressions of anti-Semitism or Holocaust denial/distortion, and escalatory actions in the UN and other international organizations. We engage with Israeli and Palestinian leaders to urge both sides to exercise decisive leadership and work cooperatively together to lower tensions, end violence, and reinvigorate long-standing coordination mechanisms and relationships.

In Gaza, which continues to recover from the May 2021 conflict and suffer under Hamas' *de facto* governance, the United States promotes stabilization through immediate relief to vulnerable groups and revitalization of the private sector to support recovery, reconstruction, and development. We will continue to work with Israel and other international partners to develop a long-term solution to promote economic development and growth in Gaza with the eventual goal of fully integrating Gaza with the West Bank and allowing the restoration of water, sanitation, and other infrastructure destroyed during the May 2021 hostilities, which occurred against a backdrop of lingering destruction from the previous conflict in 2014.

Through public diplomacy, we will harness the power of U.S. higher education to build enduring links with Palestinians who share our values and interests. We will promote those same values and interests through academic and professional exchanges, English language learning, and initiatives for young Palestinians to discover science, technology, and innovation. Our engagement will also disseminate accurate information about and understanding of U.S. policy, institutions, society, and values to foster more positive views of the United States and the belief that the U.S. is and will continue to be a good partner for achieving their aspirations and peace.

An estimated 622,000 American citizens live in Israel, the West Bank, and Gaza. The Consular Sections in Jerusalem and Tel Aviv, combined under a single Consular Country Coordinator, have a responsibility to provide consular services to the entire population. Those services include addressing instances of uneven treatment for American citizens. Restrictions on the freedom of movement of American citizen residents and visitors, the presence of foreign terrorist organizations, and a dynamic security and political environment present challenges to the timely provision of consular services to U.S. citizens in our district.

Finally, our facilities and staff are spread across Jerusalem, the West Bank, and Gaza. The need for additional space is urgent, particularly as we rebuild our INL office and USAID rebuilds its mission offices across Jerusalem and Tel Aviv. Facilities upgrades will accommodate increased staff and provide the platform to execute policy priorities. We also remain focused on diversity and inclusion initiatives, as well as reducing our environmental footprint.

2. Mission Strategic Framework

Mission Goal 1: Advance a comprehensive and lasting peace through a negotiated two-state solution to the Israeli-Palestinian conflict.

- Mission Objective 1.1: U.S. government is seen by Palestinians as a partner for peace.
- **Mission Objective 1.2:** Support for a two-state solution grows among the Palestinian public and political entities (PA, Fatah, Hamas, and civil society) and more Palestinian factions renounce terrorism.

Mission Goal 2: Palestinian institutions, both governmental and non-governmental, effectively address the needs and aspirations of the Palestinian people.

- Mission Objective 2.1: Advance credible, representative, and accountable governance
 that respects human rights and rule of law and that effectively and equitably delivers
 services.
- Mission Objective 2.2: Nurture a diverse, independent, and active civil society and media which advocate for people's needs and promote good governance.

Mission Goal 3: A prosperous Palestinian economy, led by a thriving private sector, provides equitable and inclusive economic opportunities and improves daily life for Palestinians.

- **Mission Objective 3.1:** U.S. engagement and advocacy strengthen a sustainable Palestinian economy that creates jobs, spurs growth, and attracts investment.
- Mission Objective 3.2: U.S. engagement and advocacy encourages equitable access to basic needs and resources that improves Palestinians' daily lives and economic opportunity.

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Mission Goal 4: Protect U.S. citizens, resident and visiting, and conduct risk-based visa processing.

• Mission Objective 4.1: Safeguard U.S citizens visiting or residing in the West Bank and Gaza

Management Objective 1: Operational effectiveness of Embassy Jerusalem enhanced by constructing a new embassy compound, designating a permanent Chief of Mission Residence, upgrades of current chancery, annexes, and mission residences and environmentally friendly management policies for greener operations.

Management Objective 2: Workforce performance and customer satisfaction enhanced, by recruiting, developing, and retaining a diverse, agile, productive workforce that embraces and models innovation, accountability, and parity of services across Embassy Jerusalem.

3. Mission Goals and Objectives

Mission Goal 1 | Advance a comprehensive and lasting peace through a negotiated two-state solution to the Israeli-Palestinian conflict.

Description | The U.S. approach is to advance equal measures of freedom, security, and prosperity, for Israelis and Palestinians in tangible ways in the immediate term, which is important in its own right, but also as a means to advancing and preserving the prospects of a negotiated two-state solution in which Israel lives in peace and security alongside a viable Palestinian state.

Objective 1.1 U.S. government is seen by Palestinians as a partner for peace.

• Justification | Our overarching strategic goal remains a negotiated two-state solution to the Israeli-Palestinian conflict. We will focus on fostering an environment conducive to resuming direct negotiations between the parties, while leveraging our considerable influence to encourage Israel to find an exit which would provide security to the state of Israel and also resolve its 55-year occupation of the West Bank and blockade of the Gaza Strip. While most Palestinians do not consider the United States to be an honest broker and instead view the United States as biased in favor of Israel, the United States is still the most credible and powerful country that could positively shift dynamics in the conflict. We should capitalize on that influence by strengthening PA institutions with the aim to prevent backsliding in PA governance. We will continue to support the PA's efforts to meet commitments, especially on security, continued reform of public institutions and governing practices, human rights, respect for civil society and building confidence in public administration. We will also encourage PA leadership to open up the political process to a diverse swath of Palestinians, including youth and women.

A strong PA that has the confidence of the Palestinian public will result in a capable partner for political negotiations. We will also continue to press both Israel and the PA to take steps to improve conditions on the ground that improve the daily lives of Palestinians and strengthen the position of their leadership to make the compromises necessary for peace.

- Linkages | MENA JRS 2022-2026 Goal 2, Objective 2.1
- **Risks** | Actions detrimental to a two-state solution, such as expansion of settlements or the use of violence, undermine the potential for a peaceful resolution to the conflict.

Objective 1.2 | Support for a two-state solution grows among the Palestinian public and political entities (PA, Fatah, Hamas, and civil society) and more Palestinian factions renounce terrorism.

- Justification | Support for the two-state solution among Palestinians is low. There is pressure on the PA to renege on previous agreements, including recognition of Israel and commitment to a two-state solution. At the same time, various parts of the Palestinian political and social spheres continue to encourage or glorify violence and see terrorism as a viable form of resistance. U.S. leadership to steer Palestinians at all levels away from that thinking is critical, and we can do so with both government-level diplomacy and public diplomacy that shows the value of negotiations, nonviolent methods for asserting rights and aspirations, and U.S. intervention to make the two-state solution a real possibility. We will encourage intra-Palestinian reconciliation only under terms consistent with our longstanding principles of renouncing violence, the recognition of Israel, and abiding by previous agreements. We will continue to support the PA's efforts to meet commitments, especially on security, continued reform of public institutions and governing practices, human rights, respect for civil society and building confidence in public administration that will lead to greater support for the PA.
- Linkages | MENA JRS 2022-2026 Goal 2, Objective 2.1
- Risks | Without public support and political will, we will be unable to advance a
 negotiated two-state solution to the conflict. Terrorism and violence would undermine
 the process further.

Mission Goal 2 | Palestinian institutions, both government and non-government, effectively address the needs and aspirations of the Palestinian people

Description | The PA needs to reform its institutions and serve as a capable government in order to gain the trust and confidence of the Palestinian people.

Objective 2.1 | Advance credible, representative, and accountable governance that respects human rights and rule of law and that effectively and equitably delivers services.

Justification | Governance based on credible legal structures, respect for human rights and fundamental freedoms, and provision of services lays the groundwork for progress on many other issues. Palestinians are frustrated by corruption (which negatively impacts both government credibility and effective service delivery), the occupation (and siege in Gaza), lack of political progress on achieving the two-state solution, infighting between Palestinian political factions, human rights abuses, and postponement of national elections. Sustained reforms and capacity improvements are necessary to respond to the population's demand for more representative, responsive, and accountable governance. Processes to decide on and implement these reforms must include women, youth, and other underrepresented groups, informed by dialogue and partnership between civil society and the government. The United States will continue to encourage and assist the PA, within the directives of U.S. law and policy, to build credible institutions of governance that can respond to the needs of its population in both the West Bank and Gaza. We will promote governance reform; help develop security and justice sector institutional capacity to improve transparency, adherence to the rule of law, support for religious freedom and respect for international human rights standards; promote a healthy operating environment for civil society and the private sector to operate; and encourage effective and equitable delivery of services. Strengthening the

PA in this way will create an enabling environment for further U.S. support to the Palestinian people, as described in Objective 3.2.

- Linkages | MENA JRS 2022-2026 Goal 4, Objective 4.1, 4.4
- Risks | Without a credible government, Hamas and other terrorist groups could increase in popularity.

Objective 2.2 | Nurture a diverse, independent, and active civil society and media which advocate for people's needs and promote good governance.

Justification | A vibrant civil society is a key component of sustainable democracy, serving as both a key partner and an accountability mechanism to governments by participating in service delivery, promoting civic awareness and engagement, advocating on behalf of the population, supporting dialogue and reconciliation, and holding government accountable. The media, as a special category within civil society, plays a critical role in developing the civic-mindedness and awareness of current events that a population needs in order to make informed decisions about their lives and hold institutions accountable. Palestinian civil society actors are dedicated but operating in a challenging environment, facing pressure from the Israeli government, PA, and de facto authorities in Gaza, as well as constraints on their resources and limitations on their freedom of movement. The United States will promote a stronger Palestinian civil society as an indispensable interlocutor on all issues, including state-building negotiations and economic growth. We will support practical measures to develop a robust Palestinian civil society, including by strengthening the capacity of civil society organizations to use non-violent means to protect societal interests, enhance democratic practices, and engage with governing institutions. This effort will include a focus on the issues affecting as well as the participation and leadership of underrepresented groups such as women, youth, LGBTQ+ individuals, and persons with disabilities, among others. We will work with journalists, media outlets, and others to advocate for protection of press freedoms and improved media operating environments, both traditional and

online. We will also support credible, professional, and objective media that effectively holds government to account, and work to counter disinformation by certain governments and other actors

- Linkages | MENA JRS 2022-2026 Goal 4, Objective 4.2, 4.3
- **Risks** | Without an active civil society and media, Palestinians will be unable to hold their government accountable.

Mission Goal 3 | A prosperous Palestinian economy, led by a thriving private sector, provides equitable and inclusive economic opportunities and improves daily life for Palestinians.

Description | The Palestinian economy needs to shift to a more sustainable model, which is less reliant on donor aid and provides increasing economic opportunities.

Objective 3.1 | Strengthen a sustainable Palestinian economy that creates jobs, spurs growth, and attracts investment.

 Justification | High unemployment rates and economic stagnancy contribute to political and social instability. According to the Palestinian Central Bureau of Statistics (PCBS), 27.3 percent of all Palestinians are unemployed, though the proportion is particularly high among women (47 percent), Gazans (50 percent), and youth (45 percent). In light of these challenges, we will encourage private sector-led growth, reduce barriers to trade, and promote and foster entrepreneurship, digitalization, and innovation. We will work with a wide range of colleagues and contacts to reduce economic restrictions that inhibit economic activity, particularly in Gaza. We will seek ways to enhance the overall investment climate to shift the Palestinian economy to a more sustainable private sector-led model that is less dependent on donors and the public sector for growth. We will particularly focus on identifying and stimulating private sector initiatives in the green economy and those led by underrepresented groups such as women. In the public sector, the PA faces long-term fiscal challenges, including a small tax base, dwindling budget support, and a high public-sector wage bill. Roughly half of the PA budget goes to public sector employee wage payments, leaving little room for delivery of services or capital investments in critically needed infrastructure and development. This situation has severely hampered the PA's ability to function, inhibiting long-term planning and investment. We will advocate for Palestinian regulatory and infrastructure reforms and improvements and a business environment that incentivizes investment

and promotes private enterprises. For the near term, pursuit of both tracks – building the private sector while improving fiscal performance and regulations – will be needed, but the two efforts will be complementary and support the ultimate goal of generating employment opportunities for diverse populations as well as economic and fiscal sustainability.

- Linkages | MENA JRS 2022-2026 Goal 2, Objective 2.3, 2.4; Goal 3, Objectives 3.1, 3.2,
 3.3; Goal 5, Objective 5.1, 5.2, 5.3
- Risks | A lack of economic opportunities for Palestinians could lead to violence and political instability.

Objective 3.2 | U.S. engagement and advocacy encourages equitable access to basic needs and resources that improves Palestinians' daily lives and economic opportunity.

• Justification | Due to the May 2021 conflict, the COVID-19 pandemic, long-standing Israeli government restrictions on movement and resource access, and limited economic opportunities, large numbers of vulnerable Palestinians in the West Bank and Gaza families are dependent on the support of international organizations for their basic needs or even survival. The Palestinian Authority continues to lack the resources, authorities, and capacity to resolve these structural problems or the humanitarian crisis in Gaza, especially due to its increasingly high levels of accumulated debt (totaling approximately \$5.5 billion). The COVID-19 pandemic intensified obstacles in accessing basic services, such as healthcare, and the economic contraction exacerbated the already high levels of unemployment. We will continue to support global U.S. efforts to end the pandemic through support for vaccines and awareness campaigns, as well as continuing financial support for private institutions that provide crucial health services.

U.S. initiatives that improve education outcomes and provide technical and skilled

U.S. initiatives that improve education outcomes and provide technical and skilled labor training could contribute to decreasing unemployment, especially among Palestinian youth, who are most at risk to terrorist organization recruitment. Palestinians in the West Bank and Gaza are particularly vulnerable to the

effects of climate change, and they face increasing risks to food and water security as well as unstable energy access. We plan to support efforts to improve the quality and availability of water and sanitation service through projects to rebuild select water and wastewater infrastructure. Renewable energy opportunities via solar or expanded electricity grid infrastructure would also improve Palestinians' access to energy as well as serve environmental goals. In order to encourage equitable access for these basic needs and resources, we will meet with a wide range of organizations and individuals to understand and address the diverse health, education, water, sanitation, energy, infrastructure, and economic needs.

- Linkages | MENA JRS 2022-2026 Goal 2, Objective 2.3, 2.4; Goal 3, Objectives 3.1, 3.2,
 3.3; Goal 5, Objective 5.1, 5.2, 5.3
- Risks | Inequitable access to basic services, such as health care and a clean environment, could lead to violence and political instability.

Mission Goal 4 | Protect U.S. citizens, resident and visiting, and conduct risk-based visa processing.

Description | American citizens living in Jerusalem, the West Bank, and Gaza face unique challenges in accessing consular services.

Objective 4.1 | Safeguard U.S citizens visiting or residing in the West Bank and Gaza

• Justification | The over 35,000 U.S. citizens in Gaza and areas A and B of the West Bank face challenges of movement entering and exiting from Israeli authorities. Before the pandemic, providing timely citizenship documents to this population was a resource challenge. During the pandemic it has become even more so. For much of 2020, we were on an emergencies-only footing, and routine work was suspended, creating a backlog of thousands of cases. Consular operations in Jerusalem and Tel Aviv have been at the forefront of innovative new ways of issuing passports and Consular Reports of Birth. These innovations are closely followed by Consular Affairs and other posts with similar issues. How well we perform here could influence the way we do overseas passport business everywhere. Reporting on our results, advocating for resources to keep up with demand, and collaborating with like-minded posts will be a driving factor in our operations the next five years. The 35,000 U.S. citizens in Gaza and areas A and B of the West Bank also face challenges of movement getting to our consular locations in Jerusalem. Just as a traveling Palestinian-American who is registered as Palestinian by the Israeli government and the PA needs a permit to come to the West Bank/Gaza, so a resident of those areas needs a permit from Israeli authorities to travel to Jerusalem or Tel Aviv to apply for a citizenship document. The criteria for approval are based on humanitarian interest, and some of our citizens have been denied travel for security reasons. As we advocate for greater freedom of movement for our nonresident U.S. population as part of Israel's desire to have visa free travel to the United States, we should also advocate for parallel easing of restrictions within those areas, so that U.S. citizens do not have to wait months to get a U.S. passport.

- Linkages | Consular Affairs Functional Bureau Strategy, Bureau Goal 1
- Risks | An inability to provide timely service to American citizens in need would negatively impact of the State Department's highest priorities: protecting Americans overseas. Significant consular issues could also affect Israel's ability to enter the Visa Waiver Program.

4. Management Objectives

Management Objective 1 | Operational effectiveness of Embassy Jerusalem enhanced by constructing a new embassy compound, designating a permanent Chief of Mission Residence, upgrades of current chancery, annexes, and mission residences and environmentally friendly management policies for greener operations.

- Justification | Embassy Jerusalem is spread across Israel and the West Bank with a large mix of leased and government owned official and residential buildings. Many of the buildings need upgrades or replacement to increase safety, security, functionality, and greening standards. Improving or replacing the facilities will increase employee morale, productivity, and will thereby improve opportunities for the numerous employees working from them to advance American policy goals. Replacements include a new Chief of Mission Residence in Jerusalem along with a New Embassy Compound to be completed in the early 2030s.
- Linkages | MENA JRS 2022-2026 Cross-Cutting Management Objectives
- Risks | Risks associated with not achieving this Management Objective include
 hampered communications, delayed opportunities for cost savings and efficiencies
 related to consolidation of programs, personnel, and management and security
 platforms across the Mission.

Management Objective 2 | Workforce performance and customer satisfaction enhanced, by recruiting, developing, and retaining a diverse, agile, productive workforce that embraces and models innovation, accountability and parity of services across Embassy Jerusalem.

- Justification | After the move of the Embassy to Jerusalem in 2018, two very independent and distinct management sections were merged into a Joint Management Platform (JMP). However, both had organically grown different policies and procedures that resulted in different staffing configurations and levels of ICASS services to customers in different locations. The inconsistency of services between locations has hampered efforts at realizing efficiency of resources and client satisfaction. Increased focus on diversity, equity, and inclusion in recruiting will result in a more agile and productive workforce. Heightened emphasis on modeling innovation, accountability, and parity of services across the platform will lead to improved customer morale.
- Linkages | MENA JRS 2022-2026 Cross-Cutting Management Objectives, Introduction:
 Diversity, Equity, Inclusion, and Access (DEIA) are addressed
- Risks | Risks associated with not achieving this Management Objective are lost
 opportunities to transform the JMP into a higher-performing organization. This could
 include delayed opportunities for cost savings and efficiencies related to parallel
 programs with separate personnel, and continued inequality of services. In addition, a
 workforce that does not fully represent differing perspectives of society may limit our
 ability to achieve foreign policy objectives and goals.