



# Alliance for Middle East Peace

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## **International Fund for Israeli-Palestinian Peace** *Building a Lasting Peace Between Israelis and Palestinians, Arabs and Jews*

As the international community looks for new approaches to resolve the Palestinian-Israeli conflict, it must recognize the missing ingredient if all prior attempts by not just convening political leaders for negotiations but also taking steps to build lasting public support for any political solution.

Without broad popular support, political agreements may never come or survive. For the last 20 years, an extensive and growing network of non-governmental organizations (NGOs) has been continually working on the grassroots level to build such active constituencies for peace by promoting people-to-people coexistence, reconciliation, and joint initiatives. Yet, the international community has always approached these efforts as an afterthought rather than an indispensable tool.

These NGOs cultivate relationships between people and communities, Israelis and Palestinians, Arabs and Jews, through everyday activities, including partnerships and cooperation in business, education, medicine, and children's sports. By participating in these people-to-people programs, individuals and whole communities build positive relationships across conflict lines and become active participants in supporting a peaceful end to the conflict. They not only build the strong web of relationships and cooperation necessary to implement a future peace, but they also realize that they have real partners on the other side, contrary to prevailing doubts in each society. History has shown that political diplomacy alone cannot end the conflict because peace cannot be pushed solely from the top down. Rather, we must work at the same time to build broad support for peace on the grassroots level, from the bottom up.

Despite years of growth and impact, what these grassroots groups still lack is scale. After twenty years of evolution, they have evaluated, tested, and adapted to the changing reality around them to become efficient and impactful. They transform individuals and local communities. Yet, neither private philanthropy nor government funders have committed the resources needed to bring these projects to a scale that enables them to change the larger public conversation and attitudes at a societal level. These programs have matured to the point that they are poised to play this critical role. Meanwhile, the cycles of failed diplomacy have demonstrated that the rejectionists of a two-state solution will rule the agenda until the silent majorities are empowered to demand peace. The time is ripe to create an International Fund for Israeli-Palestinian Peace to unleash the full potential of civil society that are working to prepare the Israeli and Palestinian, Arab and Jewish publics for peace.

Inspired by the successful International Fund for Ireland (which spent more than \$1.2 billion over 20 years to build grassroots cooperation and support for peace in Northern Ireland), the International Fund for Israeli-Palestinian Peace will leverage and increase public and private contributions worldwide, funding joint economic development and civil society projects that promote coexistence and broad support for peace even while they improve social and economic conditions on the ground. The Israeli and Palestinian NGOs have demonstrated on a micro level that such grassroots efforts are a success; it is now time to extend their reach and impact on a grand scale. Solving the conflict means attacking its root causes and empowering the majorities on both sides to build a better future. The region needs this Fund urgently, to enable and support any peace agreements.



## **Structure and Management of the Fund**

The Fund will be an independent international organization. It would receive funds from governments, corporations, and private foundations and donors. In turn, it would make grants and loans to qualifying projects and organizations. The Fund will be legally structured to enable it to receive contributions in the United States, Europe, and elsewhere. Significantly, the intent behind the Fund is to bring additional resources to solving this conflict by highlighting a critical need to support civil society projects and by unlocking large-scale project opportunities not possible with current resources. The Fund is not intended to receive support that otherwise would be provided directly to either the Palestinian Authority or to Israel.

The International Fund would have a small professional staff to conduct its grantmaking and other activities. Fund staff would solicit grant proposals from NGOs for projects in particular focus areas or involving particular populations. Pursuant to an established, open, and competitive grant process, they would review submitted proposals and award grants accordingly. Fund staff would then monitor the success of grantee projects to ensure both compliance with applicable guidelines and the best possible project outcomes.

An active Board of Directors comprised of representatives of donor nations and prominent individuals (including community leaders, former diplomats and government officials, and academics) will supervise the Fund. An Advisory Panel comprised of leaders from the NGO community would provide direct feedback and strategic input.

The Fund will establish and maintain policies and procedures that provide transparency and sufficient oversight to protect the financial integrity of the Fund. The Fund will also adopt industry best practices to create an environment of legal, regulatory, and ethics compliance, including, but not limited to, a whistleblower policy, document retention policy, and other measures to ensure the Fund is open and transparent in its operation.

## **Funding Areas of Focus**

In the last two decades, dozens of NGOs have emerged to address the critical need for engaging Israelis and Palestinians, Arabs and Jews to build peaceful relations. These NGOs have been most successful by serving individual and community needs in numerous aspects of daily life. These many diverse activities and programs provide a valuable road map for the types of efforts that are successful in engaging and empowering ordinary citizens to support peaceful coexistence. The Fund will focus on supporting joint initiatives and cooperation between Israelis and Palestinians, Arabs and Jews in such areas as:

- Business and Joint Economic Development
- Civic Activism and Empowerment
- Community Building
- Culture and the Arts
- Education
- Environmental Studies and Protection
- Interfaith Cooperation and Understanding
- Media
- Reconciliation and Dialogue
- Science
- Sports and Recreation
- Youth Activities



### **Proposed Fund Mission**

The International Fund for Israeli-Palestinian Peace is an independent organization. The Fund's objectives are to promote contact, cooperation, dialogue, shared community building, peaceful coexistence, joint economic development, and reconciliation between Israelis and Palestinians, Arabs and Jews in the Middle East.

The Fund is supported by a broad public-private coalition of donor nations, organizations, and individuals who contribute capital to the Fund, which in turn invests in these important objectives through grants and loans. The Fund pursues these objectives by making grants and loans to support activities, programs, and initiatives undertaken by non-governmental organizations (NGOs), businesses, local governments, and local communities that bring together people of different national, ethnic, religious, or political backgrounds in order to promote and facilitate:

- Widespread adoption of a vision of a shared, peaceful future among Israelis and Palestinians, Arabs and Jews in the Middle East, based on people-to-people initiatives;
- Reconciliation and coexistence through bi-lateral and multi-lateral community-based social and economic cooperation and development, including joint efforts that foster sustainable economic growth and social development in disadvantaged areas in Israel, Palestine, and surrounding countries;
- Cross-cultural community building, including social and cultural activities, programs, and institutions that promote stronger relations within communities/countries and between neighboring communities/countries;
- Dialogue, reconciliation, and dispute mediation between the different national, ethnic, religious, and political groups;
- Local, grassroots, and people-to-people efforts to support, develop, and strengthen local, regional, and international peace processes; and
- Reconciliation and coexistence through a broad range of cooperative activities involving professional associations, businesses, and organizations involved in cultural activities, the arts, sports, community building, and social advance.

In pursuit of the above-mentioned objectives, the Fund will:

- Provide funding for collective action on the part of NGOs involved in reconciliation and peacebuilding;
- Provide both funding for particular programs, activities, and initiatives, as well as capacity-building grants to NGOs, to ensure the long-term sustainability and improvement of these people-to-people coexistence and reconciliation efforts; Provide both short-term and multi-year funding, as appropriate;
- Support existing coexistence efforts, as well as encourage the development of creative new initiatives for fostering people-to-people coexistence and reconciliation;
- Ensure that all of the Fund's awards of grants and loans comply with the relevant laws applicable to grants by the donor parties to the Fund;
- Build strong strategic alliances with other agencies and bodies, ensuring that efforts are complementary, sustainable and mutually reinforcing;
- Establish community standards and benchmarks, by which funding recipients can reasonably evaluate and report on the results of supported programs, activities, and initiatives; and
- Engage current NGO coalitions, such as the Alliance for Middle East Peace and Peace NGOs Forum, as well as academic think tanks and other experienced institutions, to advise and aid in facilitating its strategic programming; support the organizational and professional collaboration, development, and capacity-building of coexistence NGOs; and sustain and build financial, political, and volunteer support for the NGOs' and the Fund's people-to-people efforts.



## **Precedents for Multinational and Coexistence Funding**

Establishing a major International Fund for Israeli-Palestinian Peace will not be the first time the world has created such an entity nor the first time it has provided significant international funding for resolving the Arab-Israeli conflict.

Most notable is the International Fund for Ireland (IFI). Grounded in the Anglo-Irish agreement of 1986 and established by Congress, the IFI has received over \$1.8 billion in funding from international donor nations over the years, including approximately \$500 million from the U.S. alone. The IFI has supported more than 5,700 projects since its inception to “promote economic and social advance and to encourage contact, dialogue and reconciliation between nationalists and unionists throughout Ireland.” The British and Irish governments jointly appointed the Fund’s Board of Directors, and donor nations may send observers to participate in Board meetings. An Advisory Committee appointed by the governments also assists the IFI Board.

In the context of the Palestinian-Israeli conflict, in particular, the world also already recognizes the important need to cooperate in pledging substantial sums of money for economic and security aid to the parties. A team of donor nations together pledged billions of dollars during the Oslo process and have continued every year since. The International Fund for Israeli-Palestinian Peace is not a reason to diminish this important funding in any way; rather, it provides a focus and a rationale to provide additional funding for an often neglected, but critical need – rolling out civil society projects throughout the conflict area to build lasting support for peace.

Benefits of International Fund for Israeli-Palestinian Peace:

- Leverages contributions from broad consortium of nations, as well private sector, so each donor shares the responsibility but realizes a much greater impact. Shared approach encourages more and larger contributions as part of a major effort.
- Dedicated, organized approach to funding Middle East cooperation and coexistence ensures it receives proper attention and consistent support over the long term.
- Fills a significant gap in traditional Middle East “peacemaking” that has focused exclusively on high-level political negotiations without building grassroots support.
- Fund can become an expert in Middle East NGO activity, ensuring only legitimate organizations and activities receive funding. With singular focus on the Palestinian-Israeli conflict, Fund can more thoroughly evaluate and direct resources to effective programs. Expertise yields efficiency.
- With specialized knowledge of Middle East NGO needs and opportunities, Fund can tailor its support to have maximum impact, such as with multi-year funding and/or operational support for NGOs as needed.
- Fund can identify gaps in NGO activities and encourage new efforts through an incubator program. Funding would reach a diverse group of NGOs of all sizes. Greater resources unlocks the potential to engage in new, larger-scale projects.



## **Making the Fund a Reality**

ALLMEP has started this major initiative – to persuade world leaders and the private sector to establish this International Fund – but it cannot do it alone. ALLMEP will work with key allies (advocacy organizations, religious leaders, political leaders, and others) to seek capital and organizational support for the Fund from existing multinational organizations (such as the World Bank and United Nations), major international foundations, and donor nations, including countries in North America, Europe, the Middle East, and Asia.

We envision this fund being established as a \$200 million-per-year fund, with each of the four constituencies (below) contributing approximately 25% of the funding:

1. **U.S. Congress:** working toward passing legislation authorizing and appropriating the first U.S. contribution to the International Fund for Palestinian-Israeli Peace.
2. **Europe:** recruiting key European nations to promote the creation of the Fund and seeking the support of the European Union.
3. **The Arab World:** enlisting the moral and financial support of leaders for peace in the Arab World.
4. **Private Sector:** recruiting commitments from leading philanthropists, including Jewish and Arab donors, to match and encourage donations to the Fund from donor nations around the world.