
Review of the Humanitarian Situation in the occupied Palestinian territory for 2004

United Nations
Office for the Coordination of Humanitarian Affairs (OCHA)
occupied Palestinian territory

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This report summarises the main humanitarian trends in the occupied Palestinian territory (oPt) in 2004. It is an updated version of the report submitted in November 2004 by United Nations organisations working in the oPt to the Ad Hoc Liaison Committee, a committee of key international donors. Based primarily on a compilation of UN agency findings and OCHA field work, this report reviews the humanitarian needs in 2004 and the international humanitarian response. It also provides a brief overview of some causes of the humanitarian crisis and the role of humanitarian assistance in the oPt.

I. Humanitarian Trends in 2004 in the oPt

In 2004, the international humanitarian community remained actively involved in the oPt, focusing on four areas of humanitarian concern: impoverishment and a growing dependence on aid, further fragmentation of communities and services, assistance to areas of acute needs - the Gaza Strip, Nablus and south Hebron, and a need to ensure protection of civilians. In November 2004, 11 United Nations agencies together with six non-governmental organisations (NGOs) launched a "Consolidated Appeal" requesting US \$302 million for humanitarian assistance for 2005 to focus on these four areas.¹

Throughout 2004, violence continued, particularly in the Gaza Strip, and the lives of thousands of Palestinians and Israelis alike were dramatically affected. In 2004, 118 Israelis and 881 Palestinians were killed including eight Israeli and 160 Palestinian children; a total of 602 Israelis and 4,009

Palestinians were injured.² In 2004, 1,443 Palestinian buildings were demolished in the Gaza Strip resulting in the dispossession of 13,510 Palestinians.³

There was no significant easing of the underlying causes of the crisis during 2004. Closure – the system of checkpoints and roadblocks established by Israel in an effort to safeguard its citizens⁴ – remained in place with only dozens of roadblocks out of hundreds being removed.⁵ Construction of the Barrier continued resulting in further humanitarian hardships.

The humanitarian situation in 2004 remained vulnerable. Around half of the Palestinian population was living below the official poverty line of US \$2.10 per day (compared to just 22% in 2000). Furthermore, 16% of Palestinians (approximately 560,000 people) were in deep poverty.⁶ Unemployment increased as well. Palestinians continued to face problems reaching their places of work, schools and hospitals, and standards of health and education continued to deteriorate. In some parts of the territory, Palestinians' needs for additional humanitarian assistance rose sharply as a consequence.

The advisory opinion of the International Court of Justice (ICJ) in July 2004, brought a renewed focus to the role of international humanitarian law in the oPt. The decision, along with the subsequent General Assembly resolution ES-10/15, called for an immediate halt to construction of the Barrier, and dismantlement of the parts that had already been built. Israeli High Court of Justice decisions throughout 2004 and the positions taken by the Israeli Attorney General Menachem Mazuz following the ICJ ruling, led to the re-examination of many sections of the Barrier route, and in some cases, delayed and called for revisions of the route.

Palestinian Vulnerability Since September 2000

Between September 2000 and December 2002, Palestinian exports and imports contracted by a third, investment fell by 90%, and the conflict resulted in physical damage to infrastructure and equipment amounting to US \$1.7 billion.⁷ Unemployment rose sharply, partly because Palestinians could no longer access jobs in Israel.⁸ In the two years after the beginning of the Intifada, poverty rose by 30%.

Escalating poverty contributed to food insecurity and decline in some health indicators among Palestinians. Closures increased vulnerability by preventing Palestinians from accessing health care and education, jobs and markets, and by limiting the PA's capacity to maintain water supplies, electricity networks and basic sanitation.

There was limited optimism about the economic situation, as indicators for 2003 showed that Palestinian employment had increased and modest per capita GDP growth occurred.⁹ However, this economic stabilization remained short lived and appeared to be the result of freeing of tax revenues withheld by Israel in previous years,¹⁰ and the gradual adaptation of the Palestinian economy to the situation created by closure. Neither offered much potential for sustained recovery.¹¹

As the year ended, international actors focused on the opportunities presented by the Israeli plan to “disengage” from the Gaza Strip and from four West Bank settlements. A guarded optimism was evident in early 2005, a result of a successful Palestinian election process and the smooth transition

to a new president of the Palestinian Authority (PA) President Mahmoud Abbas who replaced the late PA President, Yasser Arafat.

The PA was making detailed plans for transition from crisis to recovery. This transition is crucial: Palestinians depend heavily on external assistance, and the PA and donors must consider how to ensure that humanitarian assistance does not become a structural feature of the Palestinian economy. Yet transition will not be possible unless conflict eases and access both within the West Bank and the Gaza Strip and to external areas improves, and conditions are created for normal economic activity. Even if rapid progress is made on the political front unless this is translated into improvements in access, emergency humanitarian assistance continues to remain necessary at current levels to prevent a further decline in the humanitarian situation.

This report analyzes the UN's four focus areas of concern and provides an overview of some of the humanitarian responses developed to address them. It also discusses some causes of the crisis, the role of humanitarian assistance and the opportunities for transition in 2005.

Basic Facts and Figures¹²

Population:	3.8 million (West Bank: 2.4 million; Gaza Strip: 1.4) 0-14 years 46%; 65+ years: 3%
Natural Increase:	3.5%
Registered refugees in the oPt:	1.6 million (Approximately 42% of population)
Palestinians with West Bank ID cards:	2.3 million
Palestinians with Jersalem ID cards:	215,400
GDP per capita:	US \$ 934

Sources: PCBS, UNRWA, OCHA

II. Humanitarian Needs

A. Limiting Impoverishment and Growing Dependency on Aid

Indicators

Rising poverty: Poverty affected 22% of the population on the eve of the Intifada. In 2004, 47% of Palestinians lived in poverty on less than US \$2.10 per day, according to the World Bank. 16% of the population – and a quarter of Gazans – lived in deep poverty, and were unable to feed themselves adequately, even with food aid.

Increased food insecurity: Total food consumption fell by around one third since 1999. The quality of food consumed by Palestinian children declined markedly between 2002 and 2003.

In 2004, poverty increased as a result of growing unemployment, declining incomes from those employed, and the loss of property caused by Israeli Defense Forces (IDF) house demolitions, land requisitions and levelling.¹³ The number of unemployed rose sharply from 74,000 persons in 2000 to 238,000 in 2004.¹⁴ In 2004, every working individual supported 6.4 non-employed persons.¹⁶

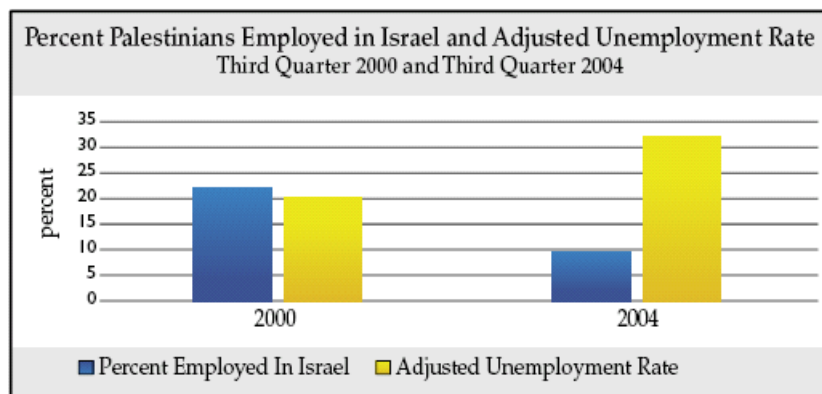
Expenditure of 58.2% Palestinians households dropped in 2004 and 71.8% of households confirmed a need for aid.¹⁶ Furthermore, 600,000 Palestinians could not afford the basic necessities for subsistence.¹⁷

Unemployment and economic change

There is a clear relationship between unemployment and poverty.¹⁸ The proportion of the workforce without employment was 32.6% (West Bank: 28.7%; Gaza Strip: 41.3%).¹⁹ Unemployment increased in 2004 compared with 2003. The increase was most dramatic in the Gaza Strip,²⁰ which experienced increasingly severe movement restrictions.

Palestinians lost jobs both from business failure, and Israeli restrictions on Palestinians working in Israel. The percentage of Palestinians working in Israel and settlements dropped significantly, from 146,000 in 2000 to 48,000 in 2004 – a drop of more than 67%.²¹ Loss of access to Israel affected not only the number of jobs available, but also the earning potential of Palestinians: at the end of 2003, daily wages in Israel and Israeli settlements were 82% higher than in the West Bank and 138% higher than in the Gaza Strip.²² The declining availability of jobs in Israel and the Israeli settlements affected unskilled workers disproportionately, leading to a substantial growth of poverty among those with limited education.²³

Poverty increased because wages rates within the oPt fell partly as a result of the 62% increase in the proportion of part-time jobs.²⁴ There was also a move to self-employment and subsistence agriculture. Incomes from self-employment and agriculture helped some Palestinians cope, but they were low and intermittent.²⁵



Falling agricultural production

Palestinian agricultural incomes fell and vulnerability increased as a result of levelling of agricultural areas and the isolation of land and wells behind the Barrier. Gazans were affected by land levelling policies in 2004. In Beit Hanoun (one of the principal agricultural areas) and surrounding areas, 2,890 dunums (289 hectares) of land – mainly citrus and olive groves – were cleared in July 2004 by the IDF as a response to Palestinian militants firing rockets into Israeli towns. In the last four years, more than 50% of Beit Hanoun's agricultural land has been destroyed.²⁶ Significant levelling of Palestinian land also took place in parts of the central and southern Gaza Strip – particularly in areas adjacent to Israeli settlements.

In areas close to the West Bank Barrier, agricultural production fell because of difficulty accessing land in the 'closed area' between the Barrier and the Green Line.²⁷ The isolation of 37 water wells by Barrier construction and Barrier 'enclaves' further damaged agricultural productivity.²⁸

The erosion of coping mechanisms

As incomes and savings declined, Palestinian households purchased food through credit with shopkeepers and neighbours, forgoing payment of utilities, and selling assets. Since the Intifada began, Palestinians have reduced the number of meals consumed; real food consumption per capita fell by 25 - 30%. Many substituted their normal diets with cheaper staples. In some instances, Palestinians used extreme coping mechanisms such as withdrawing children from schools.²⁹

In 2003, far fewer Palestinians coped by reducing consumption – suggesting that consumption had already been reduced as far as possible. Only 13% had savings, compared with 70% in 2001.³⁰ Living on credit became less possible.³¹ The reliance on humanitarian assistance consequently increased.

The humanitarian response

International humanitarian agencies and the PA responded to declining incomes and loss of livelihoods by providing food assistance, including “Food for Work” and “Food for Training”. Job creation programmes were established to provide incomes for the most vulnerable and to help restore damaged infrastructure. Projects to sustain and improve incomes from agriculture also helped to compensate for lost and diminished incomes from other sources.

UN agencies and NGOs appealed for more than US \$111 million for projects to increase food security, and a further US \$149 million for emergency employment and infrastructure in the 2005 Consolidated Appeal. Together, these comprise 86% of the total amount appealed for.

B. Preventing Fragmentation of Communities and Declining Humanitarian Services

Indicators

Declining health standards:

Demand for blood transfusion services increased 178% between 2000 and 2003, hospital emergency wards treated 52.6% more injuries in 2003 than in 2000, and major surgical admissions increased by 31%. Infant mortality has increased every year since 2000.³²

Declining education standards:

Net enrollment in primary education fell every year since 2000. Between 2000 and 2003, students’ grades in United Nations Relief and Works Agency (UNRWA) schools in the Gaza Strip deteriorated by approximately 8% (Arabic) and 12% (mathematics).

Reduced quality of water

and sanitation: Bacterial contamination of piped water increased by 39% in some areas. Closures have had a particular negative impact on solid waste collection.³³

In 2004, the Palestinian community became increasingly fragmented as the Palestinian population was broken up into smaller, isolated areas. Checkpoints, road blocks and Barrier gates made travel for Palestinians time consuming, and sometimes impossible. Closure consequently limited the ability to access health and education services. Closure, the PA’s loss of revenue and military incursions also affected service delivery.

Health

Thirty-nine percent of Palestinians reported that they have been forced to find alternative health facilities.³⁴ Provision of essential reproductive health services dropped from 82.4% at end of 2002 to 71% at the end of 2003.³⁵ The number of home deliveries was substantially higher in areas of the West Bank that were heavily affected by internal closures. Access to adequate mental health services was limited.³⁷ Outreach services in remote areas in Hebron, Bethlehem, and Nablus governorates could no longer be conducted because of Israeli access restrictions on the Ministry of Health (MoH) vehicles and staff.³⁷ Supervision and monitoring, key activities in maintaining quality services, have decreased in frequency and timeliness. Gazans who used to travel to Israel or a third country for medical services were often no longer able to do so – those able to cross faced the uncertainty, humiliation and discomfort of waiting at checkpoints and border crossings. The Barrier, in particular, rendered management of medical emergencies – including obstetric complications – more difficult.³⁸

Health needs increased during military incursions contributing to the strain placed on health care providers. During and after such incursions, there was a need to ensure humanitarian access to wounded and emergency cases. Populations must have safe water, to prevent the spread of communicable diseases.

The Humanitarian Response

The PA, MoH and its partners responded to closure and fragmentation by increasing the number of small clinics and mobile clinics for patients unable to reach other health care providers. This broadened access to basic health care, but also meant a decline in the quality of service, because clinics could provide only primary health care and were unable to handle emergency cases. The MoH and UN agencies are working to strengthen emergency responses in the health sector, especially at district and sub-district levels.

To respond to these needs, UN agencies and NGOs are currently seeking US \$11.8 million for health care interventions, US \$7.5 million for education projects and US \$9.7 million for water and sanitation. These comprise 10% of the total Consolidated Appeal for 2005.

Emergency water supplies were provided to vulnerable communities by tankers. The Palestinian Water Authority is developing local and national water resource management programmes.

Both UN agencies and the PA provide remedial education to children affected by conflict and closure. They also provide teaching kits to ensure that education can continue during crises, and train and counsel both teachers and students on continuing education during emergencies.

Education

The quality of Palestinian education fell as a consequence of closure and fragmentation. UNICEF reported the school day had shortened in areas near the Barrier, because Barrier gate opening times prevented children from crossing freely.³⁹ Teachers were often delayed, or unable to reach their workplaces. Teaching quality suffered, because the Ministry of Education was forced to recruit teachers who lived nearby instead of those who were

best qualified. UNRWA reported that grades in Arabic, mathematics and science examinations in its schools fell significantly since 2000.

Water and sanitation

Palestinians faced severe difficulties accessing safe water. Repeated Israel Defense Forces (IDF) incursions resulted in the destruction of water and sanitation infrastructure, and access restrictions prevented Palestinians from reaching water supplies. The erosion of water and sanitation infrastructure during four years of crisis risks contamination of ground and surface water through salinity, nitrates and faecal coliform.

PA resources were diverted into repairing damage rather than maintaining the water and sanitation network. Contamination of water supplies increased as a consequence of degraded infrastructure, increased use of tanker water and the inability of the MoH to monitor water quality.⁴⁰

C. Assisting Areas of Acute Need

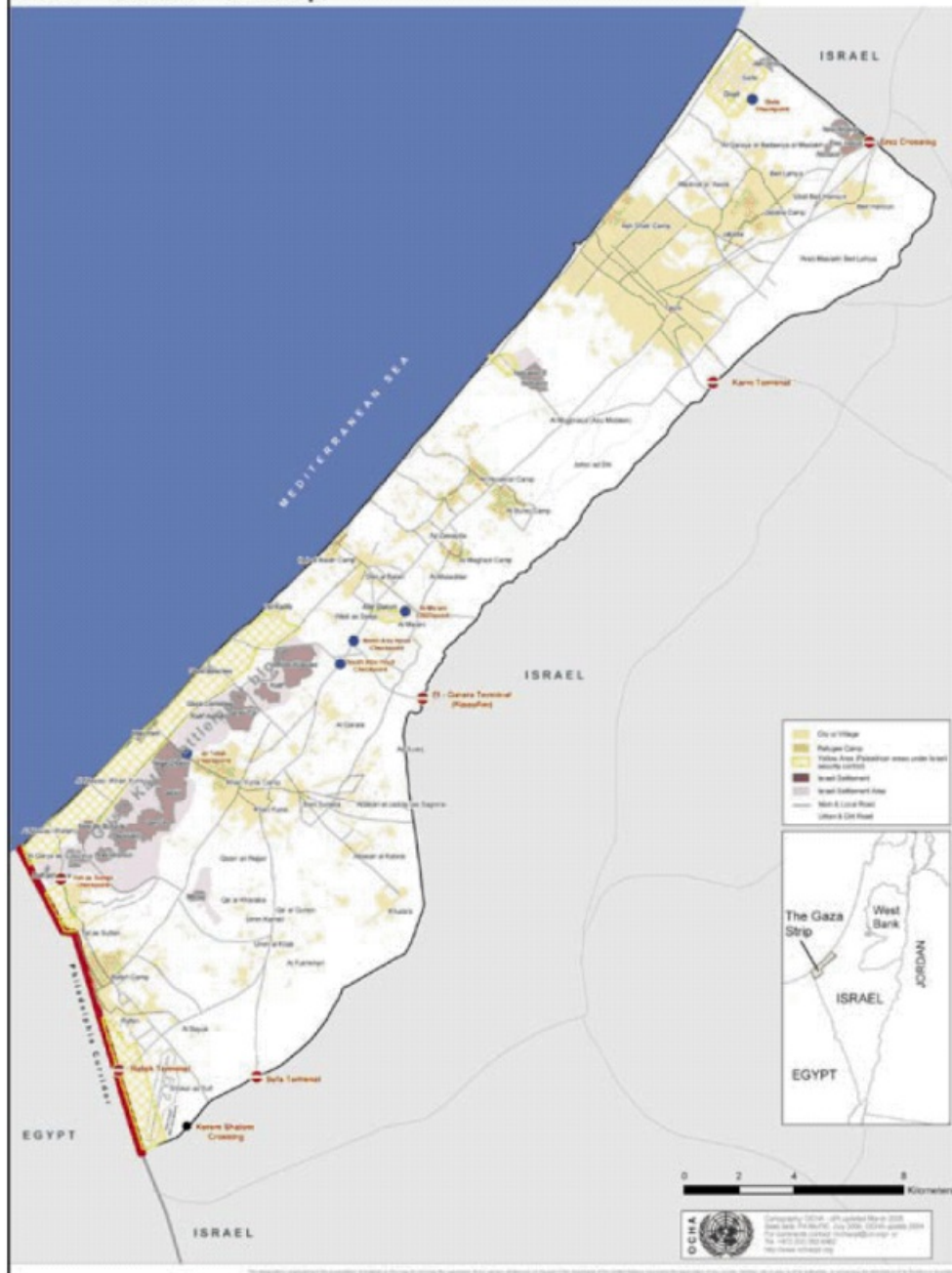
Palestinians living in some areas, notably the Gaza Strip, Nablus and southern Hebron, had acute needs.

1. The Gaza Strip

In 2004, the IDF made large-scale military incursions into densely-populated Palestinian areas in the Gaza Strip – Rafah (May), Beit Hanoun (July) and Jabalia (October) – often resulting in high numbers of Palestinian deaths and injuries as well as extensive property and land destruction. Palestinian militants fired homemade rockets and mortars into the Israeli town of Sderot and settlements in the Gaza Strip and targeted Israeli security forces at the main Gaza Strip crossing points – Erez, Karni and Rafah – resulting in Israeli deaths.

House Demolitions and Homelessness

Israeli military operations and demolition of Palestinian homes have made 28,483 Gazans homeless since 2000.⁴¹ In Rafah, for example, the IDF destroyed 298 buildings during ‘Operation Rainbow’ in May, as a part of an attempt to eliminate Palestinian smuggling tunnels between Rafah and Egypt, leaving almost 3,800 people homeless. A further 270 buildings were damaged during this incursion. Re-housing was increasingly difficult because land elsewhere in the Gaza Strip was in short supply. Rebuilding homes in the same area was not possible because of ongoing violence and concerns of further IDF demolitions.



Indicators: The Gaza Strip

Deaths: During 2004, approximately 651 Palestinians were killed in the Gaza Strip, 165 of them (25%) were 18 years of age and younger, according to the MoH. This number was significantly higher compared to the 415 deaths reported in 2003, which included 85 children.

Homeless: 13,510 people were made homeless in 2004 as a result of 1,443 buildings demolished – an average of 120 a month – by the IDF according to UNRWA.

Impoverishment: The poverty rate (less than US \$2.10 per day) is 68% and expected to rise.

Education: 42% of students in Gaza are reported to have recorded lower school achievement. One-third of Palestinian children have had their education disrupted.

Movement Restrictions

Closures prevented the free flow of Palestinian economic transactions, raised the cost of doing business and disrupted the predictability needed for orderly economic life.⁴²

Movement restrictions on Palestinians from Gaza crossing into Israel, which had increased substantially between 2000-2003, tightened further in 2004. Access to and from the Gaza Strip for a population of approximately 1.4 million, remained controlled by Israel. The only Palestinians who were able to cross in and out of the Gaza Strip at Erez Crossing (which was closed 156 days in 2004), were workers, critical medical cases and senior officials in the PA.⁴³ All other Palestinians had to enter and exit the Gaza Strip through Rafah Crossing (which was closed 82 days in 2004).⁴⁴ Palestinians were also subject to age restrictions: Palestinian males between the ages of 16 and 35 were generally not able to use Rafah Crossing since 17 April 2004.⁴⁵

The number of Palestinian workers travelling each day to Israel from the Gaza Strip fell from 29,865 workers on the eve of the Intifada to 9,670 in 2003, to only 2,438 per day during the first half of 2004.⁴⁶ Since 31 August, following the discovery by the IDF of a suicide belt on a Palestinian worker and other attacks, no workers were allowed to travel to Israel with the exception of a small number of workers in specific trades. Thus, due to long periods of closures and restricted access, the average of workers travelling to Israel per day in 2004 fell to 1,428.

Restrictions remained on the Gaza Strip coastline

Under the Oslo Accords, Palestinians were permitted to fish up to 20 nautical miles off the Gaza Strip coast. In 2004, Israel continued to limit the fishing area for Palestinian fishermen to six nautical miles. Since October 2003, no fishing has been permitted along approximately 40% of the Gaza Strip coastline.

2. Nablus

Nablus City, with a Palestinian population more than 130,000, suffered from the tightest closure policy in the West Bank. Residents could not leave the city without going through at least one checkpoint. The checkpoints around Nablus City, the major urban centre in the northern West Bank, opened at 6:00 am and closed at 5:30 pm and no movement out of the city was permitted outside those times. The closure around Nablus negatively affected the economy of the city. Municipal revenues from the vegetable market, for example, dropped 90% since 2000 – from NIS 5.19 million to NIS 509,290.

Access into Nablus for its surrounding villages remained difficult. Residents often had no other option than to seek health and other service facilities in

other cities farther away that were more expensive to reach.

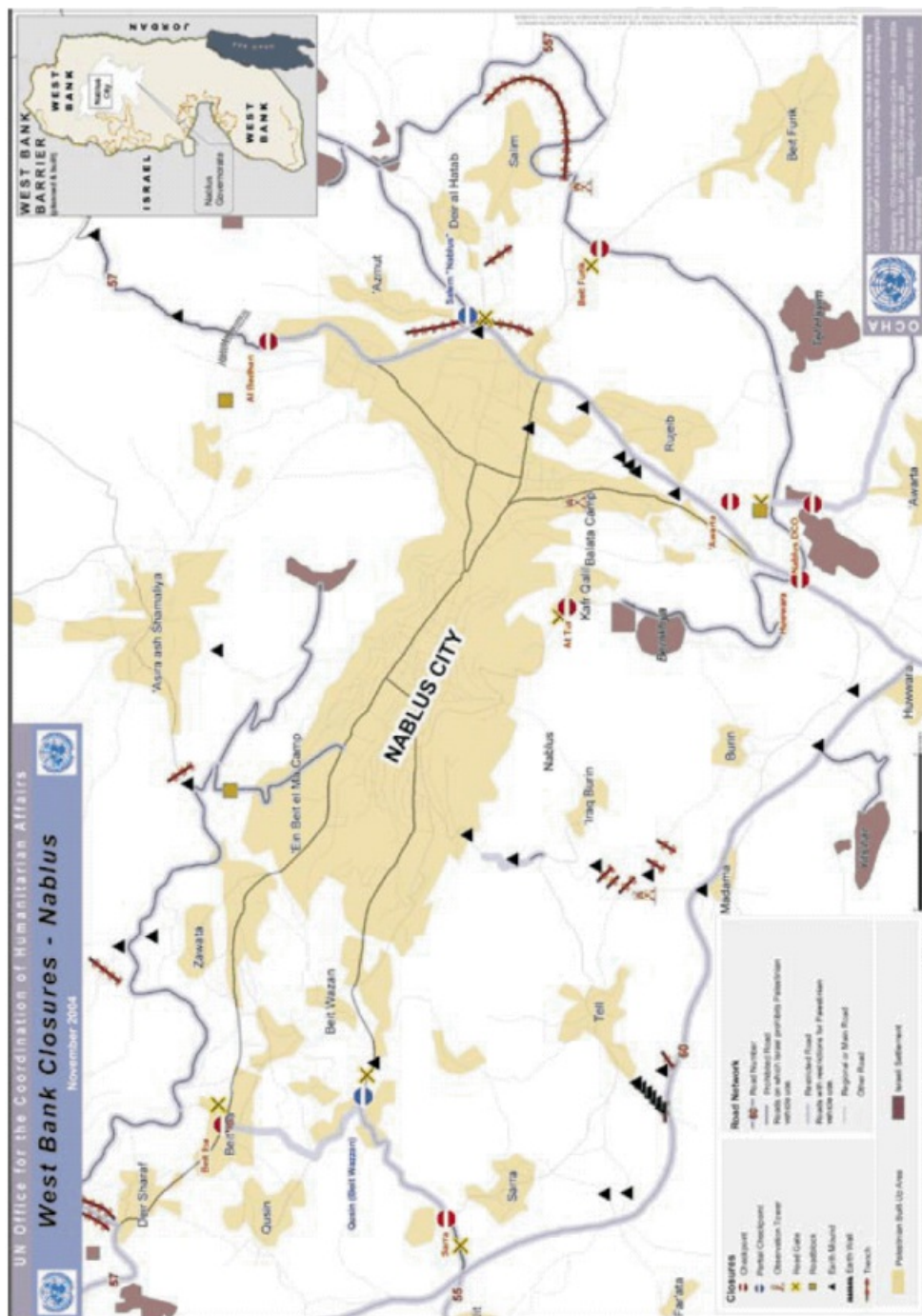
3. Southern Hebron

The Masafer Yatta community in southern Hebron, a community that was once self-sustainable, had one of the highest poverty levels in the West Bank in 2004. Israeli closure policies, demolitions, and growing settler violence undermined the community's way of life. Some population displacement has occurred and IDF plans aim to evacuate most of the community from this area.

The Humanitarian Response

To respond to these needs in these acute areas, the United Nations Development Programme (UNDP) will provide emergency employment to Palestinians rendered homeless due to military activities.

By employing vulnerable Palestinians, UNDP and UNRWA will implement projects to construct and rehabilitate basic infrastructure such as roads, pathways, health centres and schools. UNRWA will provide cash assistance to the most vulnerable and needed refugees, especially those rendered homeless during military operations and incursions, to ensure they meet their most urgent expenses. UNRWA will also provide temporary shelters and will repair/reconstruct shelters of the refugees rendered homeless after military operations.



D. Ensuring Protection of Civilians and Humanitarian Access

Indicators

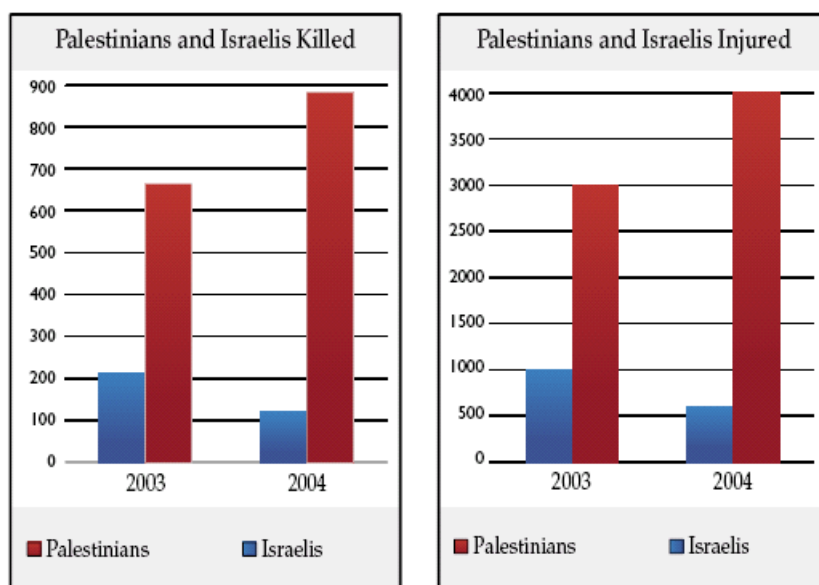
Casualties: 1,030 Israelis and 3,497 Palestinians have been killed since September 2000.

Psychosocial damage: 48% of Palestinian children reported personal experience of conflict-related violence or have witnessed violence affecting a family member. The number of mental health patients receiving treatment at community health centres increased by 38% since 2000.⁴⁷

1. The need for physical and social protection

Palestinians were subjected to heavy violence during 2004. There was a marked increase in Palestinian casualties over the previous year: 881 were killed, 4,009 were injured in 2004 compared with the previous year when 664 people were killed and 2,989 were injured.⁴⁸ In 2004, 118 Israelis were killed (down from 212 in 2003) and 602 were injured.⁴⁹ Since September 2000 and through December 2004, 625 Palestinian children and 104 Israeli children were killed as a result of the conflict.⁵⁰

Palestinians living in the Gaza Strip were particularly badly affected by violence. As a consequence of frequent military operations, 615 Palestinians in the Gaza Strip were killed in 2004. Many of these deaths occurred during two military operations, the first in Rafah in May and the second in the Northern Gaza Strip during September and October.



2. Securing humanitarian access to affected populations⁵¹

Access for health workers

In the first nine months of 2004, ambulance operators reported a total of at least 461 access incidents in which the provision of first aid and/or medical evacuations was delayed, obstructed and or prevented by the IDF or Israeli Border Police.⁵² The majority occurring in the Gaza Strip during the IDF invasion Jabalia.

Access for relief agencies

Similarly in 2004 (January through September), relief agencies filed some 929 incident reports⁵³ in which the delivery of aid and/or the movement of personnel was obstructed by the IDF or Israeli Border Police. Relief operations were also severely disrupted at times by IDF military operations, notably in the Gaza Strip.

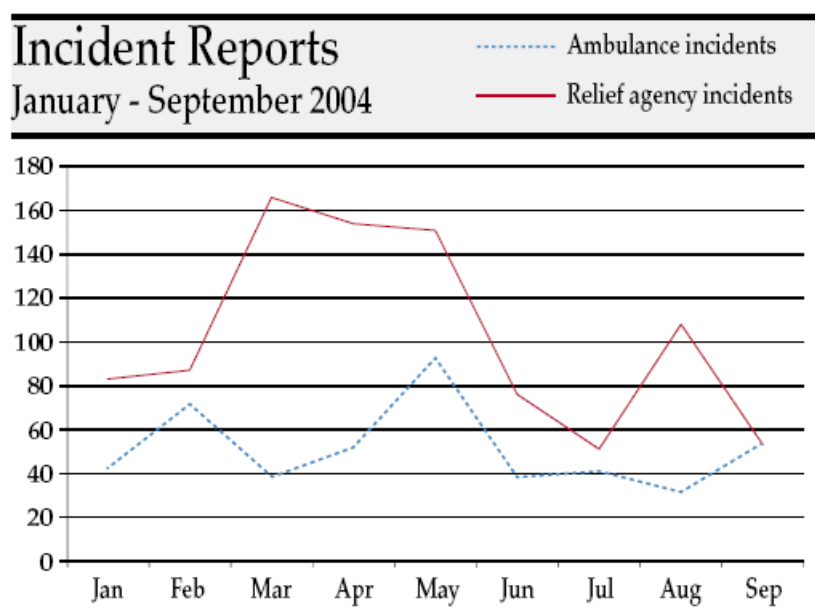
Extended closures of crossing points between the Gaza Strip and Israel prevented movement of staff members of humanitarian agencies. The closure of Karni Terminal often delayed or prevented the delivery of humanitarian goods, including food products and medicine.⁵⁴

Humanitarian access also remained highly problematic in areas around the West Bank city of Nablus.

The international community, through its Task Force on Project Implementation (TFPI)⁵⁵, repeatedly sought constructive dialogue with the Israeli government to resolve continuing access problems. The Israeli government agreed to hold only intermittent meetings. During 2004, they yielded little in terms of resolving the access issues raised by the TFPI.

Threats to the security of humanitarian personnel

The security of humanitarian agency staff was threatened repeatedly in the West Bank and particularly in the Gaza Strip. The UN raised its assessment of security risk in the Gaza Strip from Security Phase III to Phase IV in July 2004 as a result of extensive IDF military operations in the northern Gaza Strip that resulted in frequent crossfire with Palestinian militants putting the safety of staff at risk.



The Humanitarian Response

Monitoring closures and restrictions on humanitarian and medical access continued, using the Access, Closure and Information System (ACIS), which is analysed by OCHA. Reports on humanitarian access were submitted to the TFPL.

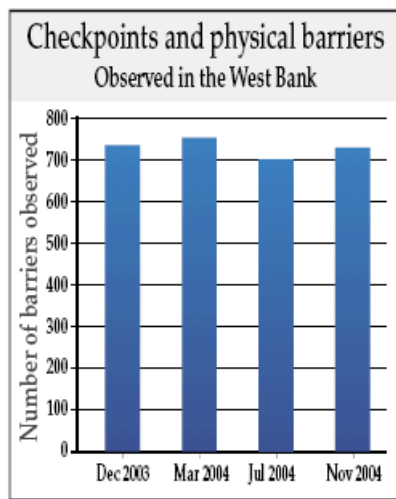
UN agencies' food security, emergency health and water programmes contribute to the provision of assistance to Palestinians affected by military incursions and curfews. In addition to these forms of assistance, US \$5.5 million is sought for psycho-social support such as counselling for marginalised populations in areas of crisis, and support to health and social workers.

Coordination of the humanitarian response is particularly crucial following major incursions. UN agencies appealed for US \$7.1 million for humanitarian coordination, analysis and information work in the 2005 Consolidated Appeal.

III. The Humanitarian Crisis: Closure and the Barrier

A. West Bank Closures⁵⁶

The humanitarian decline in the oPt was a consequence of conflict and the 'closure' measures which intensified since 2000. Closures have led to one of the worst recessions in modern history.⁵⁷ At the end of 2004 in the West Bank, closures consisted of a combination of approximately 700 checkpoints and physical obstacles across roads and the West Bank Barrier. These varied in number, but remained extensive. In the Gaza Strip, Palestinian movement was tightly restricted at all border crossings and within the Gaza Strip by checkpoints and other military infrastructure.

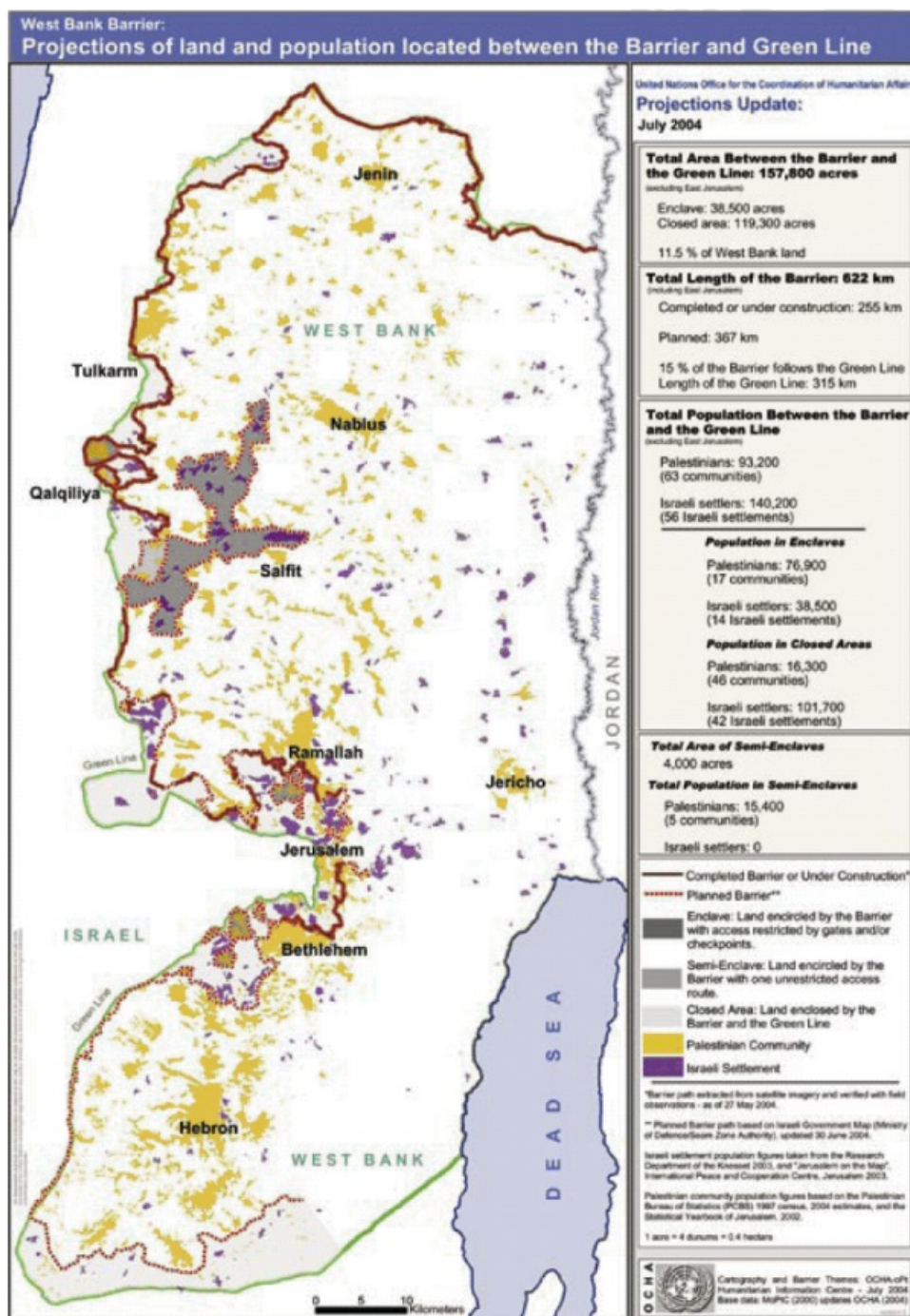


B. The West Bank Barrier

In June 2002, Israel began the construction of the Barrier following several suicide bombings and attacks by Palestinian militants on Israeli citizens. The Barrier consists of a combination of ditches, trenches, roads, razor wire, electronic fences and 9-metre high concrete slabs.

At the end of 2004, the constructed Barrier was approximately 205 kilometres long, of which 24 kilometres were concrete slabs and 181 kilometres were fence-like in construction. A further 72 kilometres was under construction. In total, the length of the completed Barrier was projected to be 621 kilometres.⁵⁸

The presence of the Barrier has led to the emergency of a new underprivileged segment of the Palestinian community, which is more affected by problems of mobility and socio-economic difficulties.⁵⁹



IV. Role of Humanitarian Assistance

Emergency humanitarian assistance helped to protect Palestinian civilians from the effects of conflict. The continued provision of food aid during 2004 to almost 1.5 million Palestinians stabilised food security and supplemented household incomes. This and other forms of emergency relief lowered the proportion of those living in deep poverty.⁶⁰ International assistance also contributed to a slight improvement in some health indicators.⁶¹ In comparison with aid programmes in other countries, assistance to Palestinians was well targeted to those in need.⁶²

However, humanitarian assistance can only slow the deterioration in Palestinian living standards. The concentration of PA and donor resources on humanitarian assistance may, if sustained, also affect prospects for development.

In 2000, the ratio of development to emergency assistance was 7:1. By 2002, this ratio had reversed to 5:1 in favour of humanitarian assistance.⁶³ This shift reflected a 70% decline in development assistance, while emergency assistance increased by a factor of 10. The shift to humanitarian assistance meant that opportunities for development declined.

Undoubtedly, emergency assistance rather than development aid was a necessary adaptation to the crisis. Needs existed and while closures and conflict continued, genuine economic and social development would have been difficult to achieve. Nonetheless, such emergency assistance resulted in the displacement of long-term investment by short-term consumption and a consequent loss of future growth.⁶⁴ Over the past two years however, there has been a slight shift towards development assistance, although the humanitarian focus remains dominant.⁶⁵

Continuing unemployment and economic stagnation will make it more difficult to re-establish the productive industries that existed before 2000. The erosion of educational and health standards and the loss of professional skills will also impede prospects for recovery and development.

There is a danger that external assistance will become a structural feature of the Palestinian economy. A high proportion of Palestinians are now dependent on external assistance of some kind:

- * UNRWA and the World Food Programme are providing food aid to 1,480,000 beneficiaries – 39% of the Palestinian population. In some areas, 90% of the population receives food aid regularly. UNRWA is now supplying 10 times more beneficiaries with food aid than it was before September 2000.
- * Around 5,000 people are employed by UNRWA in temporary work creation programmes at any one time.
- * UNRWA provides emergency cash assistance to refugees in extreme poverty to help cover urgent expenses, including post-injury medical care and rental subsidies following the demolition of homes.
- * Around 166,000 Palestinians are employed by the PA, UN agencies or NGOs. The number includes around 4,000 people in the West Bank and 8,000 people in the Gaza Strip who are employed by UNRWA. If this number of employees were multiplied by the average number of Palestinians dependent on each wage earner, the total number would be 1,029,200.⁶⁶

In addition to the economic implications of long-term emergency assistance, humanitarian agencies continue to face the dilemma as to whether to provide relief when Israel, as the occupying power, is obliged to provide services to the Palestinian population. With the large amount of humanitarian assistance distributed to the oPt, the donor community is effectively shouldering the responsibility for the Palestinian people's plight. As the official commentary to the Fourth Geneva Convention notes:

“...the Occupying Power... continue[s] at all times to be responsible for supplying the population, in order that relief operations might retain their humanitarian character: relief consignments are not intended to represent the normal source of supply of the country...”⁶⁷

Consolidated Appeal for occupied Palestinian territory 2005					
Summary of Requirements - By Appealing Organisation as of 24 November 2004 (USD)					
http://www.reliefweb.int/fts					
Compiled by OCHA on the basis of information provided by the respective appealing organisation.					
Sector Name	Appealing Organisation	Sector Name	Appealing Organisation	Sector Name	Appealing Organisation
ACH*	1,509,000	PRCS*	252,000	UNICEF	12,620,884
CARE INTERNATIONAL*	2,169,000	SCUK*	222,500	UNIFEM	579,084
FAO	4,000,000	UNDP	41,387,200	UNRWA	183,684,496
OCHA	2,588,423	UNDP/UNIFEM	600,000	UNSECORD	467,883
OXFAM UK*	610,000	UNESCO	500,000	WFP	41,638,019
OXFAM UK/CARE INTERNATIONAL *	1,385,900	UNFPA	3,555,000	WHO	4,732,500
* Non Governmental organisation				Grand Total	302,501,889

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Summary of Requirements - By Sector as of 24 November 2004 (USD)	
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Compiled by OCHA on the basis of information provided by the respective appealing organisation.	
Sector Name	Original requirements
AGRICULTURE	12,599,000
COORDINATION AND SUPPORT SERVICES	6,663,187
ECONOMIC RECOVERY AND INFRASTRUCTURE	149,746,553
EDUCATION	7412,290*
FOOD	98,404,460
HEALTH	17,342,616
SECURITY	467,883
WATER AND SANITATION	9,785,900
Grand Total	302,501,889
* Corrected as of 24 November 2004	

V. The Continuing Crisis: Opportunities for Transition?

Given these considerations, the importance of seizing current opportunities for transition to recovery and reconstruction is increasing. By proposing a three-year Medium Term Development Plan, the PA is signaling its preparedness to manage the transition.

The change of Palestinian leadership has brought new optimism, but the current optimism should, however, be grounded in an understanding of the current situation in the West Bank and the Gaza Strip. For recovery and reconstruction to start the following conditions must change.

- * Closure is still heavily imposed, limiting Palestinians' access to services and preventing normal economic activity.
- * Unemployment is rising, and Palestinians are turning to subsistence agriculture and petty trading in order to survive.

- * House demolitions, land levelling and confiscation contribute to further homelessness and food insecurity.
- * Conditions in the Gaza Strip deteriorated rapidly in 2004, as a consequence of frequent closure of the entire Gaza Strip, military operations, and Gazans' loss of incomes.

Closures are the key factor behind today's economic crisis in the West Bank. They have fragmented Palestinian economic space, raised the cost of doing business and eliminated the predictability needed to conduct business.⁶⁸

The 'disengagement' plan presented by Israel will, of itself, have very little impact on Palestinian economic prospects.⁶⁹ Even if disengagement was accompanied by the lifting of internal closures in the West Bank and an opening of external borders – preconditions for normal economic activity – and an additional US \$1.5 billion from donors over three years, both unemployment and poverty would still be significantly above pre-2000 levels by the end of 2006.⁷⁰ Revival depends on the population being educated and healthy. In this context, social destabilisation arising from the conflict and declining standards of education and health are a particular cause of concern for the future.

Endnotes

1 The level is similar to the US \$305 million requested for 2004 of which 46% was received as of October 2004.

2 Source for Palestinian figures: Palestinian Red Crescent Society <http://www.palestinercs.org>. Sources for Israeli figures: Israeli Ministry of Foreign Affairs-www.mfa.gov.il, also referring to Harel, Amos "Palestinian attacks kill 118 in 2004, down from 44% 2003" 29 December 2004. <http://www.Haaretz.com>; UN OCHA Humanitarian Briefing Notes <http://www.ochaopt.org>; Israeli children casualty figures provided by UNICEF.

3 Figures provided by UNRWA.

4 There were 14 suicide attacks in 2004, at least 116 others were thwarted. According to military data in 2004, "Palestinians fired 232 Kassam rockets... compared to 120 last year, 37 in 2002 and four in 2001. Mortar barrages also increased. Source: Harel, Amos "Palestinian attacks kill 118 in 2004, down from 44% 2003" 29 December 2004. <http://www.haaretz.com> (link for article is on the Israel Ministry of Foreign Affairs website).

5 UN OCHA has mapped the closure system throughout 2004. The number of checkpoints has remained broadly similar throughout the year and Israeli construction of the Barrier has added additional restrictions on Palestinian movement. For further details see West Bank and Gaza closure maps and Barrier Updates at <http://www.ochaopt.org>.

6 See Deep Palestinian Poverty in the midst of Economic Crisis, World Bank, October 2004. Also see, Four Years – Intifada, Closure and Palestinian Economic Crisis, World Bank, October 2004.

7 Twenty Seven Months: Intifada, Closures and Palestinian Economic Crisis, World Bank, May 2003, p.xi.

8 On the eve of the Intifada, approximately 128,000 Palestinians were employed in Israel and Israeli settlements. Many of these jobs were lost as a consequence of closures. The Palestinian Central Bureau of Statistics labour force surveys show a very strong correlation between falling numbers of Palestinians working in Israel and rising overall unemployment.

9 Palestinian Gross Domestic Product grew by 6% in real terms 2003. Positive growth was a significant improvement, compared with the previous two years when the economy shrank by more than 25%. See Four Years – Intifada, Closure and Palestinian Economic Crisis, World Bank, October 2004.

10 Other factors include fewer curfews and reduced violence following the publication of the Road Map, and a modest rebound of the Israeli economy. See Four Years – Intifada, Closure and Palestinian Economic Crisis, World Bank, October 2004.

11 For further details, see UNSCO Fragmented Economies of the West Bank (preliminary findings, 2004).

12 Sources: PCBS Second Quarter 2004 Report on Palestinian Socio-Economic Conditions, December 2004 for population figures; PCBS data for natural increase; UNRWA for refugee figures <http://www.un.org/unrwa/>; Palestinian ID card information from The Jerusalem Wall and Humanitarian Access, OCHA, December 2003; GDP figures, PCBS.

13 See PCBS Second Quarter 2004 Report on Palestinian Socio-Economic Conditions, December 2004.

14 See PCBS Second Quarter 2004 Report on Palestinian Socio-Economic Conditions, December 2004.

15 See PCBS Second Quarter 2004 Report on Palestinian Socio-Economic Conditions, December 2004.

16 See PCBS Second Quarter 2004 Report on Palestinian Socio-Economic Conditions, December 2004.

17 See Four Years – Intifada, Closure and Palestinian Economic Crisis, World Bank, October 2004.

18 29% of individuals living in households with one or more unemployed working age members are living in deep or subsistence poverty – surviving on less than 205 NIS each month – compared with 11% in households with no unemployed working age members. See Deep Palestinian Poverty in the midst of economic crisis, World Bank, October 2004.

19 PCBS data. This definition of unemployment includes 'discouraged workers' – persons without jobs who, because of their pessimism about finding work, have stopped looking. The International Labour Organisation employs a stricter definition, only including those workers who are actively looking for work.

20 The unemployment rate including discouraged workers rose from 30% in Third Quarter 2003 to 33% in Third Quarter 2004. This increase was largely in the Gaza Strip where unemployment climbed by 8 percentage points (from 34% to 42%). In the West Bank unemployment remained at 29%.

21 See PCBS Second Quarter 2004 Report on Palestinian Socio-Economic Conditions, December 2004.

22 PCBS data.

23 See Deep Palestinian Poverty in the midst of economic crisis, World Bank, October 2004.

24 Around 18,000 of the 104,000 new jobs created in 2003 were part time. See Forty Two Months: Intifada, Closures and Palestinian Economic Crisis, World Bank, forthcoming.

25 Analysis from 'Fragmented economies of the West Bank', UNSCO, 2004 (preliminary findings).

26 OCHA analysis of satellite images 2000 to 2004.

27 According to the plan for Barrier construction published by the IDF on 30 June 2004, a total 60,288 hectares of land will be confiscated for construction of the Barrier, and a further 15,586 hectares will be enclosed in enclaves between the Green Line and the Barrier (OCHA calculations, July 2004).

28 See Mid Year Review of the Consolidated Appeals Process for oPt, United Nations, June 2004.

29 See Emergency Food Security Needs Assessment, World Food Programme, June 2004. Also WFP's CSI findings, February 2004.

30 See Four Years – Intifada, Closure and Palestinian Economic Crisis, World Bank, October 2004.

31 See Food Security Assessment, West Bank and Gaza Strip, FAO/WFP, Rome, 2003, p.46.

32 World Health Organization. <http://www.who.int/hac/about/donorinfo/en/wbgs.pdf>.

33 World Health Organization. <http://www.who.int/hac/about/donorinfo/en/wbgs.pdf>.

34 See Palestinian Public Perceptions report VII, August 2004.

35 World Health Organization. <http://www.who.int/hac/about/donorinfo/en/wbgs.pdf>.

36 71% of people seeking mental health care in the last six months did not receive any (IUED).

37 In these areas, services can be provided only on an exceptional basis with UN logistics and support.

38 Patients now need to use long deviations to get the appropriate services. Of the 210,000 inhabitants affected by the Barrier, one fifth (42,000) are children and almost the same number are women of childbearing age. The Barrier has severely impacted their ability to obtain antenatal, postnatal and well-baby services.

39 Source: UNICEF.

40 See Four Years – Intifada, Closure and Palestinian Economic Crisis, World Bank, October 2004.

41 Figure for September 2000 through 2 January 2005. Figures provided by UNRWA.

42 See Four Years – Intifada, Closure and Palestinian Economic Crisis, World Bank, October 2004. pg 14.

43 Source UNSCO and Al-Mezan. Figures through 11 December 2004. Erez Crossing has been closed since 31 August 2004, following the discovery by the IDF of an explosives belt on a worker.

44 For more information, please see “Rafah Terminal Situation Report” OCHA <http://www.ochaopt.org>.

45 Source: UNSCO and Al-Mezan. Figures for Kami Crossing are through 11 December 2004, figures for Rafah Crossing are from Al-Mezan and are for the entire 2004 year.

46 Source: UNRWA figures, 2004.

47 According to the World Health Organization. <http://www.who.int/hac/about/donorinfo/en/wbgs.pdf>.

48 Source: Palestinian Red Crescent Society.

49 Sources: Harel, Amos “Palestinian attacks kill 118 in 2004, down from 44% 2003” 29 December 2004. <http://www.haaretz.com> (link for article is on the Israel Ministry of Foreign Affairs website); UN OCHA Humanitarian Briefing Notes <http://www.ochaopt.org>.

50 Source: for Palestinian children Palestinian Red Crescent Society; source for Israeli children UNICEF.

51 Information from The Monthly Humanitarian Monitoring Reports, which are compiled by OCHA, and assess commitments regarding health, water, access for international organisations and issues regarding fishing and olive harvest made by the government of Israel to Ms Catherine Bertini, personal humanitarian envoy to UN Secretary-General Kofi Annan, during a mission to the region from 12 to 19 August 2002. To see the reports for individual months in 2004 please see Humanitarian Monitoring Report at <http://www.ochaopt.org>.

52 Ambulance operators include PRCS, MoH and UNRWA, among other health operators that report incidents to OCHA.

53 These figures apply only to the humanitarian aid organisations that reported incidents at checkpoints to OCHA.

54 For further details see UNRWA/OCHA ‘Rafah Humanitarian Needs Assessment’ June 2004, available at <http://www.ochaopt.org>.

55 The TFPI consist of USAID, UNSCO, The World Bank and the EC.

56 Military observation towers and Barrier gates are not included.

57 See Disengagement, the Palestinian economy and the Settlements, World Bank, 23 June 2004.

58 UN OCHA Barrier Statistics November 2004.

59 See Palestinian Public Perceptions report VII, August 2004.

60 The World Bank estimates that, at the end of 2003, emergency relief had served to lower the proportion of those living in deep poverty from 22% to 16%. See Deep Palestinian Poverty in the midst of economic crisis, World Bank, October 2004.

61 For example, anaemia in children aged 9 months has fallen from 73.3% in 2002 to 40.5% in 2003, and the neonatal mortality rate has fallen from 14.1 (2002) to 11 (2003) per 1000 live births (Ministry of Health figures).

62 “In terms of both value of leakage [i.e. the number of non-needy individuals who receive emergency assistance] and rate of under-coverage, the emergency assistance in WB performs better than the average for the [other] countries presented.” See Deep Palestinian Poverty in the midst of economic crisis, World Bank, October 2004.

63 See Twenty Seven Months – Intifada, Closures and Palestinian Economic Crisis, World Bank, May, 2003.

64 See Fifteen Months – Intifada, Closures and Palestinian Economic Crisis, World Bank, March 2002, p.61.

65 Less than 20% of donor aid went to development in 2001 compared with approximately 40% being allocated for development in 2003. Source: PNA Ministry of Planning.

66 Dependency ratio figures from West Bank and Gaza Update, World Bank, March 2004. By Q2-2004, PA employed about 133 000 people, including more than 15 000 employees in the municipalities. 12,000 Palestinians are employed by UNRWA and about 21,000 by NGOs.

67 Pictet, Jean, “Commentary: Fourth Geneva Convention: Relative to the Protection of Civilian Persons in Time of War”, at page 323.

68 See World Bank Press Release: “Palestinian Economy Remains Stagnant After Four Years of Intifada” 22 November 2004.

69 According to World Bank estimates, if Israel disengages from Gaza as announced unemployment will still rise from 26% (OLA standard) to 34% by 2006, and poverty will rise from 47% to 56%.

70 See Disengagement, the Palestinian economy and the Settlements, World Bank, 23 June 2004.

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