

Annex G Portfolio Analysis

AG.1 Methods for portfolio analysis

For the portfolio analysis, the Evaluation Team aimed to collect information at a disaggregated level that would allow to analyse trends year by year, preferably based on disbursements rather than commitments. An initial list of projects extracted from a projects database was provided to the Evaluation Team by EVAL. This list allowed to have a good overview of the main engagements. However, it did not report on yearly disbursements. Therefore, the Evaluation Team opted for extracting data from the financial database, as this was the only source with year by year detail on disbursements. The financial database did not contain information on the grant recipient. This gap was overcome by asking EVAL to fill it in manually.

The portfolio analysis is therefore based on the following sources provided by EVAL with support from DRO:

- A spreadsheet on interventions managed by DRO;
- A consolidated overview of humanitarian disbursements (including HC and SSP) provided by EVAL, by recipient organisation;
- A consolidated overview of civil society disbursements, by recipient organisation; in two cases - the National Organisation of Women's shelters, SOS Children's villages and the Danish Israel mission – disbursement figures were not available because funding for these organisations goes through CISU (Civil Society in Development). On suggestion of EVAL it was assumed that disbursements for these organisations should equal commitments.

The Danida database does not give a complete overview of all funding to Palestine. For example, Danida does not record separately the activities of Danish CSOs in Palestine that receive core funding through framework agreements. However, CSOs were approached to provide information and this has been included to the extent possible. In addition, some Palestine-related activities might be financed directly by the MFA, such as workshops on Palestine, on which no funding information is available. Nevertheless, the Evaluation Team is of the opinion, based on the information provided and confirmed in interviews, that the portfolio overview contains the large majority of Danish disbursements related to Palestine. A rough estimate is that approximately 95% of all disbursements during the period 2009-2013 are included in the portfolio.

The spreadsheet of DRO-funded projects provided a classification of all engagements by area of support. However, sometimes the classification did not match the way interventions were labelled in the strategic framework and was changed accordingly. The following classifications were changed:

- 104.Pal.21-24 ICC and 104.Pal.33-22 Jenin Trade Fair was classified as “Economic development” instead of “others”;
- Contribution to TIPH was added to Peacebuilding figures together with DRO-funded projects.

AG.2 Disbursements per year and by areas of support

The Danish aid to Palestine consists of three main components:

- The funding directly managed by the DRO (with the exception of contributions to UNRWA), with total disbursements from 2009 to 2013 of DKK 567 million;

- Humanitarian support to Palestine via UNRWA, other international agencies and Danish NGOs directly managed from Copenhagen (including also the DRO managed part of the UNRWA funding), with total disbursements from 2009 to 2013 of DKK 543 million;
- Funding to (Danish) Civil Society Organisations (CSOs) through framework agreements, with total disbursements from 2009 to 2013 of DKK 52 million.¹

Total disbursements in the period 2009-2013 were DKK 1.2 billion. The following figure shows the distribution of total disbursements per area of support. Humanitarian support is the biggest category with 46% of all disbursements, followed by state-building (including PEGASE support) with 41% of all disbursements. Relatively minor support went to the other areas: peacebuilding, economic development and support via Danish CSOs.

Fig. AG.1. Total disbursements 2009-2013 by areas of support

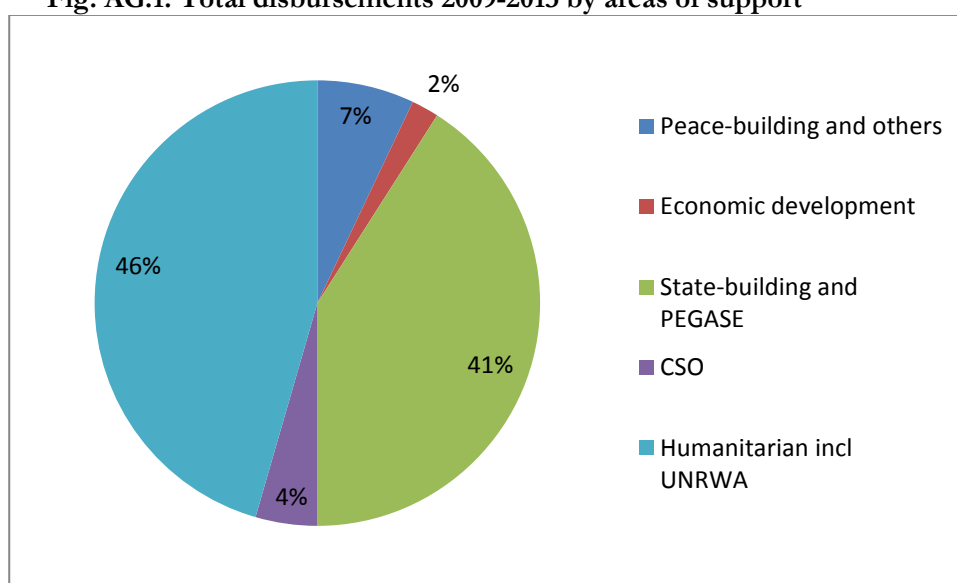


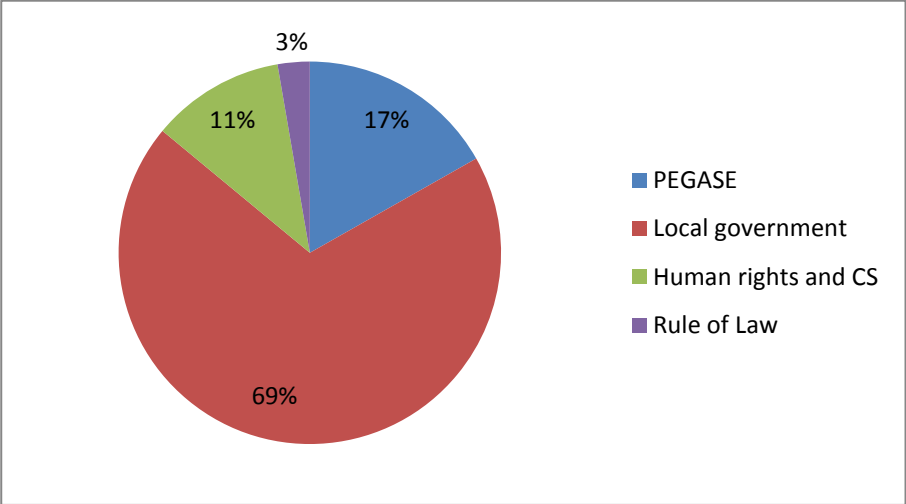
Figure 3.1 in the main text shows the funding to the various areas of support per year. Annual disbursements varied between DKK 176 million in 2011 to DKK 240 million in 2012 and then sharply rose to DKK 331 million in 2013 (average annual disbursements around DKK 208 million). While the humanitarian support remained relatively stable over time (varying between DKK 92 and 122 million per year), the state-building support increased and the support to peacebuilding and others decreased from DKK 31 million in 2009 to DKK 10 million in 2013. Economic development is a small category of support with total disbursements of DKK 23 million from 2009 to 2013. Support provided via Danish NGOs was another small category and remained relatively stable with annual disbursements around DKK 10 million.

The increasing annual disbursements were in line with the government's statement in 2012 to increase the funding to Palestine. This increase is, in particular, reflected in an increase of the disbursements to state-building, which became the biggest area of support from 2012 onwards (with annual disbursements of DKK 20 million in 2009 increasing to DKK 194 million in 2013).

¹ This funding is not part of the strategic frameworks, because NGOs decided themselves on the distribution of money to various regions and countries.

Within state-building, local government represents the largest sub-sector of support, absorbing more than two-thirds of all disbursements in this category (See Figure AG.3). This includes funding to the Municipal Development Programme (tripling of funding from DKK 32 million in 2012 to DKK 111 million in 2013), and some other projects. The contribution to the EU-led PEGASE funding mechanism is the second most important component of state-building. Other shares of funding went to the protection and promotion of human rights via the Independent Commission of Human Rights and funding of Palestinian NGOs active on human rights through a Secretariat allocating core and project funding. The fourth component is support to the rule of law, involving the EUPOL COPPS mission and a UNDP-led rule of law programme.

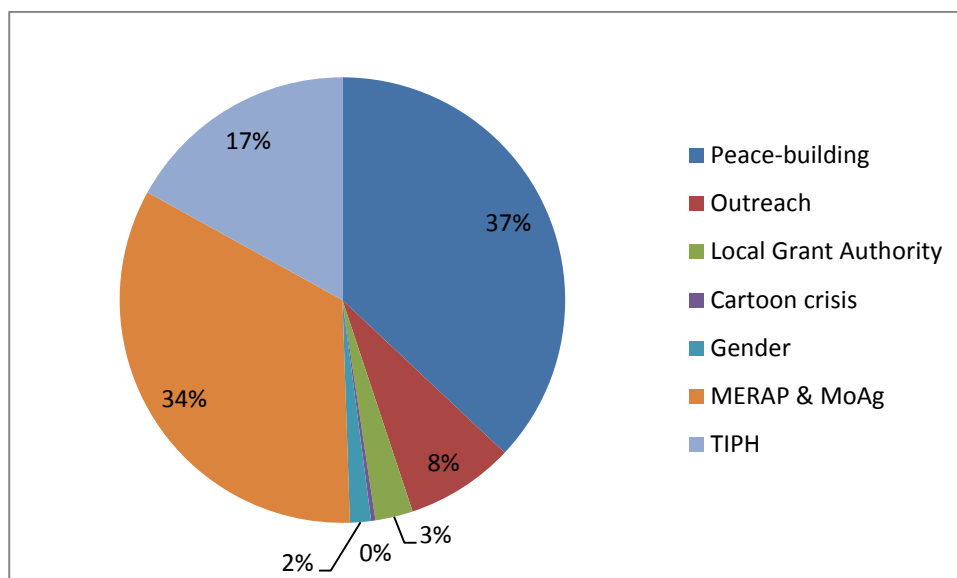
Fig. AG.2 Subdivision of funding within the area “State-building”



Peacebuilding that was still the second area of support in 2009 gradually decreased in importance. The support area “peacebuilding and others” included a large number of smaller-sized projects in different areas. Approximately one third of these projects were clearly focused on peacebuilding. The largest interventions in this area were those funded through the Danish Centre for Culture and Development and the support to the PLO Negotiations Affairs Department. The Danish financial contribution to the Temporary International Presence in Hebron (TIPH) observer mission also falls within this category. The same applies to the Middle East Regional Agricultural Programme (MERAP), a regional cooperation research programme in the field of agriculture and water management, which was also meant to contribute to peacebuilding. The rest of the funding in this area went to projects focusing on reaching out to the communities, projects related to the Cartoon Crisis aiming at improvement of the dialogue and exchange between Denmark and Palestine and projects promoting gender equality, or addressing other local needs in a quick-impact way. The Local Grant Authority (LGA) is one of the delegated instruments to provide Danish embassies with a flexible instrument allowing for prompt and relevant response to development requirements.²

Fig. AG.3 Subdivision of funding within the area “Peacebuilding and others”

² Ministry of Foreign Affairs of Denmark and Danida, Guidelines for the local grant authority of Danish embassies, multilateral representations and departments in MFA, Revised version, October 2009.



In the following table an overview of the disbursements per year and per area of support is presented:

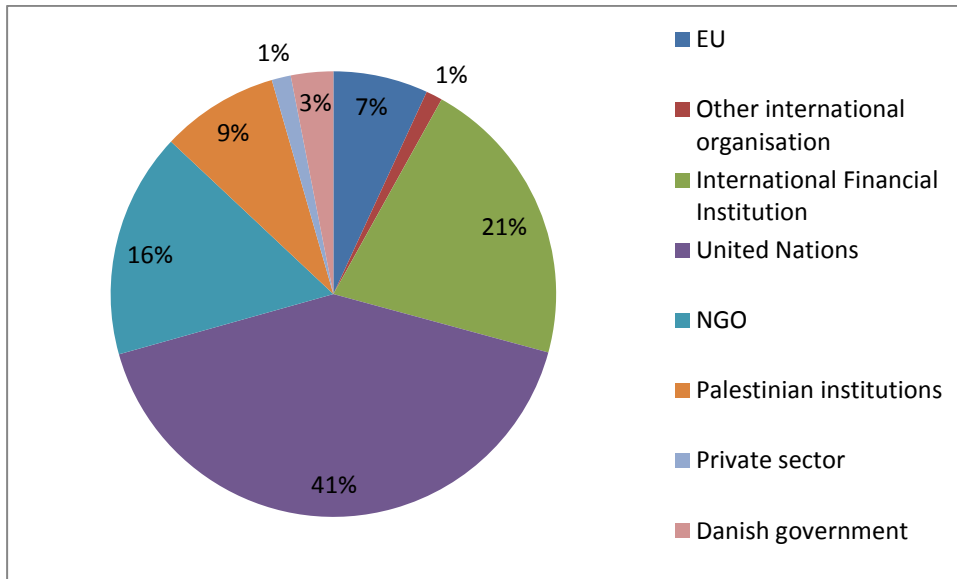
Table AG.1 Disbursements per area of support per year, 2009-2013 DKK

	2009	2010	2011	2012	2013	2009-13
Peacebuilding and others	26,975,821	25,777,964	3,939,354	15,094,018	10,150,888	81,938,045
Economic development	4,069,502	9,451,266	10,094,106	-495,508	-	23,119,365
State-building and PEGASE	20,250,547	95,625,338	59,164,604	107,348,283	193,869,188	476,257,959
CSO	8,610,732	9,961,574	11,173,228	11,274,018	10,873,882	51,893,434
Humanitarian incl., UNRWA	122,500,000	92,321,346	91,700,000	106,612,044	115,948,477	529,081,868
Total	182,406,601	233,137,488	176,071,292	239,832,855	330,842,436	1,162,290,671

AG.3 Aid modalities and implementing agencies

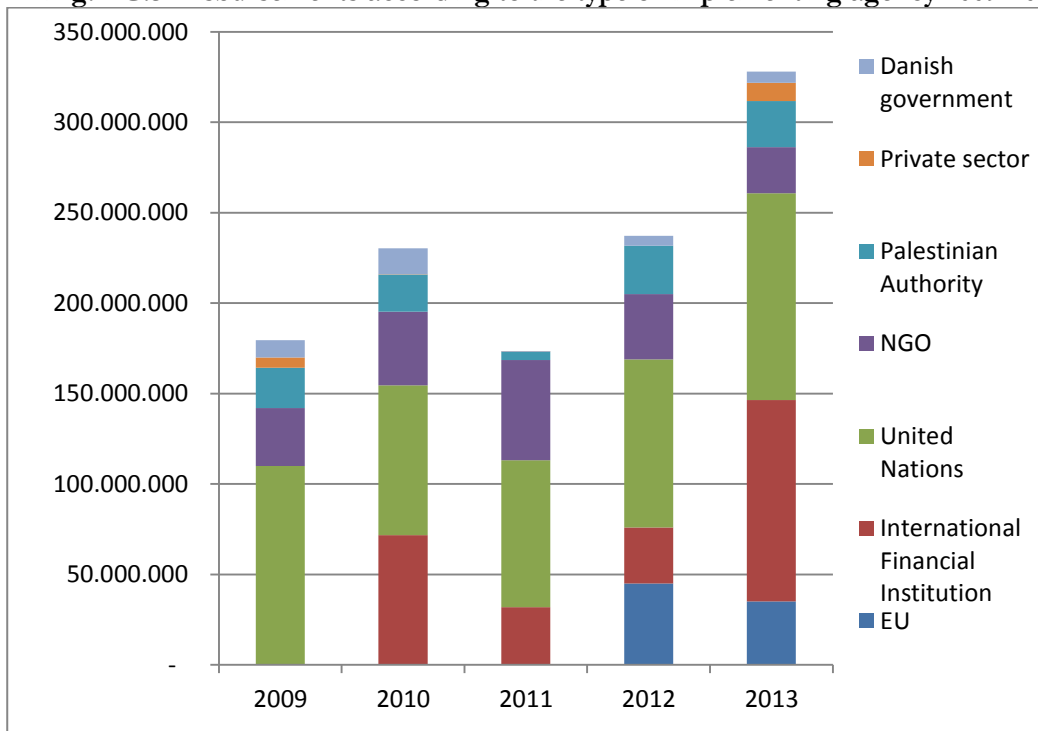
Figure AG.4 presents the distribution of funding per implementing agency. It shows that about two thirds of the Danish funding was managed by an international, intergovernmental or supranational body and this proportion increased over time. Palestinian institutions managed less than one tenth of the portfolio. The remaining part was managed by NGOs, Danish public organisations or the private sector.

Fig. AG.4 Disbursements 2009-2013 according to type of implementing agency



The analysis of implementing agencies is in line with the aid modalities, with the UN (incl. UNRWA) as the largest implementing agency with 41% of all disbursements. The support channelled via the World Bank and the EU comes in the second place, while 16% was channelled via NGOs.

Fig. AG.5 Disbursements according to the type of implementing agency 2009-2013 DKK



AG.4 Number and average size of disbursements

Figure AG.6 shows that over the years Danish funding channelled via the DRO was increasingly concentrated in a smaller number of disbursements of larger size. The number of disbursements,

which equals the number of implemented projects per year, was highest in 2010 with a total of 38 projects and this dropped to 13 in 2013. The average size of disbursements was highest in 2013 with DKK 15.5 million and lowest with DKK 1.5 million in 2009.

Fig. AG.6 Number and average size of disbursements per year

