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of the Palestinian people in the occupied
Palestinian territory, including Jerusalem,
and the Arab population in the occupied
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**E/2001/100.

**Economic and social repercussions of the Israeli occupation on the living conditions
of the Palestinian people in the occupied Palestinian territory, including Jerusalem,
and of the Arab population in the occupied Syrian Golan**

Note by the Secretary-General

In its [resolution 2000/31](#) of 28 July 2000, entitled "Economic and social repercussions of the Israeli occupation on the living conditions of the Palestinian people in the occupied Palestinian territory, including Jerusalem, and the Arab population in the occupied Syrian Golan", the Economic and Social Council requested the Secretary-General to submit to the General Assembly at its fifty-sixth session, through the Council, a report on the implementation of the resolution. The General Assembly, in its [resolution 55/209](#) of 20 December 2000, also requested a report. The annexed report, which has been prepared by the Economic and Social Commission for Western Asia (ESCWA), is submitted in response to the two resolutions.

Annex

Report prepared by the Economic and Social Commission for Western Asia

I. Introduction

1. In its resolution 2000/31, adopted on 28 July 2000, on the economic and social repercussions of the Israeli occupation on the living conditions of the Palestinian people in the occupied Palestinian territory, including Jerusalem, and of the Arab population in the occupied Syrian Golan, the Economic and Social Council stressed, inter alia, the importance of the revival of the Middle East peace process on the basis of Security Council resolutions [242 \(1967\)](#) of 22 November 1967, [338 \(1973\)](#) of 22 October 1973 and [425 \(1978\)](#) of 19 March 1978, and the principle of land for peace as well as the full and timely implementation of the agreements reached between the Government of Israel and the Palestine Liberation Organization, the representative of the Palestinian people. In the resolution, the Council reaffirmed the inalienable right of the Palestinian people and the Arab population of the occupied Syrian Golan to all their natural and economic resources and called upon Israel not to exploit, endanger or cause loss or depletion of those resources. It also reaffirmed that Israeli settlements in the occupied Palestinian territory, including Jerusalem and the occupied Syrian Golan, were illegal and an obstacle to economic and social development.

2. In its resolution 55/209 of 20 December 2000, the General Assembly reaffirmed the inalienable rights of the Palestinian people and the

population of the occupied Syrian Golan over their natural resources, including land and water; and called upon Israel, the occupying Power, not to exploit, to cause loss or depletion of or to endanger the natural resources in the occupied Palestinian territory, including Jerusalem, and in the occupied Syrian Golan. In the resolution, the Assembly recognized the right of the Palestinian people to claim restitution as a result of any exploitation, loss or depletion of, or danger to, their natural resources, and expressed the hope that the issue would be dealt with in the framework of the final status negotiations between the Palestinian and Israeli sides.

3. The delays in the implementation of the agreements reached between Israel and the Palestine Liberation Organization, the fact that those agreements have not been fully implemented and the delay in reaching a final status agreement intended to settle all outstanding claims between the two parties continue to have an adverse effect on the living conditions of the Palestinian people. Moreover, these delays and Israeli practices, particularly with regard to settlement expansion and the closure of passage routes, were among the primary causes of the outbreak of current tensions and violence, with thousands of people, including children, killed or wounded.

4. As a consequence of the crisis, restrictions on the mobility of the Palestinians have increased. For most of the period since October 2000, mobility between the West Bank and Gaza, and between the occupied Palestinian territory and the rest of the world, has been severely impeded. Travel for Palestinians between the West Bank and Gaza via the "safe passage" route has been blocked by Israeli authorities since 6 October 2000. As a consequence, students from the Gaza Strip have been unable to attend classes in the West Bank and relatives unable to visit one another; financial ties between the two areas have been damaged. According to the Oslo Accords, two routes were to be designated as safe passages. Israel is entitled, for security reasons, to close one of them or to alter the terms of entrance but must ensure that one of the passages is always open. 1/ Today there is only one safe passage, thus obliging Israel to allow Palestinians to use it to travel between the Gaza Strip and the West Bank.

5. The Gaza International Airport and the border crossings at Rafah and the Allenby/Karamah Bridge have been closed for extended periods. Palestinian foreign trade has also been affected. Imports and exports trans-shipped through Israeli ports have been delayed or blocked completely for most of this period, while the commercial crossings at Rafah and the Allenby/Karamah Bridge have been closed about 70 per cent and 12 per cent of the time, respectively, between 28 September and 26 November 2000.

6. There have been varying levels of restrictions on mobility between cities, towns and villages in the West Bank and Gaza owing to reduced levels of security on roads and the imposition of internal closures by the Israeli authorities. Such measures have routinely included the placement of physical barriers between Palestinian villages and cities and the deployment of military checkpoints on main roads. In addition, the Israeli authorities have imposed curfews on several areas in the West Bank, most notably in the city of Hebron and on numerous villages in the Nablus area. 2/

II. Economic and social repercussions of the Israeli occupation

A. Occupied Palestinian territory, including Jerusalem

7. During its 34-year occupation, Israel has established a range of civilian and military installations throughout the occupied Palestinian territory. Civilian Israeli settlements have been built at some 200 sites seized by civilian and military bodies representing the Government of Israel as well as by Israeli civilians empowered by Israel to undertake such activity. The land under exclusive Israeli control amounts to 59 per cent of the West Bank (Area C) and 20 per cent of the Gaza Strip. In addition, 30 per cent of the area of East Jerusalem is under effective Israeli ownership.

8. Israel has established approximately 170 settlements in the West Bank with a civilian population of approximately 200,000. Approximately 180,000 Israelis reside in East Jerusalem and in the Gaza Strip, 7,500 settlers live in 16 settlements.

9. With few exceptions, settlements are connected by bypass roads, either existing or planned, to main transport routes to Israel. As a consequence of the unrest that began in September 2000, Israel has engaged in a wide-ranging campaign to construct scores of new roads aimed at ensuring safe passage between the settlements and Israel. Israeli military bases have been established throughout the West Bank, according to the Israeli newspaper *Yediot Aharonot*, "particularly next to isolated settlements. The intention is not to leave isolated settlements in the heart of occupied Palestinian territory areas without an army base nearby. The camps to be established, therefore, will separate the territory under Palestinian control from the settlements". 3/

10. The Government of Israel granted building permits for 1,184 housing units during the first 10 months of 2000. Data from the Central Bureau of Statistics and the Ministry of Construction and Housing indicate that 529 of those units were in the greater Jerusalem area. However, many permits were also granted in settlements far from Israel. They included permits for 59 units in Kedumim, 13 in Talmon and 18 in Psagot.

11. During 2000, the Ministry of Construction and Housing began building 1,943 housing units in the territory, up from 1,367 in 1999. However, this number does not include private construction, which can range from 50 to 150 per cent of public building. In addition, the population of the settlements rose by 8 per cent during the year, to 203,068 people. The Israel Land Administration sold 2,804 lots for building in the territories in 2000, or 12.5 per cent of the total number of lots it sold that year. 4/

12. The geographic distribution of settlements on the occupied Palestinian territory restricts the growth of Palestinian communities. Although settlements themselves directly control less than 10 per cent of the West Bank and 5 per cent of the Gaza Strip, prospects for Palestinian sovereignty would be compromised by the extensive security measures required to ensure their existence. This necessarily includes the ever-expanding system of roads linking settlements with each other and with main access arteries to Israel, and the permanent presence of the Israeli army in the territory. 5/

13. According to the mayor of Khan Yunis, "settlement continuity poses a major obstacle to the Palestinian Authority and its sovereignty over the land and, in addition, the settlements prevent any real development activity in the area. The settlements control 34 per cent of the Khan Yunis area, amounting to 112 square kilometres. The presence of the settlements adversely affects developments in tourism and fishing. The entire settlement policy places the region on the brink of a volcano and on the way to a huge new [crisis] that, this time, will not end until the settlements are removed". The mayor termed the struggle over the settlements "a major aspect of the conflict", explaining that "no peace is possible in the shadow of the settlements". 6/

14. Israel has declared 290,970 acres of the West Bank (20.2 per cent of its total area), mostly in the Jordan Valley, as closed military areas, and has created an additional 29 closed military areas in Gaza (420 acres). Moreover, Israel maintains 71 military bases in the West Bank (9,563 acres). Although most of these areas have low agricultural value, they constitute the major grazing areas in the West Bank. Since Palestinian pastoralists are denied access to these areas, the remaining grazing areas suffer from severe overgrazing and are under threat of permanent desertification. Furthermore, the wildlife and rich biodiversity that characterize these areas are harmed by the use of heavy military vehicles and tanks. 7/

15. According to Palestinian sources, Israel seized around 48,904 dunums (one dunum equals 1,000 square metres) of West Bank land and demolished more than 53 houses in the period from May 1999 to May 2000. 8/

16. In the Khan Yunis area, Israel is reinforcing military posts near the Amal quarter, and fortifying posts near the settlements close to the Mawasi area. These fortifications, composed of tons of cement and sandbags and yards of barbed wire, are topped by new machine-gun emplacements. The work involves the annexation of a hundred-yard strip within the city boundary. Incursions have also been made into Area B land near Mawasi. [9/](#)
17. In March 2000, Israel's Ministry of Construction and Housing prepared plans for the construction of 22,410 new units in the (East) Jerusalem region of the West Bank, whose settler population at the end of 1997 was 40,000. The Ministry's objective is to increase the number of Israelis living in this area to 250,000 by the year 2020. The Israel Land Administration plans to merge the settlement of Beitar with nearby Sur Hadassah in Israel. [10/](#)
18. On 10 April 2000, the Knesset's Budget and Security Committee approved \$400 million for settlement security and construction of 12 bypass roads in the occupied territory. The funds will be taken from \$1.2 billion in aid from the United States of America promised as part of the Wye River agreement in October 1998. Overall expenditures on settlements are approximately \$500 million annually. [11/](#)
19. In addition to settlement expansion and the seizure of land, water remains a critical issue for Palestinians. Over 150 West Bank villages, home to some 215,000 Palestinians, are not connected to a network to supply running water. [12/](#) As a result, a number of municipalities in the West Bank have been forced to establish a rotation programme between different areas of the town, in order to distribute the little water they have. [13/](#)
20. The scope of Israeli control of the critical water sector did not significantly change as a consequence of the Oslo-related agreements between Israel and the Palestinian Authority, according to the Israeli human rights organization B'Tselem. Israel's control is evident in its power to veto any new water project for Palestinians, both through the Joint Water Committee and through the Civil Administration.
21. The starting point for the agreement on the division of water from the shared sources is that the amount of water for Israeli consumption, both within the Green Line (pre-1967 border) and in the settlements, is not reduced. According to this principle, any additional water that the Palestinians utilize comes from new sources, not from a redivision of existing sources. From the perspective of Israeli-Palestinian water needs, the sole achievement in this agreement is the Israeli-Palestinian understanding to increase the water supply to the occupied Palestinian territory by approximately 30 per cent during the interim period, from September 1995 to May 1999. As of June 2000, only half of the promised additional quantity was produced and supplied to the Palestinians. B'Tselem concludes that "the [Israeli] Mekorot water company continues to conduct a policy of discrimination. Mostly during the summer months, Mekorot does not increase, and even decreases, the quantity of water supplied to Palestinian towns and villages so that it can meet the increased demand in settlements that receive water from the same pipelines". [14/](#)
22. According to the Director of the Palestinian Hydrology Group, "the overall current water consumption in the West Bank varies between 110 and 115 mcm (million cubic metres) annually and in Gaza it is 100 mcm/year. All throughout the Israeli occupation from 1967 to the present, these figures have hardly changed, despite growing water needs due to the nearly three per cent in population growth, not to mention socio-economic development". [15/](#) "In Palestinian society, the agricultural sector consumes more water than any other sector, around 70 per cent of the available water in the West Bank and Gaza. In terms of distribution, water usage can be divided into the West Bank and Gaza (including settlements) and Israel, which has control over the majority of available water in the West Bank and Gaza and in Israel proper. For domestic use, the occupied Palestinian territory as well as Palestinian Authority-controlled areas, use 53 mcm, settlements use 13 mcm and Israel swallows up 520 mcm. In agriculture, for example, while Palestinians consume 152 mcm, Israelis use up 1,200 mcm. In overall consumption, while Palestinians consume 114.5 mcm per year, the settlements consume a total of 592 mcm and Israelis consume 400 mcm. The settlements actually use more water than Israel proper. Israel currently consumes 80 per cent of West Bank water". [16/](#)
23. It was reported in June 2000 that Israeli authorities had sabotaged 20 ancient water cisterns located on Islamic Waqf land near the Jewish settlement of Efrat, west of Bethlehem. It was also reported that the Israeli authorities had ruined the water channels that feed the cisterns in order to diminish local farmers' reserve waters for irrigation. The cisterns are located in an archeological site near Bethlehem where new housing units are being built to expand Efrat. The settlers continue to pump their sewage into the cisterns and agricultural land, ruining 1,000 dunums or 250 acres of land. [17/](#)
24. The construction by Israel of security trenches in the Jericho and Ramallah regions in March 2001 also impacted the provision of water for Palestinian communities. The water pipes leading to the village of Surda, north of Ramallah, for example, were destroyed by the construction of these barriers, creating a temporary interruption in the water supply. [18/](#)
25. Not only does waste produced by Israeli settlements located in the occupied Palestinian territory continue to degrade the area's water resources, but Israeli practices in the occupied Palestinian territory remain insensitive to environmental considerations, thereby compromising the Palestinian population's quality of life. The Jordanian environmental institution has confirmed that the condition of the water in the River Jordan has deteriorated dramatically owing to wastes coming from Israeli settlements which affected the river's fish and led to the loss of an important source of water life. [19/](#)
26. In April 2000, after years of complaints that the Israeli settlement of Kfar Darom was dumping its raw sewage into the Palestinian town of Deir Al Balah, causing sickness and polluting coastal water, Palestinians attempted to improve the situation. However, Israeli occupation forces intervened to prevent a Palestinian bulldozer from redirecting the sewage away from populated areas. [20/](#)
27. *Voice of Palestine* reported that lands in the West Bank's Salfit district had been adversely affected by the dumping of waste produced in the Israeli settlements of Ariel and Burkan. The settlers had been pumping wastewater and chemicals from their factories on Palestinian agricultural land and into freshwater sources. The Salfit region is the Palestinians' main source of freshwater, which comes from artesian wells. [21/](#)
28. Sewage from homes in the West Bank settlement of Adam, East of Jerusalem's Neve Ya'akov settlement neighbourhood, is seriously contaminating the springs that feed into Wadi Kelt, causing a stench and killing animal life, according to an investigation by Israel's Nature Reserves and National Parks Authority. The study said the sewage overflow was due to an increase in the number of families who had moved into Adam, despite the lack of a proper sewage infrastructure to accommodate them. [22/](#)
29. The Palestinian Ministry of Agriculture warned of imminent environmental disaster in the village of Deir Ballout in the district of Nablus. Apparently, the area has been polluted by waste from an Israeli military base, Israeli dumping ground and sewage, and dirty wastewater from surrounding settlements. [23/](#) Additionally, the construction of at least seven industrial zones in the West Bank by the Government of Israel has contributed to the pollution. Located mainly on hilltops and occupying a total area of approximately 746 acres, these industries produce industrial wastewater and solid waste that often pollute adjacent Palestinian lands. At least 200 factories are located in the West Bank, notably aluminium, leather-tanning, textile-dyeing, battery, fibreglass, plastic and other chemical factories. Clear evidence that Israeli factories operating in the occupied Palestinian territory do not follow pollution prevention measures is provided by the Barqan industrial zone, which houses factories producing aluminium, fibreglass, plastic, electroplating, and military items. Industrial wastewater from this zone flows untreated into the nearby valley, damaging agricultural land belonging to the Palestinian villages of Sarta, Kufr Al-Deek and Burqin, and polluting the groundwater with heavy metals. In the central part of the Gaza Strip, the Israeli settlement of Kfar Darom releases sewage and chemical waste from its industrial plants to the Al-Saqa valley. [24/](#)
30. A declaration stating that water and sewage infrastructures must not be harmed despite the military conflict was signed by Israeli and Palestinian representatives at the Erez Junction on 31 January 2001. In the declaration, the two sides promised to take all the necessary steps, despite the current difficult circumstances, to provide water and treat sewage in the West Bank and Gaza Strip, and to quickly repair malfunctions and

damage to the systems. Both sides made it clear in an appeal to their public opinions, that the water systems of the two peoples were intertwined and serve both populations, and that any harm done to them would cause damage to Israelis and Palestinians alike. ^{25/} However, Palestinians from the village of Hares report that water has regularly been cut off since the recent crisis began — not by the Israeli water company that provides it, but by Jewish settlers operating under cover of darkness. ^{26/}

31. A report in November 2000 noted the “domino effect” of Israeli curfews on the environment. For example, medical waste produced in the hospitals is not being disposed of properly. Transportation means to central and regional dumping facilities are being cut off (that is, Bethlehem hospitals dispose of their waste in Hebron) and local autoclaving units are overwhelmed and often inoperable. ^{27/}

32. In the Gaza Strip, numerous solid waste piles accumulated and collection efforts were interrupted, owing to the continued closure of transportation routes to disposal sites and prolonged harassment of municipality workers attempting to remove the existing garbage. Municipality employees and volunteer workers were the targets of Israeli guns, even while collecting the trash overnight. ^{28/}

33. Concurrently, the Hebron-Bethlehem joint landfill project funded by the European Investment Bank has come to a halt, as have preparations for a solid waste project intended for implementation in Ramallah. In Jenin, the World Bank sanitary landfill project was stopped, and two projects in Tulkarem (the installation of an incinerator in Anabta along with an Italian landfill project) have been placed on hold indefinitely. ^{29/}

34. On 21 February 2001, Ramallah and Al Bireh municipalities held a protest against Israeli measures to stop the movement of Palestinian garbage to local dumps. From early January, the Israeli authorities prevented solid waste from being dumped at the Al Bireh landfill, forcing garbage dumps to deposit their load at the Ramallah landfill, which had been closed the year before. Palestinian environmental affairs ministry officials warned that the seepage from the landfill could cause an epidemic in the area. ^{30/}

35. According to a recent study, the total area in the West Bank and Gaza officially designated as forest land decreased from 300,736 dunums in 1971 to 231,586 dunums in 1999. More than half of the affected areas are in Gaza, where 95 per cent of the forests have disappeared (from 42,000 dunums in 1971 to 2,000 dunums in 1999). ^{31/}

36. About 80 per cent of the deforestation of land in the occupied Palestinian territory is attributable to the Israeli occupation: 78 per cent to settlements, about 2 per cent to the establishment of military bases, and less than 1 per cent to bypass roads. Local Palestinians are responsible for deforesting 14 per cent of the land, while the remaining 6 per cent is privately owned. ^{32/} Moreover, the Israeli army and Jewish settlers have uprooted more than half a million fruit trees, mainly olive trees, on privately owned land. ^{33/} Olive trees have become targets in the cycle of provocation and reprisal. As of 9 November 2000, 4,495 trees have been cut down by Israeli forces. ^{34/}

37. Israeli occupation inhibits economic growth and investment, as a result of the continued ambiguity of the legal and political situation. There is no basic investment code in areas controlled by the Palestinian Authority, nor is there a settled legal code passed and signed by the chairman of the Palestinian Authority. In fact, “the complex overlay of laws and Israeli military orders in force during the occupation remains in place. This is further aggravated by Israeli-imposed restrictions on the movement of goods, factors of production and people between the areas controlled by the Palestinian Authority, Israel and the Gaza Strip, and between the rest of the West Bank and Jerusalem”. ^{35/}

38. Under the closure measures, Israel closes all the exits from the Gaza Strip into Israeli territory and prevents Palestinians from entering into Israel. Usually, imports from and exports to the Gaza Strip are also prevented under these measures. Under a partial closure, a limited number of citizens are allowed to move between the West Bank and the Gaza Strip, and to work inside Israel. ^{36/}

39. The Israeli occupation forces continued imposing restrictions and obstacles on the trading activities of the Gaza Strip. In February 2000, the Israeli occupation authorities announced that, from March 2000, Palestinian commercial vehicles would no longer be able to pass through the Erez checkpoint under the convoy system. Under this system, Palestinian trucks, after extensive searching, which sometimes lasts up to six hours, have been able to pass into Israel in a convoy with an Israeli military escort. More than 450 Gazan vehicles operated under this system, with more than 150 trucks using it daily. ^{37/}

40. From March 2000, all commercial vehicles have been required to go to the Karni checkpoint, where they have to unload their product and have it reloaded onto Israeli trucks. Palestinian industry officials have estimated that, under the new restrictions, transport costs will increase by 100 to 110 per cent. ^{38/}

41. According to the Wye River Memorandum, agreements on the southern “safe passage” route should have been concluded within a week of entry into force of the Memorandum, and operation of this route should have begun as soon as possible thereafter. The southern route was opened on 25 October 1999. Passage of Palestinians, however, is effectively restricted by Israeli security protocols. ^{39/} There has been no agreement regarding the opening of the northern passage. Opening the port of Gaza has been similarly delayed owing to security demands made by Israel, although work on the three-year project commenced in 2000. The international airport in the Gaza Strip, under joint Israeli and Palestinian Authority supervision, opened to limited traffic in late 1998. Israel has shut down the facility for extended periods since the outbreak of violence in September 2000. The continuing restrictions on the operation of the airport have contributed to its failure, until now, to make a recognizable contribution to the Palestinian economy.

42. The crisis that erupted between Israel and the Palestinian Authority in September 2000 ended more than three years of limited economic recovery and progress in the areas of the Palestinian Authority. The recovery from the crisis of 1996 was robust enough to substantially reduce unemployment rates, stem the decline in real wages and reduce poverty rates. There had also been some significant progress in the rehabilitation and expansion of the physical infrastructure and institution-building projects. This progress has been undermined since the beginning of the crisis. ^{40/}

43. The Palestinian gross domestic product (GDP) during 2000 was \$580 million less than expected. According to the Palestinian Central Bureau of Statistics, GDP had fallen to \$3.99 billion for all of 2000 from a forecasted \$4.57 billion, owing to the Israeli closure and the siege on Palestinian towns since late September 2000. ^{41/}

44. Private economic losses during the first three weeks of the crisis were estimated at \$186.2 million. Lost income-earning opportunities were estimated at about half of the value of domestic production and nearly all of the income earned by Palestinians working in Israel. Since then, the economic losses have been compounded, while the loss of life, injuries and the physical destruction of private and public property have become more widespread. ^{42/}

45. The lack of freedom of movement for people and goods caused by the current crisis has resulted in socio-economic hardships in the territory controlled by the Palestinian Authority. During the 123-day period from 1 October 2000 to 31 January 2001, the Israeli-Palestinian border used for labour and trade flows was closed for 93 days or 75.6 per cent of the time. Internal movement restrictions and internal closures, partial or severe, have been in place 100 per cent of the time in the West Bank and 89 per cent of the time in Gaza. The international border crossings to Jordan (from the West Bank) and to Egypt (from Gaza) have been closed for 29 per cent and 50 per cent of the time, respectively. ^{43/}

46. The main impact of mobility restrictions and border closures has been the disruption of productive activities and the circulation of goods. The short-term economic losses include a reduction in the income of farmers, workers, merchants and business people who cannot reach their places of employment in the occupied Palestinian territory or who are unable to obtain inputs or sell their goods and services. This has been the case for a broad spectrum of economic activities, including agriculture, manufacturing, construction, trade, transportation and services. ^{44/}

47. It is estimated that, in 1999, Palestinian workers earned about \$750 million from jobs in Israel proper, Israeli settlements and industrial zones.

In the first half of 2000, there was an average of about 125,000 Palestinians employed in Israeli-controlled areas on a daily basis. The average worker was earning a daily wage of about \$27.50. As a group, these workers were earning approximately \$3.4 million for each normal working day prior to the crisis. Assuming no border closures and no change in the average number of workers or the average wage, Palestinian workers in Israel could have earned an estimated \$822 million in 2000. Internal movement restrictions and border closures substantially reduced such income-generating opportunities for the last quarter of the year. ^{45/} In the aggregate, excluding material damage to property and other losses, Palestinians are estimated to have lost \$505.0 million during the 60-day period from 28 September to 26 November. The estimated losses are more than 2.5 times the value of donor disbursements to the Palestinian Authority during the first half of the year (\$183 million). If these losses are distributed over normal working days in the occupied Palestinian territory, of which there were 51 during this period, the average daily loss is estimated at about \$10 million. ^{46/}

48. Prior to the crisis, there were approximately 70,000 unemployed Palestinians. It is estimated that another 190,000 persons have lost their jobs since September 2000. Thus, it is currently estimated that there are more than 260,000 unemployed persons in the occupied Palestinian territory. Evidence suggests that the average employed Palestinian supports himself/herself plus four others. Therefore, in addition to the negative impact on the livelihoods of 190,000 workers, the crisis has directly reduced the income of 760,500 other Palestinians. In total, more than 1,000,000 persons, or about one third of the population in the occupied Palestinian territory, have been immediately and negatively affected by mobility restrictions. If previously unemployed persons and their dependants are included (some 350,000 persons) the number of Palestinians enduring a certain amount of economic distress rises to 1,370,000 or 45.5 per cent of the population. ^{47/}

49. Loss of employment in Israel plus mobility restrictions and border closures have resulted in an average unemployment rate of 38 per cent (more than 250,000 persons) as compared with 11 per cent (71,000 persons) in the first nine months of 2000. Owing to the high dependency ratio, unemployment now directly affects the incomes of about 900,000 Palestinians or 29 per cent of the population. ^{48/}

50. The direct economic losses arising from movement restrictions are estimated at 50 per cent of the GDP for the four-month period from October 2000 to January 2001 and 75 per cent of wage income earned by Palestinian workers in Israel. The GDP loss is estimated at \$907.3 million while the loss of labour income from employment in Israel is estimated at \$243.4 million. The total loss is estimated at \$1,150.7 million, equal to 20 per cent of the projected GDP for the year 2000 (assuming no border closures). The loss is about \$11 million per working day or \$3.50 per person per working day during the reporting period. ^{49/}

51. In addition, there has been hundreds of millions of dollars in damage to public buildings and infrastructure and to private property and agricultural land as well as in costs for caring for more than 11,000 injured Palestinians, and in public revenue losses and other effects of the closures. ^{50/}

52. During the period from 29 September 2000 to 15 January 2001, the Israeli occupation forces razed 6,291.5 dunums of land in the Gaza Strip, about 4,776.5 dunums (76 per cent) of which were agricultural lands, and about 1,515 dunums (24 per cent) were wooded and sandy areas. During the period from 19 December 2000 to 15 January 2001, the Israeli occupation forces razed 1,835.5 dunums of land, about 1,240.5 dunums (67.6 per cent) of which were agricultural lands and 595 dunums (32.4 per cent) were wooded lands. These figures do not include houses and civilian and agricultural facilities established on these properties, which were also razed and demolished. Bulldozers of the Israeli occupation forces also demolished 88 Palestinian houses during the period from 29 September 2000 to 15 January 2001, leaving the residents homeless. ^{51/}

53. Since the beginning of the crisis, there has been a 50 per cent increase in the number of people living below the poverty line, estimated by the World Bank at \$2.10 per person per day in consumption expenditures (less than 9 new shekels per day). The number of poor people has increased from about 650,000 to 1 million. The poverty rate has increased from 21 per cent to 32 per cent. ^{52/} Thus, the occupation and the ensuing crisis have had deleterious effects on the welfare and quality of life of the Palestinian people.

B. Occupied Syrian Golan

54. The Golan Heights, captured from the Syrian Arab Republic in June 1967, has an extensive yet comparatively small settlement infrastructure, with 17,000 Israeli settlers residing in 33 settlements. Over 17,000 Syrians are clustered in five villages close to the borders of the Syrian Arab Republic and Lebanon. Israeli-controlled territory in the occupied Golan, excluding considerable military zones and settlement areas, encompass nature reserves of 24,908 hectares, cultivated areas comprising 8,100 hectares, grazing areas of 46,575 hectares, and 2,531 hectares of orchards. ^{53/}

55. The effective failure of negotiations between Israel and the Syrian Arab Republic in March 2000 resulted in a number of policy decisions aimed at reinvigorating settlement expansion in the Golan Heights. Subsequently, Israel's Ministry of Industry and Trade approved a \$6.5 million investment for the expansion of an industrial concern in the Golan settlement of Mevo Hama. The producer of polypropylene exports 80 per cent of its production to Europe and the United States of America. ^{54/} Israel's Ministry of Construction and Housing approved a new housing development in the Golan settlement of Katzrin, the first such action in many months. ^{55/}

56. In April 2000, the Office of Prime Minister Barak informed the Golan Regional Council that the two-month ban on new construction in the Golan Heights had been lifted. Golan officials moved to implement new construction plans that focus on promoting tourism. Future plans include 2,500 homes in the four settlements Had-Ness, Kanaf, Gamla and Ramot. ^{56/}

57. Employment opportunities for the Arab population in the Syrian Golan Heights continue to be restricted, since the movement of the Arab population between the Golan and the Syrian Arab Republic remains problematic. The employment available to the Syrian population in the Golan is limited to unskilled and semi-skilled daily wage labour. In most instances, these workers have no access to social benefits or health insurance, and job security is precarious, with no provision for unemployment compensation. Over and above these concerns, substantial wage differences prevail, to the detriment of the Syrian Arab population of the Golan. ^{57/}

58. Improvement of living conditions is further inhibited owing to measures that restrict the expansion of educational facilities, as well as limited access to education, either in the Syrian Arab Republic or in Israeli colleges. ^{58/}

59. Israel's taxation policy, according to a Syrian report, enhances the deterioration of living standards of the Golan Arab population. Taxation covers radios, television sets, households, income, land crops and local government. Almost all aspects of life are heavily taxed. ^{59/}

Notes

^{1/} Oslo II Accords, Appendix 1, para. (c) (4)X.

nov00.html, p. 1.

- 3/ Report , September-October 1999, p. 1.
- 4/ Ha'aretz , 16 January 2001; 5 March 2001.
- 5/ See A/55/84-E/2000/16, para. 3.
- 6/ Hatzofe , 16 March 2000, p. 10.
- 7/ Jad Issac, "The Environmental Impact of the Israeli Occupation", *Centre for Policy Analysis on Palestine* , Information Brief, No. 27, 14 March 2000.
- 8/ Palestinian Affairs Department, Annual report, 2000.
- 9/ Ramattan Daily, cited in *Hear Palestine* , 24 January 2001.
- 10/ Report, "Settlement Timeline" , vol. 10, No. 3, May-June 2000.
- 11/ Ibid., No. 4, July-August 2000.
- 12/ B'Tselem, "Thirsty for a solution: the water crisis in the occupied territories and its resolution in the final status agreement", July 2000, p. 59.
- 13/ Ibid., p. 7.
- 14/ / Ibid., p. 95.
- 15/ / *Palestine Report* , "Building Palestine", vol. 6, No. 5, 28 July 1999.
- 16/ / Ibid.
- 17/ Report , "News Shorts", vol. 7, No. 1, 21 June 2000.
- 18/ Ha'aretz , 12 March 2001.
- 19/ / *Hear Palestine* , 23 January 2001.
- 20/ / B'Tselem, the Israeli Information Center for Human Rights in the Occupied Territories, Position Paper entitled "Thirsty for a solution: the water shortage in the Occupied Territories and its solution in the Final Status Agreement", July 2000, p. 7.
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