



Palestine

Record low funding and political instability to result in deteriorating humanitarian and food security situation



Risk overview



68.5 percent

of households are food insecure in the Gaza Strip



Almost **300** Palestinians killed and over **29 000** injured in 2018



Required funding declined to **USD 534 million** in 2019 from **USD 706 million** in 2015 due to cuts, despite increased needs

- More than one-third of Palestinian households in the West Bank and Gaza Strip are food insecure. Restrictions on the movement of people and goods, and limited access to essential services have had a significant impact on Palestinian livelihoods. Over the last year, sharp contraction of foreign assistance, stalled peace process, continuous conflict spikes at the Gazan border, the deepening intra Palestinian political divide and, more recently, the financial crisis generated by the suspension of revenue transfers contribute to a deterioration of Palestinian living conditions. This has also created increasing instability, higher risks of open conflicts, and a deterioration of the operating environment for humanitarian and developmental interventions.
- In the West Bank, 11.6 percent of households, mainly located in rural areas, is currently food insecure. Restrictions on access to land and water resources are the main challenges facing agriculture-dependent communities, particularly Bedouin and herder communities in Area C.
- In the Gaza Strip, where 68.5 percent of households are food insecure, prolonged restrictions on trade and access to markets for agricultural inputs and exports have deepened the vulnerability of agriculture-based livelihoods.
- Renewed demonstrations have often escalated in violent confrontations along the border with Israel in 2018, marking the most serious surge of violence since the 2014 conflict, with a total of 295 Palestinians killed and more than 29 000 injured. The situation continues to be marred by uncertainty amid a tense political environment that risks deteriorating in a devastating full-blown conflict.
- Electricity and fuel shortages continue to affect the provision of basic services and cripple productive activity in the Gaza Strip. Despite the supply of emergency fuel to the power plant in the last quarter of 2018, chronic energy shortages have had a severe impact on agricultural livelihoods increasing risks and costs of production (water pumping, ice making, poultry farms heating and dairy processing) in an unpredictable market access environment.
- The financial sustainability of the Palestinian government is at risk due to a major deficit generated by the withholding of tax revenues collected on behalf of the Palestinian Authority and the subsequent refusal by the Palestinian government to receive partial payments. As a result, in late February, the Palestinian government started reducing payments to public servants and other public expenditures.
- In December 2018, the humanitarian community launched the 2019 Humanitarian Response Plan (HRP) to assist 1.4 million Palestinians. However, due to funding cuts particularly by the United States of America, the 2019 HRP focuses on the most critical needs. Consequently, the total amount sought decreased from USD 706 million in 2015 to USD 534 million in 2019. The reduction reflects an attempt to prioritize the most urgent needs in the face of record low funding levels. If the required assistance is not ensured for vulnerable households, food insecurity could increase, livelihoods could be irreversibly lost, and families would continue to adopt negative coping mechanisms (such as reducing their food intake, selling assets or cut spending on basics like education and health) to try to keep their heads above water.

Ongoing tensions and cuts to funding call for urgent early action to anticipate further deterioration of the food security situation in the West Bank and Gaza Strip.



Potential impact

- Continued political uncertainty, conflict spikes and tightening of movement restrictions would further hinder the viability of the agriculture sector, reducing production capacities and increasing costs, reducing competitiveness and profitability of agriculture and further deteriorating household incomes.
- Farmers and fishers are particularly impacted by reduced access to natural resources and a variety of agricultural inputs, including certain fertilizers, pesticides, metal pipelines, aluminum rods and materials needed to maintain productive livelihoods. These inputs are considered to be 'dual use items' and therefore fall under Israeli import restrictions, especially in the Gaza Strip.
- A prolonged financial crisis can substantially deteriorate the capacity of the Palestinian government to perform effectively, especially in the Gaza Strip. This can have serious adverse impacts on delivery of public services for producers and consumers as well as cause a further deterioration of the security situation.



Recommended early actions

Advocacy and funding

- Due to the unprecedented drop in funding, which is at an all-time low, there is an urgent need for the international community to identify flexible funding options to address the crisis by providing assistance that reflects both immediate and longer-term outlooks.
- Advocacy is targeted at reducing access restriction on people and natural resources to ensure inputs and services reach target populations.
- Increased coordination with relevant authorities in Palestine and Israel to preserve the operational space of humanitarian actors.

Crops

- Accelerate the installation of solar energy systems to meet critical energy needs for irrigation water pumping, targeting vulnerable small-scale farmers in the Gaza Strip.

Livestock

- Distribute time-critical inputs and assets (i.e. shelters and energy blocks), especially to the Bedouin communities in Area C of the West Bank.
- Distribute animal health inputs (e.g. sanitary kits) among vulnerable livestock raisers in Gaza Strip.