# **Occupied Palestinian Territories**

AT A GLANCE



#### Country data (2006 figures, unless otherwise noted)

- 2007 Human Development Index: ranked 106th of 177 countries
- Population: 3.77 million
- GNI per capita (Atlas method, current US\$) (2005); US\$1,230
- Population living on less than US\$2 a day (1990–2004): NA
- Life expectancy (in years): 73
- Infant mortality rate: 20 per 1.000 live births
- Under five infant mortality rate: 22 per 1,000
- Population undernourished (2002–2004): 16 percent
- Population with sustainable access to improved water source (2004): 92 percent
- · Adult literacy rate (over 15yrs of age): 92 percent
- Primary education completion rate: 89 percent
- Gender-related development index (2005): NA
- Official development assistance (ODA): US\$1.449 billion
- 2007 Corruption Perception Index: NA

Sources: Transparency International, 2007; UNDP, 2007a and 2007b; World Bank, 2008.

#### The crisis

- In 2007, for the first time, the number of deaths and wounded due to inter-Palestinian factional violence – mainly between Fatah and Hamas – surpassed casualties from the conflict with Israel;
- Violations of international humanitarian law and human rights carried out by all sides with impunity:
- In 2007, 34 percent of Palestinians were food insecure; 80 percent of the population in Gaza was dependent on food aid, and most Palestinian families spent 70 percent of income on food;
- 57 percent of the population in the West Bank and Gaza were classified as poor, living on less than US\$2.1 per day (increasing to 70 percent in Gaza alone);
- Following the Palestinian Legislative Council elections. Israel's withholding of clearance revenues. and the international community's aid boycotted, the Palestinian Authority forecast that US\$1.62 billion is needed in donor assistance to bridge the fiscal gap.

Sources: OCHA, 2008; WFP/FAO, 2007; PCBS, 2007.

#### The humanitarian response

- In 2007, the UN Consolidated Appeal Process (CAP) for the Occupied Palestinian Territories requested US\$426 million, the world's third largest crisis in terms of total CAP requirements (after Sudan, US\$1.22 billion and DRC, US\$687 million) and US\$221 per beneficiary (after DRC, US\$391, and Chad US\$311);
- The Temporary International Mechanism (TIM) was introduced in 2007 and provided US\$890 million in aid to three main mechanisms and sectors: the Emergency Support Services Program (health, education and social services); the Interim Emergency Relief Contribution (energy utilities); and direct financial and relief assistance to vulnerable populations;
- The largest humanitarian donors in 2007 were: EC/ECHO (US\$77.9 million), the US (US\$75.9 million), and Norway (US\$31 million);
- At the December, 2007, Paris conference, donors pledged US\$7.710 million over 3 years, US\$1.667 million for budgetary support and US\$1.258 million for humanitarian aid.

Sources: OCHA 2008: OCHA ETS

## **Occupied Palestinian Territories**

### A Political Crisis with Humanitarian Consequences

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#### Introduction<sup>1</sup>

The survey for the Humanitarian Response Index 2008 in the occupied Palestinian territories (oPt) focuses on donors' responses to humanitarian needs.<sup>2</sup> A thorough analysis of the conflict is not intended here, but donors' response and behaviour cannot be understood without reference to the highly political and complex nature of the conflict. Having its roots in the Middle East decolonisation process and subsequently overlaid with Cold War dynamics, the context of the conflict between Israel and the Palestinians living in the West Bank (WB) and the Gaza Strip has evolved along with global changes, interlinking global agendas with the local conflict.

Both the political complexities of the conflict and its duration have affected the evolution of Israeli and

Palestinian societies. On the Palestinian side, the rise of Islamic and Westernized elites and the adoption of autocratic practices will have a permanent impact on the way the crisis will play out in the future. Furthermore, collective perceptions in Israel and their corresponding political consequences will likely be affected by the current emphasis on the War on Terror, nuclear threats, and the re-shaping of the balance of power in the region.

A significant contextual development of 2007 in the occupied Palestinian territories was the factional and inter-Palestinian violence emanating from the power struggle after the electoral victory of the Islamic Resistance Movement (Hamas) in January 2006. As a consequence, in 2007, for the first time, the number of deaths and wounded that resulted from inter-Palestinian

violence surpassed casualties caused by the conflict with Israel.<sup>3</sup> The collapse of the economy and rampant poverty are bringing the situation of the Palestinians close to the brink of a humanitarian disaster. In addition, the geopolitical split and economic gap between the West Bank and Gaza has deepened.

Restricted movement and fragmented territory have become prevalent in the occupied Palestinian territories and the ambiguity of international diplomacy has failed to be a restraining influence. The politicisation of aid has exacerbated the already precarious socioeconomic situation of Palestinians at large.

#### **Determinants of the humanitarian crisis**

From a humanitarian perspective, the Israeli-Palestinian conflict has deteriorated since the start of the second *intifada* in September 2000. Further aggravating the situation has been the donor countries' blockade of bilateral and institutional aid as a result of the January 2006 elections that brought Hamas to power.<sup>4</sup>

However, it has been stated in many instances that the Palestinian conflict does not constitute a humanitarian emergency. This assessment has been generally accepted because baseline indicators of the socioeconomic situation, mortality, and malnutrition have been stable and traditionally above those of neighbouring countries of comparable socioeconomic level, such as Jordan, Syria, and Egypt. The direct or indirect access to the trade and labour markets of Israel and to the technology of the Western world have provided better opportunities for the inhabitants of the occupied Palestinian territories, as well as a reserve of coping mechanisms. But it is also generally agreed that the situation – particularly regarding the impoverishment of the population and the dependency on humanitarian and relief aid – has been deteriorating. The exhaustion of coping mechanisms is difficult to measure, but should it occur, it will likely lead to serious humanitarian consequences. Thus, the crisis in the occupied Palestinian territories can be defined as a political crisis with eventual humanitarian consequences.

The causes of humanitarian deterioration are described in United Nations' Office for the Coordination of Humanitarian Affairs (OCHA) and World Bank documents;<sup>5</sup> they include the lack of protection of civilians and continuing violence; closure, movement restrictions, and lack of access; geo-political and institutional fragmentation; settlement expansion; and the fiscal crisis of

the Palestinian Authority. The result of all these factors is distressing: increased food insecurity, diminished socioe-conomic conditions, deteriorated quality of education and health care, threats to agricultural livelihoods, impaired access to water and sanitation, and civilians at risk and in need of protection.

The gravest consequence of this situation is the progressive and intense impoverishment of the population in the WB and Gaza. Moreover, the international community has become part of the problem by imposing a boycott on the Palestinian Authority (PA) throughout 2006 and 2007, thereby exacerbating the fiscal crisis, leading to the suspension of salaries and aggravating the economic situation. Increasing poverty is a vulnerability factor that is likely to have humanitarian repercussions. In 2007, 34 percent of Palestinians were food insecure, 6 80 percent of the population in Gaza were already dependent on food aid, and 57 percent of the population in the WB and Gaza were classified as poor, living on less than US\$2.1 per day (70 percent of the population in Gaza).7 And Palestinian families now devote 70 percent of their resources to the purchase of

Issues of protection are particularly relevant in this crisis. Violations of International Humanitarian Law (IHL) by all sides are reported frequently, with many civilian casualties and human rights abuses. In spite of all these breaches of IHL, the security forces and armed actors on both sides are accused of acting with impunity. Respondents to the HRI survey reported widespread concern over issues of protection. Many of the respondents expressed their perception that donors are neglecting their obligations or avoiding involvement in protection activities. They also highlighted the general weakness of donor involvement in raising these issues; the ambiguity of the diplomatic position towards Israel is one of the salient elements of the crisis.

Another major disappointment respondents expressed was the weak commitment of donors to facilitate access for humanitarian workers or goods. This passive attitude is particularly evident during military operations, or when security concerns lead to a closure or blockade.

Nevertheless, the important operation of International Committee of the Red Cross (ICRC), focused on protection issues, is among the largest in the world and is supported generously by donors. The ICRC has a specific mandate for protection, but also carries out relief activities in the territories. The main concerns the ICRC raised about the consequences of

the conflict in terms of its humanitarian impact are associated with protection issues caused by the more stringent restrictions of movement, settlement expansion and settler violence, military operations, house demolitions, land confiscation, and the West Bank separation barrier. Ensuring that Palestinian farmers are able to access their land located on the Israeli side of the barrier was of particular concern for the ICRC.<sup>10</sup>

#### **Economic outlook**

Due to the combination of decreased GDP and high population growth,<sup>11</sup> Palestinian economy receded after the second *intifada*, with per capita income declining from US\$1,612 in 1999 to US\$1,129 in 2006, the most recent year for which data were available.<sup>12</sup>

According the World Bank, the most critical factor for the Palestinian economy is its composition, which does not bode well for future growth and prosperity. GDP is largely driven by government and private consumption from remittances and aid instead of being investment-led, thereby severely undermining the economy's productive capacity. Public investment has all but dried up because remittances and aid are directed in large part to covering wages and operating costs.

The fiscal position has worsened considerably since 2006, following the Palestinian Legislative Council elections, as Israel withheld clearance revenues and the international community boycotted aid. The deficit has spiralled, greatly increasing aid dependence. The PA forecasts needs of US\$1.62 billion in donor assistance in order to bridge the fiscal gap, of which a staggering 94 percent will be directed to recurrent expenditures instead of development programs.

The private sector has practically collapsed both from the lack of investment and confidence and from the unpredictability of border crossings and checkpoints, which have contributed to bottlenecks in importing goods and curtailed exports. The PA has acted as a last resort employer because employment opportunities in Israel for Palestinians have petered out. Public-sector employment has grown by 60 percent from 1999 to 2006.

Determinants for the poor economic outlook are many and imply the need for PA reforms and more capital investment. Efforts to address weaknesses in Palestinian governance, such as imposing law and order or reforming the executive and judiciary, have been stunted by factional fighting and the paralysis of the

Palestinian Legislative Council. The World Bank also identifies other factors related to the conflict as being connected to the poor economic performance: settlement growth, movement and access restrictions that have fragmented the economy into disconnected cantons, the annexation of wells and fertile land, and the bottleneck for trade created in the West Bank and Gaza.<sup>13</sup>

Gaza, in particular, has been hit harder by closures and the economic crisis. The current closure policy imposed after Hamas' takeover of the Strip risks endangering Gaza's private sector—led and export—driven economy. Industrial production has largely collapsed. The economy in Gaza is already entirely dependent on public–sector salaries and external aid. A critical factor is the gap created in the distinction between the socioeconomic situation in Gaza and in the West Bank, where the situation is not as dire although the increase in poverty is significant there as well.

#### **Donors' response**

Since the Oslo Accords in 1993, donors have been navigating the process of consolidating a Palestinian entity. External aid has been provided with one basic conditionality: the linking of development- oriented initiatives with overarching political objectives. This conditionality was based on three main factors: the security of Israel, support for the peace process, and economic liberalisation.<sup>14</sup>

#### Development aid, relief, and related conditionality

Donors' adherence to the Good Humanitarian Donorship (GHD) *Principles* of impartiality and neutrality has been questioned by respondents to the HRI survey, as all donors have adopted political positions. It is true that a significant number of donors have contoured the political conditionality by developing alternative mechanisms, and ultimately by increasing the allocations to humanitarian aid (HA).

The shift from institutional, development, and bilateral funding towards HA funding to civil society and non-government organisations (NGOs) has not been based on needs but instead on political circumstances. On account of the political context, donors have shifted between emergency and development aid; this is the subject of frequent complaints from NGOs. The peak of emergency aid through NGOs occurred in 2006, and was still significant in 2007.

Huge external financial injections into the occupied Palestinian territories have not resulted in real diplomatic engagement. For example, the donors' failure to put sufficient pressure on the parties to the conflict to facilitate a productive negotiation process has, among other things, done little to stop the extension of settlements or the restrictions on access and movement that have helped to debilitate the Palestinian economy and society. For example, the donors' failure to put sufficient pressure on the parties of the conflict to facilitate a productive negotiation process has, among other things, done little to stop the extension of settlements or the restrictions on access and movement that have helped to debilitate the Palestinian economy and society.

During 2006–2007, after Hamas' success in the legislative elections, donors suspended bilateral and budgetary support and intensified aid conditionality, even affecting relief aid in many cases. The extent to which this measure affected humanitarian aid has not been properly evaluated. From the survey, we could infer that this conditionality has affected NGOs more than the Red Cross/Red Crescent (RC) Societies and UN agencies.

Furthermore, according to HRI Survey respondents, some donors have clearly requested that implementing partners agree on political conditionalities in order to qualify to receive the funds. Partners had to sign different types of disclaimers, waivers, or certificates committing themselves to not provide assistance or to not have operational relations with affiliated Hamas members when using donors' funding.<sup>17</sup> This has created discomfort; some agencies have refused funding permanently, while others that did so initially later reached informal agreements with donors to allow partners to be more flexible. UN agencies have enjoyed higher levels of tolerance when implementing programmes clearly involving technical departments of the PA run by Hamas. And in some cases, different agencies of the same donor country apply varying levels of conditionality and flexibility. The ICRC's mandate for independence seems to spare the organisation of the international community's, and specifically, donors' political conditionality. In addition, the ICRC seems to have attained multiyear or long-term funding arrangements in some cases, adding to its flexibility and independence.<sup>18</sup>

The situation came to a turning point after US-sponsored negotiations culminated in the Annapolis summit (November 2007), considered to be a resumption of the peace process. The PA's president appointed an Emergency Government, accepted as legitimate by the international community. Basic conditionality was again fulfilled and donors consequently shifted their positions at a conference in Paris on December 17, 2007, where they pledged US\$7.710 million for a period of three years, of which US\$1.667 million was for

budgetary support and US\$1.258 million for humanitarian aid.

#### Funding, mechanisms to respond to the crisis

After the landslide success of Hamas in the legislative elections in January 2006 and the ensuing boycott, it became clear to the international community that alternative mechanisms should be found in order to minimise the consequences of the boycott on the general population.

The total figure of donor support in 2006 and 2007, in spite of the blockade, was probably higher than the average of previous years. <sup>20</sup> Furthermore, it is difficult to capture in official figures the funds channelled by Arab constituencies, official or private, to respond to the crisis, and even more difficult to capture the funds directed to support Hamas in Gaza. External support has skyrocketed in the occupied Palestinian territories as a result of the political position of the international community (IC), while the general socioeconomic situation has suffered a more severe deterioration than ever seen before.

The following are mechanisms the international community employed to mitigate the effects of the boycott.<sup>21</sup>

### The temporary international mechanism (TIM)

Intended to minimise the drying up of institutional funding and to ensure the functioning of basic services, this mechanism was designed and put in place rather rapidly. Established in June 2006 and extended until the end of 2007, when the Paris donor conference resumed bilateral support to the PA in Ramallah, TIM managed to channel approximately US\$890 million through three main mechanisms: the Emergency Support Services Program (ESSP), which finances the PA's health, education, and social services; the Interim Emergency Relief Contribution, supporting the energy utilities in the West Bank and Gaza; and direct financial and relief assistance to vulnerable populations.

#### The mobilisation of humanitarian aid

Since the start of the second *intifada*, donors shifted significant amounts of funding from previously planned development aid to humanitarian aid and enhancing multilateral support.<sup>22</sup> The boycott of 2006 and 2007 increased this trend.

Table 1 shows the amounts mobilised by donors since 2003, the total amount requested through the successive UN Consolidated Appeal Processes (CAPs), the

Table 1: Evolution of donors' commitments to humanitarian aid in the occupied Palestinian territories

Donor commitment (US dollars)	2003 (US\$ millions)	2004 (US\$ millions)	2005 (US\$ millions)	2006 (US\$ millions)	2007 (US\$ millions)
Total committed by donors	200.32	296.278	242.075	457.573	340.193
CAP requested	293.7	305	301.452	394.883 (rev.)	454.6
CAP covered	175.8	173.9	195.7	273.5	263.4
CERF	NA	NA	NA	7.1	3.8
UNRWA EA (covered in parentheses)	202 (143)	190 (121)	185.8 (126.6)	177 (rev.) (140.6)	245 (141)

Source: From OCHA's Financial Tracking Service (FTS), updated May 2008, for the Appeals of 2007 (Appeals and commitments for 2008 not included): http://www.reliefweb.int/rw/fts.nsf/doc105?OpenForm&emid=ACOS-635PFR&yr=2007

**Table 2: Contributions of Main Donors, 2003–2007** 

2003 (US\$ millions)	2004 (US\$ millions)	2005 (US\$ millions)	2006 (US\$ millions)	2007 (US\$ millions)
U.S. 62 EC 45 UN 22 Norway 11.9	UAE 90 U.S. 43 EC 41 Japan 19 UK 13	ECHO 6.4 Japan 34.5 U.S. 30.8 Saudi Arabia 20.8 Switzerland 15.7	ECHO 86.8 U.S. 78.8 Sweden 58.9 Norway 33.3 Japan 29.4	ECHO 77.9 U.S. 75.9 Norway 31 Japan 18 Sweden 15
	Denmark 11.1	Canada 13.3 Sweden 10.7	EC 21.5 Denmark 18.3 Switzerland 16.2 Canada 12.3 France 11.1	Canada 14 Spain 13

Note: Donation amounts are included only if donor contributed over US\$10 million

level of coverage of the UN appeals, the proportion of the United Nations Relief and Works Agency (UNRWA) Emergency Appeals (EA) and its coverage.

In 2006, donors' humanitarian support peaked and all donors increased contributions significantly. In 2007, the total contribution was not as large, but was still higher than contributions prior to 2006. Furthermore, in 2007, TIM was already providing much of the aid to keep basic services functional and most likely captured the majority of donors' allocations for this purpose.

Regarding the GHD *principles* of flexibility and earmarking, a limited number of donor agencies seem to have adopted greater flexibility and less earmarking, according to participants of the HRI Survey. In some cases, it seems that some donors have consolidated longer-term funding, making it more reliable; this is the case for the UK when funding UNRWA and the ICRC, and Spain with Spanish NGOs. It should be noted that these types of funding arrangements are difficult to track as HA and are not normally accounted for as such.

UNRWA is one of the main service providers for Palestinians in the WB and Gaza, as it is responsible for the 1.5 million refugees in the occupied Palestinian territories. UNRWA has a regular budget provided by donors and launches a number of Emergency Appeals (EA) to cover emergency situations. UNRWA's EA are included within the CAP process, and reach a level of coverage similar to the global CAP. However, the figure in Table 1 does not reflect the total amount UNRWA would direct to cover emergency needs, as a significant proportion of the general budget is flexible enough to be diverted to emergency aid.

Table 2 shows that there have been significant shifts in the main donors over time. The U.S. and the European Commission (EC) – including a significant shift to the European Commission Humanitarian (Aid) Office (ECHO) from 2005 – have consistently been the main donors. Also worthy of mention is the fact that the Financial Tracking Service (FTS) captures almost exclusively OECD Development Assistance Committee (DAC) donors, with only minor contributions from Russia and the United Arab Emirates (UAE) in 2007, in

contrast to significant contributions from the UAE and Saudi Arabia in previous CAPs. Table 2 shows main donors' contributions, from 2003 to 2007, to the occupied Palestinian territories.

The UN Consolidated Appeals Process (CAP)
The UN CAP has been established in the occupied Palestinian territories since 2003, in response to the alarm created by the aggravation of the situations affecting civilians since the start of the 2000 intifada. At that stage, humanitarian coordination capacity was still weak and the integration of projects in the CAP was perceived not to be responding to a real needs assessment.

All sectors have been targeted by HA, especially since 2006, because of increased redirection of development aid to HA channels. Those include agriculture, coordination, education, food aid, health, job creation, protection, and water and sanitation.

The CAP has become progressively more solid and has successfully integrated more actors. It should also be noted that the 2008 CAP includes a significantly higher number of agencies and NGOs than in the past. However, donors tend to maintain their own channels of aid flow, as the difference between total commitments and CAP coverage show. In some cases, such as the UK, bilateral funding arrangements with implementing partners overcome the project-oriented approach within the CAP.

In 2007, the occupied Palestinian territories was the third world crisis in terms of CAP total requirements (after Sudan, with a CAP requirement of US\$1.22 billion, and the Democratic Republic of the Congo, with US\$687 million) and per beneficiary (US\$221, after the Democratic Republic of the Congo, with US\$391 per beneficiary, and Chad, with US\$311).<sup>23</sup>

After the peak of donations in 2006, when donors mobilised more HA and the CAP received more funds than ever before, both in absolute terms and in proportion to the requirements, the 2007 CAP requested even more funds than the previous year and managed to reach an amount of funding similar to 2006. The 2008 CAP is in the same area as the 2007 one (US\$467 million), and requirements are justified by the precarious situation on the ground and the evident increase in dependency on HA. The confirmed donor trend for 2008 of cutting funds for HA is raising concern in some agencies: in addition to raising food prices, the UN World Food Programme is likely to experience serious difficulties in providing the same level of food aid in 2008 as it has previously, while any development mech-

anism that would decrease food insecurity is not likely to have an impact in the short term.

Implementing agencies suggested that adherence to GHD *principles* 3 and 9, which refer to donor support for livelihoods, has been especially wanting in the occupied Palestinian territories. They argued that donor policies are increasing dependency on humanitarian aid: approximately 80 percent of Gaza residents receive some type of food aid.<sup>24</sup>

The Central Emergency Response Fund (CERF)
The CERF has been used moderately in the occupied Palestinian territories. Since its creation in 2006, around US\$11 million have been allocated to the territories, of which, during 2007, US\$2.5 million were designated for rapid response and US\$3.8 million for underfunded emergencies. The mechanism benefited UN agencies – namely UNRWA, the World Health Organization (WHO), the United Nations Children's Fund (UNICEF), and the United Nations Development Fund for Women (UNIFEM). The CERF evaluation (in process) should provide some elements of judgement for the need to mobilise this mechanism in a crisis with such levels of

humanitarian funding in 2007.

The Humanitarian Emergency Response Fund (HERF) The Humanitarian Emergency Response Fund (HERF) is a specific mechanism to address limited and urgent humanitarian needs. Created in the summer of 2007, HERF has specific limitations for the allocation of resources, with a maximum of US\$200,000 that can be made available in 48 hours. Its purpose is to support NGOs in the rapid response to emergency situations. It is interesting that the fund has been allocated primarily to situations caused by natural disasters such as droughts, cold waves, and floods. It is still a young initiative and is not yet well known by partners in the field.

The HERF is funded by Sweden and Spain (providing US\$1 million each) and administered by OCHA and donor representatives. Funds have not been completely allocated so far, but there is a will to replenish the fund once exhausted and to open it to other donors.

The very nature of the emergencies funded to date may add to the arguments on the difficulties in identifying real and clear-cut humanitarian needs. However, as the instrument becomes better understood, it is possible that new requests could widen the scope of intervention.

#### International Committee of the Red Cross (ICRC)

ICRC operations in the occupied Palestinian territories are among the largest in the world. In addition to the specific mandate for protection, the ICRC carries out relief activities in the territories mainly with cash for work projects, food aid, and water and sanitation interventions. The ICRC visits to detainees are an integral and principal part of its presence in the territories.

In 2007, the ICRC's Emergency Appeal for the occupied Palestinian territories was initially the second largest (71 million Swiss francs (CHF), or 45 million euros) after Sudan (CHF 73 million), but at the end of the year it was the third largest, overtaken by Iraq (CHF 91 million) and Sudan (CHF 105 million). For 2008, the initial appeals for these top three crises amounts to CHF 107 million for Iraq, CHF 106 million for Sudan, and CHF 68 million for the O&AT (Occupied and Autonomous Territories, in ICRC terminology).<sup>25</sup>

#### **Donor coordination**

Consistent with the high profile of donor involvement in the post-Oslo consolidation process of a Palestinian entity, a number of coordination mechanisms were put in place. The Ad Hoc Liaison Committee (AHLC) is the principal coordination mechanism on policy and political matters related to the development effort in the West Bank and Gaza Strip. The members of the AHLC are Canada, the European Union, Japan, Norway, Russia, Saudi Arabia, and the United States. Israel and the Palestinian Liberation Organization are associated members of the AHLC, as are Egypt, Jordan, Tunisia, and the United Nations.

The AHLC established the Local Aid Coordination Committee (LACC), which is comprised of the Palestinian Authority and all the donor agencies that contribute to the Palestinians with representation in the area. Approximately 30 donors are represented at the monthly meetings of the LACC. The co-chairs of the LACC are Norway, in its capacity as Chair of the AHLC; the Office of the United Nations Special Coordinator for the Middle East Peace Process (UNSCO), <sup>26</sup> and the World Bank.

The LACC agreed on the establishment of 12 sectoral sub-committees, known as Sector Working Groups. These working groups seek to direct donor assistance towards the needs and priorities identified by the PA, with input from the United Nations and the World Bank. Each working group consists of all donors inter-

ested in that particular sector, with one donor representative leading the group; representatives of relevant PA ministries; and the World Bank and/or the United Nations as Secretariat. The 12 working groups cover the following sectors: agriculture, education, employment creation, environment, health, infrastructure and housing, institution-building, police, private sector, public finance, tourism, and transport and telecommunications. The UN has been providing technical assistance for the Sector Working Groups linked to the expertise of a particular agency – WHO, Food and Agriculture Organization (FAO), UNICEF, the United Nations Educational, Scientific and Cultural Organization (UNESCO), the United Nations Population Fund (UNFPA), and so on.

The collapse of dialogue among the parties and of development efforts after 2000, with a shift to humanitarian and emergency responses, somehow has voided the meaning of the main coordination mechanisms. Nevertheless, the structure remains, making it difficult to create a more humanitarian-oriented alternative for coordination. OCHA's efforts on information sharing and dissemination are to be praised, but the fact that the deputy of UNSCO has been appointed as Humanitarian Coordinator further reinforces the mix among the AHLC, the LACC, and the humanitarian coordination. These structures are very much linked to the basic conditionality of aid regarding the support of the peace process and the model of society promoted by donors.

Although its performance has been inconsistent, the setup of Sector Working Groups still plays a role in the current situation. Unfortunately, since donors have decreased their commitments to development, the dynamics for coordination have weakened and the momentum to create alternative humanitarian ones has only partially succeeded. The cluster approach seems difficult to apply in this context, as it should overwrite the Sector Working Groups. The current setup does not grant leadership to the relevant UN agencies acting in support of the sectors, nor does it make them accountable.

The humanitarian community has pressured for ad hoc sector meetings to discuss the emergency situation that began in 2006 and to coordinate responses. The EU has established the Humanitarian Sector Group, which brings together EU Member States and ECHO on a weekly basis, and invites UN agencies or Red Cross/Red Crescent Societies in order to monitor the humanitarian situation. But humanitarian actors responding to the HRI Survey do not consider donor coordination optimal. Conditionality, political agendas,

confused mandates, and unclear accountability are impairing humanitarian sector coordination.

The UN has not gained leadership and has probably not done enough to get away from the Sector Working Groups setup and their implicit conditionality. The consolidated Appeal process, however, has gained legitimacy, involving more actors and providing an accepted framework.

Overall, most respondents to the HRI Survey agreed that coordination is a complex issue in the territories, one that donors do not address properly. OCHA plays a role in the coordination of humanitarian partners and information sharing, but donors' involvement is not evident. The multiple coordination forums and the diverse political agendas seem to affect the actual coordination of humanitarian aid.

#### **Conclusions and recommendations**

The crisis in the occupied Palestinian territories has been defined as a political crisis with humanitarian consequences. The difficulties of defining what constitutes a humanitarian crisis in the territories provide an interesting framework for comparing GHD *principles* with practices on the ground.

The humanitarian system in the occupied Palestinian territories needs to clarify coordination roles and responsibilities. Interviewees perceive donor coordination as weak, probably as a result of the political determinants of donor's behaviour. Moreover, donor coordination in the humanitarian field is still influenced by general coordination mechanisms stemming from the Oslo peace process' arrangements with explicit conditionality. Sector accountability is far from being properly addressed.

Donors' humanitarian aid peaked during 2006 and 2007, enhancing the shift from development aid to relief and increasing the dependency of Palestinians on external short-term aid. Already 70 percent of the population in Gaza live in poverty and 80 percent receive food rations.

Furthermore, financial tracking systems need to be improved. All OECD-DAC donors are present in this conflict and many of them are accounted for through the OCHA FTS. However, donors who develop longer-term funding arrangements and reduce earmarking are difficult to follow in a system designed to capture short-term, project-oriented funding. In addition, a significant portion of relief aid reaches Gaza through different channels and is not being tracked. On the whole, it is

difficult to obtain reliable information on the complete picture of donors' funding flows.

The conditionality some donors apply for implementing relief programs has been widely contested. The HRI Survey has shown that donors can mobilise funds from different official sources, applying varying levels of conditionality and flexibility.

Donors actively promote evaluations, but do less to facilitate learning among humanitarian actors. HA in the occupied Palestinian territories offers an interesting case study for learning strategies and linking relief and development mechanisms. Moreover, it would be very interesting to promote a better understanding of donors' influence in shaping Palestinian society and creating elites.

#### Notes

- 1 The Humanitarian Response Index team, composed of Lucía Fernández, Stuart Reigeluth, and Ricardo Solé-Arqués, visited the occupied Palestinian territories in March 2008. The opinions expressed here are those of the author and do not necessarily reflect those of DARA.
- 2 The term occupied Palestinian territories (oPt) is used by the United Nations Office for the Coordination of Humanitarian Affairs (OCHA). The World Bank refers to the Palestinian Territories as The West Bank and Gaza; the International Committee of the Red Cross (ICRC) refers to them as occupied and autonomous territories.
- 3 Three hundred and ninety-two Palestinians were killed in conflictrelated incidents, and 491 were killed by internal conflict: OCHA oPt protection of civilians summary data tables, February 2008.
- 4 Hamas, Arabic for "Islamic Resistance Movement," is classified by the U.S. and the European Union as a terrorist organization.
- 5 OCHA oPt, 2007, 2008; OCHA oPt, 2007a; ICRC 2006a; World Bank, 2006; World Bank, 2008.
- 6 WFP/FAO, 2007
- 7 PCBS, 2007.
- 8 OCHA oPt 2007, 2008; OCHA oPt 2007a; WFP/FAO, 2007
- 9 See OCHA oPt 2007a; OCHA oPt, 2008b; PRCS monthly and annual "violation reports"; Physicians for Human Rights Israel report; OCHA oPt, 2008c; ICRC, 2007; Dugard, 2008; Human Rights Watch, 2008; and B'Tselem, 2007.
- 10 ICRC, 2006a.
- 11 World Bank, 2008.
- 12 World Bank, 2007.
- 13 See: World Bank, 2006; 2008
- 14 Brouwer, 2000.
- According to estimates by the Palestinian Academic Society for the Study of International Affairs (PASSIA), total donor disbursements since the establishment of the PNA in 1994 until October 2005 amounted to roughly US\$5 billion. This accounts for only part of donors' allocation to the crisis, as it is accepted that external contributions reach over 1 billion US dollars yearly since 2002. And much of the Arab world support is not accounted for.
- 16 Le More et al., 2005
- 17 The more frequently mentioned is the "Certification regarding terrorist financing" US anti-terrorism certification (ATC), but other donors have introduced similar mechanisms.
- 18 ICRC, 2006b.
- 19 The legitimacy of this government is at least dubious as it cannot be ratified by the Legislative Council because the majority of the elected MoLC are detained in Israel.
- 20 Adding contributions to TIM and emergency and relief aid, the figure is likely to reach over US\$1.2 billion for 2006. Many other contributions not accounted for and the support to Hamas in Gaza can take total external support to record figures.
- 21 The first mechanism (TIM) is a specific tool designed for the complex Palestinian context, while those related to CAP, CERF, HERF, and ICRC appeals are more focused on the general aim of developing more flexible and predictable dynamics to properly fund humanitarian crises and therefore are quite relevant to the GHD framework.
- 22 World Bank, 2004.
- 23 Source, OCHA oPt, 2008a
- 24 OCHA, 2007b.

- 25 ICRC Appeals 2008, Key data, ICRC.
- 26 UNSCO was established in 1994 after the Oslo Accords, and acts as UN Secretary General Representative to the PA, and, since 2002, as Secretary General Special Envoy to the Middle East Quartet.

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