



Socio-Economic & Food Security Survey 2014

State of Palestine



PALESTINE
FOOD SECURITY SECTOR
Strengthening Humanitarian Response



Palestinian Central Bureau of Statistics

The Food Security Sector is part of the humanitarian system coordination architecture and facilitates coordinated data collection, analysis and response among a wide range of stakeholders, including line ministries and international and Palestinian NGOs.

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Cover: A Palestinian farmer harvests wheat in the Tammoun area of the West Bank.

FAO/Marco Longari



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The SEFSec 2014 is the result of a long process that started in 2013 when the review of the analysis methodology was initiated. All was made possible thanks to the cooperation and the financial support of the Government of Canada and the European Commission's Humanitarian Aid and Civil Protection department (ECHO).

Acronyms and Abbreviations

CPI	Consumer Price Index
FAO	Food and Agriculture Organization of the United Nations
FCPI	Food Consumer Price Index
FCS	Food Consumption Score
FSS	Food Security Sector
GDI	Gender Development Index
GDP	Gross Domestic Product
GNI	Gross National Income
GS	Gaza Strip
HDI	Human Development Index
HFIAS	Household Food Insecurity Access Scale
IMF	International Monetary Fund
MDGs	Millennium Development Goals
MOSD	Ministry of Social Development
NIS	New Israeli Shekel
PCBS	Palestinian Central Bureau of Statistics
PECS	Palestinian Expenditure and Consumption Survey
SEFSec	Palestinian Socio-Economic and Food Security Survey
UNCTAD	United Nations Conference on Trade and Development
UNDP	United Nations Development Programme
UNRWA	United Nations Relief and Works Agency for Palestine Refugees in the Near East
USD	United States Dollar
WB	West Bank
WFP	World Food Programme
WTO	World Trade Organization



Woman working to clear her land for agriculture in Al Shaieya - Gaza Strip.

OCHA/Mustafa El-Halabi

Executive Summary

Background

SINCE 2009, the Palestinian Central Bureau of Statistics (PCBS) in coordination with the Food Security Sector (FSS) – co-led by FAO and WFP in close collaboration with UNRWA – have administered the Socio-Economic and Food Security (SEFSec) survey, which is an initiative aimed at identifying and characterizing changes in the food security status of Palestinian households.

This monitoring of trends requires a comprehensive set of criteria and indicators to profile the food security status of the Palestinian population. Until 2012, the SEFSec survey adopted a methodology developed in 2007 that classified households into food security groups according to household poverty status and economic vulnerability by combining income, consumption and a set of seven vulnerability variables. However, there have been significant advances in food security measurement since the original SEFSec. At the same time, there have also been changes in Palestinian socio-economic conditions.

As a result of these changes, in 2013 the FSS decided to review the SEFSec methodology to reflect the multi-dimensional drivers of food insecurity in Palestine, introducing a three-pillar structure based on asset-based poverty, qualitative and quantitative aspects of food consumption, and resilience to capture the capacity of households to adapt, transform and cope with shocks or stressors. Due to the conceptual differences between the previous and the new methodology, the food security level results obtained with the original SEFSec methodology in previous reports cannot be compared with those obtained with the new methodology as presented in the current report.

This report analyses the data from the fifth and sixth SEFSec surveys of 2013 and 2014 respectively. Data collection took place in two phases during the first quarters of 2014 and 2015, with a reference period covering the six months preceding the interview – approximately the second half of 2013 and 2014, respectively. The 2013 SEFSec survey was conducted on a sample of 7,503 households (4,949 in the West Bank¹ and 2,554 in the Gaza Strip), while the 2014 sample consists of 8,177 households (5,047 in the West Bank and 3,130 in the Gaza Strip).

An important and novel feature of the SEFSec 2013-2014, together with the new methodology, is the rotating nature of its sampling design. Most of the households sampled in 2013 (approximately 92 percent) were also sampled in 2014: this means that the evolution of these households over the two years can be properly evaluated. As in previous SEFSec rounds, the sample is representative at the following levels of disaggregation: gender, refugee status, governorate, locality type and, for the West Bank, Areas A/B and C.

By and large, the SEFSec 2013-2014 indicates that in Palestine, food insecurity primarily stems from a lack of economic access to food that is intrinsically correlated to poverty. Yet, this does not exclude the risk of insufficient or unstable food supply remaining high, both in the Gaza Strip, where the blockade and the 2014 conflict dramatically affect productive capacity, and in the West Bank, where restrictions to movement heavily constrain economic activities and livelihoods.

¹ In this report any reference to the West Bank should be taken to include East Jerusalem unless otherwise indicated.

Food Security in the State of Palestine

IN the Gaza Strip, nearly ten years of blockade, the closure of illegal tunnels with Egypt in 2013 and, in particular, the recurrent conflicts, most recently in 2014 have resulted in the exacerbation of the gradual process of de-development, which has been ongoing since the imposition of the blockade, leading to a severe contraction in GDP (-15 percent in 2014) as well as increasing food assistance dependency. In the West Bank, physical obstacles including the barrier and checkpoints, together with administrative obstacles including permit requirements and the designation of closed military areas, continued to impede Palestinians' access to services and resources.

As a result, in 2014 food insecurity in Palestine was very high, with more than one quarter of the population (27 percent or 1.6 million people) food insecure. In particular, food insecure households were evenly divided between the severely food insecure and moderately food insecure (approximately 13 percent each), while the marginally food secure accounted for another 15 percent and the remaining 58 percent of households were food secure.

In 2014, food insecure households within the Gaza Strip account for 47 percent, while in the West Bank 16 percent of households are food insecure. Between 2013 and 2014, the situation became worse in the Gaza Strip (a change of 2 percentage points); while in the West Bank a relative improvement (approximately 6 percentage points) took place, resulting in an overall increase in food security at the national level of 3 percentage points. These dynamics are also mirrored at the sub-regional level, with the whole West Bank indicating an improvement in food security status, while in the Gaza Strip food security became worse in two sub-regions out of three (i.e. North and Centre). Despite the differences in the nature and intensity of restrictions to the freedom of movement in the West Bank and the Gaza Strip, these restrictions have a significant impact on food security status and demonstrate a similar pattern in both regions: the fewer (or more) the limitations on freedom of movement and access, the greater the likelihood of being food secure (or insecure).

The different food insecurity dynamics in the West Bank and Gaza Strip are better understood by examining the breakdown of data between refugee and non-refugee households. In the West Bank, food insecurity levels are higher among refugees than among non-refugees (22 and 14 percent respectively in 2014). The gap between refugees' and non-refugees' access to food is widening; this is mainly driven by the higher refugee unemployment rate. Refugee households in the Gaza Strip present slightly lower food insecurity levels than non-refugee households both in 2013 and 2014, despite facing comparable employment levels.

Both refugee and non-refugee households experienced a worsening of food security status (approximately 1 and 3 percentage points respectively). This reflects a generalized decline in food access in the Gaza Strip as a result of labour entitlement failure. The unemployment rate jumped to a record height of 44 percent in 2014, 11 percentage points more than in 2013. There was also a sharp increase in food price level (12 percent between May and August 2014), volatility due to the 2014 hostilities and the resulting collapse of the economy.

The negative impact of the protracted crisis situation on food access in the Gaza Strip is particularly severe for urban households among which food insecurity increased by 3 percentage points. In the West Bank, the incidence of food insecurity among urban households improved by 7 percentage points. Rural households, although still facing a high incidence of food insecurity (overall in Palestine approximately 21 percent), are those that improved most between 2013 and 2014 (approximately 6 percentage points). This indicates that, overall, rural households are relatively better equipped than other household typologies to respond to shocks, a tendency which had already emerged in the 2012 SEFSec report. In 2014, the share of food insecure households in refugee camps in the Gaza Strip and the West Bank is 46 and 29 percent respectively. Food security has become worse in the West Bank (by 3 percentage points), while in the Gaza Strip it has slightly improved (by 3 percentage points).

The distribution of households by major income source is similar in both regions. As expected,

the households indicating the greatest share of food insecurity are those that receive their major source of income from assistance (either from international organizations or social assistance). Vice versa, the households that have access to more stable and higher income sources among others the Israeli labour market or insurance, and those whose major source of income comes from international organizations jobs are those that indicate an improved food security performance. Obtaining a livelihood from the primary sector (agriculture, animal breeding and fishing) is usually associated with relatively worse performance in terms of food security.

Gender also affects the incidence of food insecurity among Palestinian households. Almost one fourth of male-headed households are food insecure, compared to one third of female-headed households, a difference that is relatively stable across time. In the Gaza Strip, both female- and male-headed households are almost evenly divided between food secure and insecure, whilst in the West Bank only 15 percent of male-headed households are food insecure compared to 25 percent of female-headed households.

Consumption and Expenditure Patterns

PALESTINIAN total per capita expenditure rose slightly in real terms from 2013 to 2014 as a result of a marked increase in the West Bank, and a decrease in the Gaza Strip. Palestinian households devote a large proportion of their total expenditure to food (55 percent of total expenditure in 2014), with severely food insecure households still spending less than half of the total average expenditure of those classified as food secure, meaning food consumption remains vulnerable to income and price fluctuations.

Overall, almost 40 percent of Palestinian households state that their perceived living standards deteriorated during the first half of 2014. In the Gaza Strip, this ratio reflects almost two thirds of households; while in the West Bank 30 percent of households perceive that their living standard has deteriorated.

Shocks, Coping Strategies and Resilience

A large proportion of Palestinian households report facing some shocks in the second half of 2014. The most significant shocks, which often are also those more frequently reported, rank as follows: high cost of food supply (90 percent of total households), shortage of water, inability to pay treatment costs, inability to repay loans and delay of payment of salary.

To cope with these shocks, Palestinian households resorted to a number of coping strategies during the month preceding the survey. Almost 92 percent of households in the Gaza Strip adopted at least one coping strategy, which compares with 60 percent in the West Bank. The most frequently chosen coping strategies are: consuming less expensive food items, purchasing market leftovers, purchasing food on credit, and reducing the portions and the number of meals. Defaulting on payment of utility bills and reducing health and education expenses are the most frequently adopted non-food coping strategies both in the West Bank and the Gaza Strip. This is a worrying sign of the increasingly deteriorating livelihood conditions of Palestinian households. Reducing health and education expenses is the prelude to a gradual downward spiral toward a poverty trap where poverty and destitution are an irreversible condition: a deteriorated health status hinders the working capability of household members, while the lack of investment in human capital prevents higher productivity of labour and capacity to gain sufficient income.

The new SEFSec methodology also includes resilience as one of the three dimensions to identify a household's food security status. It is acknowledged that in a context such as Palestine, which is characterised by repeated shocks and high household vulnerability, there is a strong correlation between food security and household resilience. Overall, this is reflected in the fact that households with a higher level on the resilience index tend to be more food secure, while households with lower levels on the resilience index tend to be more food insecure.

Comparing the same relationship for the two regions, it can be observed that the proportion

of food insecure (extremely plus moderately food insecure) are consistently greater in the Gaza Strip than in the West Bank, irrespective of which class of resilience is considered. This is a clear indication that the shocks affecting Gazan households over the period 2013-2014 are much stronger than those experienced by households in the West Bank, whilst the capacity of Gazan households to cope with the shocks is lower.

Household Profiling

THE profiling analysis indicates a similar pattern between the West Bank and the Gaza Strip, although socio-economic and food security indicators are consistently worse in the latter region. Food insecure households have more family members than food secure families, indicating a much higher economic dependency ratio, a lower income (approximately 50 percent less than food secure households), a higher incidence of insufficient dietary intake (quantitative indicator) as well as a poor or borderline food consumption score (qualitative indicator). Unemployment of the head of households is also more likely among food insecure households than food secure households.

Food security status is largely dominated by its access dimension (specifically by labour entitlement), which represents the most important determinant of food access. Data indicates that the more problematic a household's labour status, generally featuring increased labour informality and precariousness, the more likely that household is to face food insecurity. Furthermore, the presence of disability, elderly, and chronic illness within the household is correlated with higher levels of food insecurity.

Impact of Assistance

IN 2014, approximately 40 percent of all Palestinian households reported they received at least one type of assistance, with a marked difference in the proportion of households receiving assistance between the Gaza Strip (84 percent) and the West Bank (less than 17 percent). Compared to the previous year, the

overall proportion of households receiving assistance increased both in the West Bank and the Gaza Strip, reversing a decreasing trend that had been taking place since 2011. The major change was recorded in the Gaza Strip, where between 2013 and 2014, the proportion of assisted households increased by more than 18 percentage points, bringing it back to a level greater than that of 2011. Vice versa, the change between 2013 and 2014 in the West Bank was less than 2 percentage points, still 8 percentage points below the level existing in the region in 2011.

The composition of the various types of assistance in 2013 and 2014 did not change significantly in the West Bank with a larger proportion of households reporting 'cash' and 'food' assistance. In contrast, there were significant changes in the Gaza Strip where, besides the three types of assistance constituting the core of assistance in this area ('food', 'cash' and 'health insurance'), new types of assistance were reported as important by respondents. 'Food voucher, drinking water' and 'clothing' all increased significantly between 2013 and 2014 in response to the sharp deterioration of living conditions in the Gaza Strip as a result of the conflict that called for heavy interventions providing basic needs. Furthermore, 'shelter' as a form of assistance was reported by more than 3 percent of surveyed households.

The average value of assistance received by assisted households was equal to 102 US\$/month, ranging from the 138 US\$/month of the severely food insecure group to 81 US\$/month of the food secure group. In the Gaza Strip the average value of assistance is substantially higher than in the West Bank (108 US\$/month vs. 86 US\$/month, respectively). At the same time, the number of forms of assistance received is much more than in the West Bank (3.7 in the Gaza Strip vs. 1.5 in the West Bank).

In both areas, the proportion of assisted people decreases as food security level increases. However, it is remarkable that in the Gaza Strip the largest change in assistance coverage between 2013 and 2014 is among the food secure households (32 percentage points increase) and the marginally food secure households

(18 percentage point increase). Indeed, the deterioration of the living conditions in the Gaza Strip has also required provision of support to these groups of households.

The panel nature of the 2013 and 2014 SEFSec surveys allows the assessment of the impact of the assistance on food security levels. The analysis indicated that social assistance interventions have a positive, but not statistically significant impact ($p = 0.19$) on the probability to be food secure. This result may not be unexpected considering that assistance did not target only food insecure households, but rather poor households. The same analysis was undertaken to assess the impact of the assistance on poverty by modelling the probability that a household would belong to the non-poor group. In this case the impact of assistance is stronger and statistically significant ($p = 0.00$).

Recommendations

THE two most important messages of the SEFSec 2013-14 are that (i) food insecurity is mainly driven by economic access issues caused by the lack of economic opportunities, and (ii) economic opportunities critically depends on the divergent socio-economic dynamics in the West Bank and Gaza Strip. **Therefore, measures to address food insecurity need to emphasize economic growth and the creation of sustainable economic opportunities. At the same time, food insecurity can only be sustainably achieved if its root causes are addressed, i.e. lifting the blockade on the Gaza Strip and ending West Bank access restrictions as steps towards ending the occupation.**

Household profiling indicates that some household characteristics – such as being female-headed, being a refugee, residing in camps and having members with disabilities or chronic illnesses – are clearly related to an increased likelihood of food insecurity. Some others – such as living in rural areas or being engaged in agriculture as a primary activity – show mixed evidence. **While the latter needs to be better analysed to understand the conduit mechanisms leading to specific food security outcomes, needs-based targeting taking**

into account the former should be further strengthened by major assistance providers.

To optimize the impact of assistance to food insecure Palestinians, assistance efficiency as well as overall available resources should increase. The Social Protection Sector Strategy led by the Ministry of Social Development (MoSD) has proved to be an effective framework for increased coordination among all involved stakeholders. **However, the modalities for assistance should be further harmonized, and coordination mechanisms between major assistance providers including governmental actors, INGOs, national organizations, and UN bodies strengthened.**

Finally, the consistency over time of the SEFSec survey is deemed as an important means for analysing trends and changes related to the food security status of Palestinians. This survey should be aligned within the national statistic institutions plans, and its methodology should be in line with similar national surveys. **Key local and international stakeholders should make all efforts to ensure continuity to SEFSec. If this is not possible, local and international stakeholders should provide valid and solid alternative solutions in order to ensure provision of reliable, continuous, and significant information that can inform proper analysis on food security in Palestine.**



Artificial insemination of sheep - Bani Naim area - Hebron
ACF/Yasmin Bali



Supporting farmers for weeding their crops under CFW programme.

Mercy corps/Hamdi Ferwana

1. Introduction

SINCE 2007, the Palestinian Central Bureau of Statistics (PCBS) has administered the Socio-Economic and Food Security (SEFSec) survey, an initiative aimed at identifying and characterizing changes in the food security² status of Palestinian households. The SEFSec is part of a broader monitoring system that complements other surveys, including the Palestinian Expenditure and Consumption Survey (PECS)³ providing timely information on key socio-economic and food related indicators.



SEFSec results have been used regularly by the Government of Palestine to report progress against the Millennium Development Goals (MDGs), and to update the national statistical monitoring system with food security levels by region. For a number of years, Food Security Sector (FSS) partners⁴ have used SEFSec results to assess overall needs, supporting food assistance and livelihoods project design, and measuring the impact of projects on food security. However, SEFSec was not designed as a targeting tool. Rather, the targeting of assistance interventions is undertaken by the implementing organizations using their own specific tools and methods. Therefore, SEFSec results cannot be used to make any inference on targeting performance.

The nature of food insecurity in Palestine, which is affected by a long-lasting and complex socio-economic crisis, requires a comprehensive set of criteria and indicators to profile the food insecurity of the Palestinian population. In Palestine, food insecurity primarily stems from a lack of economic access to food and, as such, is intrinsically correlated with poverty. Yet, this does not exclude the risk of insufficient or unstable food supply remaining high, both in the Gaza Strip, which has been under tight blockade since 2007 and whose productive capacity has been dramatically impacted by repeated conflict, especially in 2014; and in the West Bank seam zones, where access to agricultural and grazing land remains restricted.

Globally, there have been significant advances in food security measurement since the previous SEFSec methodology was developed in 2007. At the same time, there have been changes in Palestinian consumption patterns and socio-economic conditions. These changes and considerations together prompted a review of the previous SEFSec methodology.

² According to FAO (1996), food security refers to “a situation that exists when all people, at all times, have physical, social and economic access to sufficient, safe and nutritious food that meets their dietary needs and food preferences for an active and healthy life”. Based on this definition, four food security dimensions can be identified: food availability, economic and physical access to food, food utilization and stability over time.

³ PECS is a household budget survey used to estimate the Palestinian poverty lines. As usual for this kind of survey, PECS is carried out every five years because of the depth and length of requested information that imply quite high cost for administering the survey. Conversely, SEFSec is akin to a multi-purpose survey, specifically dedicated to food security issues, carried out on a more frequent basis.

⁴ The Food Security Sector is an initiative co-lead by FAO and WFP, in close collaboration with UNRWA and contributed by more than 40 organisations whose aims are (i) strengthening food security analysis and response and (ii) contributing to coordinate humanitarian and developmental interventions in Palestine.

The previous SEFSec methodology classified households into food security groups according to household poverty status and economic vulnerability. Additionally, seven socio-economic supplementary variables were provided to ensure shocks and other dynamics were captured in the analysis. The main weakness of this approach was that it did not comprehensively capture the whole set of determinants of food insecurity and the interplay between them.

Therefore, in 2013 the FSS decided to review the SEFSec methodology⁵ in order to reflect the multi-dimensional drivers of food insecurity in Palestine by introducing a three-pillar structure based on asset-based poverty, qualitative and quantitative aspects of food consumption; and resilience to capture household capacity to adapt, transform, and cope with shocks or stressors. Due to these changes, and specifically considering new dimensions, including food consumption and resilience, previous results cannot be compared with those obtained using the revised methodology.

This report analyses the data from the fifth and sixth SEFSec surveys referring to 2013 and 2014. Data collection was undertaken in two phases during the first quarter of 2014 and 2015, with a reference period covering the six months preceding the interview, corresponding approximately to the second half of 2013 and 2014 respectively. The 2013 SEFSec survey data was collected from a sample of 7,503 households (4,949 in the West Bank and 2,554 in the Gaza Strip), while the 2014 sample consists of 8,177 households (5,047 in the West Bank and 3,130 in the Gaza Strip).

An important and novel feature of the SEFSec 2013-2014 is the rotating nature of its sampling design that provided a large panel data set.

Most of the households sampled in 2013 (approximately 92 percent) were also sampled in 2014: this means that the evolution of these households over the two years can be properly evaluated⁶.

As in the previous SEFSec rounds, the sample is representative at the following levels of disaggregation: gender, refugee status, governorate, locality type and, for the West Bank, Areas A/B and C.

The overall objective of the SEFSec Report 2013-2014 is to provide an updated analysis of food security conditions of Palestinian households. In pursuing this objective, the report begins with the analysis of the broader context within which food security has evolved during 2013 and 2014 (Chapter 2).

Household food security outcomes are then analysed (Chapter 3) for Palestine as a whole, and separately for the West Bank, the Gaza Strip and for sub-regions therein. The analysis is completed discussing the relationships between food security levels and other important household features, including the refugee/non-refugee status, the locality type (urban, rural or refugee camps), the major income sources, and the gender of the household head.

The analysis then focuses on three important aspects of food security, namely consumption and expenditure patterns according to food security levels (Chapter 4), the relationship between resilience and food security outcomes including the analysis of shocks and coping mechanisms (Chapter 5), and the profile of different households according to food security level (Chapter 6).

A key contribution to understanding food security outcomes in Palestine is the analysis of the impact of assistance (Chapter 7), which includes a discussion of coverage and value of assistance, as well as a new assessment of the impact of assistance on food security and poverty made possible thanks to the panel structure of the SEFSec 2013-2014 dataset.

The last section (Chapter 8), builds on the most important findings to provide some insights about the policy implications stemming from the SEFSec 2013-2014.

⁵ A detailed explanation of the new methodology is presented in Annexes A to D.

⁶ This feature proved useful, for example, in assessing the impact of assistance (cf. section 7.4).

2. Socio-economic Analysis

THIS section aims to analyse the broader context (socio-demographic attainments, macro-economic developments and labour market situation) within which food security in Palestine evolved during 2013 and 2014. This will provide the background against which food security outcomes can be assessed and prove useful for understanding why those outcomes occurred. In doing so and whenever appropriate, factors were placed in perspective, briefly recalling the developments in these three fields from a longer-term perspective.

By and large, food security outcomes are closely related to the evolution of the broader economic conditions – specifically to the operational conditions determined by movement restrictions, security, and the provision of aid. The political context of occupation and the policies and relationships deriving from it, are by far the most important determinant of Palestinian socio-economic dynamics, including food security dynamics.

2.1. Socio-demographic Attainments

IN 2014, the Palestinian population was more than 4.5 million inhabitants, with three quarters living in urban centres (Table 2.1). The Palestinian population is very young, with a median age of 19.7 years, a young-age dependency ratio of 67.3 percent and an old-age dependency ratio of only 5.3 percent. This is the result of a high total fertility rate of 4.1 births per woman (average 2010-2015), which determines a population growth rate that between 2010 and 2015 was 2.5 percent per year, representing a significant increase from the previous five years.



Women producing sewing products under CFW programme. *Mercy corps/Heba Zaqout*

Comparing the State of Palestine with two groups of countries to which it belongs – Arab States⁷ and the medium Human Development Index (HDI) level⁸ (Table 2.1) – it is evident that Palestine has higher total fertility and population growth rates than the comparison groups, resulting in a comparatively much younger population structure.

Palestine also shows a negative migration rate, i.e. fewer immigrants than emigrants. However, the net rate is quite low (-2 per thousand inhabitants), and immigrants represent 5.9 percent of the population.

⁷ This group comprises the following 20 states: Algeria, Bahrain, Djibouti, Egypt, Iraq, Jordan, Kuwait, Lebanon, Libya, Morocco, State of Palestine, Oman, Qatar, Saudi Arabia, Somalia, Sudan, Syrian Arab Republic, Tunisia, United Arab Emirates, Yemen.

⁸ According to the last Human Development Report (UNDP, 2015), the State of Palestine belongs to the group of countries showing a medium level of human development (see section 2.2 below).

Table 2.1. Selected demographic indicators for the State of Palestine and comparison groups of countries, 2014

Demographic indicators	Palestine	Arab States	Medium HDI
Average annual population growth (%)			
- 2000-2005	2.1	2.2	1.6
- 2010-2015	2.5	2.0	1.3
Urban population (% of total population)	75.0	58.1	38.7
Median age (years)	19.7	24.6	26.5
Dependency ratio (%)			
- young age (0-14)	67.3	50.8	44.6
- old age (65 and older)	5.3	6.8	8.1
Total fertility rate (births per woman)			
- 2000-2005	5.0	3.6	3.0
- 2010-2015	4.1	3.2	2.6

Source: UNDP, 2015.

In terms of human capital, wellbeing attainments of Palestinians are quite good as compared to other Arab States and medium-HDI countries. In terms of health outcomes (Table 2.2), mortality rates, child nutrition and life expectancy at

birth, all are better than the two benchmark country groups. The same applies to educational achievements (Table 2.3), where Palestine is significantly better for all indicators.

Table 2.2. Selected health outcome indicators for the State of Palestine and comparison groups of countries, 2014

Health outcome indicators	Palestine	Arab States	Medium HDI
Mortality rate (per 1,000 live births)			
- infant	18.6	28.6	35.2
- under 5	21.8	37.6	44.5
Child malnutrition (% under 5 stunting)	10.9	25.7	40.2
Life expectancy at birth (years)	72.9	70.6	68.6

Source: UNDP, 2015.



Woman feeding camels, used for milk, Beit Lahya - North Gaza.

OCHA/Mustafa El-Halabi

Table 2.3. Selected education achievement indicators for the State of Palestine and comparison groups of countries, 2014

Education achievement indicators	Palestine	Arab States	Medium HDI
Literacy rate (%)			
- adult (age 15 and older)	95.9	78.0	71.8
- youth female (ages 15-24)	99.2	86.9	82.2
- youth male (ages 15-24)	99.3	93.1	90.1
Population with at least some secondary education (% ages 25 and older)	56.7	41.5	45.0
Gross enrolment ratio (%)			
- pre-primary	48.0	33.0	52.0
- primary	95.0	104.0	110.0
- secondary	82.0	74.0	70.0
- tertiary	46.0	29.0	24.0
Primary school dropout rate (% of primary school cohort)	3.5	8.8	18.1

Source: UNDP, 2015.

2.2. Macroeconomic Developments

Economic Growth

DESPITE the constant tension with Israel, which in addition to the policies of the occupation includes recurrent, open armed conflicts,⁹ Palestine experienced a period of economic recovery until 2011 (more than 8 percent per year on average), marked by lower unemployment and shrinking fiscal deficits¹⁰ following the appointment in 2007 of a new government in Ramallah with an ambitious reform and institution-building agenda.

The breakdown of peace negotiations in late 2010 ushered in years of economic decline and political stalemate. The downturn began in 2012 when growth decelerated as a result of a significant reduction in foreign aid. Moreover, domestic revenue generation was constrained by the restrictions on movement and access that led to a significant fall in public and private consumption.

Economic growth slowed further to 2.2 percent in 2013 (from 6.0 to 1.0 percent in the West Bank and from 7.0 to 5.6 percent in the Gaza Strip), reflecting political uncertainty, continued fiscal problems of the Palestinian Government, and the crackdown on illicit tunnel activity between Egypt and the Gaza Strip in mid-2013.¹¹ The Egyptian-Gazan tunnels were a particularly significant source of construction materials and their closure led to a marked decline in the size of the construction sector, until then a major contributor to growth in the Gaza Strip. As a result, construction activity contracted by more than 70 percent between the second quarter of 2013 (i.e. just before the tunnels were closed) and the first quarter of 2014 (World Bank, 2014).

⁹ Over the last years at least three armed conflicts took place in the Gaza Strip, namely from December 27th 2008 to January 18th 2009, from 14th to 21st November 2012, and from July 8th to August 26th 2014.

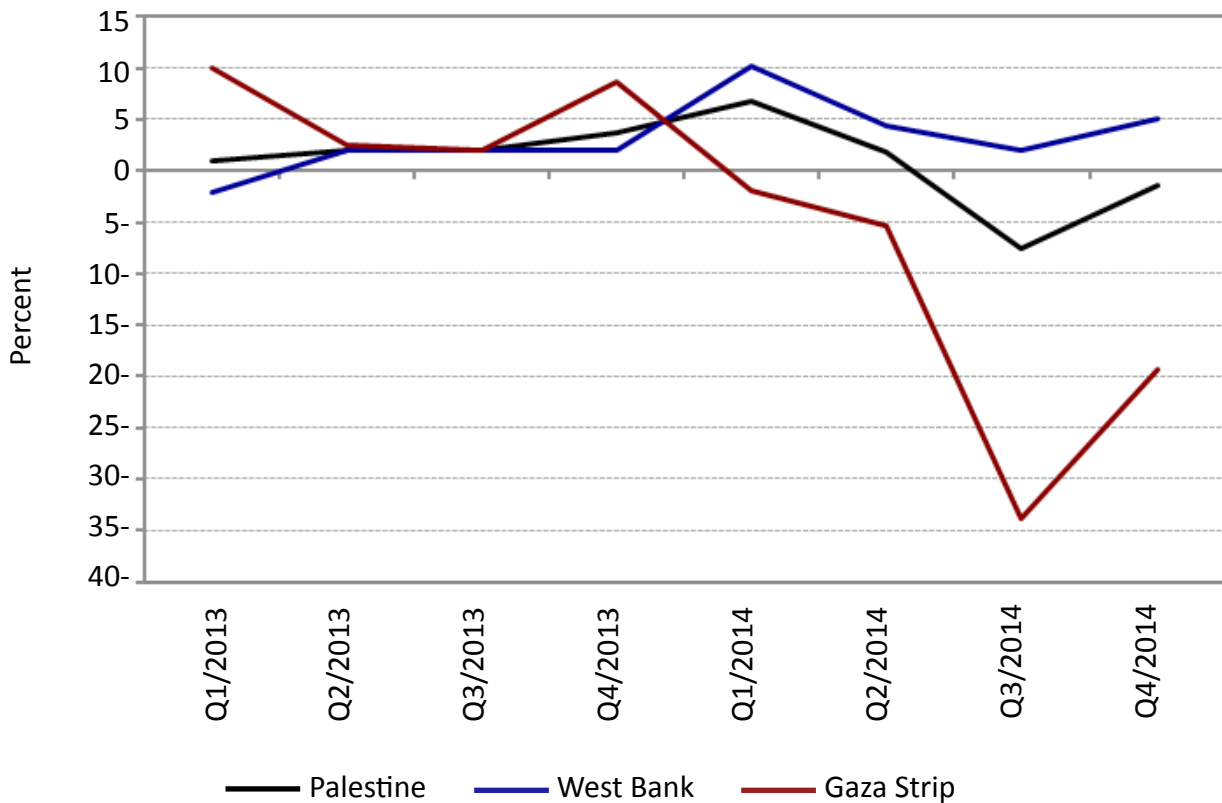
¹⁰ The economy benefited from some relaxation of Israeli restrictions, the 2007 Annapolis conference and subsequent political efforts that culminated in direct peace negotiations in 2010, and an aid surge. However, growth slowed in the Gaza Strip after Hamas takeover in 2006, the subsequent imposition of the blockade by Israel as well as the military escalation of 2008-2009.

¹¹ The precise size of the tunnel economy is difficult to quantify, but some estimates suggest that the volume of tunnel trade (Gisha, reported in World Bank, 2014) may have exceeded that of officially registered trade.

Eventually, the economy entered into recession in 2014, heavily influenced by the conflict that took place during July and August 2014, with a real GDP contraction of -0.2 percent (PCBS, 2015).¹² This was mostly due to the significant contraction of Gazan economic activity (-15.1 percent). In reality, growth in the Gaza Strip was already slowing during the first half of 2014, but economic activity collapsed during the conflict with GDP contracting by 33.8 percent in the third quarter of 2014 compared to the same quarter of 2013 (Figure 2.1). The contraction was concentrated in the construction sector, but agriculture and manufacturing also suffered major contractions. After the conflict the blockade remained in place and reconstruction proceeded very slowly.

In 2014, economic activity in the West Bank grew by 5.3 percent, driven mainly by exports, bank credit-fuelled private consumption and donor-financed public demand. However, economic growth decelerated towards the end of the year, with a year-on-year change in the third quarter of 2014 of only 1.9 percent. This was mostly due to the impact of occupation related policies on the West Bank, which resulted in weak growth and a precarious fiscal position. Physical obstacles such as the barrier and checkpoints, together with administrative obstacles, including permit requirements and the designation of closed military areas, continue to impede Palestinians' access to services and resources.

Figure 2.1. Real GDP growth 2013-2014 (year on year percent change)



Source: Elaboration on PCBS (2015) data

¹² Overall growth in Palestine declined further from -0.2 percent in 2014 to -2.1 percent in the first quarter of 2015, reflecting a slowdown in the West Bank. In fact, a four-month suspension in clearance revenue transfers by Israel triggered a slowdown in growth the West Bank from 5 percent year-over-year in the fourth quarter of 2014 to 1.7 percent in the first quarter of 2015. In Gaza, reconstruction efforts started to produce a slow economic recovery in the first quarter of 2015, although real GDP still remained 13.2 percent below the level of the first quarter of 2014.

The division of the West Bank into Areas A, B, and C further complicate economic growth. The Israeli occupation of Area C (representing over 60 percent of the West Bank) costs the Palestinian economy at least one third of its GDP by depriving it of much of its natural resources and agricultural lands (UNCTAD, 2014).

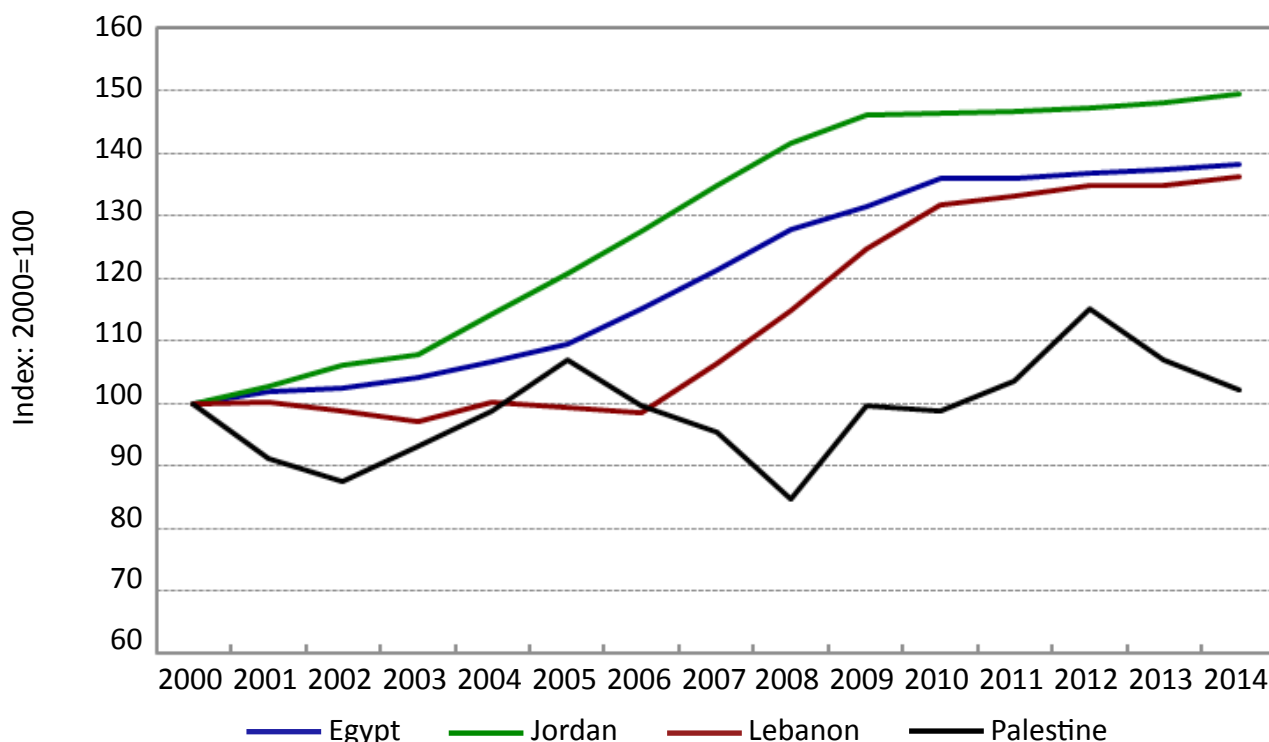
Comparing the economic dynamics of the State of Palestine with neighbouring countries over a longer period (Figure 2.2), it is clear that GDP per capita of the State of Palestine is completely detached from the broader economic cycles observed in the rest of the world, and specifically from that of neighbouring countries¹³ (Egypt, Jordan and Lebanon) whose economies showed a similar, increasing growth at least since the early 2000s.

Human Development

EXAMINING variations in HDI, provides useful insight about changes in the Palestinian standard of living over time. Palestine’s HDI value for 2014 was 0.677, which placed the country in the medium human development category, positioning it 113 out of 188 countries and territories (UNDP, 2015).

This value is above the average of 0.630 for countries in the medium human development group and below the average of 0.686 for countries in the Arab States group. This is the result of a good life expectancy and relatively high educational attainments, while Gross Domestic Income (GDI) per capita (4,699 USD-PPP) is well below that of the average medium human development group (-26.1 percent with respect to the 6,353 USD-PPP of medium HDI group) and that of Arab States (-70 percent with respect to the 15,722 USD-PPP of Arab States).

Figure 2.2. GDP per capita, PPP constant 2011 international USD (index: 2000 = 100)



Source: Elaboration on World Bank (2015) data.

¹³ Syria is not reported because of the collapse of its economy as a result of the civil war.

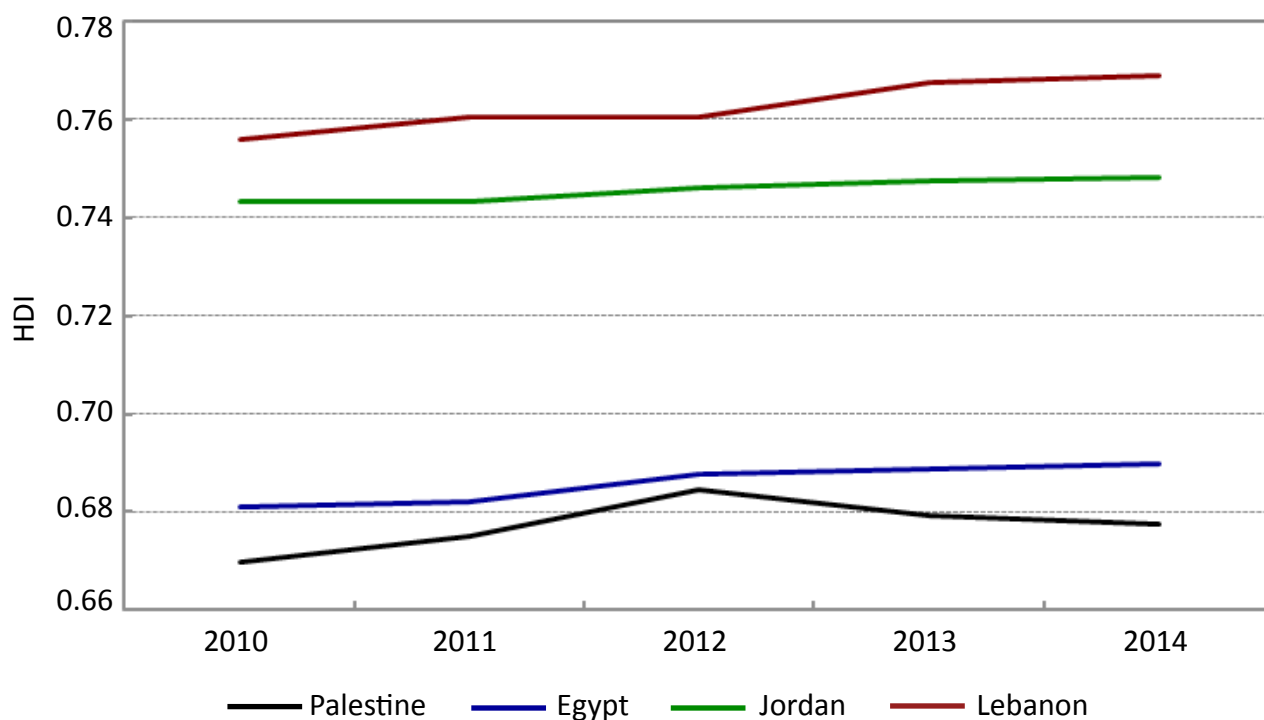
Comparing the evolution of the HDI over the most recent years across neighbouring countries, it is clear that while all other countries have been improving their own HDI, Palestine has not (Figure 2.3). After a first period where the HDI in Palestine followed the same path of neighbouring countries, in 2013 and 2014 the HDI value actually decreased.

When the value is discounted for inequality, the Palestine's HDI falls to 0.577, a loss of 14.9 percent due to the inequality in the distribution of the HDI dimension indices.¹⁴ The 2014 female HDI value for Palestine was 0.607 in contrast with 0.706 for males, resulting in a gender development index¹⁵ value of 0.860.¹⁶

International Trade

UNDER prolonged occupation, the State of Palestine has no control over most aspects of its trade. It is subject to discriminatory treatment, including disabling permit requirements and import bans on products under a restrictive Israeli dual-use system, which can make certain key resources difficult to access. As a result, Palestine reports chronic trade deficits.

Figure 2.3. Human Development Index (HDI), 2010-2014



Source: UNDP, 2015.

¹⁴ However, this loss is less than the average loss due to inequality for medium HDI countries (25.8 percent) and for the Arab States (25.4 percent).

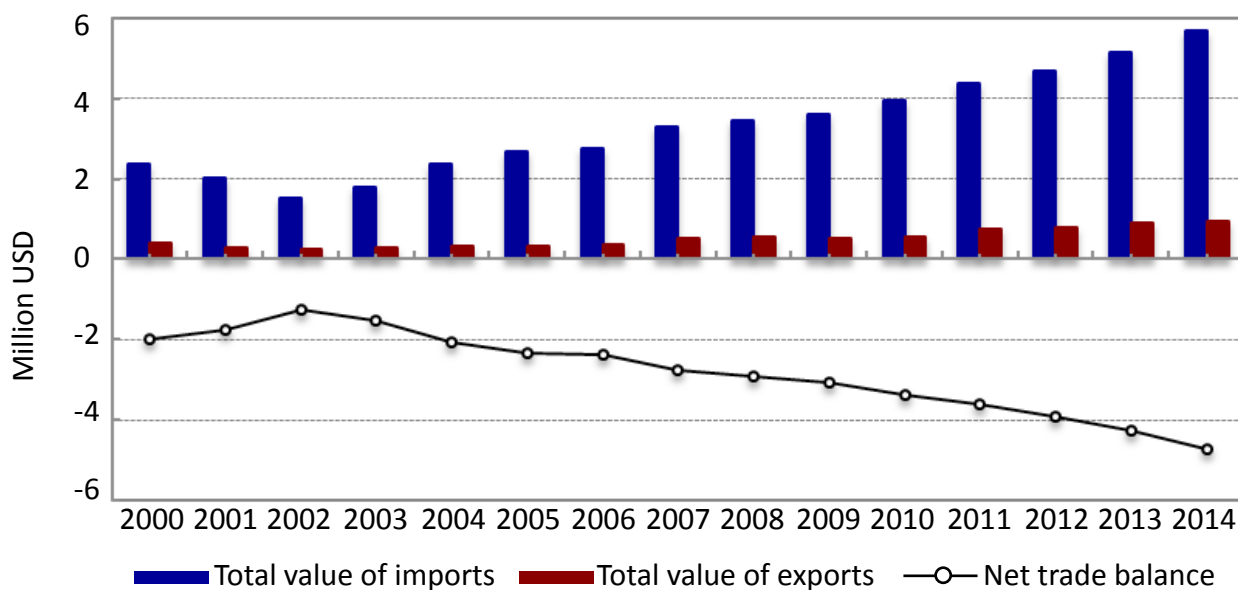
¹⁵ The gender development index is the ratio between female and male HDIs. It measures gender inequalities in achievement in three basic dimensions of human development considered by the HDI: health (measured by female and male life expectancy at birth), education (measured by female and male expected years of schooling for children and mean years for adults aged 25 years and older); and command over economic resources (measured by female and male estimated GNI per capita).

¹⁶ Palestine's 2014 gender development index is the same as that of other medium HDI countries (0.861) and higher than that of Arab countries (0.849).

The balance of trade deficit in 2014 was 4,739.5 million USD (Figure 2.4). This deficit is the result of huge imports,¹⁷ (amounting to 5,683.2 million USD) and much lower exports¹⁸ (943.7 million USD). Palestine's main trading partner is Israel, accounting for approximately 74 percent of total trade, while other important trading partners include China, Turkey, Germany, Italy and France.

The chronic crisis condition of Palestinian trade stems mostly from the restrictive control of Palestinian trade by Israel. While international standards of trade facilitation are at present applicable to Israeli external trade, they are not fully applied to Palestinian exports and imports because of occupation-related restrictions.

Figure 2.4. Value of registered imports, exports in goods and net trade balance in Palestine, 2000 - 2014 (Million USD)



Source: PCBS, 2015.

Overall, Palestine is economically heavily dependent on international trade. The ratio of the sum of exports and imports to GDP was 72.4 percent in 2013. In 2014 its current account as a percent of GDP was -10.9 percent.¹⁹ Other indicators showing the high dependence of Palestine on external resources are the net official development assistance to GDP, which in 2013 was 19.1 percent, and the ratio of remittances to GDP was 19.3 percent in the same year.

Restricting the import of certain products has undermined Palestinian productive sectors, for example: manufacturing, pharmaceuticals production, agriculture, and information and communication technology; all of which have imposed even more severe living conditions on the Palestinian population.

¹⁷ The main imports were oil, food, vegetables, machinery, metals, vehicles, chemicals, livestock, beverages and salt.

¹⁸ Palestine mainly exports cement, base metals, iron and steel, food and beverages, furniture, plastics and dairy products.

¹⁹ The current account balance is the sum of the balance of trade (exports minus imports of goods and services), net factor income (such as interest and dividends) and net transfer payments (such as foreign aid). The current account balance as a percent of GDP provides an indication on the level of international competitiveness of a country. Usually, countries recording a current account deficit have strong imports, a low saving rates and high personal consumption rates as a percentage of disposable incomes.

A recent study (UNCTAD, 2015: 9) stated that these measures effectively inflict “collective punishment on civilians in the Gaza Strip through trade sanctions”. It also emphasized the huge potential benefits that would accrue to the State of Palestine if Israel, in its capacity as a WTO member state, extends the provisions of the Agreement on Trade Facilitation to cover Palestinian trade.²⁰

Inflation

THE consumer price index (CPI) in Palestine as a whole rose 3.5 percent between 2012 and 2014 resulting from a 5.4 percent increase in East Jerusalem, 4.1 percent in the West Bank and only 2.0 percent in the Gaza Strip. The various expenditure groups have had different dynamics, with housing increasing by 7.3 percent over the two years, food by only 1.2 percent and clothing featuring a decrease of -1.5 percent.

Table 2.4. Prices of Major Groups of Expenditures and yearly changes by Region, 2011-2014.

Major Groups of Expenditure	2011		2012		2013		2014	
	Index Number	Change %	Index Number	Change %	Index Number	Change %	Index Number	Change %
Palestine								
Food	102.40	2.40	104.58	2.12	105.42	0.80	105.81	0.37
Clothing	104.60	4.60	105.96	1.30	105.26	-0.66	104.33	-0.88
Housing	102.95	2.95	106.97	3.91	111.08	3.84	114.75	3.31
All items	102.88	2.88	105.74	2.78	107.56	1.72	109.42	1.73
West Bank*								
Food	102.71	2.71	105.25	2.47	108.42	3.01	106.82	-1.47
Clothing	105.30	5.30	112.06	6.42	112.31	0.23	114.88	2.28
Housing	103.55	3.55	107.91	4.21	110.06	2.00	121.08	10.01
All items	103.54	3.54	107.77	4.08	111.11	3.10	112.44	1.20
Jerusalem**								
Food	103.17	3.17	105.23	2.97	105.48	-0.70	109.57	3.87
Clothing	108.77	8.77	110.93	1.98	110.73	-0.18	120.70	9.00
Housing	101.91	1.91	104.41	2.45	110.40	5.74	120.79	9.41
All items	104.13	4.13	107.50	3.23	109.44	1.81	113.65	3.84
Gaza Strip								
Food	101.08	1.08	101.67	0.58	101.91	0.24	103.34	1.40
Clothing	98.55	-1.45	92.61	-6.03	90.17	-2.63	84.27	-6.54
Housing	103.33	3.33	106.41	2.98	102.57	-3.60	102.61	0.04
All items	100.57	0.57	101.06	0.48	100.29	-0.76	103.14	2.85

* West Bank does not cover those parts of Jerusalem that were annexed by Israel in 1967.

** Jerusalem covers those parts of Jerusalem that were annexed by Israel in 1967.

Source: PCBS, 2015.

²⁰ The application of the WTO Agreement would help create efficient and transparent customs procedures, reduce document requirements and processing time ahead of shipping, and strengthen customs and revenue collection by the Palestinian Government, the study suggested.

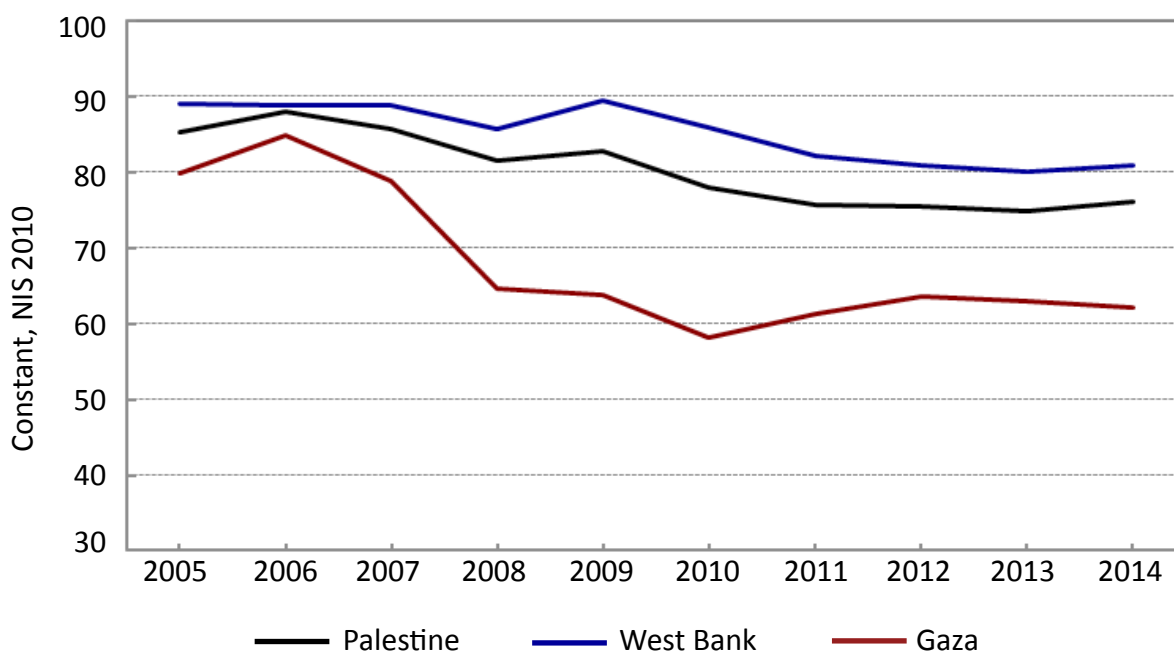
Looking retrospectively at the period 2011-2014, a pattern emerges (Table 2.4): not only in the West Bank and East Jerusalem where consumer inflation was substantially higher than in the Gaza Strip, but the general level of prices gradually fell consistently with the reduction of economic growth between 2011 and 2013.

Specific attention should be devoted to the Gaza Strip where in 2014 the region experienced a deflation of -0.8 percent as a result of the collapse of its economy. Significantly, all items included in the consumption basket of Gazan households featured a decrease in prices during 2013 except food (+0.2 percent), alcoholic beverages and tobacco (+2.9 percent), and education (+3.6 percent) (PCBS, 2015). Considering that food accounts for an important share in total household expenditures (refer to section 4.1) and the decreasing purchasing power of wages in the Gaza Strip (see below), food inflation (+1.6 percent over 2013 and 2014 compounded) had a disproportionate impact on household budgets and, therefore, on food security.²¹

High food prices tend to have a stronger impact on poorer households that spend proportionally more on food than the average household.²²

Inflation-adjusted wages for people employed in Palestine increased slightly between 2012 and 2014 (+0.9 percent) and purchasing power remained virtually constant in Palestine in 2013 and 2014 (+0.03 percent over the two years), but decreased (-2.5 percent) in the Gaza Strip. From a longer-term perspective, the purchasing power of workers has declined over the previous decade for Palestine as a whole (-10.7 percent drop in average real wages of workers between 2005 and 2014), in the West Bank (-9.2 percent) as well as in the Gaza Strip (-22.2 percent) (Figure 2.5). This suggests that employment may not necessarily protect a household from poverty or food insecurity, especially in the Gaza Strip.

Figure 2.5. Real average daily wage in Palestine, 2005-2014 (constant, NIS 2010)



Source: PCBS, 2015.

²¹ This compounds with the high volatility of some food prices over the considered period in Gaza: for instance, in 2014 vegetables prices increased by 17.5 percent and fresh poultry by 10.7 percent, making these food items unaffordable for a significant share of the population (PCBS, 2015b; World Bank, 2015).

²² Based on internal monitoring by UNRWA Gaza Field Office, during the reference period price volatility was particularly pronounced for poor households. UNRWA GFO monitors for each food commodity the prices of the 'cheapest' type or brand available in the market in order to capture changes in the cost of food for poor households.

2.3. Labour Market Developments

Labour Force

THE labour force in Palestine in 2014 was 1,255,000 units or 45.8 percent of the working age population (Table 2.5), two thirds of which were employed. The labour force grew at a rate of almost 9 percent in 2014 as compared to 2013,²³ meaning there were approximately 100,000 units of new labour market entrants, almost equally shared between the West Bank (52,000 or almost 7 percent more people in the labour force) and the Gaza Strip (48,000 or about 12 percent new entrants).

Refugee labour force participation is almost the same as that of non-refugees (Table 2.6). At the same time, there are no significant differences between people living in the cities or elsewhere, with a slightly higher participation by rural people. In contrast, the participation in the labour market is markedly different between males (71.5 percent) and females (19.4 percent), and between youth (31.6 percent) and older workers (53.8 percent).

Table 2.5. Palestinian labour market per labour force status per region, 2014 (ILO standards definition).

Regions	In the labour force								Outside the labour force		Grand Total
	Employed		Underemployed		Unemployed		Total		N. (000)	Percent	
	N. (000)	Percent	N. (000)	Percent	N. (000)	Percent	N. (000)	Percent			
Palestine	836	66.6	81	6.5	338	26.9	1,255	45.8	1,487	54.2	2,742
West Bank	618	76.1	50	6.0	143	17.7	811	46.6	931	53.4	1,742
Gaza Strip	218	49.1	31	7.0	195	43.9	444	44.4	556	55.6	1,000

Source: PCBS, 2015.

Table 2.6. Participation rate in the labour market and employment, underemployment and unemployment rates per selected socio-demographic conditions, Palestine, 2014 (percent).

Socio-demographic conditions	Participation in the labour force	Employment	Underemployment	Unemployment
Men	71.5	68.8	7.3	23.9
Women	19.4	58.1	3.5	38.4
Refugees	45.8	59.8	6.5	33.7
Non-refugees	45.7	71.2	6.5	22.3
Urban	45.4	65.5	6.6	27.9
Rural	47.8	75.2	6.3	18.5
Refugee campus	44.7	56.6	6.1	37.3
Youth (15-24 years)	31.6	48.6	7.8	43.6
Other persons (25+ years)	53.8	72.6	6.0	21.4

Source: PCBS, 2015.

²³ That is, there were almost 9 percent more people either working or actively seeking employment.

Employment and Unemployment

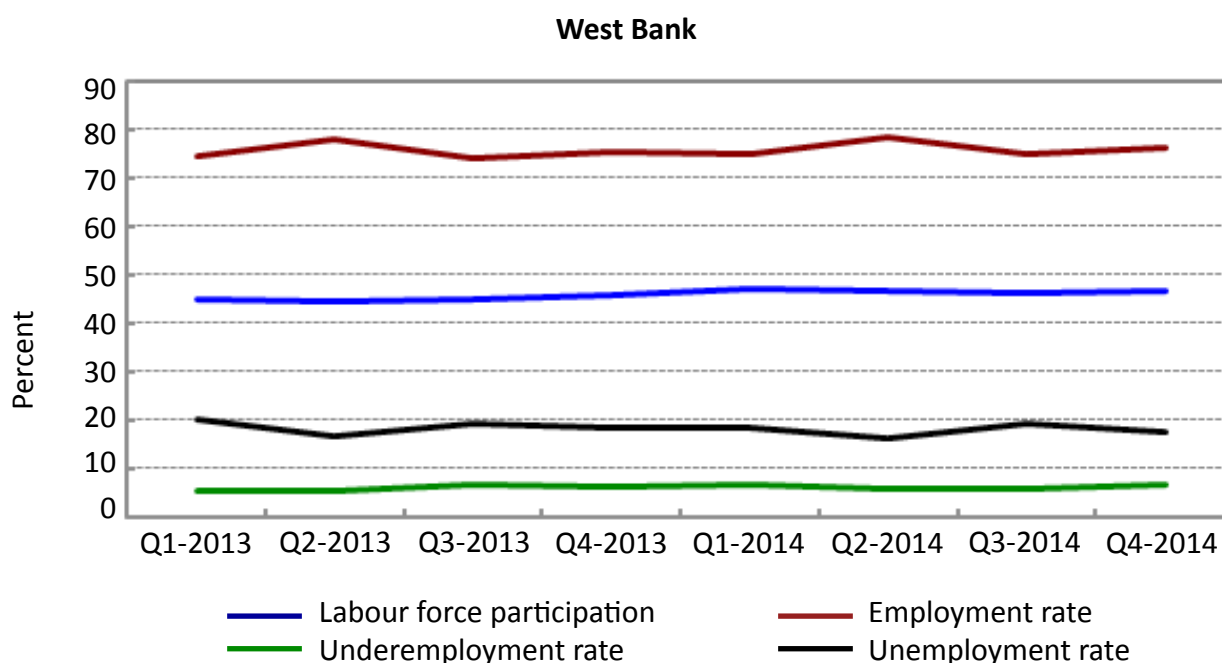
USING ILO standards, the number of employed was 836,000 in 2014 (Table 2.5) compared with 815,000 in 2013 (+2.6 percent increase). However, these aggregate figures hide markedly different dynamics between the two regions of the State of Palestine: while in the West Bank employment grew by almost 8 percent (46,000 more employed people), it shrunk by roughly 10 percent in the Gaza Strip (some 24,000 jobs vanished in one year alone).

The growth of employment was insufficient to maintain pace with the number of youth attaining working age. This, combined with the economic recession, led to a significant 23 percent increase in unemployment and underemployment (79,000 people) between 2013 and 2014. Again, this is mainly the result of repeated conflicts

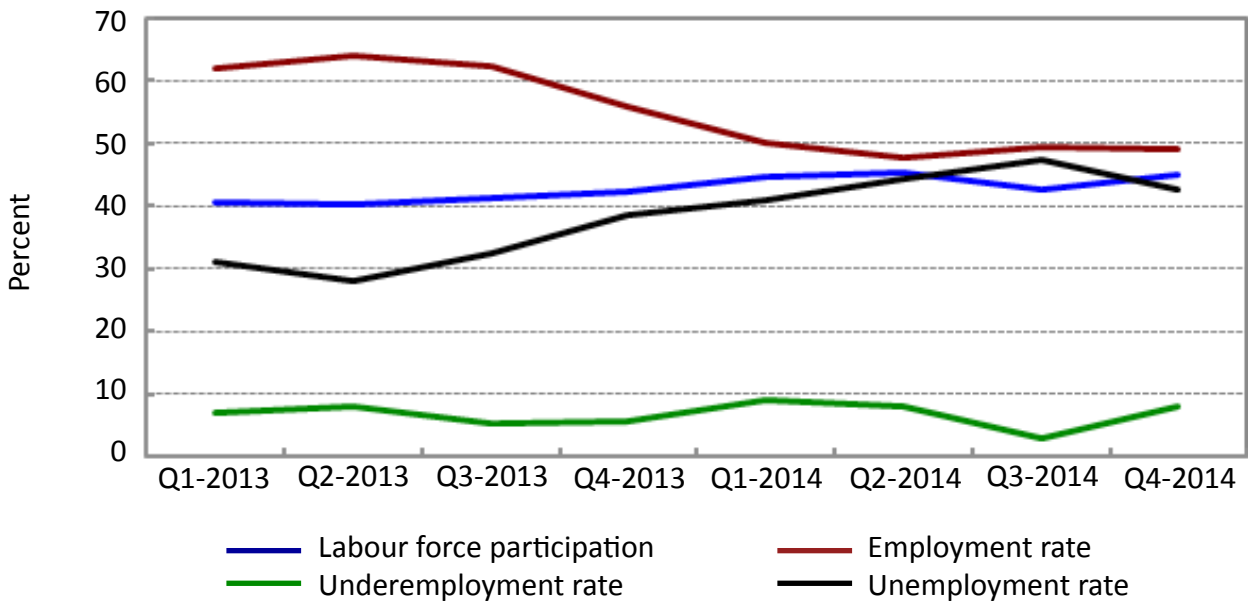
and the continuous blockade in the Gaza Strip. While in the West Bank, underemployment and unemployment increased by 7,000 units (an almost 4 percent increase over 2013), in the Gaza Strip these two categories literally exploded, with an increase of 72,000 units (or a 47 percent increase over 2013).

The root causes of the two dynamics are made clear by analysing quarterly data (Figure 2.6). While in the West Bank the employment and unemployment rates do not indicate significant changes over the period 2013-2014, the employment rate in the Gaza Strip dropped by almost 17 percentage points between the second quarter of 2013 and the second quarter of 2014, mostly because of the collapse of the economy in the Gaza Strip as a result of the closure of tunnels with Egypt.

Figure 2.6. Participation rate in the labour market and employment, underemployment and unemployment rates per region, 2013-2014



. Gaza Strip

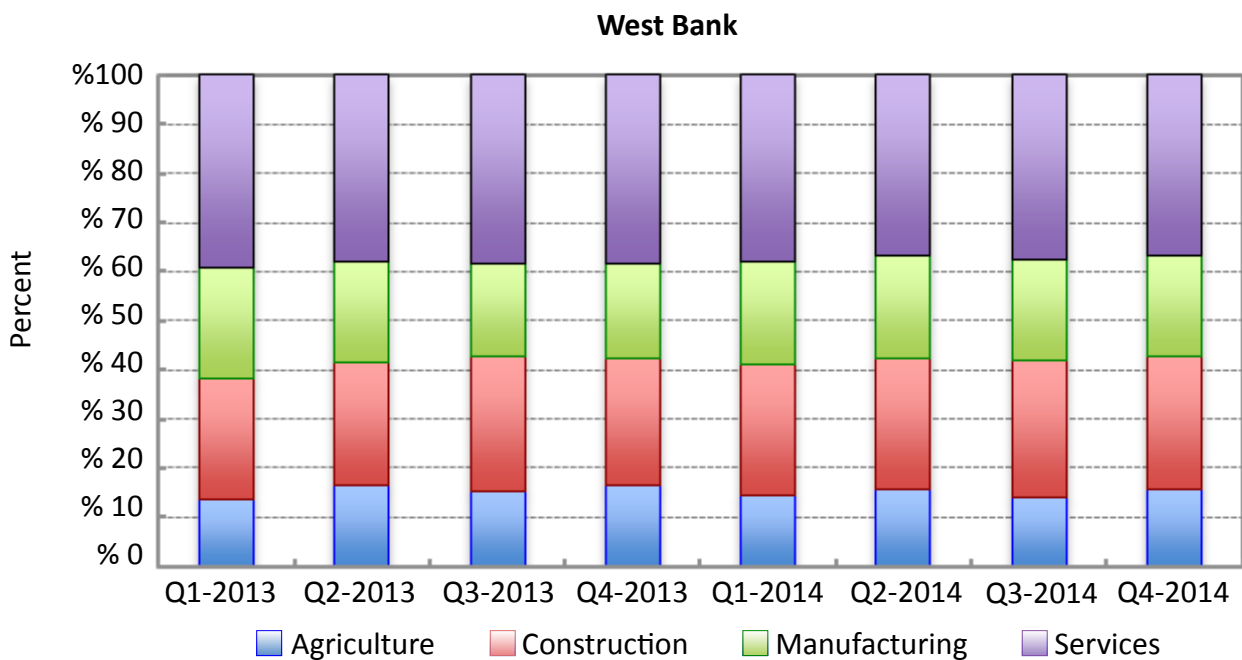


Source: PCBS, 2015.

Employment distribution by economic activity confirms this dynamic (Figure 2.7). The sector that suffered most in Gaza from the closure was the construction sector, whose employment share during the third quarter of 2014 was barely one fifth of its share one year before.

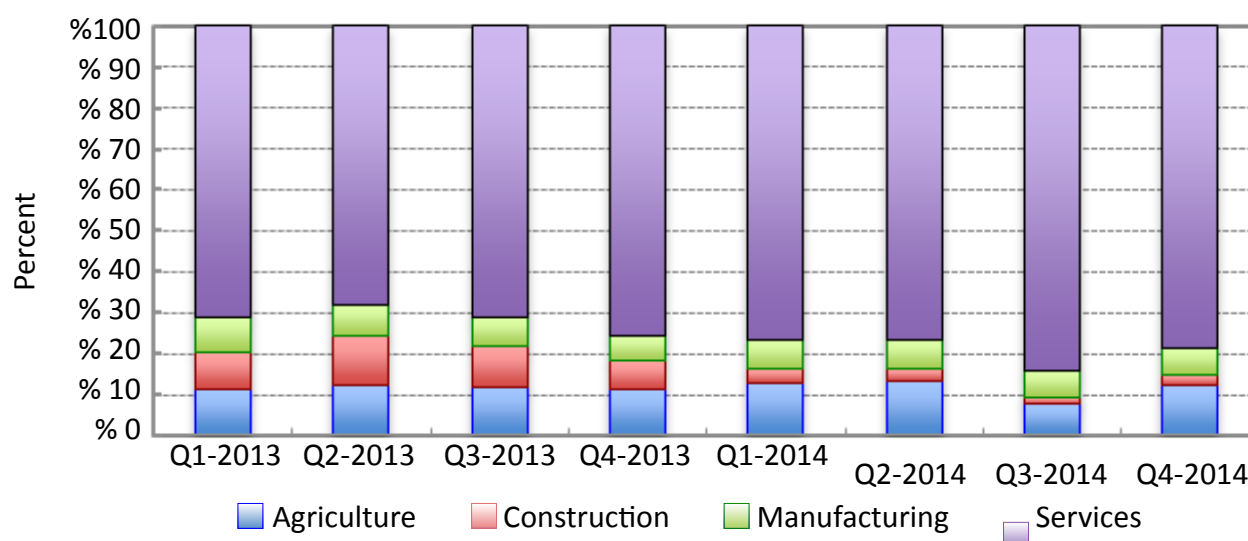
The collapse of the construction sector was compensated by an increase in service employment that, despite being already approximately 50 percent of total employment in the first half of 2013, jumped to approximately 60 percent in the second half of 2014.²⁴

Figure 2.7. Employment shares in selected sectors of the economy per region, 2013-2014



²⁴ More generally, the hypertrophy of the service sector is a feature of the Palestinian labour market and it is another feature of the “assisted” nature of the Palestinian economy.

Gaza Strip



Source: PCBS, 2015.

Not only are the youth and female participation rates much lower than for older age classes and male participation rates respectively, but the rates of unemployment are also higher: overall, the youth unemployment rate is double the unemployment rate observed among those over 25, while the female unemployment rate is some 15 percentage points higher than the male unemployment rate.

The specificity of the events affecting Gaza during 2013-2014 made the youth and gender gaps even worse than those found in the West Bank. Youth unemployment in the Gaza Strip is 68 percent (while in the West Bank it is 'only' 31 percent). Similarly, the female unemployment rate is 57 percent (against 27 percent in the West Bank), with a skyrocketing 83 percent unemployment rate for females under 25 years old.

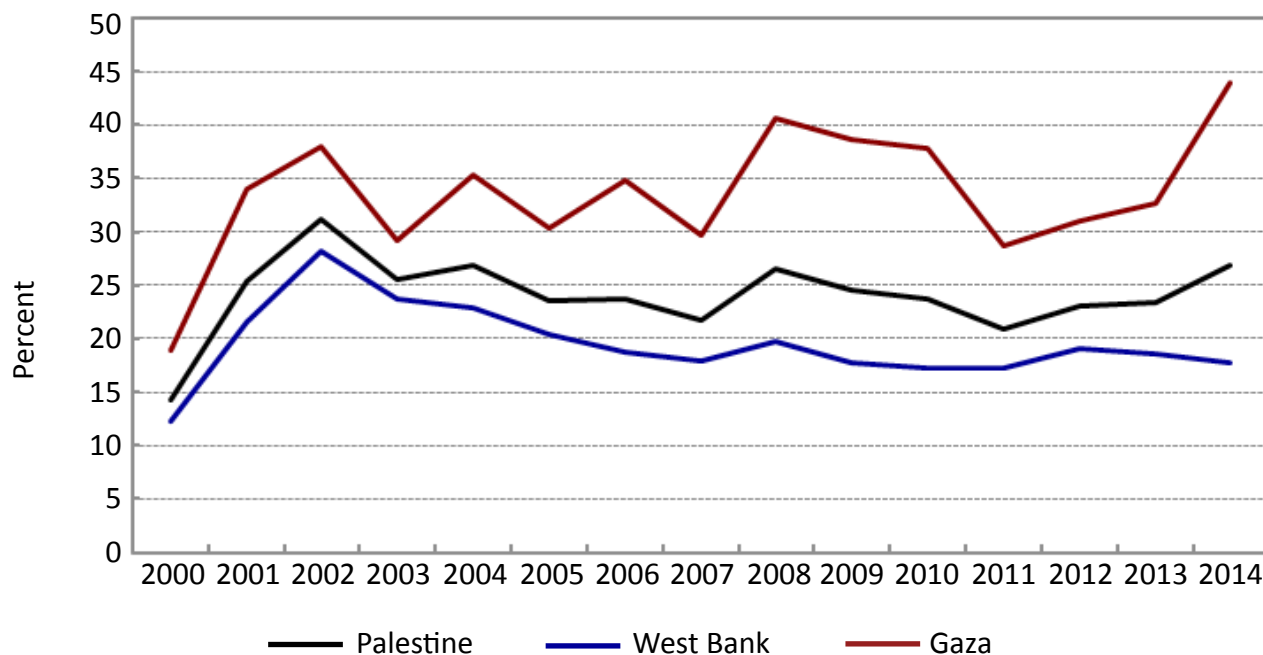
Comparing the unemployment rates between refugees and non-refugees, the former show an unemployment rate that is 51.1 percent higher than the latter (33.7 vs. 22.3 percent).²⁵ The analysis of data by location indicates that individuals living in refugee camps have a much higher unemployment rate (37.3 percent) than those living in urban centres (27.9 percent) and even more than individuals living in rural areas (18.5 percent).²⁶

Putting things in a longer-term perspective (Figure 2.8), before the second Intifada and the imposition of tightened constraints on the local economy (1999), the overall Palestinian unemployment rate did not exceed 12 percent. In 2013-2014 this indicator was twice as high for Palestine as a whole, and 2.5 times more in the Gaza Strip. Since poverty and food insecurity are highly correlated with labour market outcomes, it is no surprise they are mirrored in the SEFSec data analysed in the following sections.

²⁵ The difference is less strong in each of the two regions: 19.3 percent unemployment rate among the refugees vs. 17.1 percent among non-refugees in the West Bank, while the two rates are 44.0 percent vs. 43.5 percent in the Gaza strip, respectively (PCBS, 2015).

²⁶ Also in this case the difference of the unemployment rates across different locality types are less pronounced if the West Bank and the Gaza Strip are analysed separately, though replicating the same pattern seen at national level. In the West Bank the unemployment rate is 17.4 percent among people living in urban centres, 17.3 percent among rural people and 22.4 percent among people living in refugee camps. In the Gaza Strip the unemployment rates are 43.3 percent, 42.1 percent, and 46.9 percent, respectively (PCBS, 2015).

Figure 2.8. Unemployment rate per region, 2000-2014



Source: PCBS, 2015

2.4. Concluding Remarks

In the past few years, the State of Palestine has seen a gradual decline in its economic performance and an increase in political uncertainty. Mounting tensions in 2013 and 2014 culminated in an armed conflict in July and August 2014. The resulting loss of life and property has been devastating.

After the conflict in Gaza, Israel continued settlement expansion, and the Government of the State of Palestine took additional steps towards international recognition, including membership in the International Criminal Court. This prompted Israel to suspend the transfer of clearance revenue, resulting in a major blow to the State of Palestine’s finances.

At the same time, little progress has been achieved in the reconciliation between Hamas and Fatah. This, combined with limitations on exporting products as well as imports of construction materials into Gaza, and shortfalls in donor aid from Cairo pledges, has stalled progress on recovery after the Gaza conflict.

Poor economic performance combined with increasingly unpredictable donor aid, has reached a point where the early achievements

in economic institution-building are being threatened. The indicators that best reflect this situation are the GDP growth rate and the unemployment rate. In particular, the hyper-unemployment recorded in Gaza has disproportionately affected youth, women and refugees, and has intensified the extent and depth of food insecurity (see Chapter 3).



A beneficiary uses an electrical milking machine as part of a hygienic milk collection system in Bardala area - Tubas. *ARIJ/ Anas Sayeh*



Beneficiary of cash-for-work programme performing rehabilitation works in Askar refugee camp - Nablus. UNRWA/As'ad Jabari



Woman harvesting strawberries to help her family, Beit Lahya - North Gaza.

OCHA/Mustafa El-Halabi

3. Household Food Security Levels

THE SEFSec 2013-2014 adopts a different methodology from previous SEFSec Reports. The change in the methodology of analysis was adopted to better capture the multi-dimensionality of food insecurity, which is characterized by asset-based poverty, food deprivation and low levels of resilience to shocks and stressors; these dimensions were only partially accounted for in the previous methodology (refer to Annex A).

The four categories according to different food security levels adopted in the SEFSec 2013-2014 are the following:²⁷

- *Severely food insecure*: Households with a severe or significant consumption gap they cannot counter through economic means or coping mechanisms;
- *Moderately food insecure*: Households that face issues with either the quantity or quality of food consumed, which they cannot address due to their limited financial means or without employing irreversible coping mechanisms;
- *Marginally food secure*: Households that are at risk of not being able to maintain sufficient food consumption, and households that have adequate financial means, but have not adapted their diet to an acceptable level;
- *Food secure*: Households that have sufficient food consumption, which they will be able to maintain (without the use of coping mechanisms) while meeting their essential food and non-food needs.

3.1. Food Security Levels in Palestine

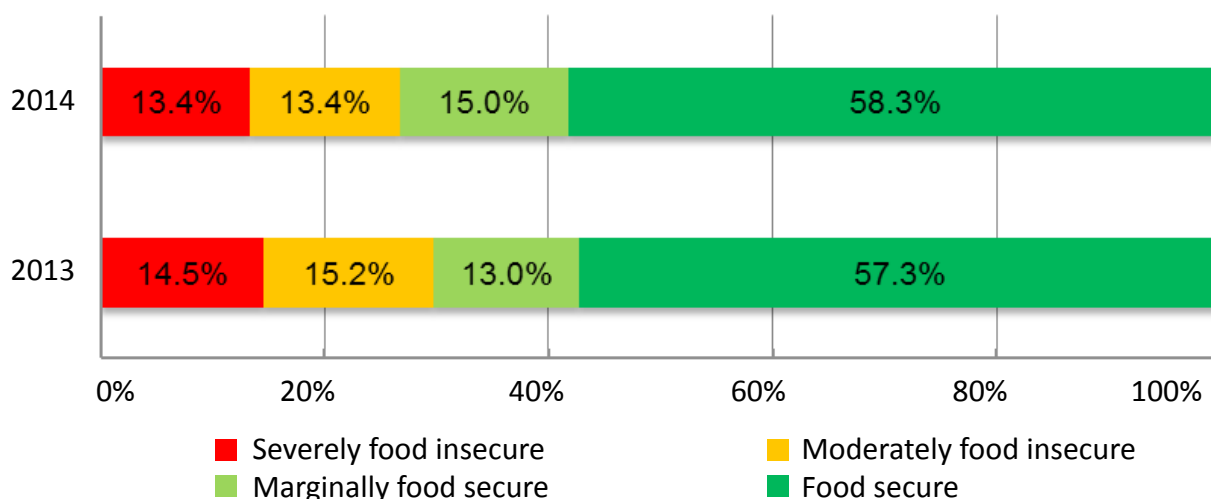
IN 2014, food insecurity in Palestine remains very high, with more than one quarter of the population (27 percent or 1.6 million people) food insecure. Food insecure households are evenly split between the severely food insecure and moderately food insecure (approximately 13 percent of each), while the marginally food secure account for another 15 percent and the remaining 58 percent of households are food secure (Figure 3.1).



Children receive a fresh food basket as part of emergency food distribution. PARCIC/Tarek Badra

²⁷ The resulting groups of households according to this methodology are, therefore, different from those used in previous SEFSec Reports, implying that the results of the SEFSec 2013-2014 and those of the previous SEFSec Reports are not comparable.

Figure 3.1. Household food security levels in Palestine, 2013-2014



This situation reflects a marginal improvement with reference to 2013, when the share of severely food insecure was 1 percentage point higher, and the moderately food insecure was almost 2 percentage points more than in 2014. Overall, the increase in food security (including the two groups of food secure and marginally food secure) between 2013 and 2014 amounts to slightly more than 170,000 people, while the decrease of the food insecure (severely and moderately food insecure) amounts to almost 40,000 individuals (Table 3.1).

Despite these slight improvements, the number of food insecure people remains unacceptably high. Long standing restrictions on the movement of people and goods have severely undermined the living conditions in Palestine and reduced household livelihoods. In the Gaza Strip, nearly ten years of blockade have resulted in a gradual process of de-development and increasing food assistance dependency. In the West Bank, physical obstacles, including the barrier and checkpoints, along with administrative obstacles, for example: permit requirements and the designation of closed military areas continue to impede Palestinians’ access to basic services and resources.

Table 3.1. Population food security levels in Palestine, 2013-2014²⁸

Year	Severely food insecure	Moderately food insecure	Marginally food secure	Food secure	Total
2013	889.142	703.942	602.014	2.355.270	4.550.368
2014	875.153	678.489	709.862	2.418.494	4.681.999

²⁸ The SEFSec is a household-based survey. Levels of food security therefore always refer to household figures. However, in some cases, providing the absolute number of individuals is considered more appropriate, in order to reflect households’ size and composition. The number of individuals was calculated on the assumption that all individuals living in the same household, they share the same food security status.

3.2. Food Security Levels in the West Bank

IN the West Bank, 16 percent of households are food insecure (Figure 3.2), approximately 555,000 individuals (Table 3.2), with a decrease of more than 125,000 households between 2013 and 2014. Overall, the improvement observed in the West Bank is approximately 6 percentage points.

However, this improvement hides significant differences. For example, 81 percent of households with a head of household employed in the service sector are food secure, compared to only 59 percent of those with a head of household employed in agriculture.

Figure 3.2. Household food security levels in the West Bank, 2013-2014

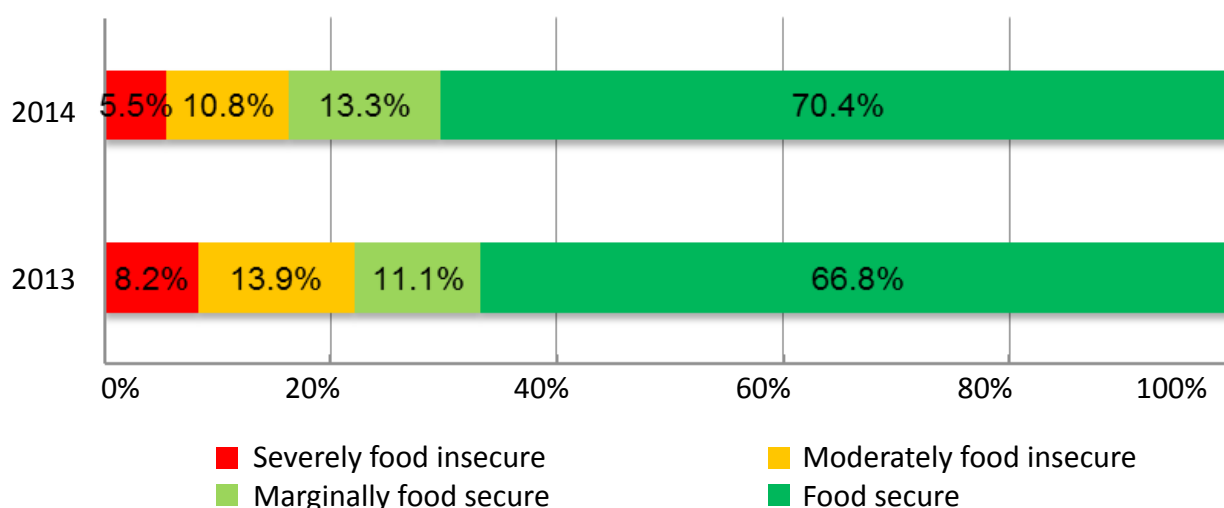


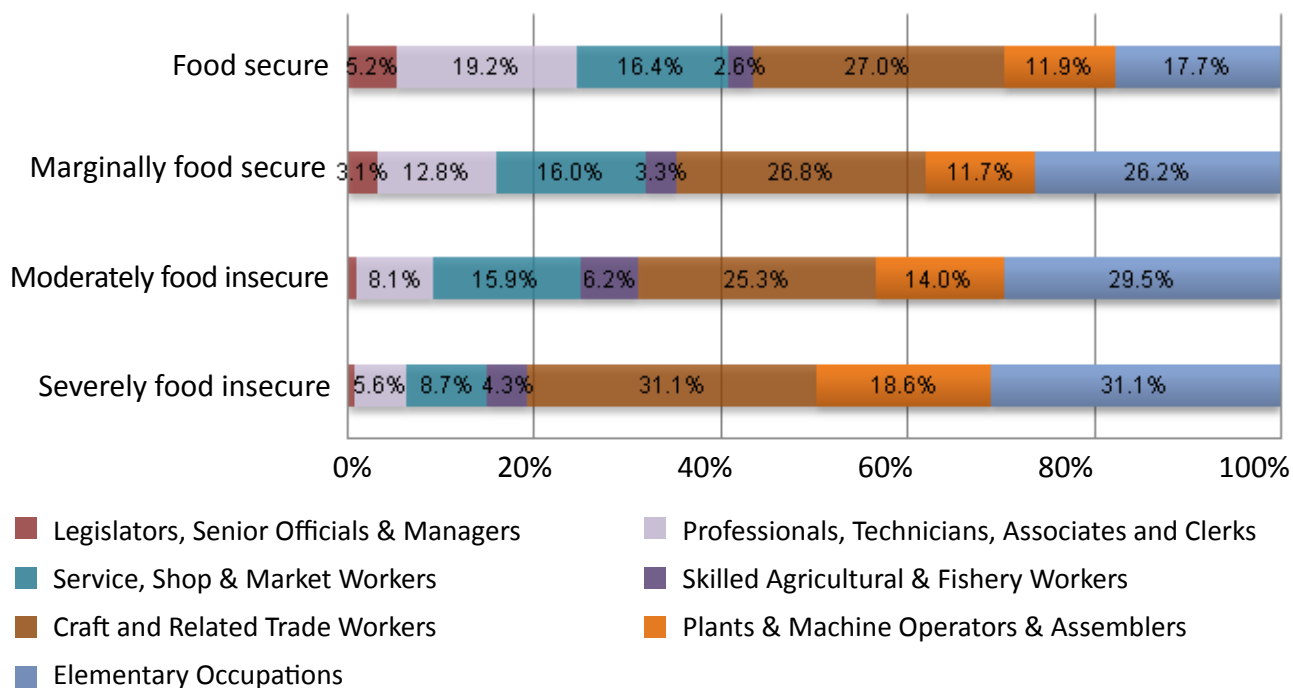
Table 3.2. Population food security levels in the West Bank, 2013-2014

Year	Severely food insecure	Moderately food insecure	Marginally food secure	Food secure	Total
2013	288.704	392.659	329.542	1.776.345	2.787.250
2014	210.737	344.876	416.973	1.887.393	2.859.979

In terms of occupational status (Figure 3.3) being food secure is directly correlated to skilled, high salary occupations – including legislators, senior officials and managers or professionals, technicians, associates and clerks. Vice versa, being food insecure (severely and moderately) is linked to being employed in elementary occupations²⁹ or artisans.

²⁹ According to PCBS, elementary occupations are the ones that do not require any experiences or education level so any person can do them.

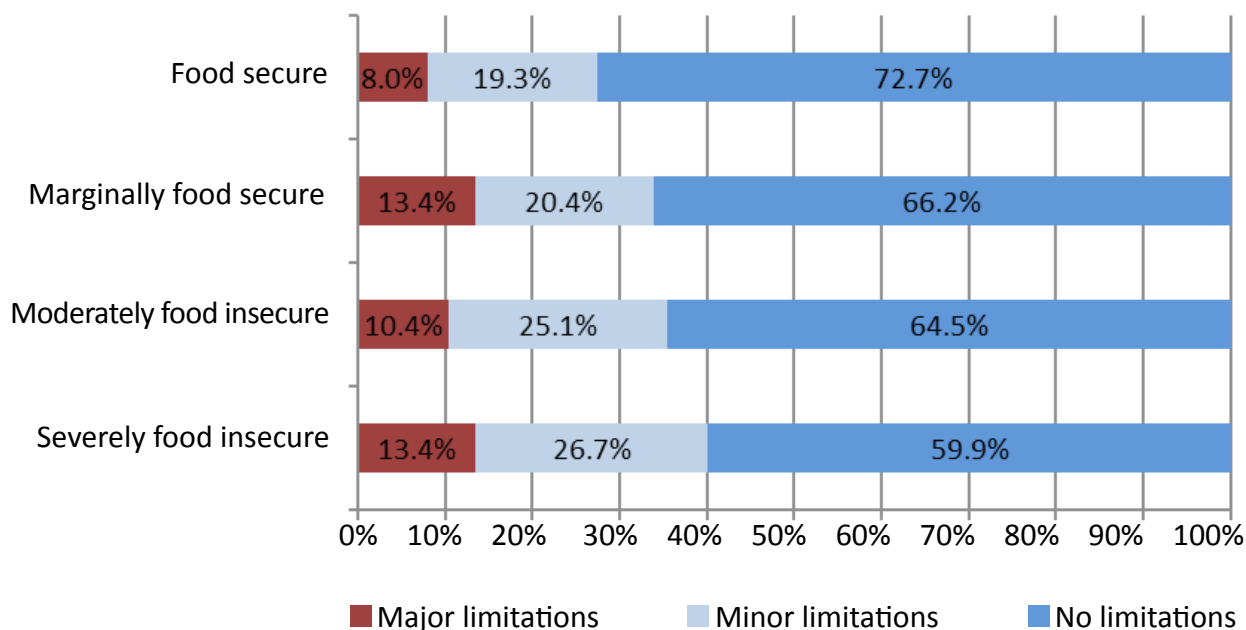
Figure 3.3. Household food security levels in the West Bank by occupational status of the household head, 2014



Even more significant is the impact of freedom of movement restrictions on food security status (Figure 3.4): the more limitations placed on the freedom of movement and access, the higher the likelihood of being food secure.

The opposite also holds: when less restrictions are in place, then the lower the likelihood of being food insecure.

Figure 3.4. Household food security levels in the West Bank by restrictions to the freedom of movements, 2014



3.3. Food Security Levels in the Gaza Strip

IN the Gaza Strip, the share of food insecure households is more than 2.5 times larger than in the West Bank, and sits at 47 percent, (Figure 3.5) or approximately 1 million people (Table 3.3), with an increase of 86,000 individuals between 2013 and 2014.

This is confirmed by data on food security status disaggregated by head of household's sector of economic activity. Households whose primary activity is in the construction sector had the highest proportion of the severely food insecure and the lowest share of the food secure.

The worsening of the situation in the Gaza Strip (by more than 2 percentage points)³⁰ is in sharp contrast with the improvement observed in the West Bank. These divergent paths are due to the closure of illegal tunnels with Egypt in 2013 and, in particular, recurrent conflict, most recently in mid-2014, which compounded the existing and long-standing difficulties caused by the blockade, leading to a 15 percent GDP contraction.

Figure 3.5. Household food security levels in the Gaza Strip, 2013-2014

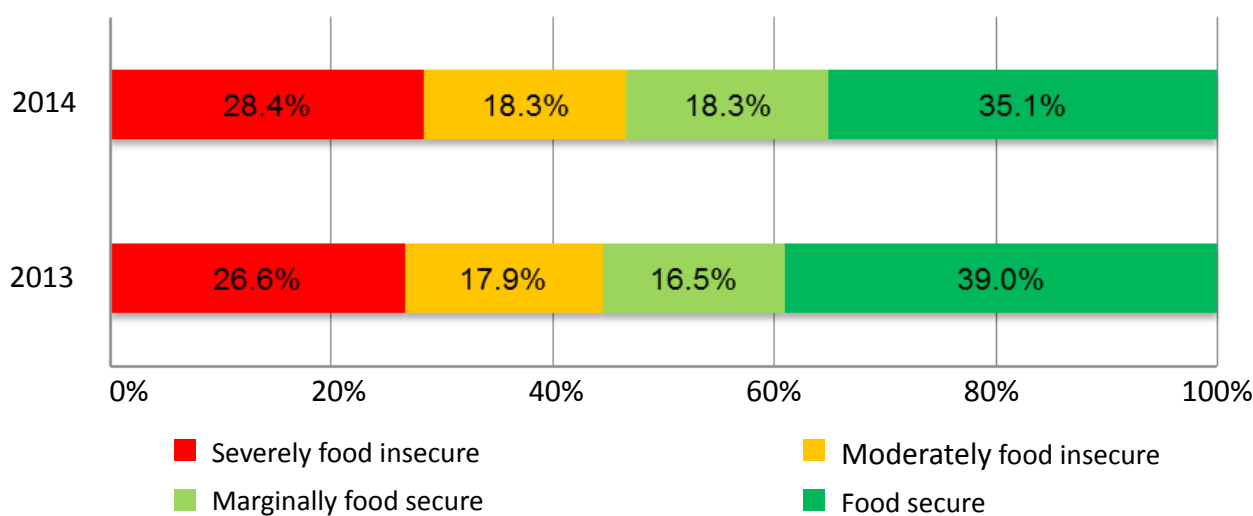


Table 3.3. Population food security levels in the Gaza Strip, 2013-2014

Year	Severely food insecure	Moderately food insecure	Marginally food secure	Food secure	Total
2013	600,438	311,283	272,471	578,925	1,763,118
2014	664,416	333,613	292,889	531,101	1,822,020

³⁰ It should be emphasized that the worsening of food security in the Gaza Strip affected consistently all food security groups: there was an increase in the shares of the two food insecure groups and a decrease in the share of most food secure households.

In terms of occupational status, food secure households in the Gaza Strip have a higher number of household heads who are legislators, senior officials and managers or professionals, technicians, associates and clerks (Figure 3.6). The opposite also holds true among food insecure household where there is a higher proportion of unskilled and less well paid heads of household.

Similar to the West Bank, restrictions on the freedom of movement in the Gaza Strip have a significant impact on food security status (Figure 3.7): being food secure is directly linked to increasing levels of freedom of movement, while being severely food insecure is directly linked to more movement restrictions.

Figure 3.6. Household food security levels in the Gaza Strip by occupational status of the head of household, 2014

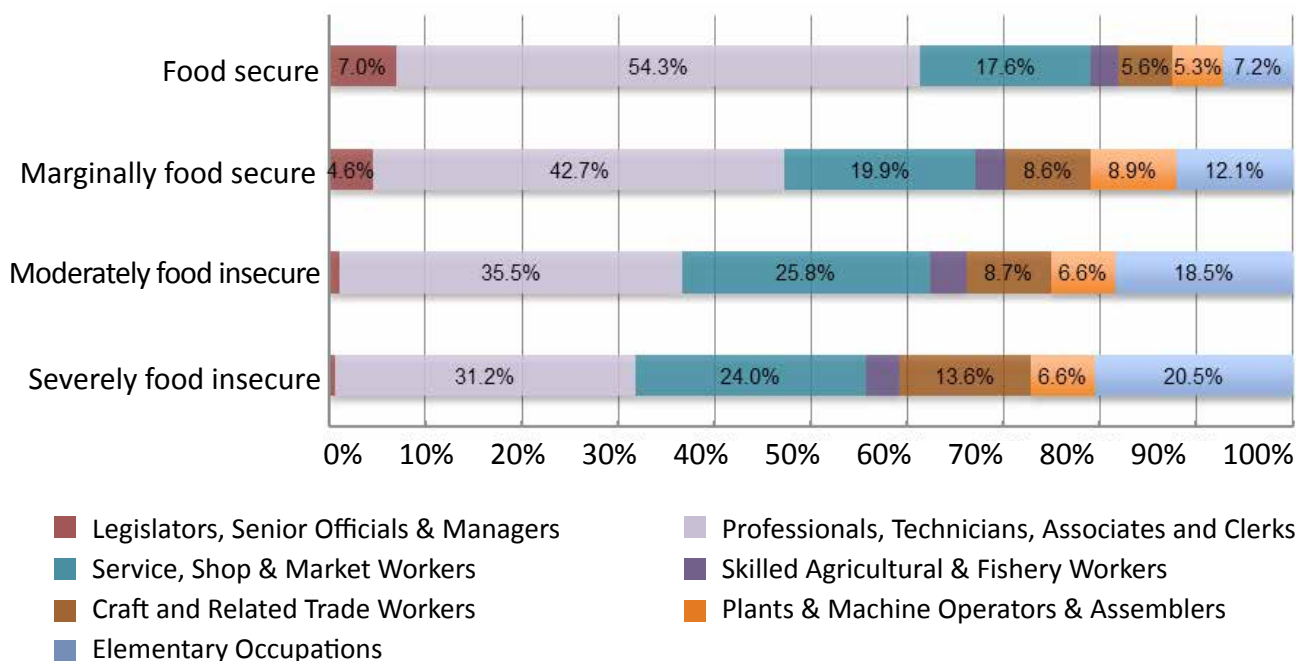
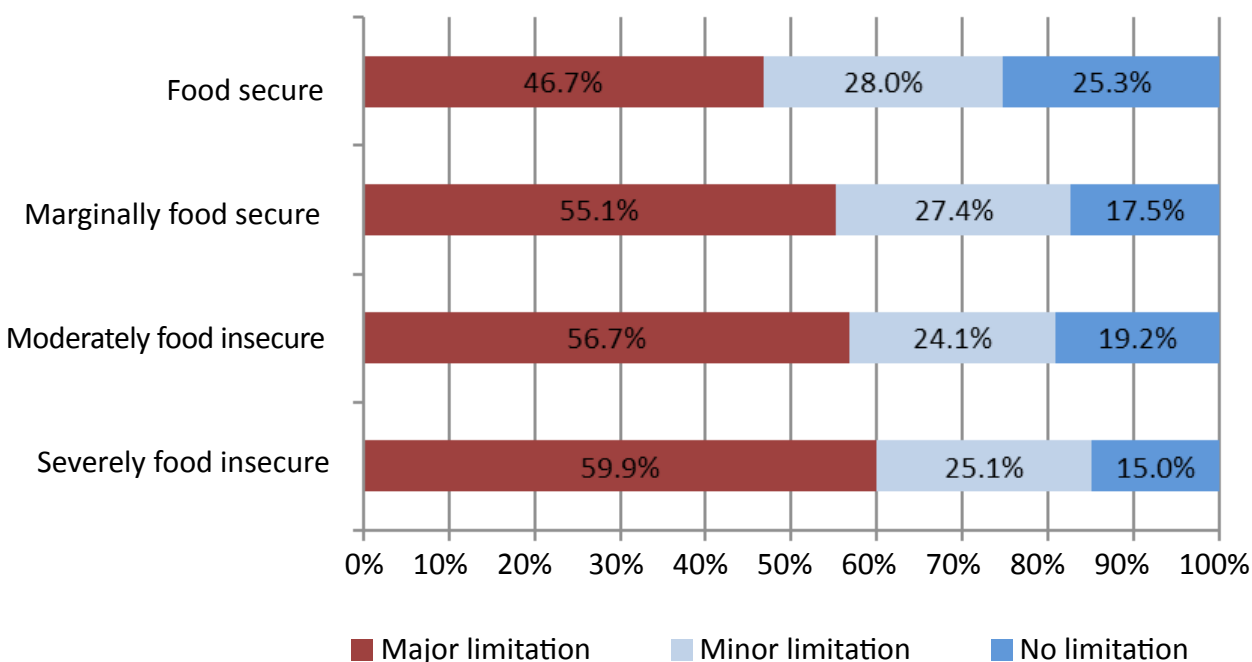


Figure 3.7. Household food security levels in the Gaza Strip by restrictions to the freedom of movement, 2014



In conclusion, lower occupational status of the household head and restrictions on the freedom of movement are two of the most important factors linked to food insecurity in Palestine.

3.4. Food Security Levels by Sub-Region

THE prevalence of food insecurity among sub-regions did not change substantially between 2013-2014. Central areas perform relatively better in both regions (Figure 3.8); however, different trends can be observed. In the West Bank, where there is an improvement of food security across the three sub-regions, with a decrease in food insecure households ranging from 2 percent (Central West Bank) to 9 percent (Northern West Bank). Conversely, in the Gaza Strip, the worsening of the situation is observed only in the North (+7 percent) and Centre (+2 percent) governorates, while the southern areas show an improvement (-6 percent).

The revision of the SEFSec methodology does not allow a direct comparison with the results presented in the SEFSec 2012 Report. However, it is remarkable that the northern and central Gaza sub-regions were the only areas indicating a negative trend in food security as in 2011-2012, while in all other sub-regions (both in the West Bank and in southern Gaza) this was not the case. Further contextual analysis on these figures indicates that in the north and centre regions, food insecurity increased mainly as a result of the 2014 conflict, as areas closer to the fence were the most affected by the hostilities. In the south, the food insecurity level was higher in 2013 than in previous years as a result of tunnel closure.

Figure 3.8. Food insecurity by sub-regions, 2013-2014

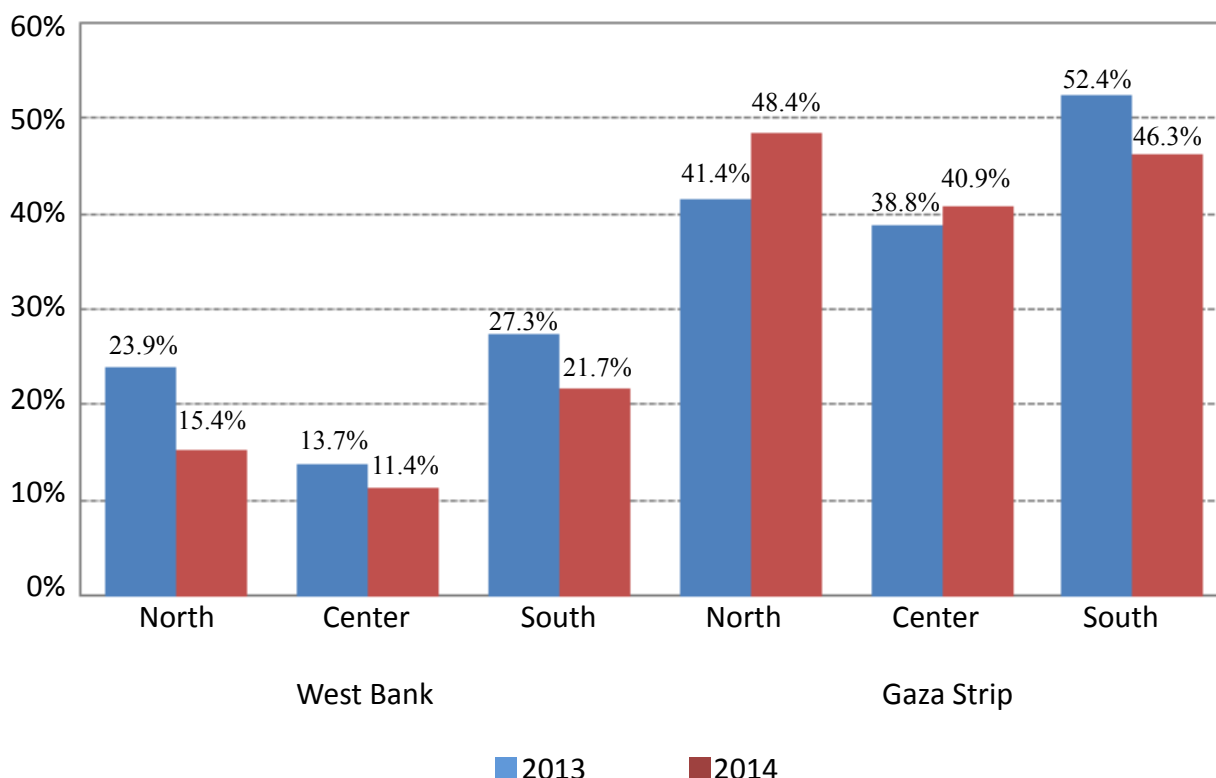
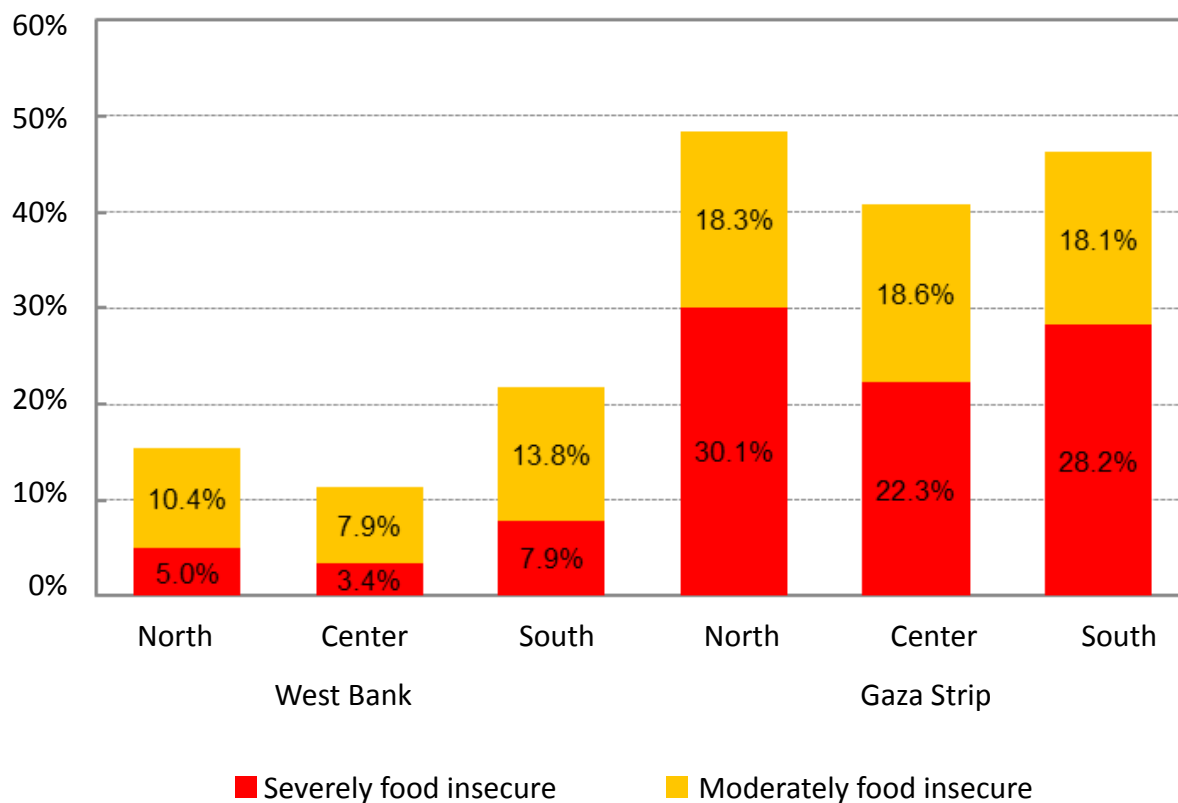


Figure 3.9. Food insecurity prevalence by sub-regions, 2014



In Figure 3.9, the 2014 prevalence of food insecurity in the six sub-regions is further disaggregated into severely and moderately food insecure households.³¹ Apart from the higher absolute level, the most evident difference between the West Bank and the Gaza Strip groups of governorates is the different composition of food insecurity. While severely food insecure households represent approximately one third of the food insecure group in the West Bank; in the Gaza Strip governorates, severely food insecure households represent approximately 60 percent of the food insecure group. These results suggest that Gaza is characterized not only by a higher prevalence of food insecurity, but also by a higher severity.

3.5. Food Security Levels by Refugee Status

IN 2014, according to PBCS, approximately 41 percent of the Palestinian population was comprised of Palestinian refugees, with one quarter of the population in West Bank and two-thirds of the population of the Gaza Strip are refugees. Most people living in camps are refugees, but only 23 percent of refugees actually live in camps (PCBS, 2016), and most of them reside in urban localities (approximately 63 percent), according to the SEFSec survey.

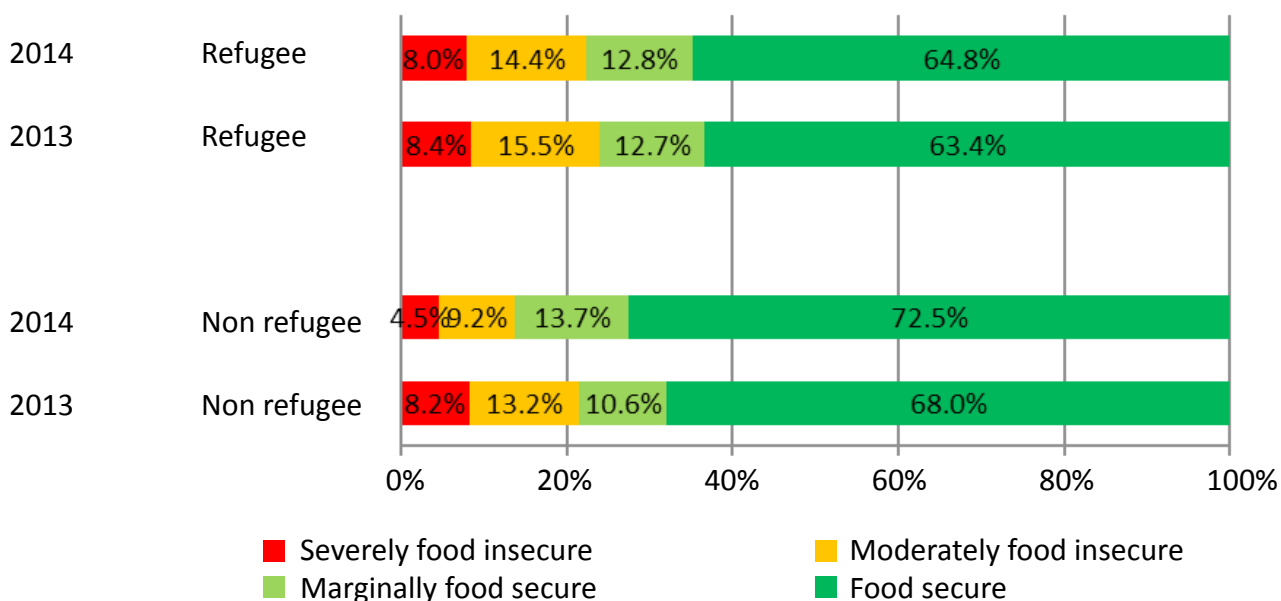
The different food security dynamics in the West Bank and the Gaza Strip are better understood by assessing the breakdown of data between refugee and non-refugee households. In the West Bank, food insecurity levels are higher among refugees than among non-refugees (22 and 14 percent respectively in 2014). The food security status of refugee households is stable while the incidence of food insecurity among non-refugee households is decreasing (7 percentage points).

³¹ No relevant changes in the composition were recorded between 2013 and 2014.

In the West Bank, the gap between refugees' and non-refugees' access to food is widening despite the slight reduction in the differential unemployment rate for refugees compared to non-refugees. In 2014, the unemployment rate among West Bank refugees was slightly more than 19 percent (-1.9 percentage points versus the previous year) and approximately 17 percent among non-refugees (-0.6 percentage points compared to the previous year).

Refugee households in the Gaza Strip demonstrate lower food insecurity levels than non-refugee households both in 2013 and 2014, despite facing comparable employment levels. This is a feature also observed in previous years when food insecurity rates among refugees had been on average 5 percentage points lower than among non-refugees.

Figure 3.10. Household food security levels in West Bank by refugee status of household head, 2013-2014



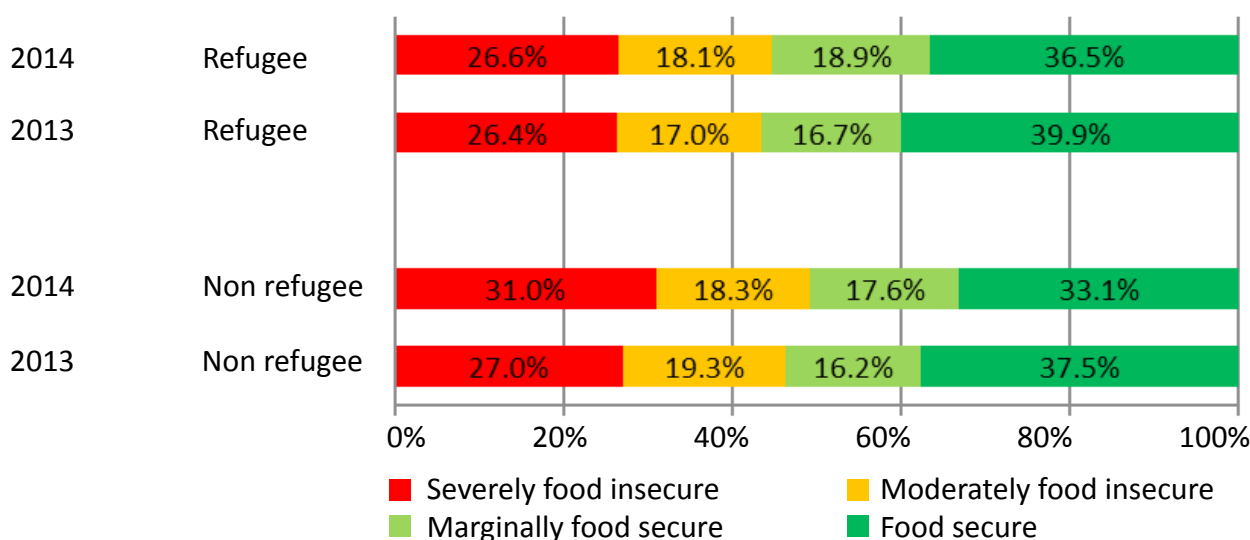
Nadia and Mohammed with their in-kind food assistance in Gaza Strip.

WFP/Eyad al Baba

Not surprisingly, both refugee and non-refugee households experienced a worsening of food security status (approximately 2 and 3 percentage points respectively) in 2014. This reflects a generalized decline in access to food in the Gaza Strip as a result of labour entitlement failure, with the unemployment rate jumping to a record high of 44 percent in 2014: a 10 percentage point increase compared to 2013. There was also a sharp increase of food price levels and volatility; food prices increased by 12 percent between May and August 2014 due to the 2014 hostilities and the collapse of the economy.

However, humanitarian assistance helped to contain the rise of food insecurity especially among refugees. In the Gaza Strip more than 85 percent of refugee households received at least one type of assistance in 2014, a 20 percent increase with respect to 2013. In comparison, 65 percent of non-refugees received assistance (+15 percent) (cf. Chapter 7 for more detailed analysis of assistance).

Figure 3.11. Household food security levels in the Gaza Strip by refugee status of household head, 2013-2014



3.6. Food Security Levels by Locality Type

EVEN when disaggregated by locality type, the SEFSec results differ between the West Bank and the Gaza Strip. Considered locality types are urban, rural and refugee camps.

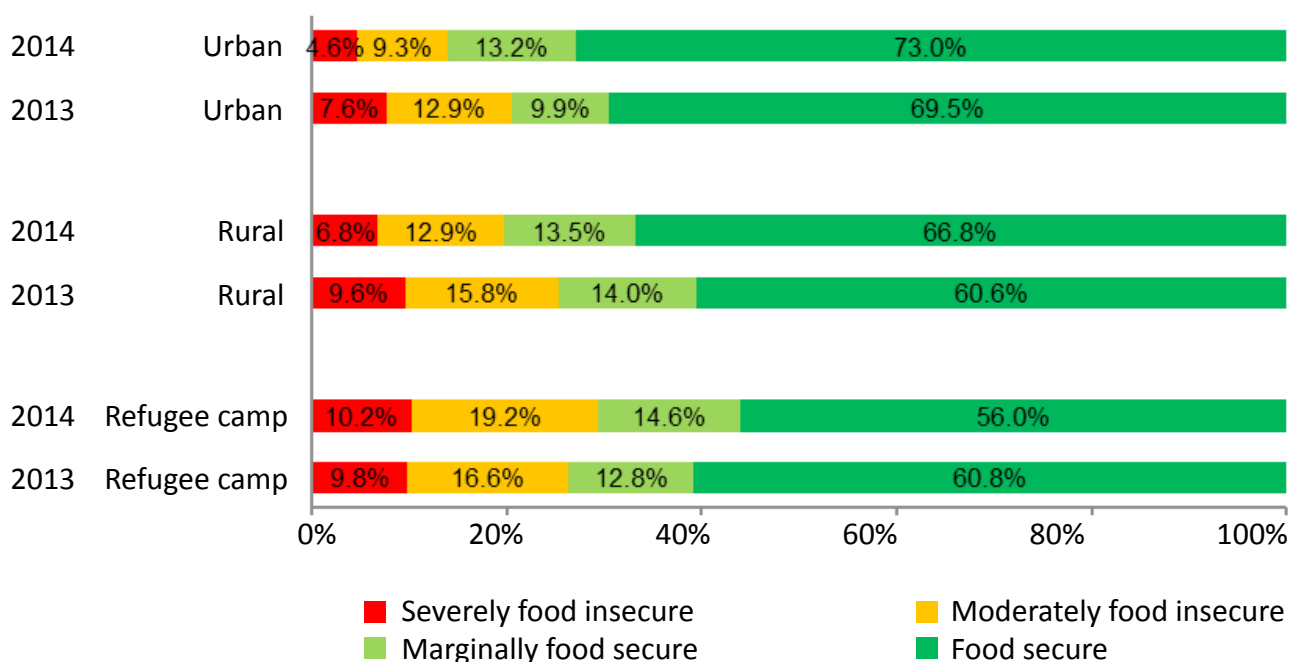
The negative impact of the events affecting Gaza on food access is particularly severe among urban households among whom food insecurity increased by 3 percentage points. In the West Bank, the incidence of food insecurity among urban households decreased by 7 percentage points.

Rural households in the West Bank, although still marked by a high incidence of food insecurity (approximately 20 percent), are those that improved the most between 2013 and 2014

(approximately 6 percentage points)³². An even more significant improvement is observed among the rural households in the Gaza Strip (3 percent of total population). This suggests that overall rural households are relatively better equipped than other household typologies to respond to shocks affecting food security, a feature which already emerged in the 2012 SEFSec report. The explanation is likely to be related to the possibility for agricultural households to compensate the reduction in labour opportunities (labour entitlement) and the reduced availability of food with direct production of foodstuffs (production entitlement) that can either directly be consumed or sold to take advantage of higher food prices.

³² However, households for which agriculture is the main source of income features higher levels of food insecurity (see next section).

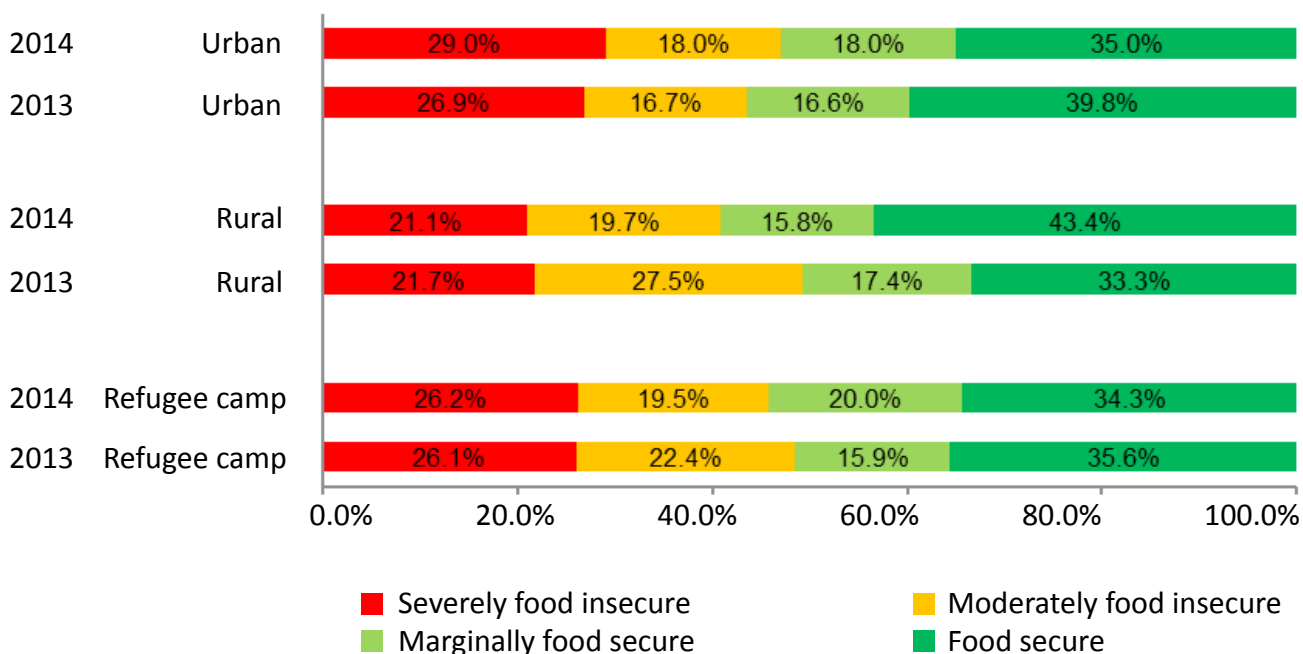
Figure 3.12. Household food security levels in West Bank by location, 2013-2014



The percentage of food insecure households in refugee camps in 2014 is 46 and 29 percent respectively in the Gaza Strip and the West Bank. The food security has worsened in the

West Bank (3 percentage points change) while in the Gaza Strip, it has slightly improved (by 3 percentage points) as compared to households living outside camps.

Figure 3.13. Household food security levels in the Gaza Strip by location, 2013-2014



3.7. Food Security Levels by Areas A and B vs. Area C in the West Bank

TABLE 3.4 indicates that the food security situation is consistently worse in Area C than in Areas A and B³³. Between 2013 and 2014, an overall improvement is observed in the West Bank as a whole, consistent with aggregate growth and stable employment (see Figures 2.1 and 2.7). At the same time, both Area C, and Areas A and B have improved between 2013 and 2014, with Area C showing a relatively larger improvement.

In order to understand this change, there are three issues to be considered: First, what were the trends in the dimensions of food security in the three areas? Second, were there differences in the coverage and average value of assistance in Area C compared to the rest? And finally, what were the migration patterns between area C and the rest, and could they have influenced the food security picture?

Table 3.4. Food security level by area type in the West Bank

2014	Area C	Areas A and B	Total
Severely food insecure	10.0%	5.7%	5.5%
Moderately food insecure	16.0%	11.3%	10.8%
Marginally food secure	11.6%	14.1%	13.3%
Food secure	62.4%	68.9%	70.4%
Total	100.0%	100.0%	100.0%

2013	Area C	Areas A and B	Total
Severely food insecure	16.9%	8.1%	8.2%
Moderately food insecure	19.3%	14.3%	13.9%
Marginally food secure	14.9%	11.4%	11.2%
Food secure	48.9%	66.2%	66.7%
Total	100.0%	100.0%	100.0%

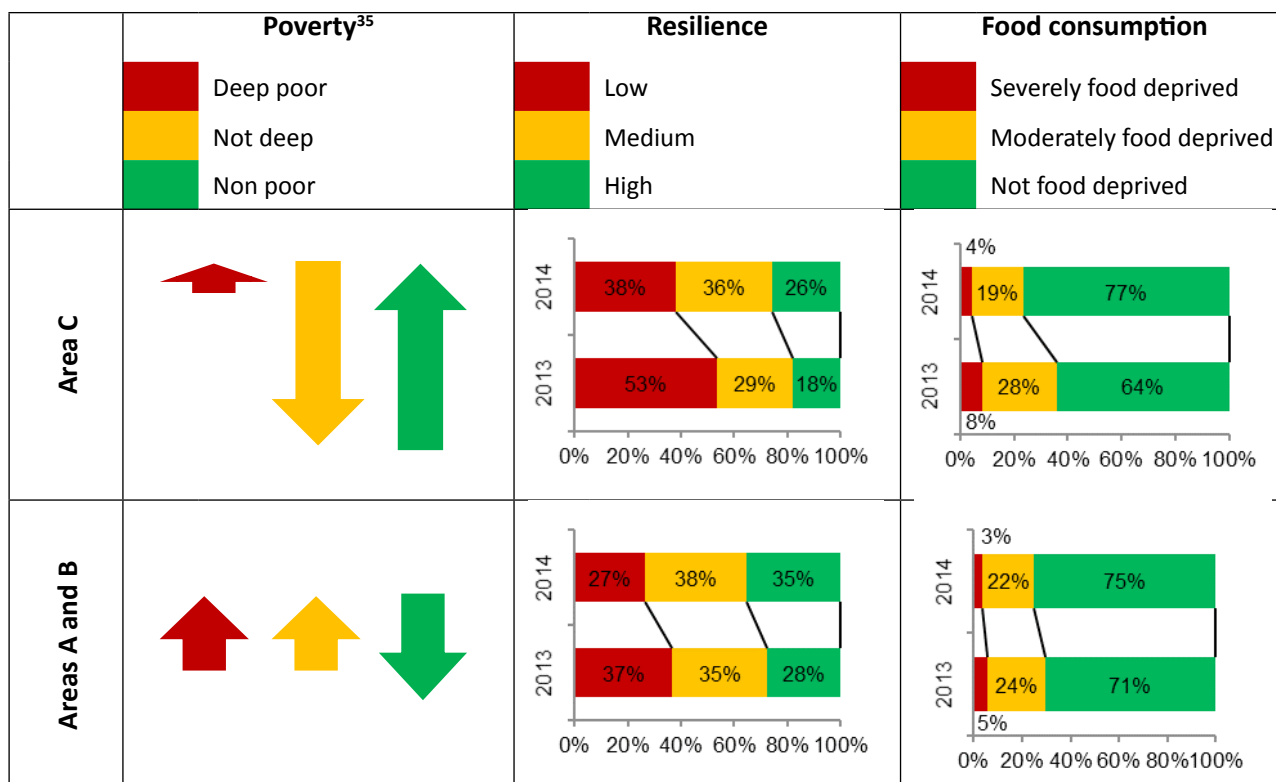
The change in the three main dimensions that determine food security (Poverty, Resilience and Food consumption) is summarized in Figure 3.14. The bar charts confirm the generally worse situation of Area C when compared to Areas A and B, as well as similar trends of improvement. However, in the dimension of poverty, Area C registered an improvement, while Areas A and B slightly worsened.³⁴ This suggests that the increased food security improvements in Area C were mainly driven by advances in the dimension of poverty reduction.



³³ For statistical reasons and due to incomparable costs of living, East Jerusalem has been excluded from the analysis in this chapter. All data presented covers Areas A, B and C outside Jerusalem municipal boundaries only.

³⁴ The exact figures of poverty was not stated as was done for other dimensions since these poverty estimates were done for the purpose of food insecurity analysis and are not considered official poverty statistics.

Figure 3.14. Food security dimensions analysis by area type



With reference to assistance, Table 3.5 indicates the coverage and average value of assistance in the West Bank and its change between the two years. Between 2013 and 2014, in Area C there was a slight decrease in coverage and a stark increase in the average value of assistance (+88 percent), suggesting concentration and intensification. The opposite is true for Areas A and B: wider coverage, but lower average value. The concentration of efforts in Area C could explain the faster improvement of food security with respect to the rest of the West Bank.



Table 3.5. Assistance analysis per area type

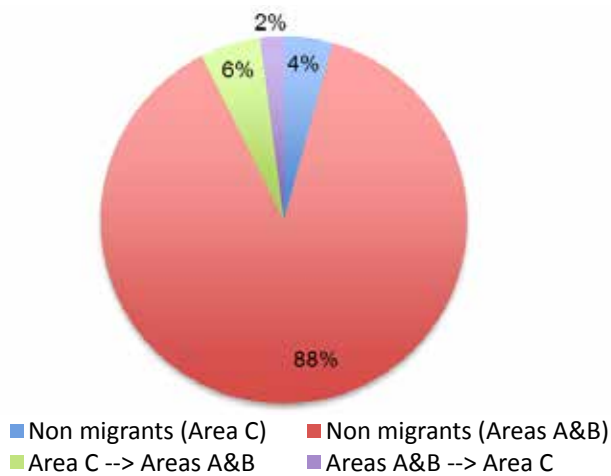
Year	Indicators	Area C	Areas A and B
2013	% of household receiving assistance	34%	15%
	Average monthly value of assistance per household (USD)	138	87
2014	% of household receiving assistance	31%	17%
	Average monthly value of assistance per household (USD)	259	78
% change	% of household receiving assistance	-09%	18%
	Average monthly value of assistance per household (USD)	88%	-10%

³⁵ In Area C the percent of deep poverty decrease by 0.13 percent while the percent of not deep poor decreased by 4.9 percent while the non-poor increased by 4.7 percent. In Area A and B deep and non-deep poor both increase by 1 percent while non-poor decreased by 2 percent.

Finally, migration patterns could also have played a role in the food security evolution between the two years. Figure 3.15 indicates that the majority of the West Bankers did not migrate between areas (92.7 percent). However, there was a slight movement of people, as 5.4 percent of West Bankers moved from Area C to Areas A and B; conversely 1.9 percent moved in the opposite direction. The net migration rate of Area C is negative, almost 3 times as many people moved out of Area C than moved into it.

In order to see how migration might have affected food security outcomes, it is important to look at the food security composition of the non-migrating and migrating groups across the two years. Figure 3.16 indicates that the groups who did not migrate (both in Area C, and in Areas A and B), improved unambiguously, with people in Area C remaining at worse levels than their Areas A and B counterparts. Area C emigrants, included proportionally more people who were either severely food insecure or food secure than the people who continued to live in Area C during this period. Accordingly, in 2014, the population of Area C saw a shift towards the middle categories of moderately food insecure and marginally food secure.

Figure 3.15. Migration patterns by area type



A different trend was observed among people who moved from Areas A and B to C. This group had proportionally more people who were either food secure or marginally food secure as well as less food insecure people than the group who remained in Areas A and B. After one year, the two extreme categories increased. The net effect of these two phenomena might have contributed to the faster improvement in food security levels in Area C compared to the rest of the West Bank.

3.8. Food Security Levels by Household Major Income Source

THE distribution of households across different food security groups by major income source exhibits a similar trend throughout Palestine (Figures 3.17 and 3.18), although the share of food insecure groups is much higher in the Gaza Strip than in the West Bank.

As expected, the households indicating the highest share of food insecurity are those that received their major source of income

Figure 3.16. Migration patterns by food insecurity level and area type



from assistance (either from international organizations or social assistance). The opposite trend is also true, with the households that have access to higher paying and more stable sources of income such as working in a non-agriculture family business, for an international organization, within the Israeli labour market or national insurance (Jerusalem) more likely to have better food security performance.

Obtaining a livelihood from the primary sector (agriculture, animal breeding and fishing) is usually associated with relatively worse performance in terms of food security (10 percent of households in the West Bank and 35 percent in the Gaza Strip are severely food insecure).

Figure 3.17. Household food security levels in the West Bank by major source of income, 2014

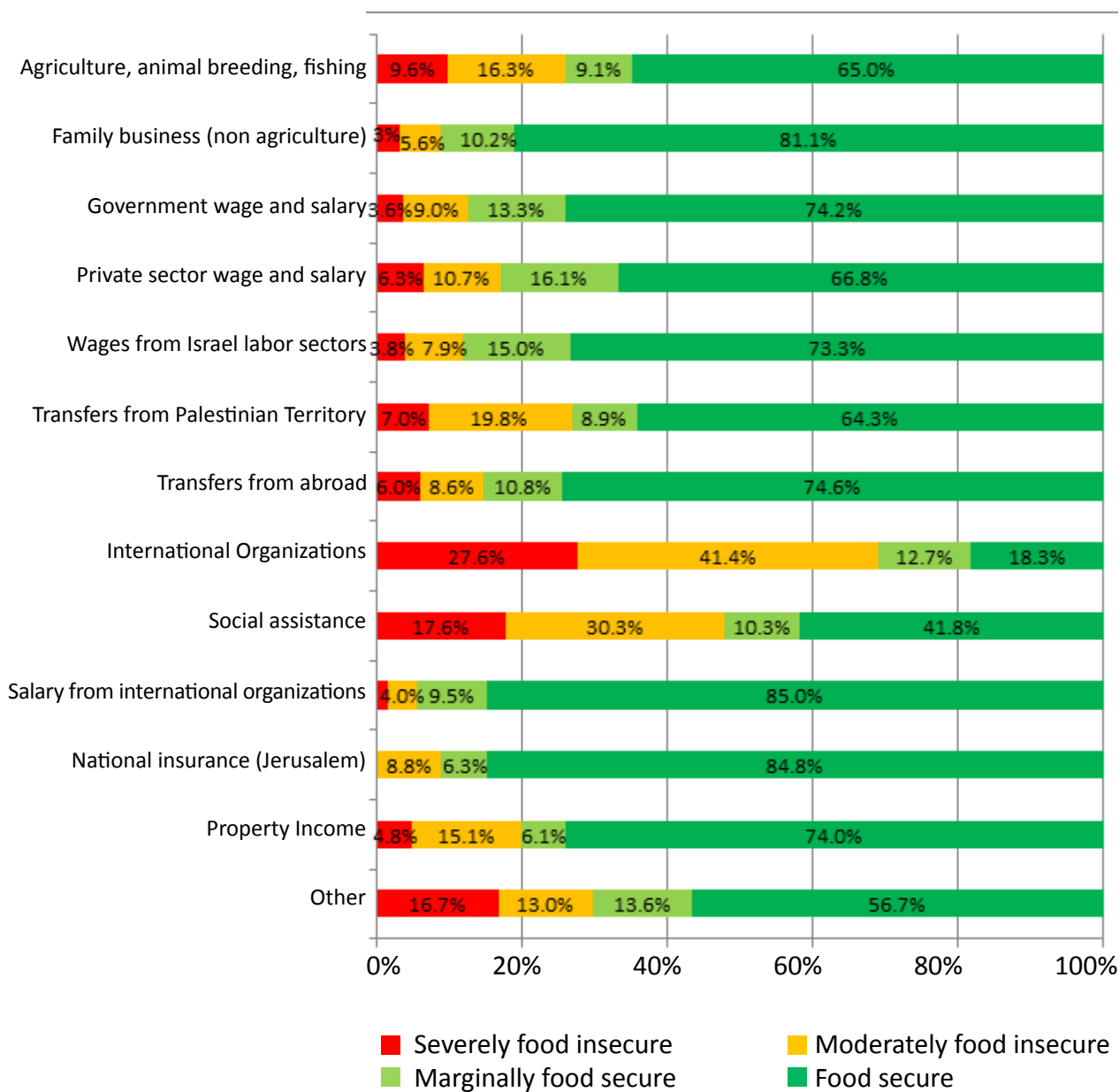
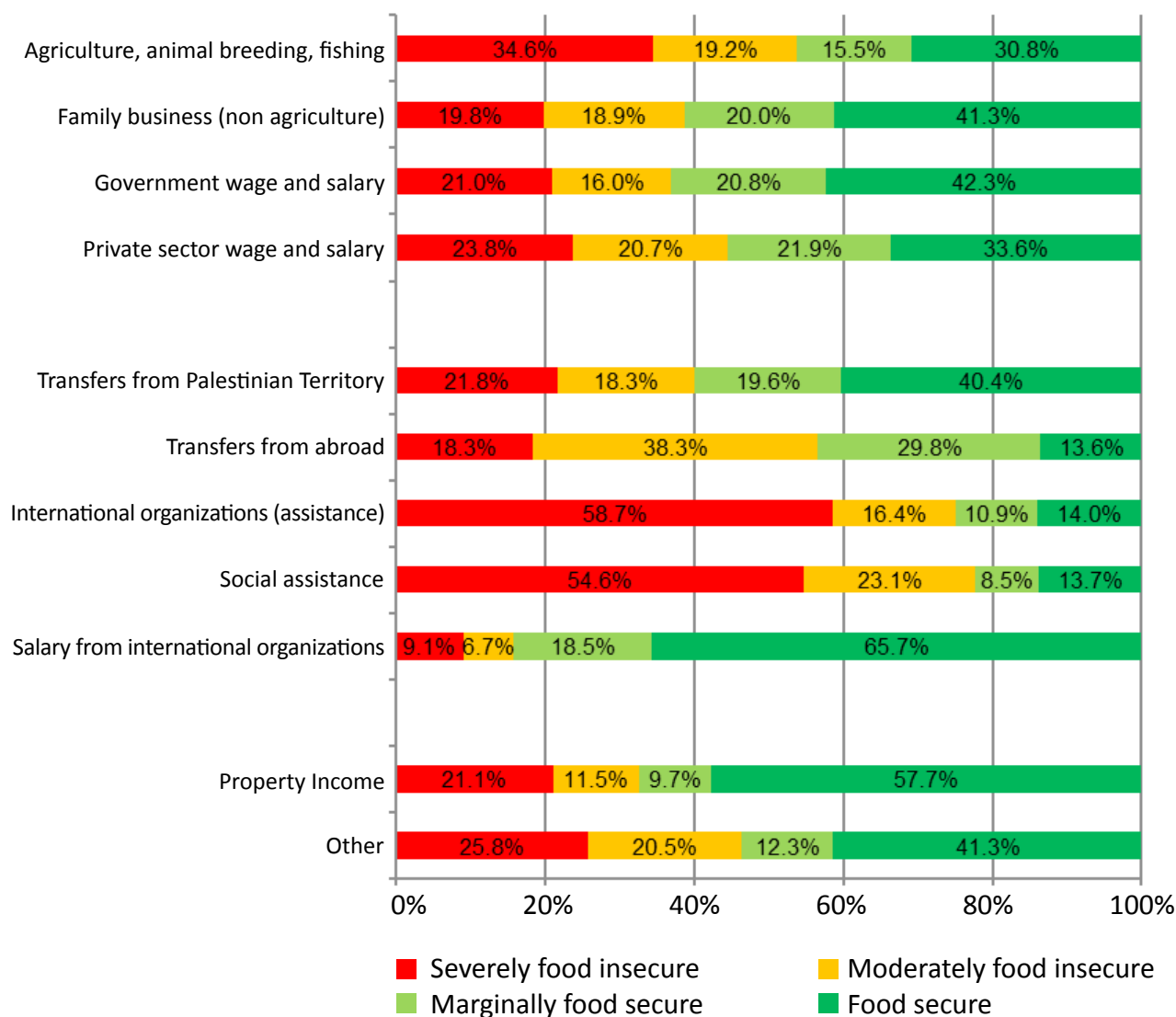


Figure 3.18. Household food security levels in the Gaza Strip by major source of income, 2014



3.9. Food Security Levels by Gender of Head of Household

THE level of food insecurity decreased both for female and male-headed households in Palestine between 2013 and 2014 (Figure 3.19). The relatively greater improvement of the former group resulted in a substantial alignment of severely food insecure prevalence across genders (13 percent). Differences remain in the moderately food insecure group: while the percentage of moderately food insecure is equal to 13 percent among male-headed households, the same figure is 19 percent for the female-headed group.

There are some significant differences within Palestine (Figure 3.20). In the West Bank the

prevalence of food insecurity among female-headed households is 10 percentage points higher than among male-headed households (25 percent vs. 15 percent). The composition in terms of severely and moderately food insecure is consistent with the national average. Conversely, in the Gaza Strip the male-headed household group indicates a percentage of severely food insecure households greater than that of female-headed households (29 percent vs. 24 percent) even though the total prevalence of food insecurity (including moderately food insecure households) is still greater among female-headed households.

Figure 3.19. Food insecurity levels by household head gender in Palestine, 2013-2014

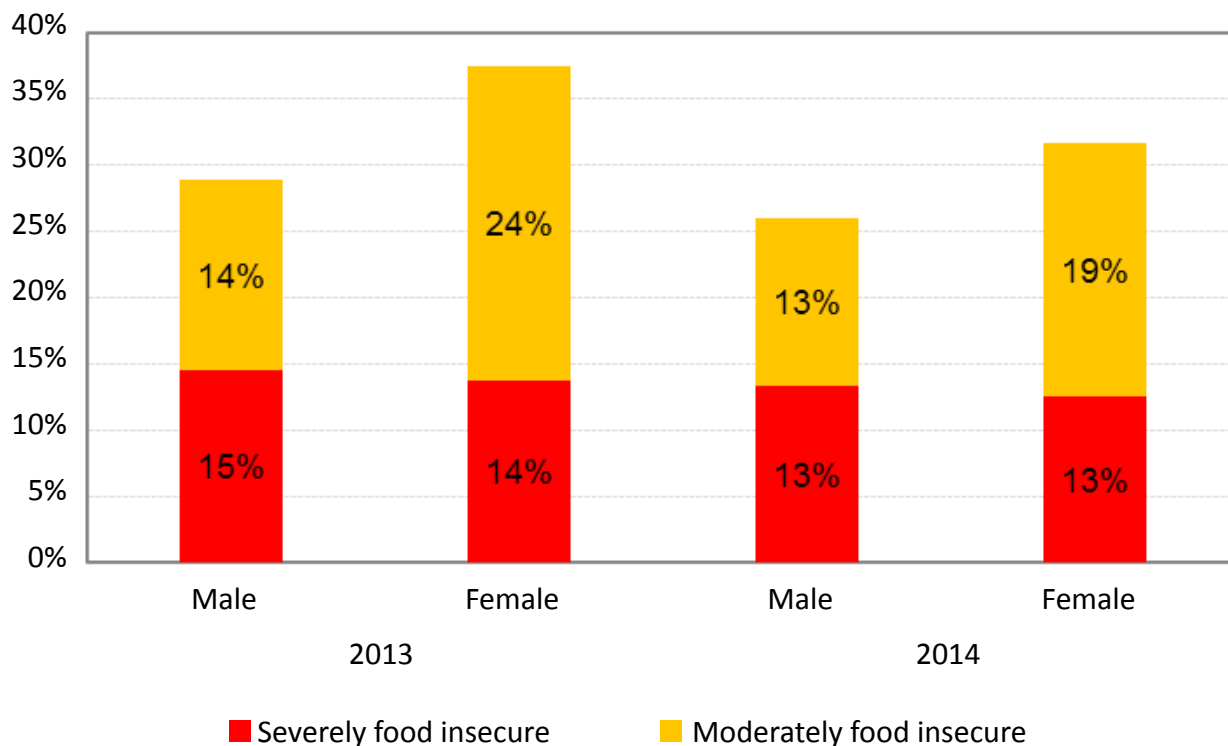
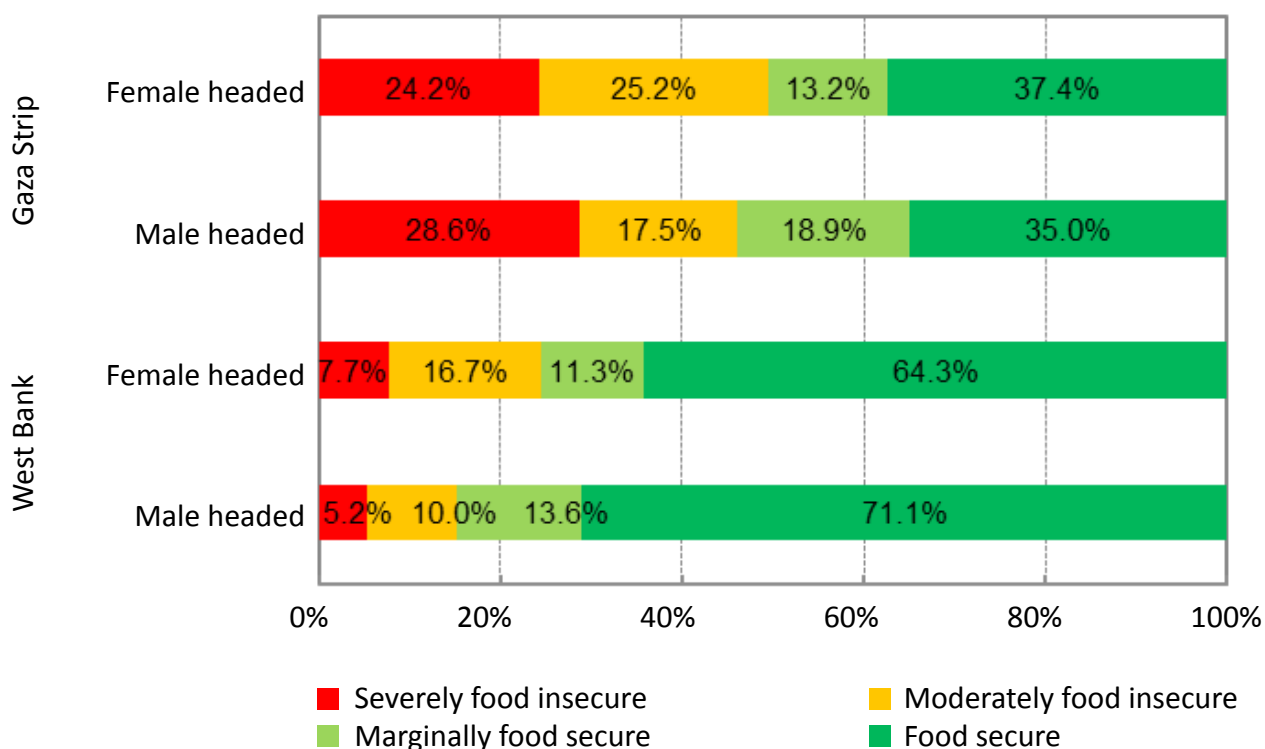


Figure 3.20. Food security levels by gender head of household in West Bank and Gaza Strip, 2014



When disaggregated by gender, the prevalence of food insecurity should be considered along side the information available on assistance received by households. As outlined in section 7.2, female-headed households receive approximately 16

percent of the total support, reflecting the composition of the total population. However, the average value of total support received by this group is 30 percent greater.



A woman working at Al Mintar Cooperative Society in Hebron shows locally produced dairy items that are included in the list of voucher products. WFP/Colin Kampschoer



Rehabilitation of damaged greenhouses in Khan Younis - Gaza Strip.

Save the Children/Anas Al-Baba

4. Consumption and Expenditure Patterns

4.1. Household expenditure on food

PALESTINIAN total per capita expenditure rose slightly in real terms from 2013 to 2014 (Table 4.1) as a result of a marked increase in the West Bank and a decrease in the Gaza Strip. Severely food insecure households still spend less than half of the average expenditure of those classified as food secure, although these households experienced a significant rise in per capita expenditure in the West Bank; in the Gaza Strip expenditure actually decreased.

These divergent paths are again due to the different economic conditions in the two regions. In the Gaza Strip the closure of illegal tunnels with Egypt in 2013 and recurrent conflict, in particular the 2014 conflict, led to a severe drop in households' purchasing power (cf. section 2.2). Despite Israeli access and movement restrictions, the economy of the West Bank grew driven by an increase in private consumption, mostly fuelled by bank borrowing.

Table 4.1. Per capita real total expenditure, 2013 and 2014

	Severely food insecure	Moderately food insecure	Marginally food secure	Food secure	Total
West Bank					
2013 (NIS/month)	302.3	451.6	518.8	686.9	603.9
2014 (NIS/month)	356.5	477.8	556.3	716.4	649.5
Change (%)	17.9%	5.8%	7.2%	4.3%	7.6%
Gaza Strip					
2013 (NIS/month)	262.2	377.3	408.2	535.4	413.5
2014 (NIS/month)	253.2	325.9	409.9	538.5	395.1
Change (%)	-3.4%	-13.6%	0.4%	0.6%	-4.4%
Palestine					
2013 (NIS/month)	269.8	420.5	468.2	660.6	542.4
2014 (NIS/month)	273.1	404.7	494.4	689.0	566.2
Change (%)	1.2%	-3.8%	5.6%	4.3%	4.4%

Price reference year is 2010

In 2014, Palestinian households were devoting a greater share of their total expenditure to food – approximately 55 percent of their expenditure to food, up from 47 percent in 2013³⁶ – suggesting food consumption remains vulnerable to income and price fluctuations.

PCBS uses a 44 percent threshold to define “worst-off” households drawing on the well know empirical law (Engel Law), which states that the poorer the household the larger the share of food expenditure out of the total. As for 2014, approximately 47 percent of Palestinian households are above the PCBS threshold (57 percent in 2013).

³⁶ These figure are calculated as means of the ratios measured on each household.

Even if nominal expenditure for food is fairly stable throughout Palestine, real expenditure actually dropped by 1 percent in the Gaza Strip due to higher food prices (refer to Section 2.2), which increased the overall weight of the food component in the household economy. According to the SEFSec data, average per capita food expenditure in the Gaza Strip was approximately 60 percent of the corresponding figure in the West Bank in 2014.

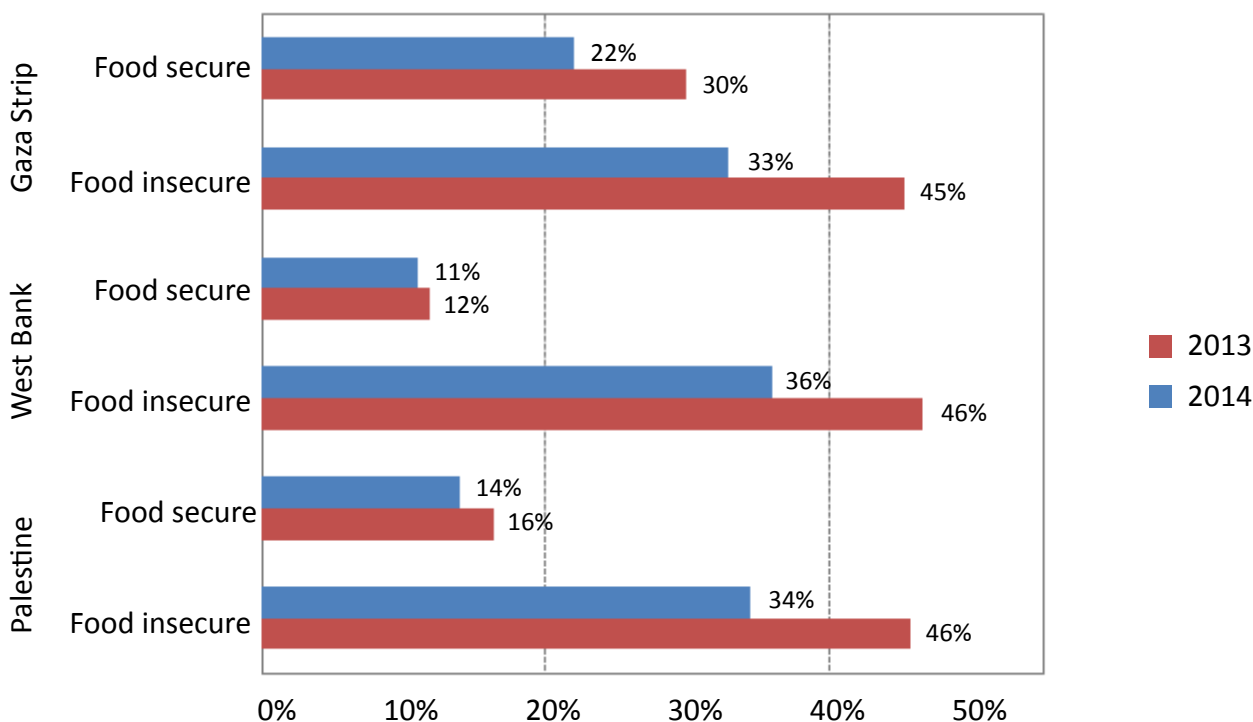
Overall, almost 40 percent of Palestinian households state that their perceived living standards deteriorated with respect to the first half of 2014. In the Gaza Strip, this percentage rises to almost two thirds of the households; while in the West Bank 30 percent of the households perceive that their living standard has deteriorated.³⁷

Notably, in both the West Bank and the Gaza Strip the percentage of those who experienced a deterioration of their livelihoods was higher among food insecure households when compared to the food secure, indicating that the gap between worse and better off households has widened in 2014.

4.2. Food Consumption Pattern

THE SEFSec 2013-2014 has adopted a new methodology to assess the food consumption dimension of food security (refer to Annex C). Whilst in previous reports only a measure of dietary quality (the Food Consumption Score, FCS) was employed, in this report a measure of dietary quantity (Household Food Insecurity Access Scale, HFIAS) has also been included. According to this new measure, a household is classified as consuming an insufficient dietary quantity if it experienced at least one form of dietary restriction (smaller or fewer meals), hunger or simply a lack of food at home.

Figure 4.1. Percentage of households with insufficient dietary quantity, 2013 and 2014



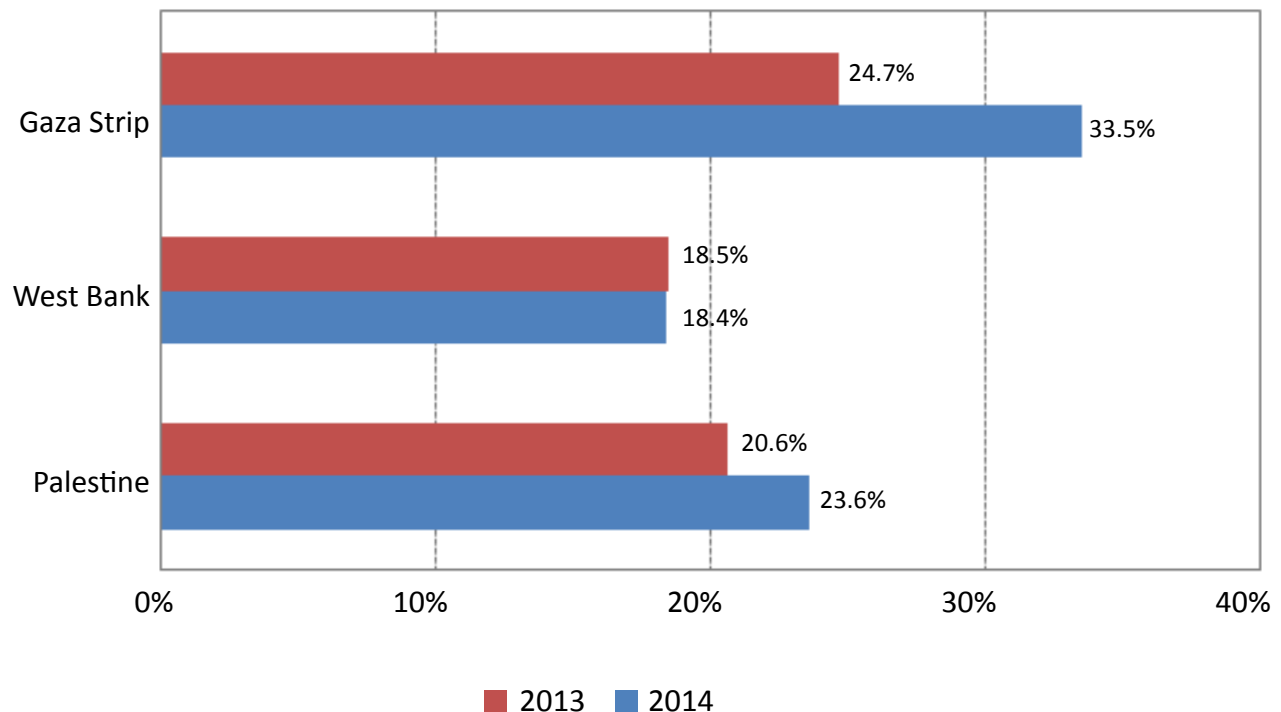
³⁷ Only among the food secure groups in the West Bank the majority of households stated that their living standards stayed the same or improved. In the Gaza Strip most of the households across all food security groups experienced a deterioration of their standard of living as a consequence of the July 2014 conflict.

Approximately 24 percent of Palestinian households reported having insufficient dietary intake in 2014, which is a four point rise with respect to the previous year. Comparing food secure and food insecure households, a number of additional observations can be made (Figure 4.1). While in the West Bank dietary intake for food secure groups has remained relatively stable between 2013 and 2014 (1 percent of households with sufficient dietary intake), it has become insufficient for an additional 8 percent of households in the Gaza Strip; this is likely an outcome of the 2014 conflict. However, for food insecure groups, the difference in dietary intake is minimal between the Gaza Strip and the West Bank. In both areas a little less than half of households have an insufficient dietary quantity. The gap of dietary intake between food secure and food insecure groups is significantly greater in the West Bank (34 percent) than in the Gaza Strip (15 percent), suggesting greater inequality in the West Bank than in the Gaza Strip.

To estimate the variety of food consumed by Palestinian households, the SEFSec uses the food consumption score (FCS) indicators based on the count of how many days specific food groups are consumed in the seven days preceding the survey. In 2014, nearly 18 percent of West Bank households had a “poor and borderline” FCS. The share of households with poor diet quality decreased in 2010-2012 (when it dropped from 29 percent to 18 percent), and has remained stable over the last three years.

In the Gaza Strip, no clear medium term trend for the FCS is visible. The percentage of households with a poor or borderline FCS initially shrunk from 29 percent in 2010 to 26 percent in 2011. Since then it has risen to 29 percent in 2012, falling to 25 percent the next year to eventually achieve an alarming 34 percent in 2014.

Figure 4.2. Percentage of households with poor and borderline, 2013 and 2014

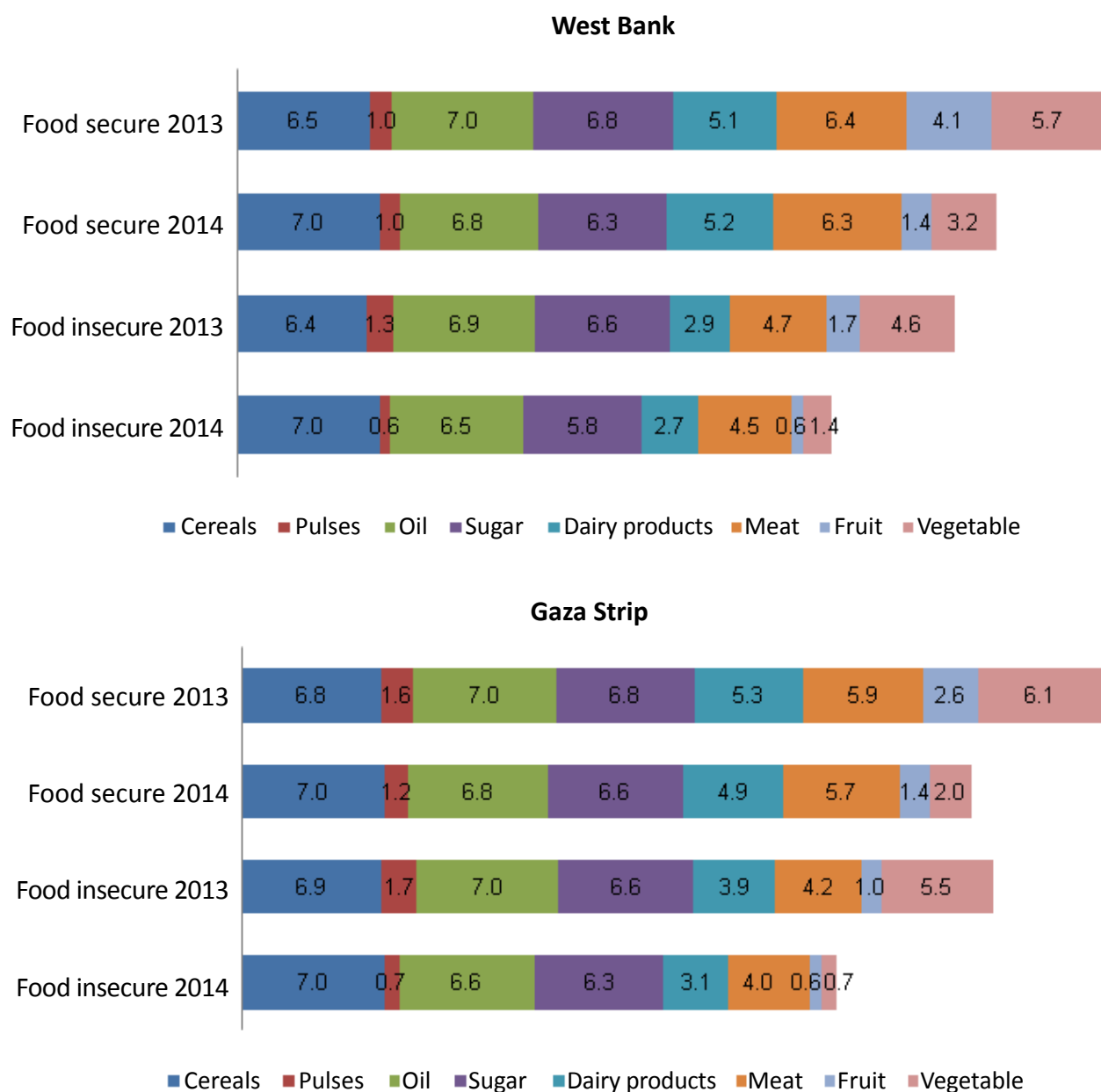


In food secure households cereals, tubers, oil and sugars continue to be consumed on a nearly daily basis in both the Gaza Strip and the West Bank as was the case in 2013³⁸ (Figure 4.3). However consumption of food, including fruit and vegetables, became far less frequent in 2014, reducing to approximately once a week for food insecure households both in the West Bank and the Gaza Strip. Consumption frequency of meat and dairy products was also reduced, although not so severely as was the case for fruit and vegetables.

All these food categories were consumed less regularly by food insecure households compared with food secure households.

Food and cash assistance continue to be a significant complement to help food insecure households cover their staple food needs. However, as all data on insufficient dietary quantity or quality reveal, the overall situation shows a worsening trend.

Figure 4.3. Food consumption pattern and average number of days food groups were consumed during one week among food secure and food insecure household groups



³⁸ In 2011 and 2012 it was 5 and 2 days a week for vegetables and fruit, respectively.



Beneficiaries in Deir Ballut harvest with their newly fenced land to protect crops from wild pigs.

ESDC/Abed Hakeem Arra

A farmer displays his produce in Khan Younis - Gaza Strip.

FAO/Azzam Saleh



5. Resilience to Food Insecurity

5.1. Shocks and stressors

A LARGE proportion of Palestinian households reported having faced some traumatic shock during the second half of 2014. In 2013 and 2014, households were asked to report the shocks they had faced during the previous six months. Only in 2014 were they also asked to rank the three most significant shocks they had experienced.

The most significant shocks rank as follows: high cost of food supply, shortage of water, inability to pay medical treatment costs, inability to repay loans, and delay of salary payment. Often the most significant shocks are also those most frequently reported.

Table 5.1. Five major shocks most frequently reported

West Bank	% of househ.	Gaza Strip	% of househ.
2014			
High cost of food supply	88.8%	High cost of food supply	93.2%
Inability to pay treatment cost	17.0%	Shortage of water	72.3%
Shortage of water	16.0%	Inability to pay treatment cost	45.8%
Delay of payment of salary	13.7%	Inability to receive health care	35.8%
Inability to receive health care	12.4%	Delay of payment of salary	35.4%
2013			
Rising food prices	91.4%	Rising food prices	95.8%
Other rising cost of living	89.7%	Other rising cost of living	95.3%
Failure to obtain a permit	20.4%	Delay in salary	23.9%
Loss all or part of wage/ income	14.7%	Loss all or part of wage/ income	8.4%
Other	13.3%	Head of household or any members lost his job	6.9%

Almost 90 percent of Palestinian households (95 percent among the food insecure) faced the shock of high food prices in 2014; 66 percent also judged that it was the most relevant shock. This is not surprising as Palestinian households devote approximately 55 percent of their total expenditure to food purchases. High food prices directly affect the exchange entitlement³⁹ of a household, which in turn relates to the varieties of goods to which the household has access. In 2013,⁴⁰ the most frequently reported shocks were rising food prices, reported by 93 percent of Palestinian households, followed by other rising living costs affecting 92 percent of households.

³⁹ According to Sen (1981: 3) the exchange entitlement is “the set of all alternative bundles of commodities that [a household] can acquire in exchange for what [it already] owns”.

⁴⁰ The categories of shocks used in SEFSec 2014 and 2013 are partly different either as definitions or as number of shocks listed, hence do not allow direct comparison.

Food prices were cited as the most significant shock by a similar percentage of households in both regions. However, in 2014 the population of Gaza had to cope with a series of repeated shocks, which were not limited to the high cost of food and included the unprecedented level of destruction during the previous conflict, as well as the severe salary crises experienced by employees of the *de-facto* government (with 19 percent of households experiencing loss of assets, 35 percent facing delays in salary payments and another 26 percent losing part of their salary).

The delay in payment of salary has been experienced by more than 14 percent of West Bank households, a proportion that increases to 35 percent in the Gaza Strip. This is likely to be related to the payroll crisis experienced by *de-facto* Government employees in Gaza as well as the PA salary crisis between December 2014 and March 2015 in both the Gaza Strip and the West Bank. *De-facto* employees have not received a full salary since November 2013 (UNOCHA, 2015). As a result, households relying on this source of income may likely have started to reduce their food consumption levels or adopted other negative coping mechanisms.⁴¹

The inability to pay medical treatment costs was indicated by 27 percent of Palestinian households as a relevant shock, up to 53 percent of food insecure households affected and, again, a higher incidence in the Gaza Strip. This is an alarming effect of the deterioration of the exchange entitlement in Palestine, stemming from the economic downturn and related rising unemployment, especially in the Gaza Strip. Moreover, public health expenditures, especially on referrals to Israel, came under scrutiny in 2014 as the Palestinian government tried to manage its financial deficit (World Bank, 2015).

Seventeen percent of Palestinian households indicated that the inability to repay loans was a relevant shock—a proportion that increases to 31 percent among food insecure families. Borrowing and taking on debt is one of the possible coping strategies used to face dire economic conditions (see below). Bank borrowing fuelled private consumption growth in the West Bank in 2014 as credit levels to government employees reached USD 885 million. Not surprisingly, in a context of slow or negative growth, the widespread use of borrowing to finance consumption is likely, sooner or later, to make weaker households more vulnerable to the risk of default.

Finally, the shortage of water is indicated by 35 percent of all Palestinian households and by a dramatic 72 percent of households in the Gaza Strip, where the issue is a long standing problem. In 2012 the United Nations warned that as a result of over-abstraction and pollution the aquifer would become unusable by 2016 (UNCT, 2012; UNRWA, 2013a). According to the Palestinian Water Authority, 96 percent of the aquifer's water is currently not safe for drinking without treatment. Recurrent conflict, particularly the events in 2014, has added to an already critical situation by inflicting severe damage to Gazan water sanitation infrastructure - including wells, a desalination plant and pipelines - which resulted in further deterioration of the already precarious sourcing of drinkable water in the Gaza Strip (State of Palestine, 2015: p. 25)

5.2. Coping strategies

To face the perceived or actual shocks described above, households resorted to a number of coping strategies during the month preceding the survey (which roughly corresponds to December 2014). Almost 92 percent of households in the Gaza Strip adopted at least one coping strategy, compared with 60 percent in West Bank.

⁴¹ For public sector employees (both Gaza and Ramallah) the salary crisis can be considered a delay, since all pending payments were eventually paid. Instead *de facto* Gaza employees have not received full salaries since October 2013 and it is uncertain how and when the recovery of these salary cuts will take place.

Table 5.2. Coping strategies reported during the 30 days preceding the survey 2014

Coping strategies	Percentage of Households	
	West Bank	Gaza Strip
Food		
Ate stored food (e.g. legumes, dairy products, stored to be used in winter)	33.3%	56.6%
Collected wild plants (khobesa, zaatar, etc.)	24.2%	27.4%
Purchased low quality markets «Leftovers»	26.1%	58.5%
Bought and consumed fewer types of food items (less expensive)	44.0%	81.7%
Adults reduced portions of food or skipped meals in favour of children»	11.6%	34.0%
Reduced number of daily meals	13.2%	42.5%
Purchased food on credit	34.9%	65.9%
Reduced the portion of meals for all household members	11.2%	42.9%
Asked for and received assistance from friends and/or relatives	7.7%	0.0%
Sent women and / or children to work for food	1.2%	0.3%
Non food		
Non payment of bills (water, electricity)	33.7%	47.3%
Sell assets/property (radio, furniture, fridge, TV, jewellery, and other)	1.7%	8.5%
Use family savings	14.8%	20.0%
Sell productive equipment (sewing machine, hand carts, transportation vehicles)	0.1%	0.5%
Reduce school expenses on education/ health/ clothes, etc.	20.3%	51.6%
Plant land/ Raise cattle/ fishing	3.1%	4.4%
Looking for overtime job	15.6%	38.2%
Take children out of school	0.3%	0.4%

In the West Bank, the most frequently chosen coping strategy is consuming less expensive food items, which WFP (2008) considers a moderate coping strategy. More than one third of households resorted to purchasing food on credit, which is considered a severe coping strategy and may be the root cause of the debt repayment shock mentioned above. Finally, eating stored food, a mild indication of food stress, is reported by 33 percent of the respondents.

Generally, the proportion of households using at least one coping strategy is higher in the Gaza strip where the most frequently cited strategy is again consuming fewer and less expensive items, used by 82 percent of households.

Two thirds of Gazan households also reported using credit to buy food. Fifty percent of households reported purchasing market leftovers and eating stored food, respectively a moderate and a mild strategy.

Alarmingly, reducing the portions and number of meals for all household members is adopted by over 40 percent of Gaza households. Unfortunately, it is not possible to directly compare the 2014 data, which refers to the month preceding the survey, with data from previous years, which refer to the semester preceding the survey and adopt a partially different wording.⁴²

Defaulting on the payment of utility bills and

⁴² However, it is possible to compare 2012 and 2013, which use the same time span – a semester: in 2012 only 31 percent of households from Gaza strip stated they had reduced the number of meals, a percentage that rose to 49 percent in 2013.

reducing health and education expenses are the most frequently adopted non-food coping strategies both in West Bank and Gaza Strip, although with higher prevalence in the latter. Indeed, defaulting on the payment of bills has been a common behaviour in previous years, exhibited by approximately 40 percent of households in both the Gaza Strip and the West Bank in 2012 and 2013 for a semester period.⁴³ In contrast, reducing health and education expenses only emerged as a coping mechanism in 2014, while only a smaller proportion of households adopted this strategy in 2012 and 2013 (6 percent in the West Bank and 12 percent in the Gaza Strip).

Needless to say, this is a worrying sign of the progressive deterioration of the livelihoods of Palestinian households. Reducing health and education expenses is a prelude to a progressive downward spiral toward a poverty trap where poverty and destitution are an irreversible condition: a deteriorated health status hinders the working capability of household members, while the lack of investment in human capital prevents higher productivity of labour and capacity to gain sufficient income.

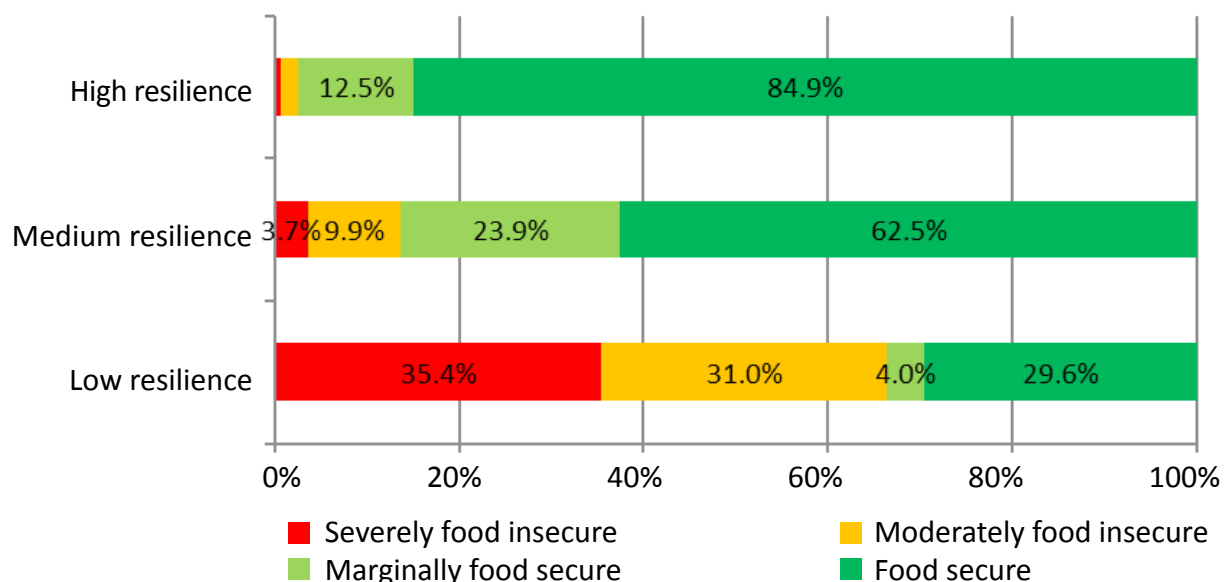
5.3. Household resilience

THE new SEFSec methodology uses a three-pillar approach to reflect the multi-dimensional drivers of food insecurity in Palestine (refer to Appendix A), including poverty, food consumption and resilience.

The latter component was introduced to better capture households' vulnerability to shocks and their ability to absorb, adapt and prepare for shocks while sustaining their expenditures.⁴⁴ The SEFSec use a globally recognized resilience index developed by the United Nations Food and Agriculture Organization (FAO) that includes six dimensions measuring household ability to cope with shocks:⁴⁵ income and food access; assets; access to basic services; adaptive capacity; social safety nets; sensitivity.

As Figure 5.1 suggests, resilience has a clear impact on the food security of Palestinian households. There is a clear gradient indicating that households with a higher level on the resilience index tend to be more food secure, while households with lower levels on the resilience index tend to be more food insecure.

Figure 5.1. Distribution of household food security by resilience levels in Palestine, 2014



⁴³ The figure must be interpreted with caution, as Palestine refugees (particularly those living in camps) benefit from a de-facto practice of not paying water and electricity bills. Still, almost 40 percent of refugee headed household reported this coping strategy.

⁴⁴ The Technical Working Group on Resilience Measurement (TWG-RM, 2013: p. 6) defines resilience as the 'capacity that ensures adverse stressors and shocks do not have long-lasting adverse development consequences'.

⁴⁵ For details on the procedure adopted refer to Annex D.

At the same time, for a given food security status, the share of higher resilience levels decreases if households are food insecure. The opposite holds in that for a given food security status, the share of higher resilience levels increase if the households are food secure. This implies there is a strong correlation between food security and household resilience.

Comparing the same relationships for the two regions (Figures 5.2 and 5.3) suggests that the number of food insecure households (severely plus marginally food insecure) is consistently greater in the Gaza Strip than in the West Bank, no matter which class of resilience is considered. This is a clear sign that the shocks affecting Gazan households over the period 2013-2014 are much stronger than those experienced by households in the West Bank and that Gazans' capacity to cope is also lower.

Figure 5.2. Distribution of household food security by resilience levels in West Bank, 2014

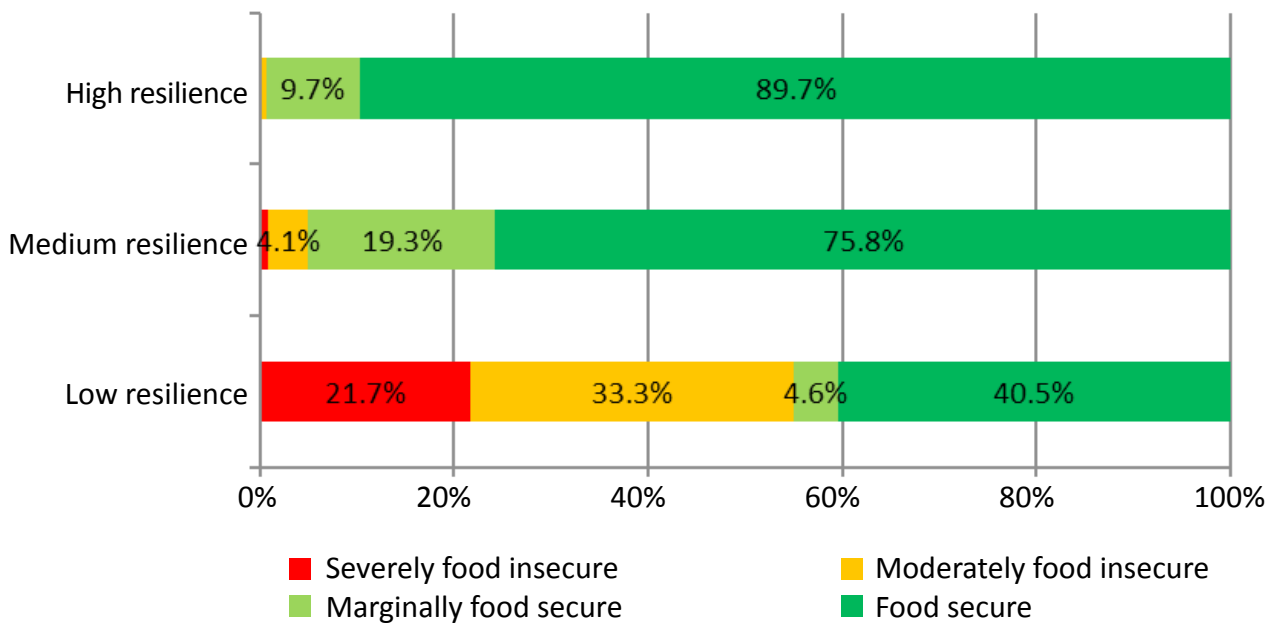
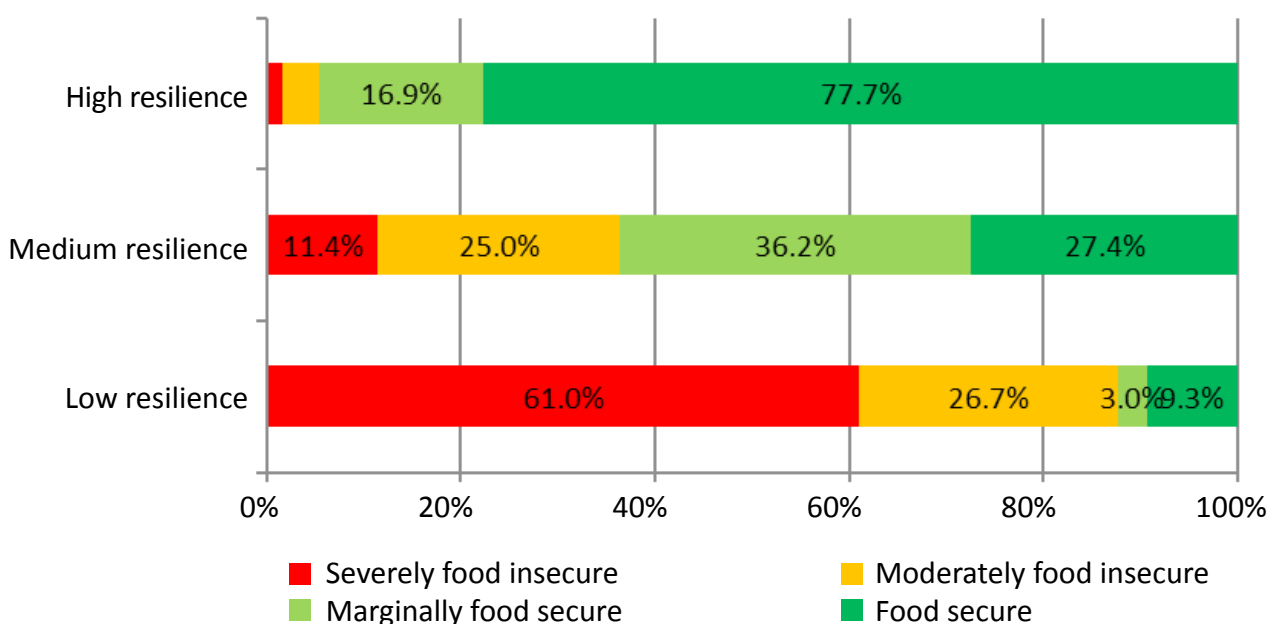


Figure 5.3. Distribution of household food security by resilience levels in the Gaza Strip 2014



A woman in North Gaza cultivates strawberries on her rehabilitated land, which was previously damaged in summer 2014.
WVI/WVI Staff



6. Profile of Food Insecure and Food Secure Households

IN this chapter, a detailed profiling of food insecure households will be provided according to a set of indicators on family size, incomes and employment situation. The profiling is provided separately for West Bank and Gaza Strip households.

6.1. West Bank Food Security Profiling

TABLE 6.1 indicates an outline of the overall profile of households in the West Bank according to food security levels, providing average figures of indicators for each food security group. The last column reports the odds ratio between the two extreme groups, i.e. the ratio of severely food insecure to food secure. This is an index of the gap between the two groups and helps to emphasise how the profile of the average household changes as food security levels increase.

Table 6.1. Households' food security profiling in the West Bank, 2014

Indicators	Severely food insecure	Moderately food insecure	Marginally food secure	Food secure	Odds Ratio ⁴⁶
Average household size	6.8	5.8	5.6	5.0	1.4
Households with insufficient dietary quantity	58.6%	40.3%	20.9%	10.0%	5.8
Households with poor and borderline FCS	87.7%	65.6%	67.4%	10.8%	8.2
Income per adult equivalent per day (NIS)	23.1	27.8	38.8	49.2	0.5
Income per adult equivalent per day (US\$)	6.4	7.7	10.8	13.7	0.5
Number of income sources (mean)	2.0	2.0	2.0	2.0	1.0
Global dependency ratio (economic)	4.0	3.6	3.7	3.2	1.3
Share of HH whose head does not work	7.6%	8.5%	4.3%	2.9%	2.6

In 2014, the average size of most food insecure households is 36 percent greater than food secure households (6.8 members vs. 5.0 members). They also indicate a much higher economic dependency ratio (25 percent more in the case of severely food insecure households vis-à-vis the food secure households).⁴⁷

The income level increases from food insecure towards food secure households. On average, severely food insecure households earn approximately one half of the daily per capita income of food secure households (23 NIS/day vs 49 NIS/day). As expected, the proportion of households with insufficient dietary intake (quantitative indicator) and that of households with a poor or borderline food consumption score (qualitative indicator, refer to Annex C) significantly decreases from the most food insecure towards the most food secure groups.

⁴⁶ It is the ratio between the two extremes of the food security groups. The higher the odds ratio, the wider the gap between the two groups.

⁴⁷ The (economic) global dependency ratio is the ratio of the number of household members depending on income earners to the number of members actually earning income.

The proportion of unemployed heads of household is 2.6 times greater in the severely food insecure group as compared to the most food secure group (7.6 vs. 2.9 percent), and the average number of income sources per household does not change across food security groups.

As emphasized in Chapter 2, food security among West Bank households is largely dominated by its access dimension and specifically by labour entitlement, which represents the most important determinant of food access in the West Bank. Table 6.2 provides a detailed account of major labour indicators for household heads across different food security groups in the West Bank.

The more problematic a household's labour conditions, the greater the likelihood that it will face food insecurity. The higher the odds

ratio (the number of the food insecure over the food secure), the more likely a household is to be food insecure rather than food secure. As a result, households who work fewer hours are more likely to experience food insecurity rather than food security. Furthermore, the presence of disability, elderly and chronic illness within the household is correlated with higher levels of food insecurity.

Being engaged in full-time housework is more likely to be linked with food insecurity. The same applies to irregular employment and lower level occupations. Usually, the latter are more related to employment in the primary and construction sectors. The overall emerging picture is that the heads of food insecure households have more informal and irregular jobs, which do not require high skills and/or education as typified by the basic production sectors.



Fishing nets rehabilitation under CFW programme.

Mercy corps/Fahed Ahmed

Table 6.2. Head of household employment statistics in the West Bank, 2014

Heads of Households	Severely food insecure	Moderately food insecure	Marginally food secure	Food secure	Odds Ratio
<i>Labour condition</i>					
Working 1-14 hours	9.5%	6.3%	5.6%	3.4%	2.8
Working 15-34 hours	13.7%	11.4%	9.9%	8.1%	1.7
Working 35 or more hours	32.1%	38.8%	58.7%	65.6%	0.5
Temporarily absent	3.0%	2.5%	3.5%	2.5%	1.2
Looked for a job (already worked)	6.9%	8.4%	4.4%	2.9%	2.4
Looked for a job (never worked)	0.8%	1.0%	0.0%	0.2%	5.3
Student/trainee	0.0%	0.0%	0.6%	0.0%	0.0
Full time housework	9.9%	5.8%	3.7%	3.5%	2.8
Disability, elderly, chronic illness	22.0%	22.8%	9.0%	10.6%	2.1
Retirement and other incomes	1.3%	1.1%	1.8%	2.6%	0.5
Others	0.8%	1.8%	2.8%	0.5%	1.6
<i>Professional Status</i>					
Employer	2.5%	3.3%	5.9%	9.8%	0.3
Self-employed	15.9%	19.0%	13.9%	16.4%	1.0
Unpaid family worker	0.0%	1.5%	0.7%	0.4%	0.0
Regularly employee	40.5%	37.6%	52.2%	53.3%	0.8
Irregularly employee	41.1%	38.5%	27.3%	20.1%	2.0
<i>Main occupation</i>					
Legislators, senior officials and managers	0.6%	1.0%	3.1%	5.2%	0.1
Professionals, technicians, associates and clerks	5.6%	8.1%	12.8%	19.2%	0.3
Service, shop and market workers	8.7%	15.9%	16.0%	16.4%	0.5
Skilled agricultural and fishery workers	4.3%	6.2%	3.3%	2.6%	1.7
Craft and related trade workers	31.1%	25.3%	26.8%	27.0%	1.2
Plant and machine operators and assemblers	18.6%	14.0%	11.7%	11.9%	1.6
Elementary occupations	31.1%	29.5%	26.2%	17.7%	1.8
<i>Sector of employment</i>					
Agriculture, fishing and forestry	11.8%	13.6%	7.7%	5.3%	2.2
Mining, quarrying and manufacturing	17.4%	14.3%	16.1%	16.1%	1.1
Construction	34.2%	30.2%	31.4%	23.8%	1.4
Commerce, restaurants and hotels	9.9%	19.5%	20.4%	21.7%	0.5
Transportation, storage and communication	11.2%	7.1%	6.6%	7.1%	1.6
Services and other activities	15.5%	15.3%	17.8%	26.1%	0.6

6.2. Gaza Strip Food Security Profiling

COMPARING between the general profile of food security in Gaza Strip (Table 6.3) and these figures for the West Bank (Table 6.1) suggests that the Gazan economy lags behind the West Bank economy. In fact, Gazan households are consistently characterized across all food security groups by a lower income per adult equivalent (13 NIS/day in the Gaza Strip vs. 23 NIS/day in the West Bank for severely food insecure households; while food secure households have an income of 36 NIS/day in the Gaza Strip vs. 49 NIS/day in the West Bank), larger household size (7.8 vs. 6.8 for the severely food insecure, and 5.3 vs. 5.0 members/household among the food secure), higher economic dependency ratio (5.1 percent vs. 4.0 percent in the severely food insecure, and 3.5 percent vs. 3.2 percent among the food secure) and higher levels of unemployment among heads of households (24.8 percent vs. 7.6 percent among the severely food insecure,

while this indicator is 7.0 percent vs. 2.9 percent among the food secure). Moreover, all these indicators result in larger odds ratios, meaning higher inequality in the Gaza Strip vis-à-vis the West Bank.

At the same time, food security indicators are consistently worse in the Gaza Strip than in the West Bank and the odds ratios are lower, meaning they are more “evenly” worse across all food security groups. On average, the incidence of households showing some insufficient dietary intake (quantity) is more than double than that in the West Bank (37.0 vs. 17.4 percent), while the proportion of households featuring a poor or borderline FCS is on average 16 percent greater than in the West Bank. A large proportion (approximately 90 percent) of households with a vulnerable food security condition benefitted from assistance measures in 2014 (see Annex E).

Table 6.3. Households’ food security profiling in the Gaza Strip, 2014

Households	Severely food insecure	Moderately food insecure	Marginally food secure	Food secure	Odds Ratio
Average household size	7.8	6.1	5.4	5.3	1.5
Households with insufficient dietary quantity	46.3%	43.6%	38.0%	25.6%	1.8
Households with poor and borderline FCS	77.6%	56.2%	55.1%	15.7%	4.9
Income per adult equivalent per day (NIS)	12.9	16.9	19.6	35.9	0.4
Income per adult equivalent per day (US\$)	3.6	4.7	5.5	10.0	0.4
Number of income sources (mean)	2.0	2.0	2.0	2.0	1.0
Global dependency ratio (economic)	5.1	3.8	3.6	3.5	1.5
Share of HH whose head does not work	24.8%	15.1%	14.2%	7.0%	3.5

The statistics on the labour status of heads of household head indicate a similar pattern as in the West Bank, with a workforce characterized by higher labour informality and precariousness in the Gaza Strip (Table 6.4). Food insecure households are more likely to be headed by an unemployed or irregularly/part-time employed person, with 62 percent of private sector workers having no contract at all. This is accompanied by increasing part-time/seasonal positions (5.1 percent) as well as an average unemployment duration of 19.5 months, which is one of the

factors leading to long-term unemployment (PCBS, 2014). The proportion of self-employed is significantly lower than in the West Bank (10 vs. 16 percent) reflecting the lack of economic opportunities generated by the long-term blockade of the Gaza Strip. The closure of tunnels in 2013 significantly impacted the Gazan economy, translating into a shocking 85 percent surge in the number of unemployed persons in one year.

Table 6.4. Head of household employment statistics in the Gaza Strip, 2014

Heads of Households	Severely food insecure	Moderately food insecure	Marginally food secure	Food secure	Odds Ratio
Labour condition					
Working 1-14 hours	5.2%	6.8%	3.9%	3.2%	1.6
Working 15-34 hours	9.7%	12.9%	12.3%	9.8%	1.0
Working 35 or more hours	22.2%	28.0%	35.8%	38.7%	0.6
Temporarily absent	8.7%	11.2%	15.2%	21.3%	0.4
Looked for a job (already worked)	25.0%	15.8%	12.9%	6.8%	3.7
Looked for a job (never worked)	0.8%	1.3%	1.5%	0.3%	2.3
Student/trainee	0.0%	0.3%	1.4%	0.3%	0.0
Full time housework	4.1%	5.5%	3.4%	4.0%	1.0
Disability, elderly, chronic illness	20.8%	14.5%	9.0%	9.5%	2.2
Retirement and other incomes	2.7%	3.2%	4.0%	5.8%	0.5
Others	0.7%	0.6%	0.5%	0.3%	2.2
Professional Status					
Employer	3.5%	3.5%	5.8%	7.4%	0.5
Self-employed	9.7%	11.4%	8.4%	7.2%	1.3
Unpaid family worker	0.1%	1.1%	0.0%	0.1%	1.3
Regularly employee	55.3%	52.6%	61.3%	69.2%	0.8
Irregularly employee	31.3%	31.4%	24.4%	16.1%	1.9
Main occupation					
Legislators, senior officials and managers	0.6%	1.0%	4.6%	7.0%	0.1
Professionals, technicians, associates and clerks	31.2%	35.5%	42.7%	54.3%	0.6
Service, shop and market workers	24.0%	25.8%	19.9%	17.6%	1.4
Skilled agricultural and fishery workers	3.5%	3.8%	3.2%	2.9%	1.2
Craft and related trade workers	13.6%	8.7%	8.6%	5.6%	2.4
Plant and machine operators and assemblers	6.6%	6.6%	8.9%	5.3%	1.3
Elementary occupations	20.5%	18.5%	12.1%	7.2%	2.9
Sector of employment					
Agriculture, fishing and forestry	8.9%	9.4%	8.4%	5.1%	1.7
Mining, quarrying and manufacturing	8.1%	6.3%	4.0%	4.0%	2.0
Construction	6.3%	3.5%	5.8%	1.8%	3.6
Commerce, restaurants and hotels	17.9%	18.4%	14.2%	15.2%	1.2
Transportation, storage and communication	4.6%	6.6%	7.5%	5.7%	0.8
Services and other activities	54.2%	55.9%	60.1%	68.2%	0.8



A woman tends to her flock in the arid region of Al-Rashaydi - West Bank.

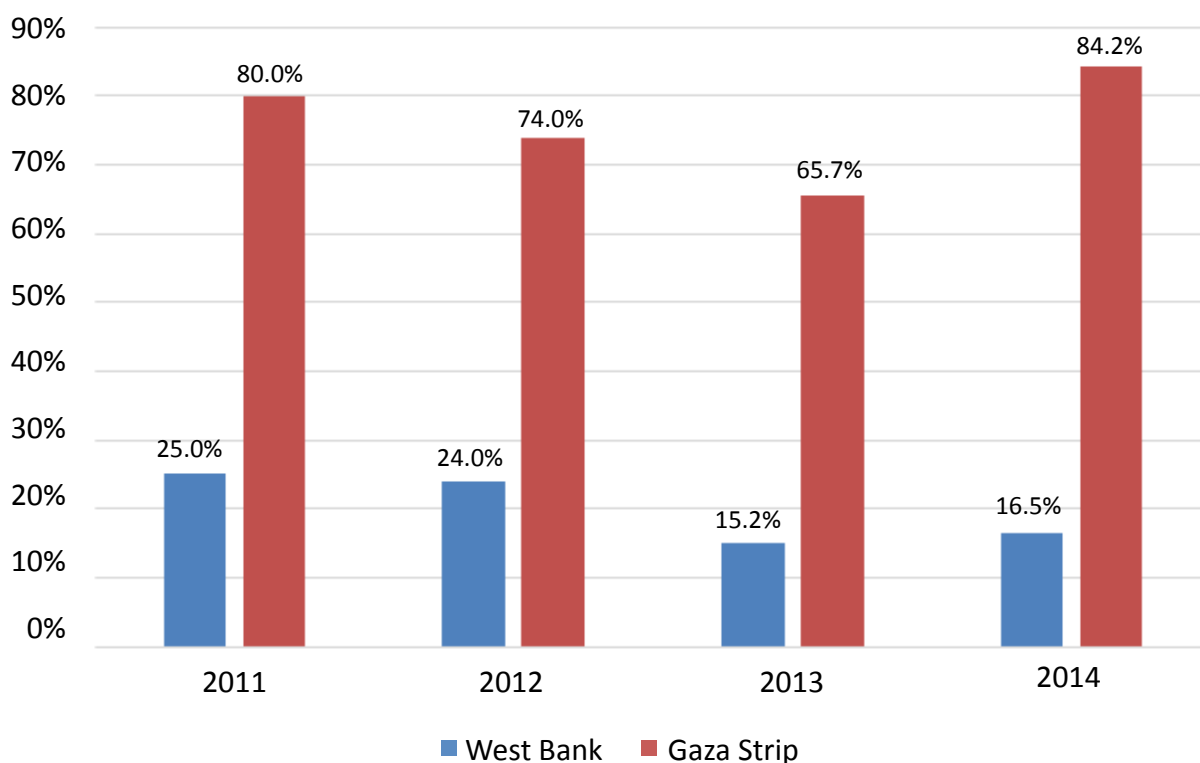
FAO/Marco Longari

7. Analysis of Assistance

7.1. Coverage and Types of Assistance

APPROXIMATELY 40 percent of all Palestinian households reported receiving at least one type of assistance in 2014, with a marked difference in the proportion of households receiving assistance in the Gaza Strip (84 percent) and the West Bank (less than 17 percent) as indicated in Figure 7.1. Compared to the previous year, overall the proportion of households receiving assistance has increased both in the West Bank and the Gaza Strip, reversing a decreasing trend that had been taking place since 2011. The major change was recorded in the Gaza Strip, where between 2013 and 2014 the proportion of assisted households increased by more than 18 percentage points, bringing it back to a level higher than that observed in 2011. In the West Bank, the change between 2013 and 2014 was less than 2 percentage points, still 8 percentage points below the level of 2011.

Figure 7.1. Share of households receiving at least one type of assistance, 2011-2014



The composition of the various types of assistance in 2013 and 2014 did not change significantly in the West Bank, where a larger share of households reported receiving ‘cash’ and ‘food’ assistance in 2013-2014, confirming the same relative composition as in 2011-2012 (SEFSec, 2012).

The relative prominence of categories of assistance in the Gaza Strip was more dynamic. In addition to the three types of assistance constituting the core of assistance in the Gaza Strip – ‘food’, ‘cash’ and ‘health insurance’ in order of importance – new types of assistance were frequently reported, e.g. housing assistance was mentioned by 25 percent of respondents in 2014.⁴⁸ It is significant that the proportion of households receiving food vouchers considerably increased both in the West Bank

⁴⁸ A comparison of housing assistance with previous years is not possible, given that in the years 2012 and 2013 housing was included within the ‘other’ category.

and the Gaza Strip (by 5.2 percentage points and 16.1 percentage points respectively), while job creation receded. Also 'drinking water' and 'clothing' assistance increased significantly between 2013 and 2014 in response to the marked worsening of living conditions in the Gaza Strip as a result of the conflict that called for heavy interventions to help households meet their basic needs. Table 7.1. gives an overview of types of assistance received in Palestine in 2013 and 2014.

7.2. Value of Assistance

THE total value of support distributed to households increased by 37 percent between 2013 and 2014 (Table 7.2), a substantial growth even taking into account the price inflation observed during the same period (+1.7 percent, refer to chapter 2).

Table 7.1. Share of households receiving assistance by type of assistance and region, 2013-2014

Type of Assistance	Palestine		West Bank		Gaza Strip	
	2013	2014	2013	2014	2013	2014
Food	24.6%	28.0%	7.5%	7.6%	57.5%	67.0%
Cash	16.8%	16.2%	10.5%	8.3%	28.9%	31.2%
Housing ^a	-	9.2%	-	0.9%	-	25.0%
Food vouchers	3.0%	8.2%	2.0%	1.6%	4.7%	20.8%
Health insurance	11.5%	7.8%	0.7%	1.2%	32.2%	20.3%
Health care	0.4%	2.3%	0.6%	2.7%	0.2%	1.6%
Clothing	0.7%	2.1%	0.4%	0.3%	1.3%	5.7%
Drinking water	0.4%	1.8%	0.0%	0.1%	1.0%	5.2%
Job creation	1.3%	0.3%	0.3%	0.2%	3.2%	0.6%
Electricity	0.2%	0.2%	0.2%	0.3%	0.0%	0.2%
School feeding	0.1%	0.1%	0.1%	0.0%	0.1%	0.4%
Productive inputs	0.1%	0.0%	0.2%	0.0%	0.0%	0.1%
Other	0.8%	1.5%	0.3%	0.3%	1.7%	3.8%

^a Not included in the 2013 SEFSec survey.

Table 7.2. 2014 average monthly value of assistance by food security group; and variation between 2013 and 2014

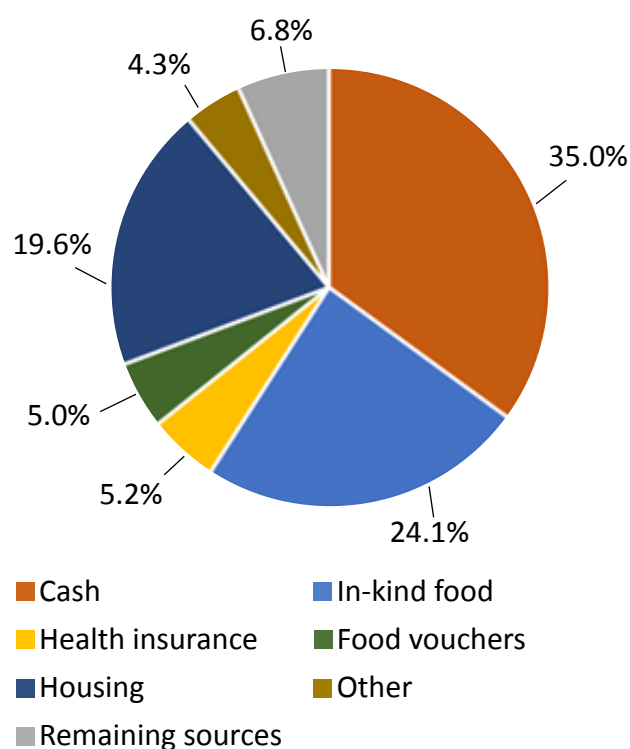
Food Security levels	Average monthly value of assistance ^a	
	(US\$=3.6NIS)	% change 2013/14
Severely food insecure	138	19.0%
Moderately food insecure	106	13.2%
Marginally food secure	83	-12.9%
Food secure	81	-9.3%
Total	102	2.3%

^a The monthly average is calculated summing all forms of assistance received by each household over the whole survey reference period (six months before the survey) no matter for how long

The average value received by assisted households was equal to 102 US\$/month, ranging from the 138 US\$/month of the severely food insecure group to 81 US\$/month of the food secure group. While the average value of assistance has increased for severely and moderately food insecure households, it has decreased for marginally food secure and food secure households. At the same time, the increase in the number of assisted households in these two groups qualify the assistance received as more inclusive. Without assistance part of the newly assisted households would have likely shifted to lower food security categories.⁴⁹

Figure 7.2 indicates the share of the value of five major types of assistance in relation to the total. Approximately two thirds of total assistance was distributed as cash allowances (35 percent) or food (in-kind 24 percent, and vouchers 5 percent). A further 25 percent was distributed as free health services (5 percent) and assistance for housing (20 percent).

Figure 7.2. Composition of total assistance in terms of value, 2014



⁴⁹ It must be emphasized that SEFSec was not designed as a targeting tool. Rather, the targeting of assistance interventions is undertaken by the implementing organizations using their own specific tools and methods. Further, SEFSec estimates post-assistance food insecurity levels – meaning that households classified as food secure may have become so thanks to the assistance received. Therefore, SEFSec results cannot be used to make any inference on targeting performance.

The national averages hide significant regional differences both in levels and trends (Figure 7.3). While in the West Bank the average value of assistance dropped from 128 US\$ in 2012 to 86 US\$ in 2014, in the Gaza Strip the value increased from 65 to 108 US\$ (+66 percent). This reflects the specific conditions existing in Gaza in 2014 such as conflict in July-August, post-conflict exceptional assistance, and delays in salary payments. The assistance received by severely food insecure households is more than twice that received by food secure households (151 US\$/month vs. 69 US\$/month). The same applies to food assistance (117 US\$/month vs. 57 US\$/month).

At the same time, the number of forms of assistance received in the Gaza Strip is much higher than in the West Bank (3.7 vs. 1.5). However, it is noteworthy that in the West Bank the average number of support forms received by households in 2014 was five times the number of the previous year (1.53 vs. 0.24).

Figure 7.3. Average monthly value of total assistance per household (US\$/month)

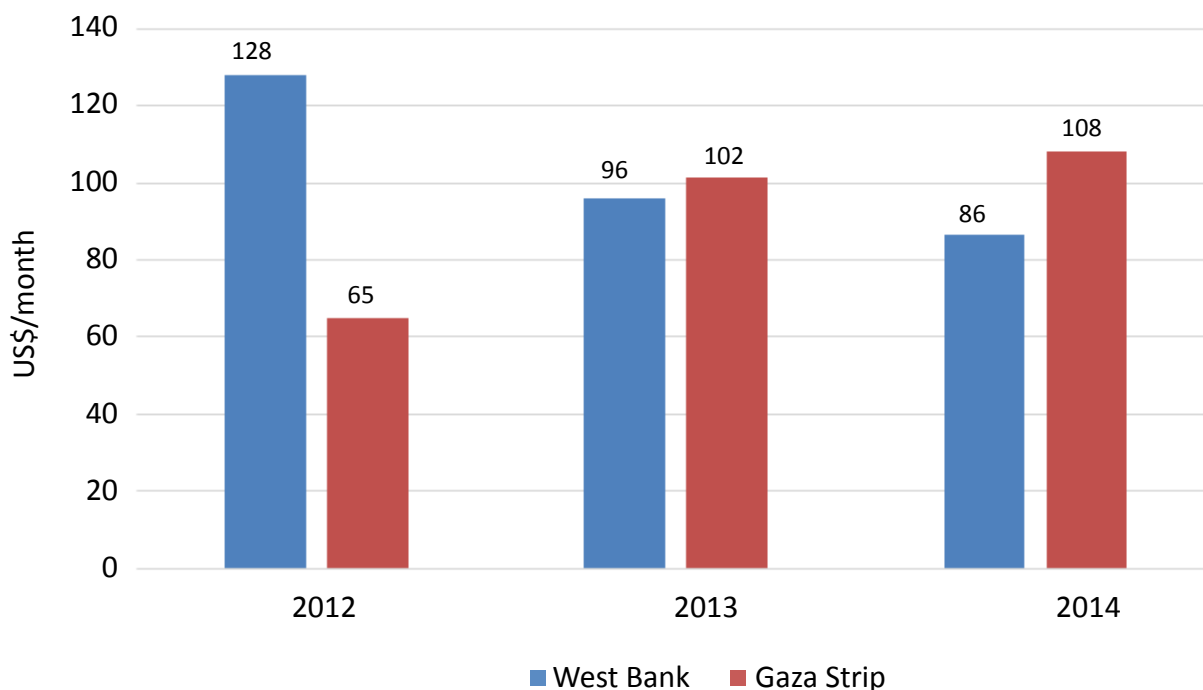


Table 7.3 reports the average monthly value received by households for each of the main types of assistance in the two regions during the period 2012-2014.⁵⁰ Between 2013 and 2014, there has been a general decline in the average value of assistance for cash and food in the West Bank. Conversely, assistance for employment and provision of agricultural inputs increased.

Employment assistance provided households with the largest average allowances in 2014 also in the Gaza Strip, where food assistance remained at a stable level. Among “other” forms of support, the largest average values were provided for housing/shelter forms of assistance. The support to agricultural production activities almost disappeared in the Gaza Strip after 2012.

⁵⁰ The types of assistance are partially different from those represented in Figure 7.3 to ensure comparability with data on 2012 (see SEFSec Report 2012).

Table 7.3. Average value of social transfer by type of assistance and region, US\$/month

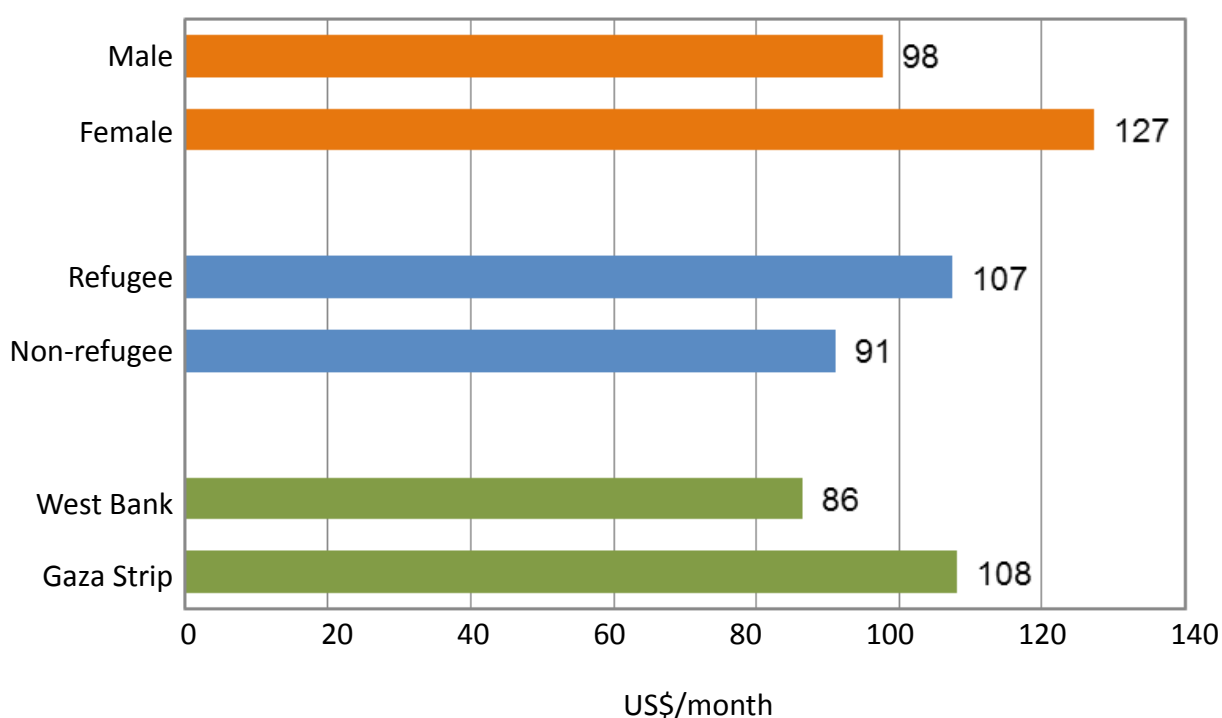
Type of assistance	West Bank			Gaza Strip		
	2012	2013	2014	2012	2013	2014
Cash	115	79	55	95	92	123
Food	45	34	27	37	36	48
Food vouchers	42	43	28	30	48	32
Job creation	115	97	126	82	147	215
Agricultural inputs	46	69	123	129	na	9
Housing	na	na	231	na	na	211
Other ^a	71	70	135	4	17	110
<i>Average</i>	<i>72</i>	<i>65</i>	<i>104</i>	<i>63</i>	<i>68</i>	<i>107</i>

^aThe 'Other' category in years 2012 and 2013 includes also housing.

The value of assistance varies across the range of household profiles (Figure 7.4). As seen above, while in 2014 households in the West Bank received an average support of 86 US\$/month (-10 percent in 2013), in the Gaza Strip the average amount was equal to 108 USD/month. The value of support received by households with refugee status was greater than that received by non-refugees (107 vs. 91 US\$/month).

A more substantial difference was recorded in 2014 between households according to gender: female-headed households received on average 30 percent greater support than male-headed households (127 vs. 98 US\$/month). This result hints at a greater vulnerability of female-headed households, suggesting a more pronounced dependence on assistance to achieve food security.

Figure 7.4. Average monthly value of assistance to Palestinians by selected household typologies, 2014



The composition of assistance across different household types emphasizes the different needs of various groups (Table 7.4). Female-headed households are more likely to receive assistance in the form of cash and free health services than male-headed households. This is probably due to their demographic composition, with most households headed by widowed and old-age women. The comparison between refugee and non-refugee indicates a focus on cash support for non-refugees, while refugee households receive a larger share of assistance in “other” forms, including substantial support for housing (5.1 percent).



Table 7.4. Composition of assistance by region and household group, share of total value received, 2014

Type of assistance	West Bank	Gaza Strip	Refugee	Non refugee	Male	Female
Cash	36.4%	34.5%	31.8%	40.2%	34.0%	40.4%
Food	15.3%	26.8%	23.6%	24.7%	25.7%	15.6%
Health insurance	19.8%	0.8%	5.3%	5.0%	3.1%	16.2%
Food vouchers	3.1%	5.5%	4.7%	5.7%	5.5%	2.3%
Housing	13.1%	21.6%	24.4%	12.2%	20.9%	12.9%
Other	0.1%	5.6%	5.5%	2.2%	5.0%	0.7%
Remaining sources	12.2%	5.2%	4.7%	10.0%	5.8%	11.8%

7.3. Sources of Assistance

THE coverage of social assistance shrunk in 2013, to return close to 2012 levels in 2014, reflecting the deteriorating livelihood conditions – especially in the Gaza Strip due to the conflict. Overall, the most reported sources of assistance are the Palestinian Ministry of Social Development (MoSD), UNRWA, international agencies, charitable and religious associations as well as family, relatives and friends. However, there are important differences between the West Bank and Gaza Strip (Table 7.5).

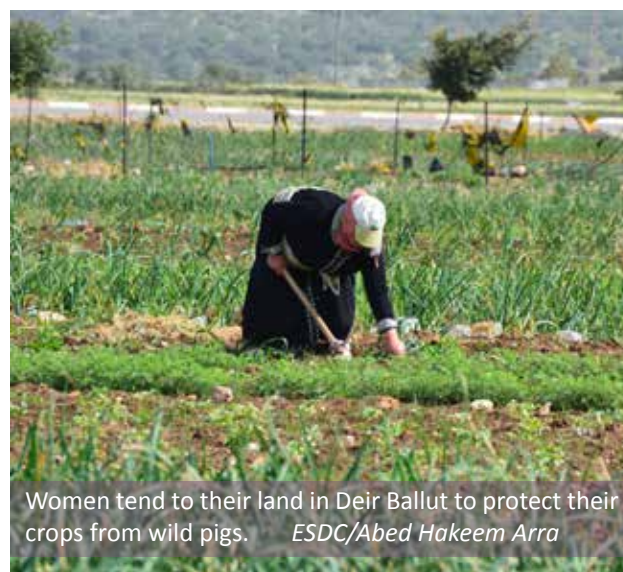
In the West Bank, 7 percent of households receiving assistance from MoSD in 2014, lower than the 8 percent reported in 2013. The other two most cited sources of assistance were UNRWA, and informal assistance (family and relatives), which were virtually stable at the 2013 levels.⁵¹

⁵¹ We refrain from making comparison across years when percentage are very small because of the sampling error. For example on the one hand the number of households who reported assistance from UNRWA in West Bank doubled between 2013 and 2014. On the other hand the number of people assisted by UNRWA was actually quite stable (UNRWA, 2013 and 2014).

Table 7.5. Reported sources of assistance by Region⁵²

Sources of assistance	West Bank		Gaza Strip	
	2013	2014	2013	2014
Ministry of Social Development	8.2%	6.8%	19.6%	23.5%
Other PA agencies	0.9%	2.0%	4.2%	8.6%
Political parties	0.0%	0.1%	0.4%	8.6%
Zakat/other religious institutions	0.5%	0.6%	0.5%	2.7%
International agencies	1.4%	1.2%	9.3%	21.3%
UNRWA	2.1%	4.0%	42.6%	62.3%
Arab countries	0.0%	0.1%	0.3%	2.8%
Charity/religious	0.4%	0.3%	3.8%	19.5%
Family and relatives	2.8%	2.8%	14.8%	6.8%
Friends/Neighbors	1.1%	0.9%	1.8%	4.8%
Workers union	0.0%	0.0%	21.6%	12.9%
National banks	0.0%	0.0%	0.0%	0.5%
Local reform commission	0.0%	0.0%	0.1%	0.6%
Other	0.4%	0.9%	0.3%	3.3%
Any type of assistance	15.1%	16.5%	65.7%	84.2%

A quite different picture emerges from the Gaza data. Not surprisingly, in the Gaza Strip the most cited source is UNRWA, which in 2014 was providing food assistance to some 867,000 refugees. A number of other sources of assistance are reported, including the Palestinian MoSD, charitable and religious associations, workers union, and family and relatives. These last sources decreased to 7% in 2014, a sign that informal social networks were unable to provide assistance in times of generalized severe hardship caused by the conflict.



⁵² Sources of assistance are not mutually exclusive. Some households reported receiving assistance from more than one source.



Palestinian refugee cooking a meal for her family using the content of the food basket.

UNRWA/Tamer Hamam

8. Recommendations

THE occupation, the status of the relationship between the State of Palestine and Israel, and to a lesser extent the uncertainties derived from internal Palestinian political divisions, are the most important determinants of the diverging socio-economic dynamics in the West Bank and Gaza Strip and as such threaten the unity of the State of Palestine.

Increased mobility restrictions such as the blockade in the Gaza Strip and the limitation to mobility of labourers and commodities in the West Bank play a major role in increasing the transaction costs of economic activities, reducing the possibility of import-export of both input and outputs, dampening the incentive to invest both domestic and foreign investments and, ultimately, reducing employment opportunities for Palestinians.

Restrictions to mobility of people and commodities remain the most critical factors affecting food insecurity in Palestine. **Food insecurity can be sustainably addressed only if its root causes are resolved i.e. lifting the blockade on Gaza and ending West Bank access restrictions as steps toward ending the occupation. Existing coordination mechanisms (e.g. Gaza Reconstruction Mechanism) that allow the entry of construction materials are maintained, in order to enable employment creation and economic development.**

Food insecurity is mainly driven by economic access issues caused by the lack of economic opportunities. Employment no longer shelters people from food insecurity. Informal and/or irregular employment of heads of household are a characteristic of food insecure households; creating temporary and low paid jobs is, therefore, not enough to reduce food insecurity.

Since insufficient access to economic opportunities constrain access to food, measures to address food insecurity should also aim to promote inclusive and equitable economic growth and the creation of sustainable economic opportunities.



Cash-for-Work laborer performing rehabilitation works - Aida refugee camp.

UNRWA/Hisham Elsalfti

Sustainability of economic growth depends largely on the capacity of the Palestinian economy to compete in global markets. Food security is ultimately driven by employment creation through private sector growth. More attention and resources should be invested in assuring that the productive sectors are revived and remain competitive. **All measures to revive the productive capacity of the Palestinian economy especially in the Gaza Strip should be undertaken with a view to promoting the ability to produce and export goods, including food.**

Vulnerable population groups such as female-headed households, refugee households, camp residents and households with persons with disabilities or chronic illnesses face constrained household livelihood opportunities.

In a context of limited financial resources, needs-based targeting of interventions, taking into account these vulnerabilities should be further strengthened by major assistance providers, including governmental actors.

Those living in rural areas have higher levels of food security than those living in urban areas. However, households whose main source of income is the primary sector usually are relatively less food secure.

It is not clear from the SEFSec data whether the better performance of rural households is due to better coping capacity of some households that can compensate for the reduction in labour opportunities with direct production of foodstuffs (but only if this is not the primary income source) or due to migration to urban areas in search of economic opportunities and rural residents joining the growing number of urban working poor.

This seeming inconsistency needs further analysis to understand the conduit mechanisms leading to specific food security outcomes.

However, both poor urban households and small farmers and herders indicated higher levels of food insecurity. Specific targeting of these two segments of the population is necessary for them to be lifted out of their current situation of food insecurity through livelihoods support

that combines resilience building and protection in order to improve their food security situation. **Greater efforts should be devoted to protecting the livelihoods of small farmers and herders and to promoting home based food production among food insecure urban households as well as creating sustainable economic opportunities for both.**

Despite the efforts of assistance providers, the gap between needs and available assistance is growing and current resources are insufficient to meet the full humanitarian assistance needs of the food insecure in Palestine. To optimize the impact of assistance to food insecure Palestinians, assistance efficiency as well as overall available resources should increase.

The modalities for assistance should be further harmonized and coordination mechanisms between major assistance providers including governmental actors, INGOs, national organizations, and UN bodies strengthened.

The Social Protection Sector Strategy, led by the MoSD, is an effective framework for increased coordinated work among governmental, non-governmental, UN agencies and donor offices, and aimed at harmonizing current cash transfer and food assistance programmes. The Palestinian Social Safety Net (SSN) is also working to harmonize the targeting methods used by WFP and MoSD through a proxy-based testing formula to ascertain the real needs of families, which will improve targeting on a national level.



Tailors in Gaza city produce clothes of students
Oxfam/Hosam Salem

Continuous and sustained support for the development of the Palestinian SSN, ensuring it has an essential role in development policy as a means of reducing poverty and managing risks.

Social assistance in Palestine should target the segments of the population most vulnerable to shocks – such as the urban poor, farmers, herders, fisher people and female-headed households – to support sustainable livelihoods in longer-term programmes. Livelihoods interventions must be based on careful analysis of the current availability and accessibility of food for crisis-affected people, the impact that the crisis has had on men’s and women’s assets and livelihoods strategies, and the role that food assistance could play in both preserving assets and meeting household consumption needs.

Greater efforts should be devoted to protecting livelihood groups in Palestine such as the urban poor, farmers, herders, fisher people and female-headed households through resilience-enhancing programmes.

Finally, the consistency of the SEFSec survey over time is an important means for analysing trends and changes related to the food security status of Palestinians. This survey should be included within the national statistic institution’s plans, and its methodology should be in line with similar national surveys. The positive outcome of having elaborated a new comprehensive analysis methodology should not be hindered by funding volatility or other factors that may put the survey at risk of not being regularly carried out.

Key local and international stakeholders should take all necessary efforts to ensure the continuity of the SEFSec. If this is not possible, local and international stakeholders should provide valid and solid alternative solutions in order to ensure the provision of reliable, continuous, and significant information that can inform proper analysis on food security in Palestine.



A family reviews the contents of their food parcel in the Gaza Strip.

FAFD/ Marwan Derawi



A beneficiary collects eggs from his home-based poultry unit in the Gaza Strip.

IOCC/IOCC Gaza Field Office

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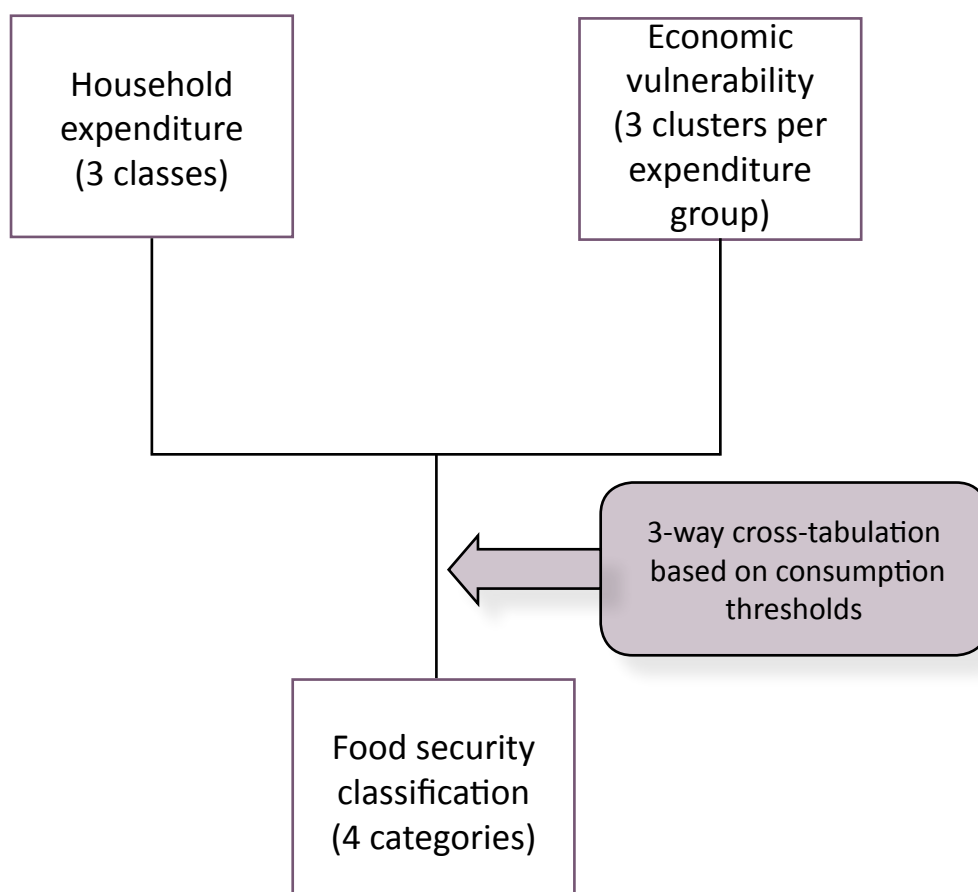
Annex A – SEFSec Methodology

THIS Appendix provides a summary of the methodology used to classify households according to their food security status in the Socio-economic & Food Security Survey. In doing this, it compares the previous methodology (used until year 2012) and the new methodology (adopted from 2013 on).

The change in the methodology of analysis was designed as an attempt to better capture the multi-dimensionality of the food (in)security condition, which is characterized by asset poverty, food deprivation and resilience to shocks and stressors, which were only partially accounted for in the previous methodology.

Previous methodology

THIS methodology, originally developed in 2007 and reviewed and endorsed in 2009, combines income, consumption, and a set of seven vulnerability variables (household size, refugee status, assistance, expectations on financial resources, impact on total, food and non-food expenditures) to classify households across four categories: food insecure, vulnerable to food insecurity, marginally food secure and food secure.

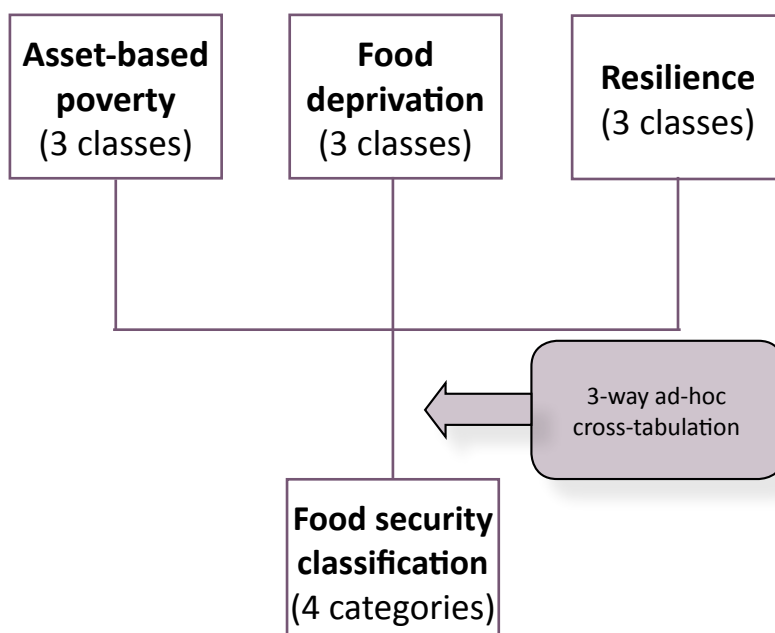


The resulting food security groups are defined as follows:

	Food insecure	Households with income and consumption below USD 5.65 per adult equivalent per day OR Households showing decrease in total food and non-food expenditures, including households unable to further decrease their expenditure patterns.
	Vulnerable	Households showing both income or consumption below USD 7.07 per adult equivalent per day EXCEPT households showing no decrease in expenditure patterns.
	Marginally secure	Households showing either income or consumption above USD 7.07 per adult equivalent per day (not both) OR Households with both income and consumption between USD 5.65 and USD 7.07 per adult equivalent per day with no decrease in expenditure patterns.
	Food secure	Households with income and consumption above USD 7.07 per adult equivalent per day OR Households with income and consumption between USD 5.65 and USD 7.07 per adult equivalent per day and show no decrease in total food and non-food expenditures.

New methodology

THE new SEFSec methodology, which was applied to the data of SEFSec 2013-2014 surveys, uses a three-pillar approach to reflect the multi-dimensional drivers of food insecurity in Palestine, including: poverty (based on household ownership of assets), food deprivation (Food Consumption Score (FCS) to capture dietary quality and the Household Food Insecurity Access Scale (HFIAS) to capture food consumption quantity), and resilience (to capture household's capacity to absorb, adapt and transform in the face of shocks or stressors relying on assets, income generating activities, basic services, and social safety nets).



The three components – poverty, food consumption, and resilience – are combined to assess households in four categories as indicated in the table below.

		Poverty		
		Deep poor	Poor	Non poor
Food deprivation	Resilience			
	Low			
	Medium			
	High			
Severely food deprived	Low			
	Medium			
	High			
Moderately food deprived	Low			
	Medium			
	High			
Not food deprived	Low			
	Medium			
	High			

The resulting food security groups are defined as follows:

	Severely food insecure	Households with a severe or significant consumption gap that they cannot counter through economic means or coping mechanisms.
	Moderately food insecure	Households that face issues with either the quantity or quality of food consumed, which they cannot address due to their limited financial means or without employing irreversible coping options.
	Marginally food secure	Households that risk not being able to maintain sufficient food consumption, and households that have adequate financial means but did not adapt their diet to an acceptable level.
	Food secure	Households that have sufficient food consumption, which they will be able to maintain without the use of coping strategies while meeting their essential food and non-food needs.

Therefore, the results obtained using the previous methodology (i.e. the data published in the SEFSec Report 2012 as well as the 2013 data published in the High Level Statement issued in June 2014) and those obtained using the new methodology (i.e. this report) are not comparable.

Annex B – Poverty Measures

THE SEFSec survey includes three types of information suitable for poverty analysis:

- data on expenditures;
- data on incomes;
- data on owned assets.

Previous editions of the SEFSec report adopted expenditure-based measures of poverty: the surveyed households were classified into poor and non-poor groups using expenditure data according to poverty lines estimated at the national level by PCBS.⁵³

An assessment of the robustness and reliability of poverty measures based on data collected by the SEFSec survey resulted in the decision to abandon money-based (i.e. expenditure/income) measures of poverty because they proved to be inconsistent with the same measures based on PECS data, taken as a benchmark.⁵⁴ Therefore, the current SEFSec Report adopts a methodology that classifies households according to an asset-based measure of poverty.

The advantages of using asset indexes are both conceptual and practical. Conceptually, asset ownership clearly reflects long-term wealth, which is closely related to living standards. Practically, collection of asset data is quicker, easier, more reliable, and less culturally sensitive than collecting data on income and expenditures.

A wide set of variables on households' ownership of consumer durables is collected by the SEFSec survey. This data can be used to construct an index of asset ownership that indicated a stable relationship with total expenditure over time (Langworthy *et al.*, 2014). After a comparison among alternative methodologies to produce asset-based poverty measures, a regression approach was preferred to principal component analysis and count-indexes methodologies.

A set of dummy variables was created to represent the ownership of eight durable items, dwelling characteristics, and two households characteristics, all strongly correlated with total expenditure:

a) asset ownership:

- central heating,
- vacuum cleaner,
- VCR/DVD,
- telephone,
- cell phone,
- computer,
- microwave,
- private car.

b) dwelling characteristics

- heating from gas, kerosene and electric power

c) demographic characteristics

- household size,
- refugee status.

The ten dummies were included as independent variables in a regression where the dependent variable was the total household expenditure. The regression was carried out on PECS data obtaining the weights (i.e. the regression coefficients) to be applied to SEFSec data on assets ownership, dwelling characteristics, and household characteristics. As a result, an estimated value of total expenditure was assigned to each observation (i.e. household) included in the SEFSec database.

Eventually, households were classified into three poverty groups, according to absolute poverty lines estimated annually by PCBS using PECS and data taking into account price inflation (PCBS 2012):

⁵³ The poverty lines were estimated using data from the Palestinian Expenditure and Consumption Survey (PECS).

⁵⁴ SEFSec expenditure and income data matched only two out seven reliability criteria for the estimation of poverty measures (Langworthy *et al.*, 2014).

- Deep poor households. Households below the “deep” poverty line. The deep line is based on a budget for food, clothing, and housing; households falling below this line are in a situation of dire poverty.
 - Poor households. Households below the national poverty line, but above the “deep” poverty line. The national poverty line is set considering basic needs as well as other needs such as health care, education, transportation, personal care, and housekeeping supplies.
 - Non-poor households. Households above the national poverty line.
- These three categories are then used to determine the final food security status of each household (refer to Annex A).



Annex C – Food Consumption Indicators

THE new SEFSec methodology introduces a food consumption dimension, which was not considered in previous SEFSec analyses. This is achieved by combining two indicators of food consumption, which are both relevant in Palestine:

- the Food Consumption Score (FCS) to capture the diet quality dimension, and
- some elements of the Household Food Insecurity Access Scale (HFIAS) to assess quantitative dimension of food consumption.

These indicators are appropriate to provide information on the households' ability to consume a sufficient quantity and quality of food for an active, healthy life while providing stable results over time. This feature is particularly relevant in the Palestine context, which is characterized by: (i) high economic instability; (ii) continuing nutrition transition; and (iii) widespread consumption of calorie-dense, nutritionally-inferior foods that are high in sugars.

The Food Consumption Score

FCS is the standard WFP proxy indicator of household's access to food (WFP, 2008). It is a composite score measuring dietary diversity, frequency of consumption and relative nutritional importance of different food groups. While FCS is able to capture the quality content of a given diet, it does not fully capture the amount of food people eat.

Calculation of FCS takes into account the number of food groups consumed by a household over a period of seven days (dietary diversity); the number of days a particular food group is consumed (food frequency); and the relative nutritional importance of different food groups.

The 2013 and 2014 SEFSec survey captures 22 food items that are reduced to nine groups. Each group is associated to a weight (score) based on its nutrient density (see table below). The frequency of each group (number of days consumed by the household) is multiplied by its score and then added across all food groups.

<i>Food group</i>	<i>Type of Food</i>	<i>Weights</i>
Cereal and tubers	Wheat, rice, bread, potatoes and other grain	2
Pulse	Dried beans, lentils etc.	3
Vegetables	All type of vegetables	1
Fruits	All type of fruits	1
Meats	Red, white meat and eggs	4
Dairy products	Milk and yoghurt	4
Sugar	Dried fruits, sugar, jam and sweets	0.5
Oil/fats	Olive oil, other vegetable oils	0.5
Others	Thyme, dukka, tea, coffee, spices	0

The higher the FCS the more diverse and nutritious is the diet. The FCS is used to categorize households into three groups using appropriate cut-offs (the same employed for food security classification in Iraq):

- a 'poor' food consumption ($FCS \leq 45$) consists of cereals (bread and rice), potatoes, sugar and oil consumed on a nearly daily basis, vegetables 4 times during the 7 days prior to the survey and very rare consumption of animal products and fruit,
- a 'borderline' diet ($45 < FCS \leq 61$) is similar to the previous category but includes a slightly more frequent consumption of vegetables (5 a week), and
- an 'acceptable' diet ($FCS > 61$), which is even more diversified with consumption of the various food groups on a nearly daily basis.

The Household Food Insecurity Access Scale (HFIAS)

The HFIAS was developed by the USAID under the Food and Nutrition Technical Assistance (FANTA) Project (Coates *et al.*, 2007). This indicator was devised to obtain information about quantitative aspects of food security and is meant to be valid across different cultural contexts.

It is based on the responses of 9 questions, five of which relate to food security aspects:

1. Did you or any household member eat a smaller meal than you felt you needed because there was not enough food?
2. Did you or any other household member eat fewer meals in a day because there was not enough food?
3. Was there ever no food at all in your household because there were not resources to get more?
4. Did you or any household member go to sleep at night hungry because there was not enough food?
5. Did you or any household member go a whole day and night without eating anything because there was not enough food?

The questions refer to what the household experienced in the 30 days preceding the survey. Households who answered positively to any of the above questions are classified as having "insufficient dietary quantity".

Classification of households in food deprivation groups

The two indicators of food consumption are combined together to form three "food deprivation" categories through the following decision matrix:

	<i>Insufficient dietary quantity</i>	<i>Sufficient dietary quantity</i>
<i>Poor dietary quality</i>	Severely food deprived	Moderately food deprived
<i>Borderline dietary quality</i>	Severely food deprived	Moderately food deprived
<i>Acceptable dietary quality</i>	Moderately food deprived	Not food deprived

These categories are then used to determine the final food security status of each household (refer to Annex A).

Annex D – Resilience Measure

HOUSEHOLD resilience is the ‘capacity that ensures adverse stressors and shocks do not have long-lasting adverse development consequences’ (TWG-RM, 2013: p. 6). This concept captures better than kindred concepts, such as vulnerability, the household ability to absorb, adapt and transform in the face of shocks or stressors while sustaining their expenditure. Even more important, resilient households are also more able than others to recover after a loss caused by a shock.

Therefore, the SEFSec 2013-2014 also includes a resilience dimension in the classification of household food security status (refer to Annex A). The SEFSec adopts a globally recognized indicator of resilience: the Resilience Index (RI) developed by the United Nations Food and Agriculture Organization within the Resilience Index Measurement and Analysis (RIMA) model (Alinovi *et al.*, 2008 and 2010; FAO, 2013).

The FAO-RIMA model estimates the RI as a latent variable depending of pre-determined dimensions, referred to as pillars. In the SEFSec, the model employs the following six pillars:

	Resilience Pillars	Variables
Physical dimensions	Income and Food Access (IFA)	<ul style="list-style-type: none"> • Percent of household members full-time employed (working 35 and more hours/week) • Percent of household members in working age (15-64 years old) employed • Number of different sources of households’ income (out of 16)
	Assets (AST)	<ul style="list-style-type: none"> • Dummy indicating whether the household owns or not its house • Monthly rental value (in NIS) of the household dwelling • Wealth index on the consumer durable assets • Agricultural index (principal component analysis index on land, TLU⁵⁵ and agricultural tools index)⁵⁶
	Access to basic services (ABS)	<ul style="list-style-type: none"> • Walking distance in minutes to get to the nearest pharmacy • Walking distance in minutes to get to the nearest elementary school. • Walking distance in minutes to get to the nearest health centre • Dummy indicating whether the household suffers any cut off in water provision • Dummy indicating whether the household suffers any cut off in electricity provision • Dummy indicating whether the dwelling has toilet with piped water • Index for the mobility restrictions⁵⁷ • Percent of household members with health insurance
Capacity dimensions	Adaptive capacity (AC)	<ul style="list-style-type: none"> • Average years of education of household’s members • Coping Strategy Index (CSI) • Dummy equal to one if no household member suffers of disabilities
	Social Safety Nets (SSN)	<ul style="list-style-type: none"> • Standardized value of total assistance (in NIS) received by the household during the last 6 months
	Sensitivity (S)	<ul style="list-style-type: none"> • Number of total shocks faced by the households during the past 6 months

⁵⁵ TLU standardizes different types of livestock into a single unit of measurement. The conversion factor adopted is: 0.7 cows; 0.5 cattle and calves; 0.1 sheep/goats; 0.02 poultry; 0.01 beehives; 0.01 fish.

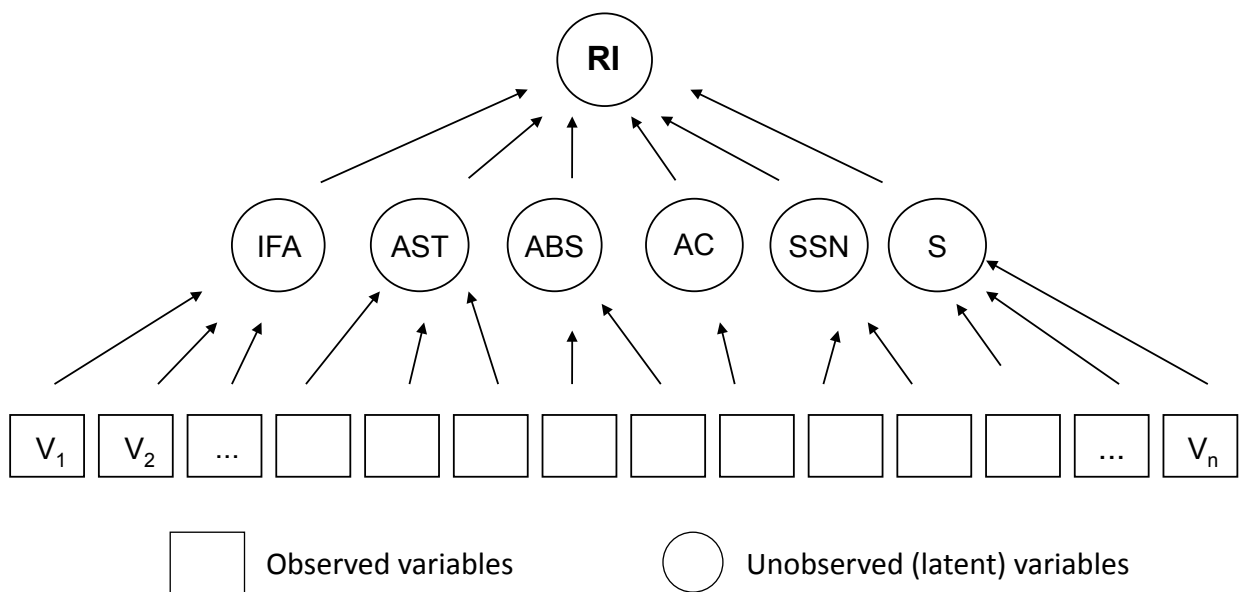
⁵⁶ The agricultural tools included are: animal plough, brace, darasah, bulldozer and sprayer.

⁵⁷ The index assumes three values: 0 if the movement restrictions represent very much an obstacle for the family, 1 for minor obstacle, and 2 for not being an obstacle.

The RI is estimated in a two-step procedure. First, the pillars are estimated through factor analysis from observed variables. Second, a structural equation model is employed to predict a latent outcome, namely the RI, which identifies the relation between the pillars.

The RI is then normalized on a scale between 0 and 1, identifying three classes according to terciles in the index distribution: low ($RI \leq 1/3$), medium ($1/3 \leq RI \leq 2/3$) and high ($RI > 2/3$) resilience.

Finally, each household is associated to a given resilience tercile: this contributes to the identification of the final food security status of each household (see Annex A).



Annex E – Impact of Assistance

IN Chapter 7, the assistance from various institutions to households questioned was analysed. Here an attempt is made to show possible impacts of the assistance given.

The impact of assistance⁵⁸ on food security status can be assessed using different approaches, moving from simpler statistical analyses (incidence of assistance among all Palestinian households and intensity of assistance per assisted household) to more sophisticated analyses exploiting the opportunity offered by the panel structure of the SEFSec 2013-2014 survey.⁵⁹

Approximately 40 percent of Palestinian households reported to have received assistance during the second half of 2014 (Table E1), an increase of 8 percentage points compared to the previous year. As expected, the incidence of assistance is much higher in the Gaza Strip (5 times as high as in the West Bank), where some 84 percent of households received assistance in 2014. Due to the conflict, the Gaza Strip is also the region where the share of assisted households increased the most between 2013 and 2014 (almost 20 percentage points) while in the West Bank the incidence of assistance increased less (by 10 percentage points).

Table E1. Incidence of assisted households by region and food security level

Food security level	West Bank		Gaza Strip ⁶⁰		Palestine	
	2013	2014	2013	2014	2013	2014
Severely food insecure	39.4%	45.5%	90.3%	94.6%	71.3%	81.4%
Moderately food insecure	30.5%	36.3%	81.0%	88.9%	50.7%	61.0%
Marginally food secure	13.5%	16.8%	65.5%	83.4%	36.1%	44.6%
Food secure	9.2%	11.2%	42.0%	73.7%	16.8%	24.1%
Total	15.1%	16.5%	65.7%	84.2%	32.4%	39.7%

⁵⁸ The impact of assistance cannot be immediately interpreted as an assessment of food assistance targeting for several reasons. In fact, it refers to any type of assistance (e.g. food, production, cash, with food representing non more than 24 percent of total) provided by many organizations (e.g. WFP, UNRWA, Palestinian Ministry of Social Development, others) adopting their own targeting algorithms that may not be targeting food insecure households (e.g. UNRWA uses a Proxy Means Test Formula to measure poverty for targeting). On the other hand, the SEFSec methodology on the basis of which households are classified into food security groups considers also dimensions different from the ones usually adopted into standard targeting algorithms, such as resilience.

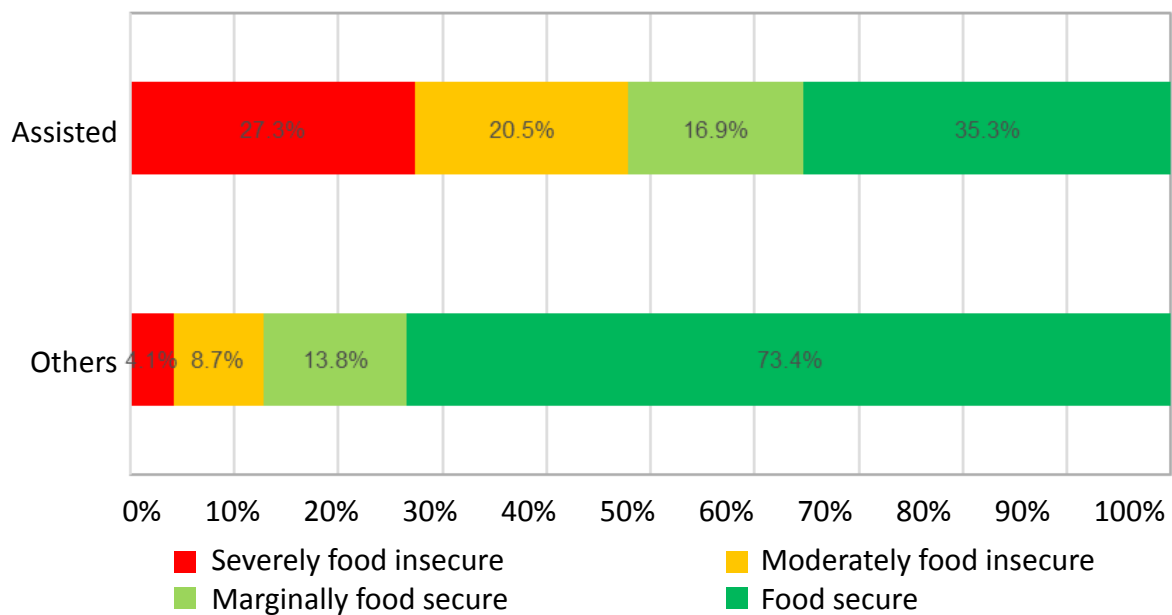
⁵⁹ The methodology to assess the impact of incidence in this report is different from that used in previous SEFSec reports because of the change in the methodology to classify households per food security level (Annex A).

⁶⁰ In the Gaza Strip, the overall sharp increase of assistance in 2014 can be explained by increased assistance in the aftermath of the conflict.

As expected, comparing assisted and non-assisted households indicates a far higher percentage of food insecure among the assisted households (Figure E1).

Almost half of the total assisted households belong to the two food insecure groups, while the combined share of these two groups among the non-assisted households is approximately 13 percent.⁶¹

Figure E1. Food security level by assistance status in 2014



A similar pattern characterizes the intensity of assistance defined as the ratio between the value of assistance over total expenditure among the assisted households (Table E2). In 2014, assisted Palestinian households received approximately 27 percent of their total expenditure as assistance with a 5 percent increase over the previous year. As expected, the intensity of assistance decreases in the level of food security in each year and in both regions.⁶²

Between 2013 and 2014 the intensity of assistance decreased in the West Bank, but increased in the Gaza Strip. While the incidence of the assistance changed dramatically between the two years in the Gaza Strip, the intensity increased at a lower rate (7 percentage points). Therefore, the major driver of assistance change in the Gaza Strip is the increase in the number of targeted people rather than intensity, as the conflict in Gaza required an expansion of humanitarian aid coverage.

⁶¹ Using targeting language, it appears that the error of inclusion (leakage) is quite large and the error of exclusion (under-coverage) is small. However, it is worth mentioning that the various agencies made targeting using their own methodologies (for instance, targeting to poverty rather than food security) that not necessarily produce the same results of the SEFSec classification. Therefore, rather than speaking of errors in targeting we should look at the pattern emerging and this is quite reassuring: more food insecure households are included among the assisted group.

⁶² Except for the West Bank in 2014, when assisted food secure households received a larger share of assistance relative to expenditure. However, this refers to only 11 percent of food secure households.

Assessing the impact of assistance calls for more sophisticated analyses than mere data cross-tabulation as an identification of a cause-effect relationship is required: this can be achieved by exploiting the panel design of the new SEFSec 2013-2014.

An initial, simpler approximation of impact can be achieved by sub-dividing the panel

sample into four subgroups according to the year in which households received some form of assistance. Table E3 indicates the change in the share of food security groups within each of the subgroups. The shadowed cells represent improvements in the food security status, which is a decrease of the food insecure or an increase of the food secure groups.

Table E2. Mean share of assistance over total expenditure by region^a

Food security level	West Bank		Gaza Strip		Palestine	
	2013	2014	2013	2014	2013	2014
Severely food insecure	29.3%	15.0%	26.5%	43.8%	27.1%	39.5%
Moderately food insecure	25.2%	17.4%	20.5%	33.8%	22.2%	28.6%
Marginally food secure	21.4%	14.0%	20.4%	22.1%	20.6%	20.3%
Food secure	19.8%	21.5%	17.9%	16.4%	18.7%	18.3%
Total	23.5%	18.5%	22.0%	29.5%	22.5%	26.6%

^a Considering assisted households only.

Taking those who received no assistance in any year as a benchmark, a positive impact of assistance can be observed – that is, changes with the expected signs, greater than that experienced by the ‘never’ assisted households – for those who received assistance in both years and in 2013, but not for all groups among those who received assistance in 2014. However, this result does not necessarily mean a less effective assistance in year 2014.

In fact, it may be that those who received assistance in 2014 were experiencing deterioration in their livelihoods in that year and therefore started to receive assistance.⁶³

⁶³ Of course, the opposite would not hold for those who received assistance only in 2013, considering they stopped to receive assistance in 2014.

Table E3. Changes in food security level by period of assistance

Food security level	2013 and 2014	2013	2014	None
Extremely food insecure	-2.2%	-13.7%	10.7%	-1.5%
Moderately food insecure	-2.0%	-14.1%	7.9%	-2.1%
Marginal to food insecurity	1.3%	3.4%	0.5%	1.8%
Food secure	2.8%	24.4%	-19.1%	1.8%

^a 2013 weights used.

Another method to assess the impact of the assistance on food security levels is to model the probability that households belong to the food secure group in each year as a (logistic) function of the per capita value of assistance and other covariates that control for the year (general evolution of the social context), per capita expenditure (evolution of economic conditions of the household), and the interaction of assistance and year, variables that assumes a value of zero for 2013 observations and the value of per capita assistance for 2014 observations.⁶⁴

This last variable (in bold in Tables E4 and E5) captures the marginal impact of the change in the value of assistance on the probability to belong to the food secure group for those who received assistance in 2014.⁶⁵

The model (technically a logit model with fixed effects) has been estimated on a sub-sample of observations for which the food security status varied between the two years (Table E4). Apparently, the 2014 intervention has a positive, but not statistically significant impact ($p = 0.19$) on the probability to belong to the food secure group.

Table E4. Estimates of fixed-effect logit model (dependent variable: being food secure)

	Coef.	Std. Err.	z	P>z	95% conf. interval	
Log of per capita value of assistance	-0.26	0.03	-10.38	0.00	-0.31	-0.21
Dummy for year 2014	0.14	0.07	2.02	0.04	0.00	0.27
Interaction year 2014 * Log of per capita value of assistance	0.04	0.03	1.30	0.19	-0.02	0.10
Log of per capita total expenditure	1.11	0.07	16.40	0.00	0.98	1.24
Log-likelihood ratio: -1321,10						
Observations (N): 2,200						

⁶⁴ Actually a fixed effect is added to the function that is equivalent to adding a constant specific for each household. In this way all time-invariant household characteristics are controlled for.

⁶⁵ Actually, being a binary dependent variable panel model, the impact measure is a local one since the estimates are based only on the subsample of those who switched food security status between 2013 and 2014 (that are 2,200 observations).

This result may not be unexpected considering that assistance did not target only food insecure households, but rather poor households.

Therefore, in order to assess the impact of assistance on poor households, the same

analysis was undertaken to assess the impact of the assistance on poverty by modelling the probability that a household belong to the non-poor group⁶⁶ (Table E5). For this calculation, the impact of assistance is stronger and statistically significant (p = 0.00).

Table E5. Estimates of fixed-effect logit model (dependent variable: being non-poor)

	Coef.	Std. Err.	z	P>z	95% conf. interval	
Log of per capita value of assistance	-0.12	0.03	-3.98	0.00	-0.18	-0.06
Dummy for year 2014	-0.36	0.09	-4.07	0.00	-0.54	-0.19
Interaction year 2014 * Log of per capita value of assistance	0.13	0.04	3.53	0.00	0.06	0.20
Log of per capita total expenditure	1.83	0.09	19.29	0.00	1.64	2.02
Log-likelihood ratio: -918.64						
Observations (N): 1,735						

In this annex a number of approaches have been tested to assess the impact of the assistance received by Palestinian households. Although, the methodology for this is at an experimental level, a few cautious conclusions can be drawn:

Assistance has a positive overall impact on households in Palestine – however this impact is more significant on poverty than on food insecurity. Furthermore, even though overall

assistance in 2014 has significantly increased compared to previous years (more so in the Gaza Strip than in the West Bank), individual households are unlikely to have benefited more from it, as the assistance was spread across a greater number of households. Eventually it also needs to be considered that possible stronger positive impacts of the assistance may have been undermined by the 2014 conflict in Gaza.

⁶⁶ The poverty groups considered in the SEFSec 2013-2014 are the following (see Appendix B): deep poor, poor and non poor.





Women processing food in the Gaza Strip

ACF/Abed Elhaleem Kolab

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