

Supporting Environmental Sustainability in Palestine



Renewable energy is a fundamental element of the green economy and policies. Since 2000, Italy has supported Palestine's efforts to achieve energy independence. Guglielmo Giordano, director of AICS – Italian Cooperation Agency in Jerusalem – explains how AICS supports Palestine through the implementation of several programs and investments.

As the need to move to green energy sources has gained due attention from most countries, with its substantial benefits now properly understood, investments in the sector must be scaled up. Green energy is not only needed to preserve the environment, but it can also play a pivotal role in economic growth that is free of external hurdles.

To see that the energy sector is one of the areas of AICS intervention in Palestine, it is important to note



By Guglielmo Giordano

The environment is a significant issue for the Italian Agency for Development Cooperation (AICS) as a whole, and for Palestine in particular, as the Palestinian population faces economic

crises, wars, uncertainty, food precarity, and unending social problems. Environmental issues matter because Palestinians in their homeland have the right to quality air, food, and other needs. In fact, nature should be preserved even more in a country where the population lives under constant stressful conditions.

The importance of renewable energy is widely recognized as a fundamental element of the green economy, and more and more countries are addressing policies to increase investment and finding tailored solutions to their respective environments and conditions. Europe has expressed its interest and will to engage in this area, either through the member states or through external action and development cooperation. AICS is ready to continue to accompany Palestine in the enhancement of solar energy through permitting the release of significant financial resources to be dedicated to the implementation of other important services for the well-being of the Palestinian people and providing the needed energy to enhance private sector development and, consequently, the creation of employment.





that the commitment to the energy sector began some years ago. Since 2015, Italy has contributed a total of over €21 million to support the energy sector in Palestine. But the collaboration in this fundamental sector was solidified long before that time. The very first initiative, the Electricity Utility Management Program (EUMP), began in June 2000 as the Electricity Sector Investment Management Project (ESEMP) to finance the rehabilitation of the electricity sector in the West Bank through a soft loan of a total of €33.5 million. The expenditures within this program amounted to €16.2 million.

Due to the success of the program, in 2008 the Palestinian government decided to transform the ESEMP into a multi-donor EUMP. Then, in 2015, the residual amount from ESEMP (€17.3 million) was reallocated to EUMP. A new agreement was signed with the aim

to improve the electricity grid in the West Bank in order to contribute to energy efficiency (civil works, supplies, and equipment needed for the operationalization of four substations to improve the efficiency of the electricity network). Initiatives focused on replacing all the existing scattered connection supply points to be served by new 161 kV substations, overloading existing feeders and low-voltage networks, increasing the quality of supply, and reducing losses and outages. The four substations include the Aljalama Substation near Jenin, in the northern West Bank; the Sarra Substation near Nablus, in the northern West Bank; the Ramallah Substation in the central West Bank, and the Tarqumia Substation near Hebron, in the southern West Bank.

A more recent program, Enhancing the Business Environment for Micro, Small and Medium Palestinian Enterprises (EPEC), is a two-year

program that has a budget of €2 million to contribute to improving the competitiveness of Palestinian micro, small, and medium enterprises (MSMEs). The program supports the Palestinian Energy and Natural Resources Authority (PENRA) in enhancing the business environment and MSME productivity, specifically concerning the access to renewable energies and their use, in order to significantly reduce production costs through lower energy dependence.

Within the framework of this program, €1.3 million will be transferred over two years to benefit PENRA in supporting the assessment of local markets and MSMEs, and evaluating available potential to access renewable energy sources to control energy consumption expenses and reduce operation and production costs for MSMEs. More than 10,000 MSMEs in the West Bank will benefit from this local technical assistance

through awareness campaigns and onsite workshops. In addition, energy data will be collected from MSMEs and analyzed by PENRA. Technical assistance to the MSMEs will facilitate access to renewable energy and include energy audits, renewable energy source analysis, feasibility studies, and technical studies for the proposed solar photovoltaic systems. A database will also be established at PENRA for the installed renewable energy systems in Palestine. The database will serve as an important monitoring tool and will provide essential data to be used in the development of the Palestinian energy sector and enhancing the green economy concept and sustainable development of the sector.

Previous ongoing initiatives of local institutions were directly funded by AICS. Today, Italian local authorities play a major role in Palestine, reaffirming that the country is considered to be a priority for Italy. In this context, the AICS contributed to the funding of the New Urban Resources (NUR) Project that aimed to support the diffusion of renewable energy in the Bethlehem area through the installation of solar panels and the provision of technical assistance to enhance vocational training, start-ups, and local governance, thus wisely matching Italian and Palestinian communities and expertise.

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