



## SOCIO-ECONOMIC AND FOOD SECURITY (SEFSEC)

### SURVEY REPORT 2 – GAZA STRIP

November 2009

DATA COLLECTED BY THE PALESTINIAN CENTRAL BUREAU OF STATISTICS  
(April – June 2009)



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## CONTENTS

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<b>ACRONYMS AND ABBREVIATIONS .....</b>	<b>3</b>
<b>FOREWORD.....</b>	<b>4</b>
<b>EXECUTIVE SUMMARY .....</b>	<b>6</b>
<b>1. INTRODUCTION .....</b>	<b>12</b>
<b>2. METHODOLOGY .....</b>	<b>13</b>
<b>3. SOCIO ECONOMIC CONTEXT .....</b>	<b>14</b>
3.1 Gross Domestic Product (GDP).....	14
3.2 Unemployment .....	14
3.3 Nominal and Real Wages.....	16
3.4 Prices .....	17
<b>4. ESTIMATES OF HOUSEHOLDS FOOD INSECURITY LEVELS .....</b>	<b>19</b>
4.1 Food security levels by refugee status .....	20
4.2 Food security levels by locality type .....	20
4.3 Food security at governorate level.....	21
4.4 Food security by household gender and age composition .....	22
<b>5. LIVELIHOODS AND ACCESS TO FOOD .....</b>	<b>24</b>
5.1 Employment status, sources of income and food security .....	26
5.2 Income .....	27
<b>6. OVERALL HOUSEHOLD EXPENDITURE AND EXPENDITURE ON FOOD .....</b>	<b>30</b>
6.1 Overall household expenditure and expenditure on food .....	30
6.2. Households' purchase of food on credit .....	32
<b>7. CURRENT SHOCKS, RISKS, COPING MECHANISMS, AND NEEDS .....</b>	<b>33</b>
7.1 General coping strategies.....	33
7.2 Households reported needs .....	33
<b>8. HUMANITARIAN RESPONSE AND TARGETING .....</b>	<b>34</b>
8.2 Targeting .....	36
<b>9. RECOMMENDATIONS .....</b>	<b>38</b>
<b>ANNEX I. FOOD SECURITY ANALYSIS METHODOLOGY .....</b>	<b>40</b>
<b>ANNEX II. LEXICONS.....</b>	<b>43</b>

**ACRONYMS AND ABBREVIATIONS**

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CPI	Consumer Price Index
FAO	Food and Agriculture Organization of the United Nations
GDP	Gross Domestic Product
HH	Household
ILO	International Labour Organization
Kg	Kilogram
MoSA	Ministry of Social Affairs
NGO	Non Governmental Organization
NIS	New Israeli Shekel
oPt	occupied Palestinian territory
PCBS	Palestinian Central Bureau of Statistics
PECS	Palestinian Expenditure and Consumption Survey
PNA	Palestinian National Authority
SEFSec	Socio-Economic and Food Security Survey Report
UNRWA	United Nations Relief and Works Agency
UN	United Nations
USD	United States Dollar
WFP	World Food Programme

## FOREWORD

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A rapidly changing socio economic environment in the occupied Palestinian territory (oPt) creates a dire need for reliable updated, socio-economic information to gauge the changing living conditions for Palestinian households. In the current circumstances the Palestinian National Authority (PNA), international and United Nations (UN) agencies have been forced to rely on macro-level indicators, outdated information, ad-hoc surveys and proxies, insufficient to provide a solid basis for programme and policy interventions.

The World Food Programme (WFP) and the Food and Agriculture Organization of the United Nations (FAO) have worked on food security information and analysis since 2003 to improve the availability and detail of information relating to food security in the oPt. Over the past 3 years, improvements have been made with regard to the development of a methodology to measure changes in socio economic and food security indicators. After undertaking the final revisions this year, the same methodology will be applied for future surveys to allow for comparison and trends analysis over time.

The Gaza Strip survey report is based on data collected from April to June 2009 on a sample of 7,536 households. A similar survey was conducted in the West Bank with data collected between January and February 2009 over a sample size of 4,791 households and the main report issued in August 2009. The West Bank and Gaza Strip data sets are the first and only statistical data sets generated since the 2007 PECS. The reference period for many questions on the Gaza Strip survey questionnaire captures a snapshot of households' income, consumption and expenditure patterns before and after the Israeli military operation Cast Lead between the 27<sup>th</sup> of December 2008 and the 18<sup>th</sup> of January 2009. The survey report therefore largely reflects the socio-economic and food security situation in the aftermaths of the military operation. Now that the methodology is finalized and is being institutionalized within the Palestinian Central Bureau of Statistics' (PCBS) regular statistical calendar, data analysis of future surveys will be conducted and published within a much shorter timeframe. While the survey report provides an overall view of the socio-economic and food security conditions of households, further working papers are being prepared to focus on specific issues such as household and governorate profiling. Interested users are invited to submit their queries directly to the WFP, FAO and PCBS team.

The time lapse between the data collection and the publication of this report must be taken into account when examining the results. While the survey provides the reader with a good picture of the situation resulting from events taking place in the first part of 2009, several factors have affected the socio-economic and political environment in the months following this period.

In the Gaza Strip, the Consumer Price Index (CPI) decreased between the first and the second half of 2008. However, between December 2008 and March 2009, the Food CPI in Gaza experienced a rapid increase mainly due to the tightened security restrictions during the latter months of 2008 and the recent military offensive in Gaza, which affected the supplies of food commodities and caused a more severe increase in the food prices in the Gaza Strip than in the West Bank. While food prices for many commodities have been slowly decreasing since their peak during the first quarter of 2009, the prices of

most commodities remain above their long-term average. The increase in food prices has been coupled with a reduction of real wages which has curtailed household's purchasing power, further strained due to the recent war. The socio-economic and food security findings show that while the prevalence of food insecurity has remained in the same range in the Gaza Strip, livelihoods continue to deteriorate with humanitarian assistance minimally sustaining the Gaza population to prevent them from complete destitution. It is hoped that the publication of this report and the dissemination of the data will inform humanitarian programming within the Gaza Strip that will meaningfully deliver the appropriate assistance to address the needs of all the food insecure and vulnerable population and provide a solid ground on which to lift these populations out of their hardship conditions.

## EXECUTIVE SUMMARY

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Food insecurity has become increasingly prevalent in the Gaza Strip as a consequence of lacking economic opportunities and progressive limitations imposed under Israeli control. The livelihoods crisis has been further aggravated by a 28 month blockade restricting commercial access for the import and export of goods and people towards labour markets. As a result, the Gaza Strip is currently undergoing a de-development in which the shrinking of the private sector and a stagnated economy is reeling the population into high levels of poverty and food insecurity. The removal of restrictions on Gaza's borders by the Government of Israel is an essential prerequisite as to start the revival of the economy and allow free access to agricultural areas within Gaza, as well as unrestricted fishing in Gaza's territorial waters<sup>1</sup>.

While the final results of the Socio-Economic and Food Security Survey (SEFsec) in the West Bank are diverse and multifaceted indicating a more diverse and fragmented environment, findings from the Gaza Strip show that the majority of households are characterised by high levels of poverty and food insecurity. The disaggregation of data by social categories therefore shows that households have generally been hit by the same shocks. Over three quarters of the population is food insecure or vulnerable to food insecurity which means the large majority of the population is widening its consumption gap, over-stretching its coping mechanisms and relies heavily on aid subsidies to sustain its level of food security. The evidence shows that the population is being sustained at the most basic or minimum humanitarian standard. The protracted closure since June 2007 provides actors with limited scope for improving employment, livelihood sustainability and, as a consequence, food security in the Gaza Strip. Despite the high coverage of assistance in the Gaza Strip which enables an acceptable level of food consumption for most of the population, the prevalence of food insecurity remains high due to widespread absolute poverty and lack of purchasing power to buy food and cover other essential needs.

### 1. Socio-economic factors: prices, employment and income

- Tightened security restrictions and the recent military offensive in Gaza have affected the supplies of food commodities causing fluctuations in food prices. The Consumer Price Index (CPI) in the Gaza Strip increased by 1.6 percent over the 1<sup>st</sup> half of 2009.
- Average daily wages have not increased parallel to consumer prices which has implications on Palestinian's purchasing power and their living standards. Nominal daily wages in the Gaza Strip in the first two quarters of 2009 have increased by 6.7 percent however; in real terms, wages have decreased over the same period by 5 percent.
- Climatic circumstances particularly low rain precipitation, irregular distribution of rain water and rainfall delay has reduced the recharge rate of the Gaza aquifer. The over-extraction of the Gaza aquifer has also resulted in the intrusion of sea-water. This is further compounded by sewage leaking into the ground water affecting the availability of safe drinking water and agricultural productivity.

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<sup>1</sup>UN Office for the Coordination of Humanitarian Affairs, Locked in: the humanitarian impact of two years of blockade on the Gaza Strip, August 09.

- Unemployment in Gaza has increased by 15.1 percent between the first and second half of 2008, it slightly stabilized in the first two quarters of 2009 but at a very high level (around 36%) and significantly differs between governorates. In the second quarter of 2009, the highest level of unemployment was recorded in Khan Yunis, at 44.1 percent. The lowest level of unemployment rate recorded in the second quarter of 2009 was in Gaza City at 31.6 percent.

## 2. Food Security

- Food security exists when all people, at all time, have physical, social and economic access to sufficient, safe and nutritious food which meets their dietary needs and food preferences for an active and healthy life. Food insecurity exists when this access is jeopardised. Food insecurity in both the West Bank and Gaza Strip is a result of food price inflation, livelihoods deterioration/destruction and erosion of coping mechanisms. In the Gaza Strip, import and export restrictions, and increased restricted access to agricultural and fishing areas further undermine the food system, artificially sustained by large scale food assistance.
- Overall, food insecurity affects 60.5 percent of households in the Gaza Strip while an additional 16.2 percent are considered vulnerable to food insecurity. Only 23% of total households in the Gaza Strip are considered marginally secure and food secure.
- In contrast to the West Bank, food insecurity in the Gaza Strip is more prevalent amongst the non refugee population (64.2%) compared to the refugee population (58.1%). Further, there is a higher prevalence of food insecurity level amongst households in rural areas at 67 percent compared to households in refugee camps at 62 percent and urban households at 60 percent. This data has to take into consideration the distribution of population within the rural, urban and refugee camps which is further detailed in chapter four.
- Rafah is the governorate most affected by food insecurity, with 66 percent of total Rafah households suffering from food insecurity. This is followed by the governorate of Gaza at 63 percent and Khan Yunis at 62 percent.
- A total of 9 percent of households in the Gaza Strip are headed by females. Of those, 68 percent are suffering from food insecurity. This is compared to 91 percent of male headed households of which 60 percent are food insecure.
- Similar to findings in the West Bank, households with a high proportion of female and child members tend to be more likely to fall under the category of food insecure.
- The Gaza average dependency ratio is 7.2 members in a family relying on one breadwinner. The average dependency ratio for food insecure households is 9.46 members relying on one breadwinner.<sup>2</sup>

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<sup>2</sup> The dependency ratio is defined as the number of household members dependent on one breadwinner.

- In Gaza, an average household spends 56 cents of every US dollar earned on food.<sup>3</sup> Food insecure households spend 58 cents of every dollar.

### 3. Livelihoods and Access to Food

- According to the broad definition of employment, 36 percent of heads of food insecure households are unemployed. While unemployment is clearly a factor contributing to food insecurity, the fact that 64 percent of household heads in food insecure families are in jobs shows that in many cases low and/or unsteady salaries are one of the causes of high food insecurity prevalence.
- The private sector represents the highest source of employment for food insecure households. A total 69% of food insecure households are employed in the private sector.
- Government wages and salaries represent the highest source of stable and reliable income for the majority of households.
- Irregular wage work and self employment represents the highest source of households that are food insecure at 38 percent and 21 percent respectively. Regular wage work represents the highest source of income of food secure households but also the second highest source for those who are food insecure. This means that the type of employment, salary scale and reliability of income is a prerequisite for household food security.
- In most cases, food insecure households are employed in elementary occupations (35 percent) and crafts (15 percent). A high percentage of the food secure and marginally secure households are employed in services and sales. This sector employs 43 percent of the food secure and 48 percent of marginally secure households. The second highest type of employment for food secure and the marginally secure are as specialists (30 percent of food secure and 22 percent of marginally secure households).

### 4. Impact of War on Livelihoods, Food Security and Coping Mechanisms

- 26 percent of food insecure households followed by 14 percent of marginally secure reported that their income decreased after the war. The majority of surveyed households reported that their income remained unaffected by the war. The low impact of the war on income is likely a result of a lift in the restriction on basic humanitarian assistance allowed into Gaza resulting in an effective food aid and cash aid distribution<sup>4</sup>.
- Household overall expenditure patterns show that 20 percent of the food insecure followed by 7 percent of the marginally secure, 5 percent of the vulnerable and 3 percent of the food secure reported a decrease in monthly expenditures after the war. These figures are signalling that households' expenditure gap is not being fully met by assistance and is actually widening despite

<sup>3</sup> PCBS defines the worse-off households to be those with a food expenditure ratio exceeding 44 percent.

<sup>4</sup> The definition of income in the SEFSec survey includes: revenue from wage employment, income from self-employment, private business and home production; rents from land, buildings, etc.; dividends; cash and in kind assistance; social security transfers; and remittances/help from friends and family living in Palestine or abroad.



the coverage of assistance, due to increased food prices and the persistent lack of income-earning opportunities.

- Across the food security groups that reported a decrease in income after the war, the majority of those households agree that the decreased income was resulting from the loss of wage income as a direct impact of the Cast Lead Operation and 28 month of blockade.
- The highest reported loss in source of income for food insecure after the war is within the private sector falling from 30 percent to 25.7 percent. At the same time, the highest reported increase in the source of income is on humanitarian aid from 69 percent to 73.2 percent.
- The majority of food security groups who reported a decrease in expenditure agree that the decrease was on food expenditures. These are 96 percent of the food insecure, 85 percent of the vulnerable, 92 percent of the marginally secure and 75 percent of the food secure.
- Out of the total number of households reporting a decrease in expenditures on food, 59 percent of food insecure households are reducing the quantity of food they purchase while 94 percent of food insecure households are reducing the quality<sup>5</sup>. 58 percent of the food insecure households are reducing both the quantity and quality of purchased food.
- Additionally, a total of 53 percent of the households surveyed are purchasing food on credit. Seven percent of the food insecure reported that they increased purchasing food on credit. This is followed by 6 percent of the marginally secure, 5 percent of the vulnerable and 4 percent of those who are food secure.

## 5. Humanitarian Response

- Seventy-one percent of the total population in the Gaza Strip indicated receiving assistance with the remaining 29 percent not receiving assistance.
- Out of those populations who receive assistance 66 percent of them are receiving one type of assistance while 34 percent of them are receiving two or more types of assistance.
- 92.3 percent of households who receive one type of assistance are receiving food assistance while 3.2 percent are receiving cash and another 3.2 percent are receiving medicine.
- Among households who received two types of assistance, 98 percent of them received food and 2 percent receive cash as the first type of assistance. As the second type of assistance, 66 percent receive cash assistance and 25 percent receive medicine.
- Generally, assistance is well targeted, reaching a total of 84 percent of the food insecure households in the Gaza Strip.

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<sup>5</sup> Affected population are reducing the quality of the food buying frozen meat instead of fresh meat, wings instead of full chicken, decreasing their expenditure on fresh food.

- In the aftermath of the war 53 percent of food insecure households received one kind of assistance, 23 percent received 2 types of assistance, and 8 percent received 3 or more types of assistance. 43 percent of the vulnerable families received one type of assistance, 10 percent received two types of assistance and 5 percent received three or more types of assistance.
- This is in comparison to the food secure groups in which 35 percent received one type of assistance, 9 percent of them received two types of assistance and 2 percent received three or more types of assistance. During the same period, among the households marginally food secure 36 percent received one type of assistance, 10 percent received 2 kinds of assistance and 4 percent received three or more types of assistance.
- The survey results show that there is an under coverage of 16 percent of the food insecure households who do not receive any assistance and a leakage of 8 percent of the food secure who are receiving assistance. While food secure households may be in need of other types of assistance, the data shows that some of them are receiving food parcels.
- Findings show that 26 percent of food insecure non refugee households compared to 9 percent of food insecure refugee households did not receive any assistance. Further findings show that 5 percent of food secure non refugee households compared to 10 percent of the food secure refugee households received assistance. These figures may indicate a level of mistargetting of assistance or a result of a lift in households' food security levels thanks to the assistance received.

#### 6. Recommendations for action

- This survey indicates that food insecurity within the Gaza Strip remains high. The impacts of the war has added additional strain to a 28 month blockade in which livelihoods are further deteriorating while the food insecurity levels have remained the same. Greater efforts are thus needed to lift the blockade and create long term sustainable solutions in order to prevent further economic deterioration causing the erosion of livelihoods as a result of the lack of employment opportunities within the Gaza Strip.
- Until economic growth, stability, a decrease in poverty levels have been achieved within the Gaza Strip food and cash distributions remain essential in the short term to assist households experiencing hardships. It is also important that all households facing deep poverty levels are properly targeted. In addition, the vulnerable, representing 16 percent of all households, and marginally secure, representing 6 percent of all households, should receive adequate assistance to avoid further decline towards food insecurity.
- Evidence show that higher food insecurity levels exist among the non-refugee population (compared to the refugee population) and among female headed households (compared to male headed households) and families with a high ratio of children or dependent adults. Food and cash assistance must therefore ensure targeting of hardship cases of all social categories keeping in mind the gender dimension within all humanitarian responses. Aid should ensure

equal access to humanitarian assistance to those social categories identified as most vulnerable while at the same time ensuring the different needs are addressed, including for example support of agricultural inputs to farmers whose assets were damaged during the war and the removal of access restrictions on the number of nautical miles for fisherman.

- Considering the high level of food insecurity and with the declining quality of foods purchased, continued support for the local production of fresh foods (vegetables, fruits, poultry, meat and fish) for local consumption is required. Support for poor to poor programmes is important in tackling the prevalence of food insecurity and in supporting the social or kinship networks within the Gaza Strip which play a key role in the inter-household redistribution of income and aid.
- As aforementioned, national government salaries being the important source of reliable income for households requires a steady pipeline of funds for PA salaries to sustain households who rely on those regular incomes to prevent them from falling deeper into poverty.
- Furthermore, a steady pipeline of funds for both food and cash assistance but also one that ensures a package of assistance that would lift people out of their food insecurity levels is highly important in positively impacting the conditions of households in Gaza. Interventions to support safety nets should be further expanded (e.g. urban voucher, school feeding programmes, cash handouts, and employment creation where possible, etc.).
- Addressing the aggregate consumption gap for all the food insecure and vulnerable populations but also reviewing the volume of assistance per household to meet all their needs, is of critical importance.
- Improved nutrition surveillance activities, including nutrition data analysis, are especially relevant given evidence of the decrease of food quality and quantity used as a negative coping mechanism by the food insecure and vulnerable population.
- There is a need to fine tune agency targeting mechanisms in order to prevent leakages in the aid distributed to meet the needs of all the population who rely on these packages and to sustain their consumption patterns, particularly those with a high ratio of child or dependent adult members.
- Support to the Palestinian Central Bureau of Statistics in monitoring the socio-economic and food security indicators is essential for adapting programme interventions to the rapidly changing socio-economic conditions impacting the living standards of Palestinian households and filling a critical information gap. In the next round, the same methodology should be used for both the West Bank and Gaza Strip. Regular funding needs to be secured to ensure the situation is monitored systematically rather than a one-off survey, with the aim of institutionalising the SEFSec within the regular Palestinian statistics information system.

## 1. INTRODUCTION

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The following Socio-Economic and Food Security survey report is part of the broader Socio-Economic and Food Security Monitoring System (SEFSec) in the West Bank and Gaza Strip. This initiative is supported by the World Food Programme (WFP) and the Food and Agriculture Organisation of the United Nations (FAO) in collaboration with the Palestinian Central Bureau for Statistics (PCBS). It emerged out of a need to capture the rapidly changing socio-economic and food security indicators in an extremely volatile socio-economic environment on a more regular basis and on a scale that allows for the precise profiling of the vulnerable groups currently existing in the occupied Palestinian territory (oPt). Due to the sample size of the Palestinian Expenditure and Consumption Survey (PECS) in 2006 and 2007 and the timing of the publication, the Palestinian Authority (PA) International organisations and United Nations (UN) agencies have had to rely on macro-level indicators, outdated information, ad-hoc surveys, proxies and telephone polls.<sup>6</sup> The SEFSec monitoring system is intended to fill this information gap by providing regular, timely and frequent updates on a series of fast moving indicators, according to the following criteria:

- food security (food acquisition, households food insecurity);
- income and consumption/expenditure patterns;
- coping mechanisms;
- assistance by type, value and source;
- socio-economic characteristics for households profiling and clustering;
- complementary information to compile Proxy Means Testing formula (which is used for the beneficiary targeting to determine the caseloads and the assistance package of agencies involved in the delivery of assistance to the oPt population)
- complementary information for the 'resilience analysis module' designed by FAO (e.g. access to public services, asset base, resilience to shocks/change)

In order to make the collected data useful for programming purposes, the SEFSec was designed to be carried out on a relatively large sample size to allow for data breakdown by governorate, sex, age, refugee or non refugee status, livelihood group and locality type. The sample size used for the SEFSec in the Gaza Strip (7,536 households) is thus large enough to provide an accurate profile of the most vulnerable groups. By implementing the survey on a 6 month basis, it is hoped that the SEFSec monitoring system will be able to gauge the impact that the rapidly changing socio-economic factors have on these groups over time, so that response interventions can be reviewed and adjusted accordingly.

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<sup>6</sup> This does not fully apply to UNRWA, who is recently rolling out its targeting mechanism and in the process has gained access to detailed information on the living levels of its beneficiary caseload.

## 2. METHODOLOGY

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The survey, conducted in Gaza Strip was originally planned to be conducted simultaneously with one in the West Bank in January and February 2009. However, as a result of the Israeli military Operation Cast Lead during 27<sup>th</sup> December 2008 to 18 January 2009, the data collection period was delayed. In order to reflect the post-conflict situation, the survey questionnaire was slightly altered. It should be recognised that due to this alteration, the current measurement of food security using income and expenditures does not account for the volume and value of food assistance received. While this data was collected in the West Bank and intended for the Gaza Strip, the appropriateness of this methodology was reconsidered in light of the war. In the same way as the West Bank, the methodology also does not incorporate other food security dimensions such as availability of food and utilization (consumption, nutritional status) of food. There is no single indicator able to capture all these dimensions in a simple way. In this regard, the survey, conducted in the Gaza Strip during April to June 2009 was designed to meet following objectives:

1. Provide an overview of the socio-economic characteristics of households residing in Gaza Strip after the Israeli military operation in Gaza;
2. Differentiate among the socio-economic conditions of Palestinian households according to the criteria of geographic location, locality type, sex, refugee status, and livelihood group;
3. Assess the overall trends in income and expenditure of households in the Gaza Strip after the war;
4. Identify household coping mechanisms, dietary diversity, priority needs
5. Provide an overview of assistance received by households and household's evaluation of this assistance; and
6. Provide evidence-based recommendations for food security policy and programming purposes.

The methodology used for this survey is largely consistent with the methodology used in the May 2008 Joint Rapid Food Security Survey in the Occupied Palestinian Territory conducted by WFP, FAO and UNRWA. Considering that the dataset is cross-sectional, the analysis is thus static using only income and expenditure. A third variable reflecting the changing socio-economic impact of Israeli measures was added to make the model more dynamic. These variables were used to cluster the data into three clusters of households that are homogeneous with respect to how they were impacted during the past 6 months by the Israeli measures. The households within the clusters were then classified according to their expenditure and income levels (3 way crosstabs) based on which the food insecurity levels were determined. The result generated by this survey was analyzed at four levels: governorate level; refugee status; and type of localities (urban, rural, and refugee camps). For this purpose, all 5 governorates of Gaza Strip were visited, including urban areas, rural areas and refugee camps (for detailed methodology please refer to Annex 1 and for detailed procedures refer to the SEFSec West Bank Report published in August 2009). It is hoped that the current methodology will be fully institutionalized by PCBS in the framework of the SEFSec monitoring system. FAO and WFP have been supporting PCBS in this endeavour during the past three years.

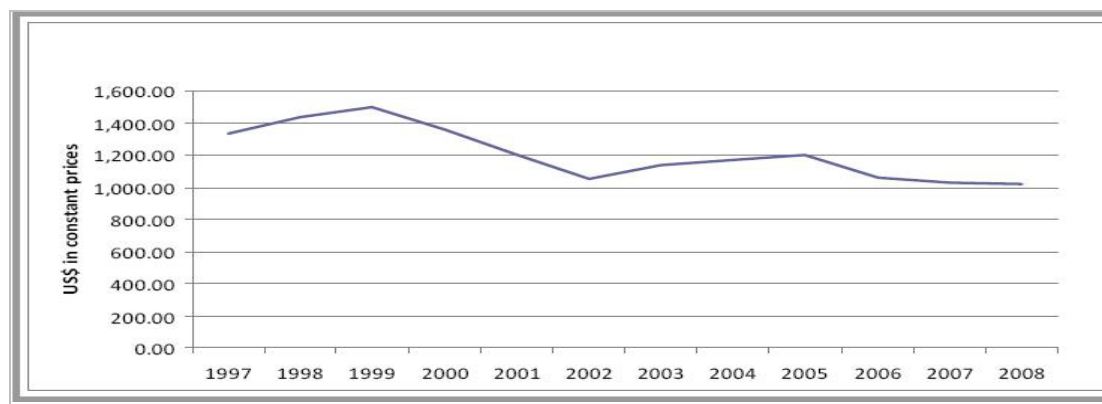
### 3. SOCIO ECONOMIC CONTEXT

#### 3.1 GROSS DOMESTIC PRODUCT (GDP)

The following analysis of the socio-economic context in the Gaza Strip is meant to provide background information on the main factors influencing levels of food security during the first half of 2009. This section is based on secondary data and draws on studies conducted by specialized agencies - mainly the World Bank Economic Monitoring Report (June 2009), as well as PCBS statistics. While the SEFSec survey questionnaire includes indicators relating to socio-economic variables, these are used solely to analyze their interrelations with food security levels, its causes and impacts and to profile vulnerable population groups.

The outbreak of the Second Intifada in September 2000 and the consequent restrictions imposed by the Government of Israel on Palestinian movement of people and goods ever since have put considerable strain on the Palestinian economy. High inflation contributed to the erosion of real wealth and incomes. Real GDP growth<sup>7</sup> in the oPt in 2008 was estimated by the World Bank at approximately 2 percent, resulting in per capita income of just over USD 1,000 during the same period. Growth has been strongly curtailed by the continued blockade on the Gaza Strip since June 2007, and further exacerbated by the Israeli military operation in late December 2008 and early January 2009. Hence, positive growth rates can largely be attributed to the West Bank.

**Figure 1: Per capita GDP in the West Bank and Gaza Strip, 1997-2008**



Source: PCBS Statistics with World Bank staff calculations,  
World Bank Economic Monitoring Report, June 2009

#### 3.2 UNEMPLOYMENT

Goods and labour markets in Gaza Strip are strongly affected by the stagnating economic environment. The unemployment rate (ILO standard), considerably high by international standards, experienced a substantial increase after the outbreak of the Intifada in Gaza Strip, reaching 38.1 percent in 2002. Since

<sup>7</sup> This growth rate is less than what was before the Second Intifada; i.e. the real GDP grew in 1999 by 9%.

then the unemployment rate in Gaza Strip fluctuated to reach the highest level in 2008 at 40.5 percent upon the unprecedented tightening of closure even on humanitarian interventions.

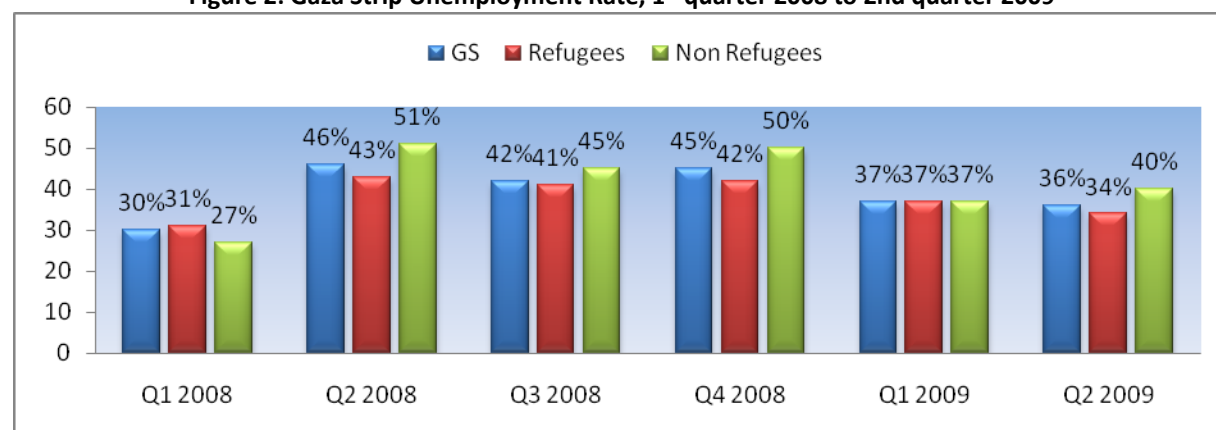
**Table 1: Unemployment Rate (ILO standard) in the occupied Palestinian territory (2002 – 2<sup>nd</sup> Q 2009)**

	2002	2003	2004	2005	2006	2007	2008	Q1 09	Q2 09
<b>oPt</b>	31.3	25.6	26.8	23.5	23.6	21.5	25.95	25.4	22.2
<b>West Bank</b>	28.2	23.8	22.9	20.3	18.6	17.7	18.95	19.5	15.9
<b>Gaza Strip</b>	38.1	29.2	35.4	30.3	34.8	29.7	40.5	37	36

Source: PCBS data.

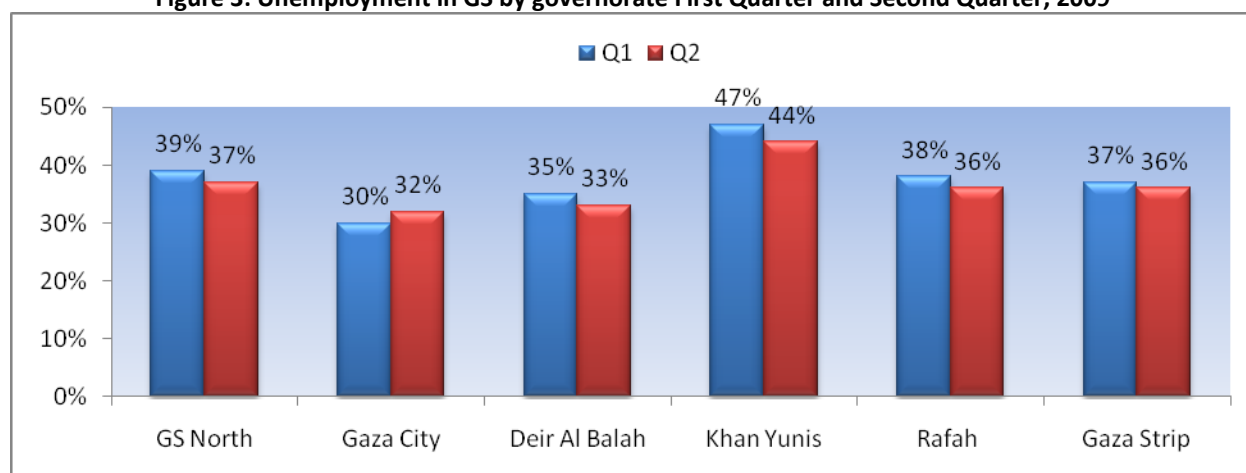
As illustrated in figure 2 below, the unemployment rate in the Gaza Strip have slightly stabilized during the first half of 2009 at a high level of 37 and 36 percent. This stabilization in the unemployment came as a result of a decrease in unemployment level among all Gazans in the first quarter of 2009, however, unemployment increased in the second quarter of 2009 to reach 40 percent among the non refugees (a 3 percent increase) while the percentage decreased among the refugees to 34 percent.

**Figure 2: Gaza Strip Unemployment Rate, 1<sup>st</sup> quarter 2008 to 2nd quarter 2009**



Source: PCBS Labour Force Survey, 2008 and First Half of 2009

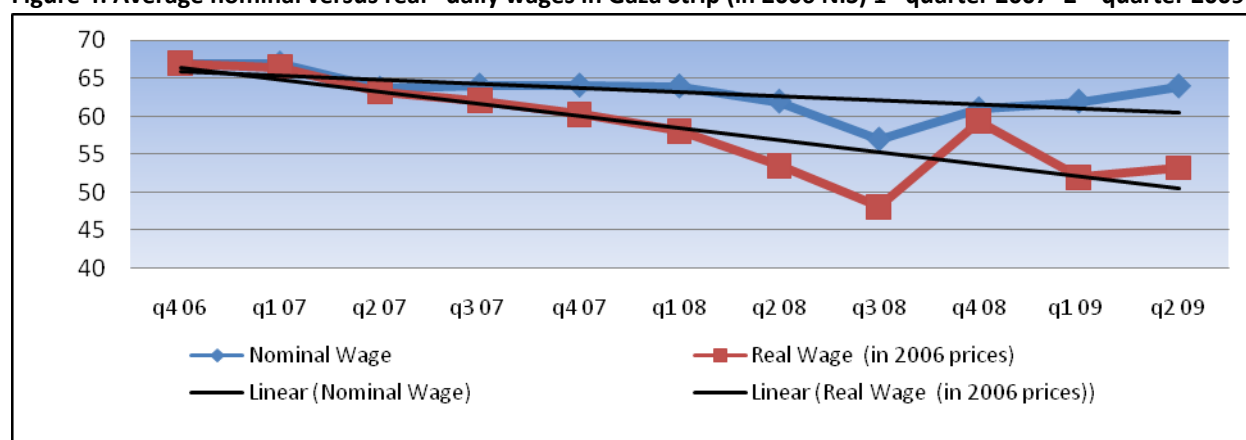
The unemployment rate differs considerably between the governorates in the Gaza Strip. In the second quarter of 2009, the highest level of unemployment was recorded in Khan Yunis, at 44.1 percent. As shown in Figure 3 below, the unemployment rate in Khan Yunis between 2007 and 2009 was one of the highest in the Gaza Strip. The lowest level of unemployment rate in the second quarter of 2009 was recorded in Gaza city, at 31.6 percent.

**Figure 3: Unemployment in GS by governorate First Quarter and Second Quarter, 2009**

Source: PCBS Labour Force Survey, First and Second Quarter 2009

### 3.3 NOMINAL AND REAL WAGES<sup>8</sup>

During the period under review, the average daily nominal wage was equal to the average daily wage in real terms in the first half of 2007. However, the gap between nominal and real wages increased significantly beginning in the second quarter of 2007. Nominal and real wages were equal again during the fourth quarter of 2008, coinciding with the Israeli military offensive during which price levels increased. However, the gap widened again during the first two quarters of 2009. In the second quarter of 2009, average daily real wage was worth only 84 percent of its nominal value (the real stood at 53 NIS compared to 64 NIS for the nominal). The fact that average daily wages have not increased at the same pace as the consumer prices has implications for Palestinians' living standards as purchasing power has decreased.

**Figure 4: Average nominal versus real\* daily wages in Gaza Strip (in 2006 NIS) 1<sup>st</sup> quarter 2007- 2<sup>nd</sup> quarter 2009<sup>9</sup>**

Source: PCBS data, Labour Force Survey, various rounds

<sup>8</sup> Average CPI for 2006 was used as a base year to calculate the real wage in 2007 and onward. This year was chosen to reflect the impact of the recent price hike on the wage levels in the period under review.

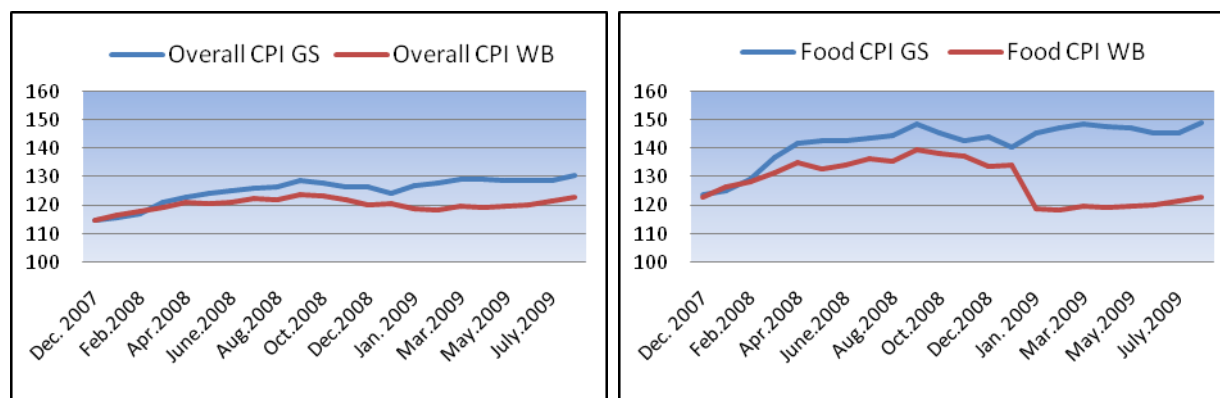
<sup>9</sup> The base year for real wage is the average CPI of 2006



### 3.4 PRICES

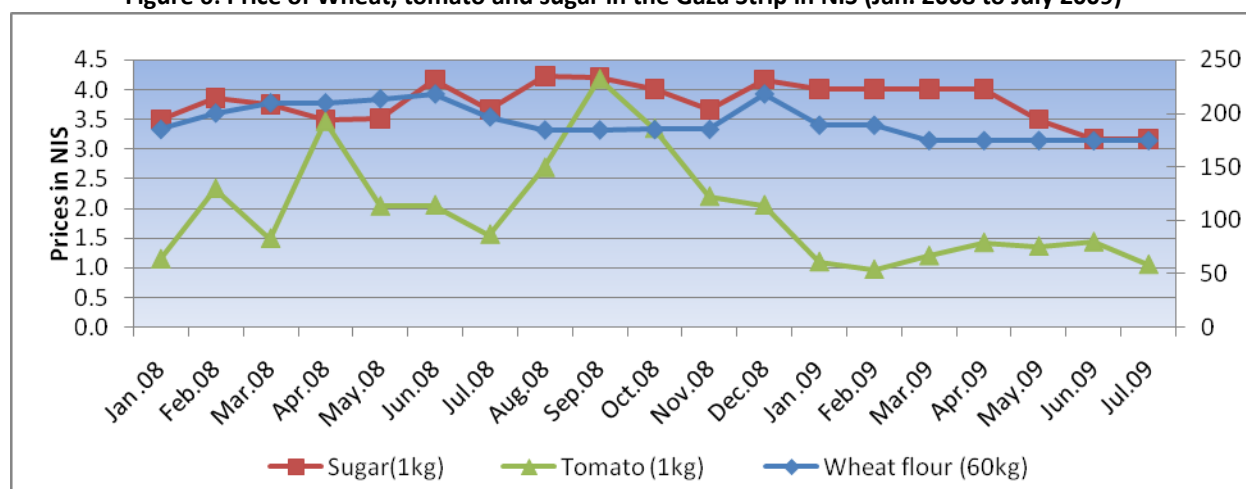
The CPI continued to increase in the Gaza Strip until the last quarter of 2008 when it witnessed a 3 percent decrease. However, the increase resumed during the first half of 2009 when the food CPI increased by 1.4 percent and the overall CPI increased by 1.6 percent. However, in the WB a noticeable decrease in the food CPI was witnessed since the beginning of 2009 with a 3.5 percent decrease while the overall CPI decreased by 2.3 percent.

**Figure 5: CPI in the West Bank and Gaza Strip (Dec.2007 – July 2009; base year 2004)**



Source: PCBS data.

Figure 6 shows the prices of three commodities: wheat flour, sugar and greenhouse tomato. The price of wheat flour increased between June and July 2009, but decreased by 11.3 percent compared with July 2008. On the other hand, the price of sugar in July 2009 is the same as prices in June 2009 but decreased by 13.6 percent compared with July 2008. The price of wheat flour began to increase after February 2008 to reach the peak in June 2008 (NIS 218/60kg). The increment in prices during this period is a consequence of changes in the international prices, as flour and sugar are commodities imported from Israel. The tomato prices decreased in July 2009 compared with June 2009 by 26.7 percent (from 1.44/kg to NIS 1.05/kg) and with July 2008 by 32.6 percent respectively. The prices of main staple food commodities decreased in the Gaza Strip over the last few months compare to the second quarter of 2008, nevertheless the prices are still significantly higher than their long term averages.

**Figure 6: Price of Wheat, tomato and sugar in the Gaza Strip in NIS (Jan. 2008 to July 2009)<sup>10</sup>**

Source: PCBS data.

Alongside the impact of international food price fluctuations, climatic circumstances have also impacted the price of food. Local production of food as well as rural livelihoods depending on agricultural production have been hit hard in recent months; low rain precipitation, irregular distribution of rain water and rainfall delay caused failure of seed germination and very poor crop growth. The over-extraction of the Gaza aquifer due to the population's heavy reliance on this only water have resulted in the intrusion of seawater causing the water quality to be unsuitable for both drinking and agricultural use. This is further worsened by leakage of sewage waste into the ground water making the water unsafe for both domestic and agricultural use. All these factors have led to large fluctuations in the price of locally grown products.<sup>11</sup>

<sup>10</sup> Wheat flour prices on right axis

<sup>11</sup> United Nations Environmental Programme. (2009). "Environmental Assessment of the Gaza Strip – following the escalation of hostilities in December 2008 – January 2009." UNEP, Kenya.

#### 4. ESTIMATES OF HOUSEHOLDS FOOD INSECURITY LEVELS

The food security estimates are based on income and consumption levels classified against the absolute and relative poverty lines<sup>12</sup> and cross tabbed with household clusters established based on specific groups of socio economic variables. This is opposed to the food acquisition methodology (more precise but a too cumbersome data collection process for a rapid assessment) that was used in the Palestinian Public Perception 11<sup>th</sup> Survey in 2007. The table underneath provides a description of the four food security groups identified:

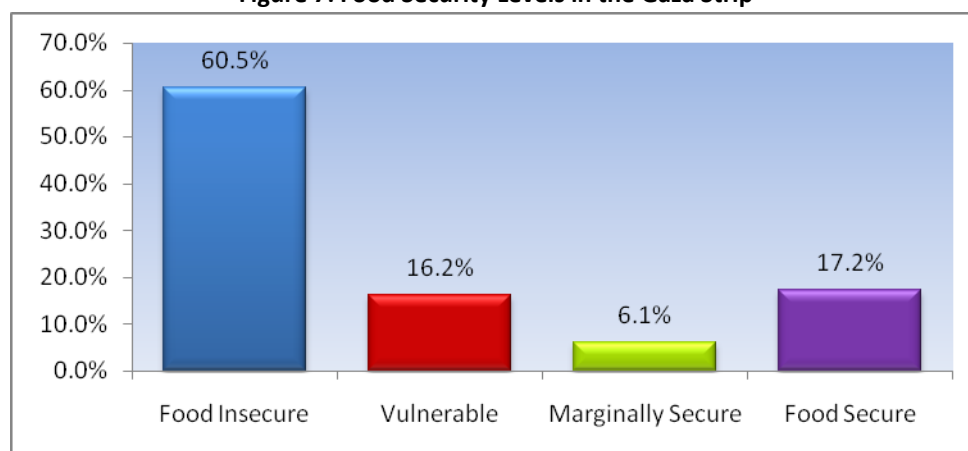
**Table 2: Food Security Groups**

Food Secure	Marginally Secure	Vulnerable to Food Insecurity	Food Insecure
-Households with income and consumption above USD5.6/adult equivalent/day  -Households with income or consumption between USD4.7 and USD5.6/adult equivalent/day but show no decrease in total, food and non-food expenditures.	-Households showing either income OR consumption above USD5.6/adult equivalent/day (not both)  -Households with both income and consumption between USD4.7 and USD5.6/adult equivalent/day but show no decrease in expenditure patterns.	-Households showing both income and consumption below USD5.6/adult equivalent/day EXCEPT households showing no decrease in expenditure patterns (categorized as marginally secure).	-Households with income and consumption below USD4.7/adult equivalent/day  -Households showing decrease in total, food and non-food expenditures, including households unable to further decrease their expenditure patterns.

Source: Palestinian Public Perception 11<sup>th</sup> Survey, 2007

Based on the aforementioned analysis, using the 4 categories of food security groups reveals that 60.5 percent of Gaza Strip households are food insecure, an additional 16.2 percent are vulnerable to food insecurity, while 6 Percent were found to be marginally secure and 17.2 percent to be food secure.

**Figure 7: Food Security Levels in the Gaza Strip**

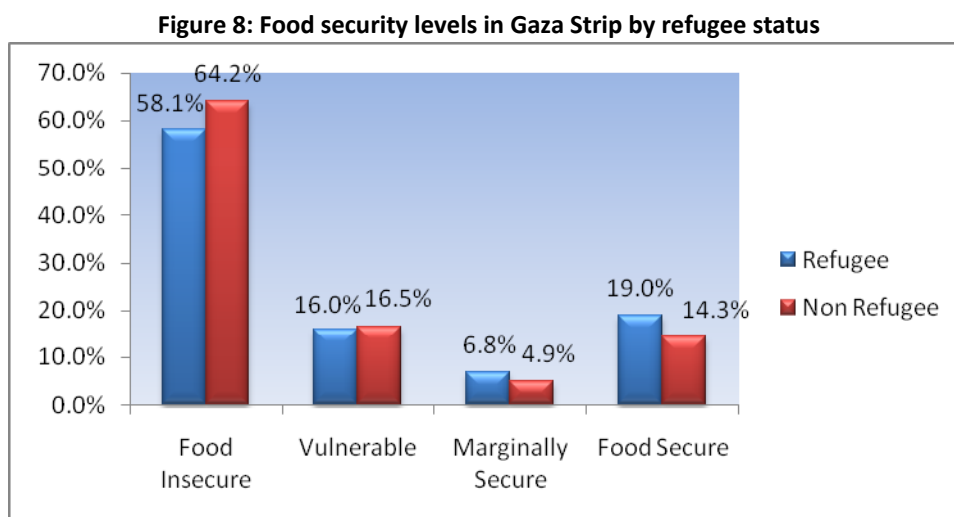


<sup>12</sup> PCBS poverty thresholds updated with changes in CPI and currency exchange rate

Given the revision of the methodology for the current survey, no conclusive comparison can be made between this year's findings and the results generated by the surveys conducted in 2006 and 2008. Therefore, this survey and the West Bank SEFSec survey will serve as baselines to monitor the socio-economic and food security situation in the oPt. Nevertheless, it can be stated that during the past three years, food insecurity levels in the Gaza Strip have remained in the same range. However, as a result of the rise in the CPI which is eroding household's purchasing power, humanitarian assistance is only able to partially fill the consumption gap. Currently, the prevalence of food insecurity and vulnerable now stands at 77 percent of the entire population. This leaves only 23 percent of the remaining population in the food secure and marginally secure category.

#### 4.1 FOOD SECURITY LEVELS BY REFUGEE STATUS

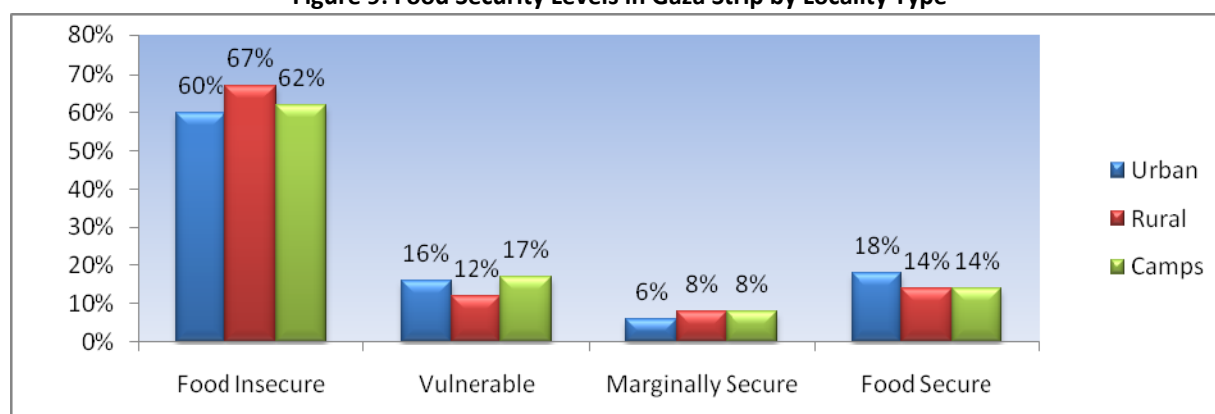
An analysis by refugee status reveals that the prevalence of food insecurity is 6 percent higher among non refugee households (64 percent) when compared to refugee households (58 percent). While the prevalence of vulnerable HH is similar for refugees and non refugees (16 percent of refugees and 16.5 percent of non-refugees), a total of 25.8 percent of the refugee households are classified as marginally secure and secure compared to 21.1 percent only of the non refugee households.



#### 4.2 FOOD SECURITY LEVELS BY LOCALITY TYPE<sup>13</sup>

Food security levels disaggregated by locality type revealed that households in rural areas are worst off with food insecurity levels reaching 67 percent. In comparison, 62 percent of camps dwellers and 60 percent of urban dwellers are food insecure. Those households falling into the category of vulnerable to food insecurity compose of 17 percent of households in refugee camps, 16 percent of households in urban centres, and 12 percent of households residing in rural areas of the Gaza Strip.

<sup>13</sup> A total of 81.8 percent of Gaza population live in urban centres while 16 percent live in camps and 2.3 percent live in rural areas.

**Figure 9: Food Security Levels in Gaza Strip by Locality Type**

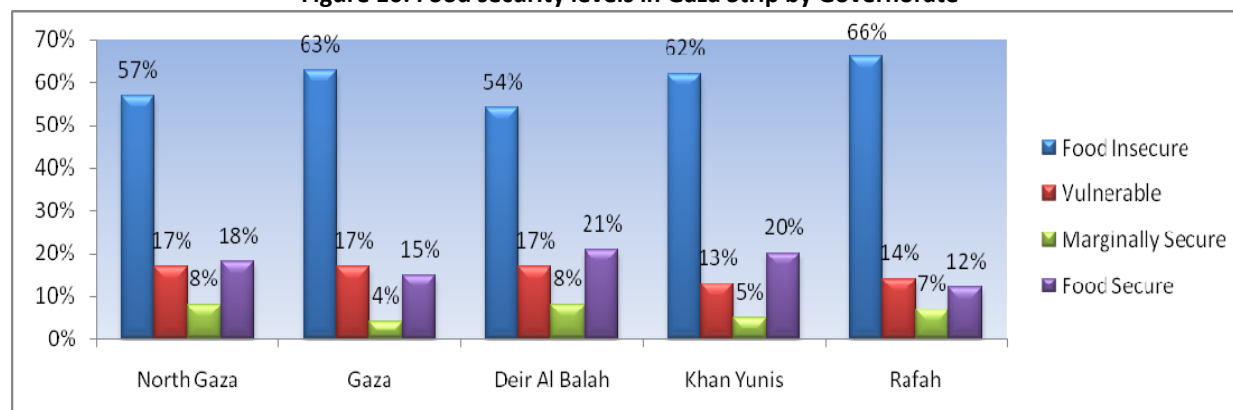
Despite the high levels of food insecurity in all locality types, comparisons to previous assessments show a higher prevalence of food insecurity in rural areas and a sharper increase in food insecurity levels in rural areas between 2008 and 2009. However, if both categories of food insecurity and vulnerability are combined, a higher level of food insecurity and vulnerability prevail among rural and camp dwellers than in urban areas. It is important to note that the rural population represents only 2.7% of the total Gaza population. While the prevalence of food insecurity is higher in rural areas, the concentration is actually higher within Gaza governorate due to the population size. Despite this, rural livelihoods remain strategically important as a shock absorber for the food insecure households keeping in mind that the population growth in the future may increase the case load of food insecure households. Further, the Israeli military operation Cast Lead in December-January 2008 and 2009 caused damages to approximately 11,500 dunums of cultivated land, 200 kilometres of agricultural roads, the uprooting of 300,000 trees, damage to 225 dunums of greenhouses, total or partial damages to over 300 ground water wells, and 40 dunums of nurseries<sup>14</sup>. Damage to agricultural assets as a result of the war is likely accountable for the levels of food insecurity in rural areas of the Gaza Strip.

#### 4.3 FOOD SECURITY AT GOVERNORATE LEVEL

As revealed by the data, the governorate of Rafah registered the highest prevalence of food insecurity with 66 percent of its households classified as food insecure. This is followed by Gaza (63 percent) and Khan Younis (62 percent). North Gaza and Deir al Balah come last with 57 percent and 54 percent respectively. The level of those falling in the vulnerable category was equal in North Gaza, Gaza, and Deir al Balah and was slightly lower at 14 percent in Rafah and 13 percent in Khan Younis. On the other hand, food security is higher in Deir al Balah (21 percent) followed by Khan Younis (20 percent), North Gaza (18 percent) and Gaza (15 percent). Damage assessment reports show that during the Cast Lead operations, Rafah governorate was amongst the highest governorate which bore the brunt of the destruction which would indicate the higher level of food insecurity amongst the population<sup>15</sup>.

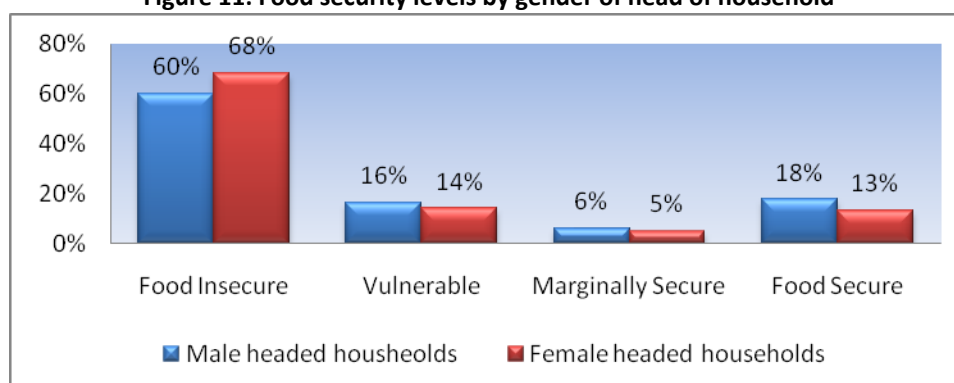
<sup>14</sup> Agriculture Sector Report, *Impact of the Gaza Crisis*, 2<sup>nd</sup> March 2009

<sup>15</sup> United Nations Institute for Training and Research/Operational Satellite Applications Programme, OPT: Damaged Assessment Overview For Gaza Strip - Update 4 (as of 26 Feb 2009), accessed on: <http://www.reliefweb.int/rw/rwb.nsf/db900sid/CVIE-7PZR2U?OpenDocument&rc=3&cc=pse>

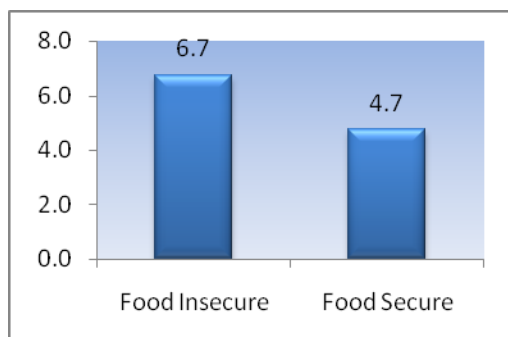
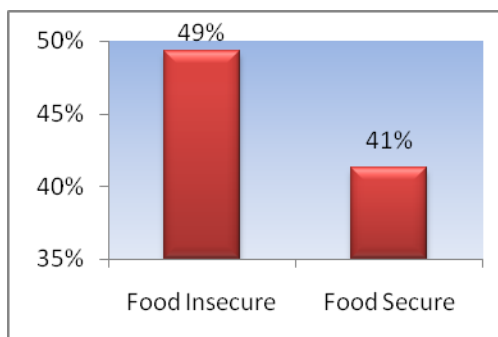
**Figure 10: Food security levels in Gaza Strip by Governorate**

#### 4.4 FOOD SECURITY BY HOUSEHOLD GENDER AND AGE COMPOSITION

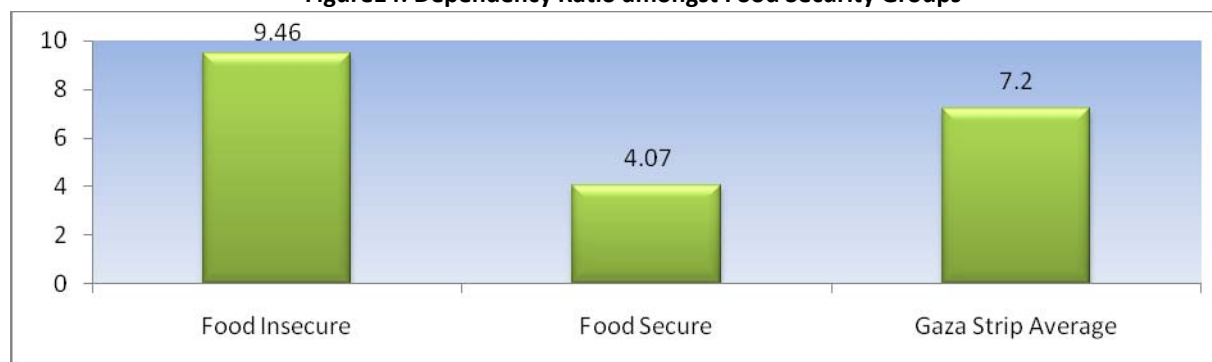
Quite a significant difference persists in food security levels when comparing the heads of households by gender. Food insecurity among female headed households is 8 percent higher than male headed households (60 percent versus 68 percent). Moreover, food secure female headed households also registered a 5 percent lower food security level than male headed households. Bearing in mind that 9 percent of households in Gaza are female headed, the gender dimension should be considered when delivering assistance to the population.

**Figure 11: Food security levels by gender of head of household**

Another factor contributing to determining the food insecurity status of the households is the household size. As Figure 12 shows, the average household size among the food insecure families is 6.7 members. This is compared to 4.7 members among the food secure families. Furthermore, the findings confirmed previous research that shows the higher the proportion of children among the household members, the more likely it is for the family to be food insecure.

**Figure 12: Average household size, food insecure/food secure households****Figure 13: Average household share of children, food insecure/food secure households**

The average Gazan household composes of 7.2 members reliant on one breadwinner. The figure amongst food insecure households is even higher. A total of 9.46 members are reliant on one breadwinner within food insecure households. The implications of these are elaborated in the following chapter.

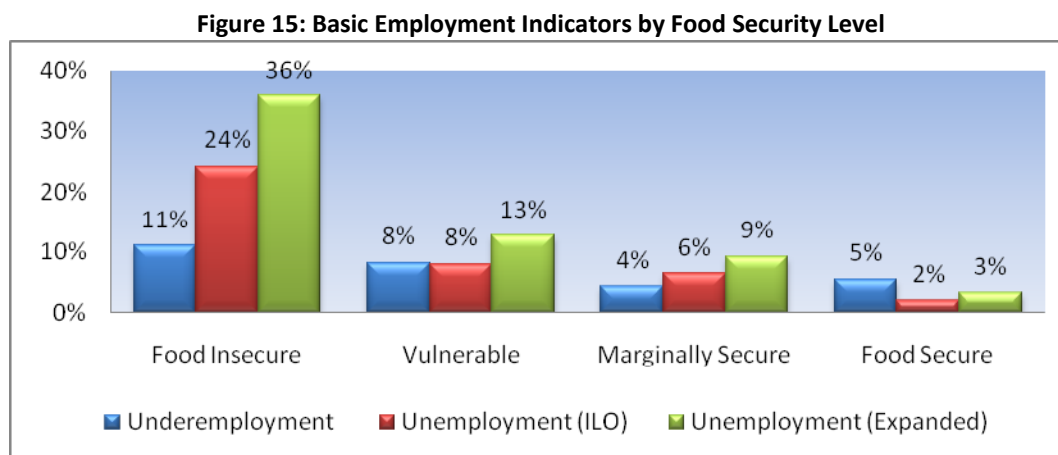
**Figure14: Dependency Ratio amongst Food Security Groups**

## 5. LIVELIHOODS AND ACCESS TO FOOD

Unemployment levels in Gaza remain extremely high. Over two years of blockade have resulted in the shrinking of the private sector impeding the import of materials and the export of goods which is further deteriorating the economy. Despite this, unemployment levels have stabilised. Whether this be a result of temporary job creation programmes in response to the livelihood crisis, the prevalence of food insecurity levels have remained in the same range.

As shown in Figure 15, a total of 36 percent of household heads who are food insecure are unemployed (expanded definition). This is followed by an additional 13 percent of the vulnerable, 9 percent of the marginally secure and 3 percent of food secure households. When applying the ILO employment standard, the number of unemployed heads of household amounts to 24 percent among food insecure households, to 8 percent among vulnerable households, 6 percent among marginally secure households, and 2 percent among food secure households.<sup>16</sup>

Furthermore, underemployment amongst the food insecure households is extremely high at 11 percent followed by vulnerable households at 8 percent, food secure at 5 percent and marginally secure at 4 percent. These figures indicate that household members are looking for any form of employment, be it low pay and irregular, in order to decrease their consumption gaps. Those underemployed are working less hours and receive lower pay; they are not contributing to lifting their households out of their food insecurity levels. The underemployment levels in the oPt had never exceeded 6.4 percent even in the worst periods of the *Second Intifada*<sup>17</sup>. Thus the 11 percent underemployment figures together with the 36 percent broad unemployment figure are signifying the level of livelihood deterioration in the Gaza Strip.



<sup>16</sup> Expanded unemployment refers to a definition which includes discouraged workers; people who have looked for jobs within the last year but have given up hope of finding one. The ILO standard definition of unemployment does not include discouraged workers and refers to a person of a specific age who is not in employment but is available and given the opportunity to obtain a suitable job or start an enterprise; said person would have actively looked for ways to obtain the job in the recent past. Underemployment is achieved when persons who are employed are in jobs that do not meet their employment level whether in terms of salary scale, regularity or the reliability.

<sup>17</sup> Source: Palestinian Central Bureau for Statistics, Labour Force Survey, 1990-2008



To further understand the relationship between food security and employment, the following table illustrates the sectors of employment disaggregated by the categories of food security levels. Keeping in mind that the concentration of the population employed within the private sector and private foreign establishments are higher than other sectors, Table 3 shows that the major sector of employment with the highest prevalence of food insecure household heads is the private sector establishments (69%). This means that the private sector most likely provides the most unstable income in terms of the type of employment, salary scale and reliability. This is opposite to the national government<sup>18</sup> which employs the highest percentage of household heads who are food secure at 68 percent. However the national government also employs household heads who are food insecure at 21 percent. This suggests that while the national government is the sector providing the most reliable income for households, it also is the sector providing an unreliable income for households depending on the job type and professional rank.

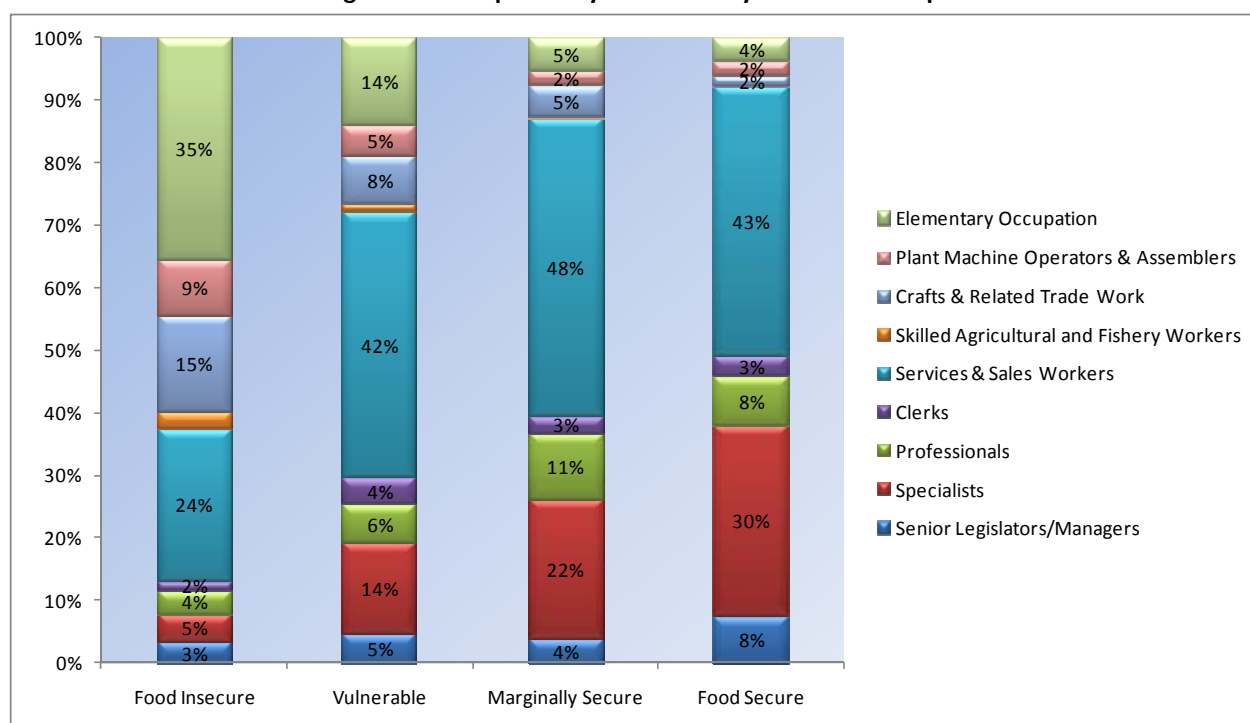
**Table 3: Employment Sector by Food Security Levels**

Sector of Employment	Food Insecure	Vulnerable	Marginally Secure	Food Secure	Total
Private Sector Establishments	69%	35%	28%	23%	51%
Private Foreign Establishments	4%	3%	0%	1%	3%
National Government	21%	56%	61%	68%	39%
UNRWA <sup>19</sup>	4%	5%	10%	7%	5%
Other	2%	1%	1%	1%	2%

As shown below in Figure 16, the majority of food insecure cases are employed in low skill employment; 35 percent in elementary occupation and 15 percent in crafts and related tradework. Services and sales provide the most varied types of employment, salary scale and reliability. This occupation employs the largest percent of household heads that are food secure (43%) and marginally secure (48%). However, this sector also is amongst the highest level of employment for vulnerable (42%) and food insecure households (24%). Despite that, the high percentages of food secure and marginally secure heads of households within services and sales sector suggest that it provides better conditions compared to others. This is followed by the specialist sector, which consists of 30 percent of the food secure and 22 percent of the marginally secure cases.

<sup>18</sup> The survey captures PNA wages and salaries but may also capture wages of the de facto government in Gaza.

<sup>19</sup> UNRWA employment is based on information provided by surveyed population. It could comprise permanent UNRWA employment and employment under UNRWA's job Creation and Graduate Training Programmes. The latter is cash for work intervention within the framework of an emergency and relief programme, and cannot therefore be counted as official UNRWA employees.

**Figure 16: Occupation By food Security levels Gaza Strip**

### 5.1 EMPLOYMENT STATUS, SOURCES OF INCOME AND FOOD SECURITY

A family whose household head is self employed is likely to fall within the the food insecure group. Families whose household head is a regular wage worker represents the highest number of those who are food secure (88%), those who are marginally secure (70%), but also vulnerable to food insecurity (70%) and food insecure (36%). This can be understood in the following way: regular wage workers represent those who are employed in low wage work and those who are employed in relatively well paid work with sufficient income to meet their dietary needs. Self-employment does not necessarily provide either regular or sufficient income which can account for the high level of food insecure and vulnerable groups. This confirms that food security is predetermined by both regular and sufficient access to income.

**Table 4: Employment Status by Food Security Groups**

Employment Status	Food Insecure	Vulnerable	Marginally Secure	Food Secure
Employer	5%	6%	3%	4%
Self Employed	<b>21%</b>	10%	9%	5%
Regular Wage Worker	<b>36%</b>	<b>70%</b>	<b>79%</b>	<b>88%</b>
Irregular Wage Worker	38%	14%	8%	3%
Unpaid Family Member	0%	0%	0%	0%

Following, the Israeli military operation “Cast Lead,” there has been a general drop in sources of income amongst food insecure households. The impact on food security, however, is modest owing to the fact that the war provided additional strain to over two years of blockade. The greatest loss of sources of income is within the private sector. Before the war, 30 percent of households derived their source of income from private sector employment. After the war, only 24.7 percent of households reported the private sector as their source of income; a 4.3 percent drop. This is tantamount to a further decline in the already deteriorating economy. The only sources of income that have increased after the war are humanitarian assistance (in the form of food aid/cash assistance/cash for work), being the highest reported at 73.2 percent, a 4.2 percent increase; the government sector with an increase of 0.4 percent; UNRWA with an increase of 0.6 percent; international organisations at 0.1 percent; and foreign government with 0.1 percent increases.

**Table 5: Sources of income as reported by the Food Insecure households before and after war**

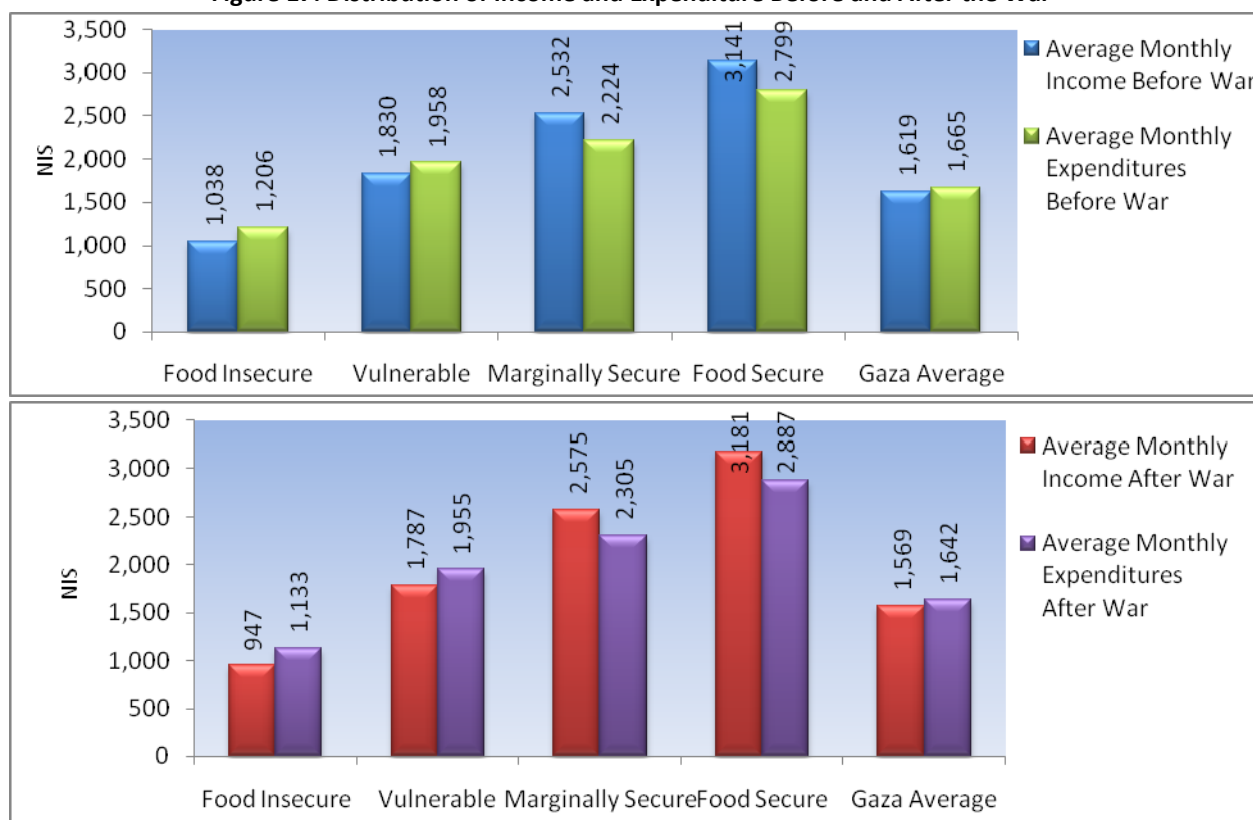
	Before War	After War
HH with agriculture as a source of income	4.5%	3.6%
HH with non agriculture income generating activities as a source of income	16%	15.0%
HH with private sector employment as a source of income	30%	25.7%
HH with government sector employment as a source of income	21%	21.4%
HH with Israeli employment as a source of income	0.3%	0.0%
HH with international organizations employment as a source of income	0.1%	0.2%
HH with foreign government sector employment as a source of income	0.2%	0.3%
HH with UNRWA employment as a source of income	2%	2.6%
HH with Aid as a source of income	69%	<b>73.2%</b>
HH with Transfers from abroad as a source of income	17%	17%
HH with Transfers from within as a source of income	2%	2%

## 5.2 INCOME

Figure 17 indicates that on average, household expenditures are greater than their income with the exception of the food secure and marginally secure. For example, the food insecure households report that before the war, their average monthly income is 1,036 NIS while their expenditure before the war is 1,206 NIS. After the war, food insecure households on average report a monthly fall in income to 947 NIS while expenditures fell to 1,133 NIS. Similarly, the vulnerable groups show falls in income and expenditure patterns with expenditures exceeding their income levels. The opposite is true of households within the food secure and marginally secure groups whereby they report higher levels of income than expenditures. These figures provide a promising picture of the food secure and marginally secure suggesting their ability to save income.

Income however is unreliable as an indicator of household poverty level due to the tendency of households to underreport their level of income, particularly if they are involved in illegal trade but also if they receive income through their kinship networks; which may not be understood as income but are nonetheless so. As mentioned before in the previous chapter, with the average dependency ratio of food insecure households at 9.5 members, this means that those members within a household are reliant on only 1,038 NIS per month; 157 NIS per capita per month. Food secure households on the other hand rely on 781 NIS per capita per month.

**Figure 17: Distribution of Income and Expenditure Before and After the War**



After the war, across all the food security categories, households generally reported that their income has stayed the same, the lowest being reported by food insecure households and the highest by food secure households. The low impact of the war on the food security levels of households is likely a result of a lift in the restriction on humanitarian assistance allowed into Gaza resulting in effective food aid and cash aid distribution. During the data collection period in May 2009, 2,960 truckload carrying goods were allowed entry into Gaza. This is compared to 2,656 in April. However, this amount is less than one quarter the monthly average of truckloads that entered Gaza in the first five months of 2007 (around 12,350), before the tightening of the blockade in June 2007.<sup>20</sup>

<sup>20</sup> UN Office for the Coordination of Humanitarian Affairs, Humanitarian Monitor, May 2009

Regardless, food insecure households still report the highest decreases in income at 26 percent and those who are marginally secure is reported at 14 percent. Across the food security categories, there is an almost even spread of 4 percent of households reporting an increase in their income with the exception of the 5 percent of those who are food secure. Considering the food security threshold used for this survey, those groups indicating a fall in their income levels signify their declining levels of food security.

**Table 6: Impact of the War on Income**

Was your income affected after war?	Food Insecure	Vulnerable	Marginally Secure	Food Secure	Total
Decreased	26%	8%	14%	5%	19%
Increased	4%	4%	4%	5%	4%
stayed the same	71%	87%	82%	90%	77%
<b>Total</b>	100%	100%	100%	100%	100%

Loss of wage income is reported to be the cause of the decrease or loss of income. This is reported by the majority across the food security groups who reported decreases in income.

**Table 7: Impact of War on Wage Income**

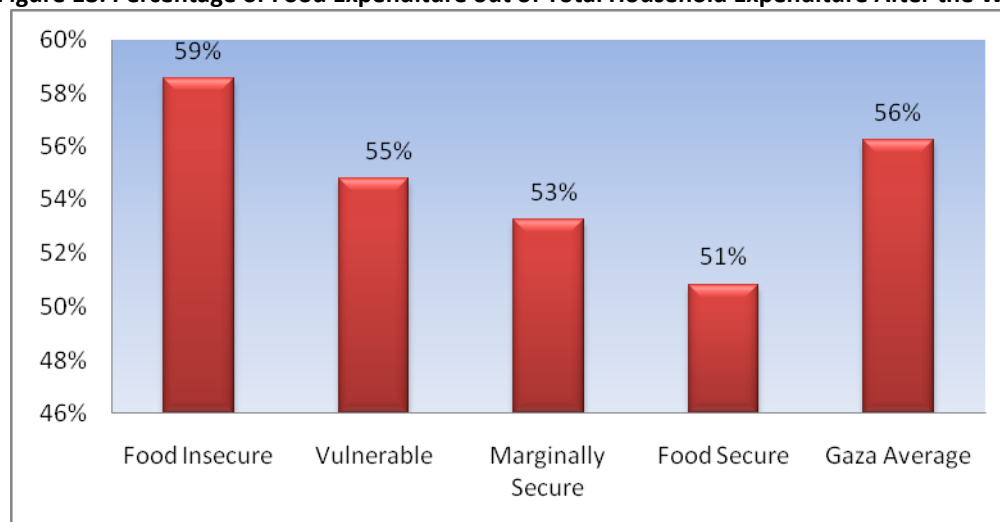
Was your income impacted due to decrease or loss of wage income?	Food Insecure	Vulnerable	Marginally Secure	Food Secure	Total
<b>Yes</b>	88%	88%	74%	80%	87%
<b>No</b>	12%	12%	26%	20%	13%
<b>Total</b>	100%	100%	100%	100%	100%

## 6. OVERALL HOUSEHOLD EXPENDITURE AND EXPENDITURE ON FOOD

### 6.1 OVERALL HOUSEHOLD EXPENDITURE AND EXPENDITURE ON FOOD

After the war average Gaza household spends 56 cents of every dollar on food. Across the food security groups, the food expenditure out of total household expenditure ranges from 51 percent to 58 percent, the lowest being the food secure and highest being the food insecure. Food insecure households reported a 1 percent increase of food expenditures after the war.

**Figure 18: Percentage of Food Expenditure out of Total Household Expenditure After the War**



20 percent of the food insecure households reported a decrease in monthly expenditures after the war and 10 percent of food insecure households have increased their household expenditures. These households are at risk of destitution for the following reasons: firstly, those who have decreased expenditures are increasing their consumption gap and are further stretching their coping mechanisms; secondly, those who are food insecure who are increasing their expenditures are at risk of falling into a debt cycle. A total of 75 percent of the households surveyed reported that their income did not change during/after the war. However, as aforementioned, increasing food prices have reduced the purchasing power of households. Therefore, those who reported that their expenditure level has remained the same have in reality increased their consumption gap due to their reduced purchasing power.

**Table 8: Household Post Conflict Expenditure Patterns by Food Security Group**

Did your average monthly expenditure level change after war?	Food Insecure	Vulnerable	Marginally Secure	Food Secure	Total
Decreased	20%	5%	7%	3%	<b>14%</b>
Increased	10%	11%	14%	13%	<b>11%</b>
stayed the same	70%	85%	79%	84%	<b>75%</b>
Total	100%	100%	100%	100%	<b>100%</b>

Further analysis show that the percentage of households across all the food security levels agree that the decrease in expenditures were on food. This is highest amongst food insecure households (96%) followed by those who are marginally secure (92%), vulnerable (85%) and last the food secure (75%).

**Table 9: Percentage Answering to Decrease in Food Expenditures by Food Security Group**

Was the decrease in expenditures on food?	Food Insecure	Vulnerable	Marginally Secure	Food Secure	Total
Yes	96%	85%	92%	75%	<b>94%</b>
No	4%	15%	8%	25%	<b>6%</b>
Total	100%	100%	100%	100%	100%

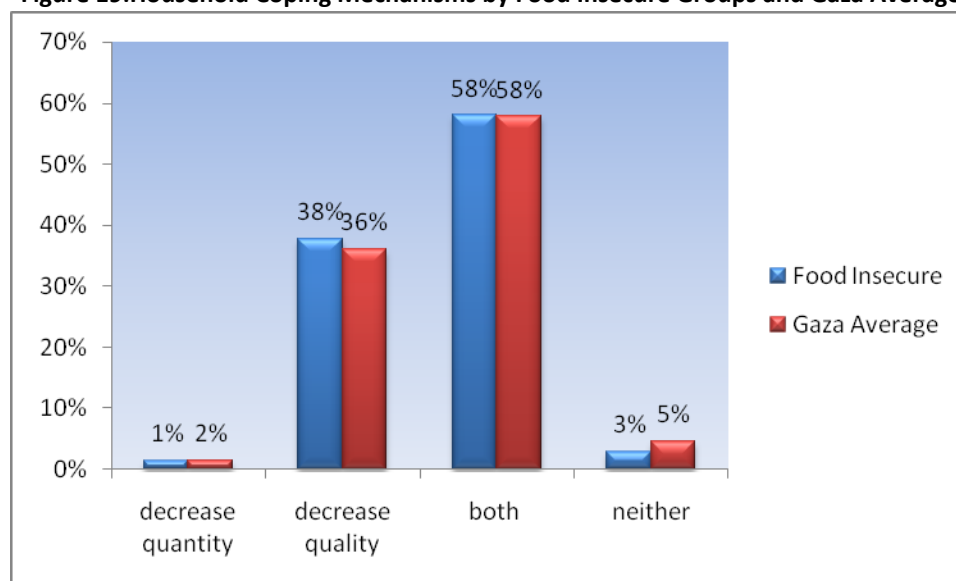
When asked how households reduce expenditures, the majority of households have reduced the quantity of food. Those in the food insecure and vulnerable groups are reducing both the quantity and quality of food.

**Table 10: Percentage Answering to Reduced Quantities/Quality in Food Expenditures by Food Security Group**

Quantity	Food Insecure	Vulnerable	Marginally Secure	Food Secure	Total
Yes	59%	49%	72%	63%	59%
No	41%	51%	28%	37%	41%
Total	100%	100%	100%	100%	100%
Quality					
Yes	96%	84%	86%	72%	94%
No	4%	16%	14%	28%	6%
Total	100%	100%	100%	98%	100%

The relatively high response of food insecure households reporting no decrease in the quantity (41% in Table 10 above) is examined in Figure 19. Almost all food insecure households decreasing expenditure on food reduced the quality of the food purchased, compared to 59 percent who chose to reduce the quantity, suggesting that wherever possible households prefer to cut back on quality rather than quantity, since they are already consuming small food portions. This may account for the high total of 38 percent of food insecure households that are exclusively decreasing expenditures on the quality of food they purchase. This is further evident in the high percentage of households particularly the food insecure that are reducing expenditures on both the quality and quantity; they represent those that have overstretched their coping mechanisms. If these groups are not monitored and problems addressed, it is likely that nutrition related risks will develop over time.

Figure 19 below shows how many of the food insecure households out of those who reduced their overall expenditure after the war, decreased the quantity and/or quality of their food consumed, compared to the average of Gaza households decreasing their expenditure.

**Figure 19: Household Coping Mechanisms by Food Insecure Groups and Gaza Average**

## 6.2. HOUSEHOLDS' PURCHASE OF FOOD ON CREDIT

A total of 53 percent of households surveyed are purchasing their food on credit. Across the board, households report that the credit they take to purchase food have remained the same. Food insecure households represent the highest of those purchasing food on credit with the food secure representing the lowest. Those who are food insecure (7%) also report the highest increase of credit taken out to purchase food, second being the marginally secure (6%) and third, the vulnerable group (5%). Only 2 percent across the board with the exception of the food secure report a decrease in their use of credit to purchase food. While these figures indicate that purchasing food on credit may be a normal social practise, they also indicate an important existing credit mechanism. These have implications particularly for the food insecure households that could potentially be driven into a debt cycle and as seen before may explain the food insecure households' higher proportion of expenditures compared to their income levels. These have further implications in terms of who controls the credit system and who uses the system and begs further investigation.

**Table 11: Changes in Households Purchase of Food on Credit by Food Security Group**

	Food Insecure	Vulnerable	Marginally Secure	Food Secure	Gaza Strip
Yes same	51%	45%	33%	27%	45%
Yes but more	7%	5%	6%	4%	6%
Yes but less	2%	2%	2%	0%	2%
No	40%	49%	59%	69%	47%
Total	100%	100%	100%	100%	100%



## 7. CURRENT SHOCKS, RISKS, COPING MECHANISMS, AND NEEDS

### 7.1 GENERAL COPING STRATEGIES

Post war coping mechanisms show that out of the total households, 33.7 percent have reported eating less quality food, 16.2 percent reduced quantities of food consumed, 8.7 percent reduced quantities consumed by adults in favour of children. A total of ten percent of households reported reducing the daily number of meals consumed during the war. This percentage however is not surprising considering war time conditions are chaotic.

### 7.2 HOUSEHOLDS REPORTED NEEDS

The survey confirms that cash is the number one priority need of households in Gaza at 70 percent. Cooking gas being the second priority need was reported by 62 percent of households. These are followed by stable sources of income (57%) and electricity (46%). Significantly, food is reported to be lower in priority cited by 43 percent of households, followed by job opportunities (42%) and water (30%). These attest to, despite the levels of food insecurity, the wide availability of food (aid distributed or locally produced), temporary job creation programmes and water (either bottled water for drinking or trucked water). This further attests to the preference of the population for goods that are less available due to the restrictions in the imports of those items. Household reported needs will be further developed through in depth analyses that will follow the present publication, examining the issue of food security in the Gaza Strip from different angles.

**Table 12: Percentage of Households Answering to Priority Household Needs**

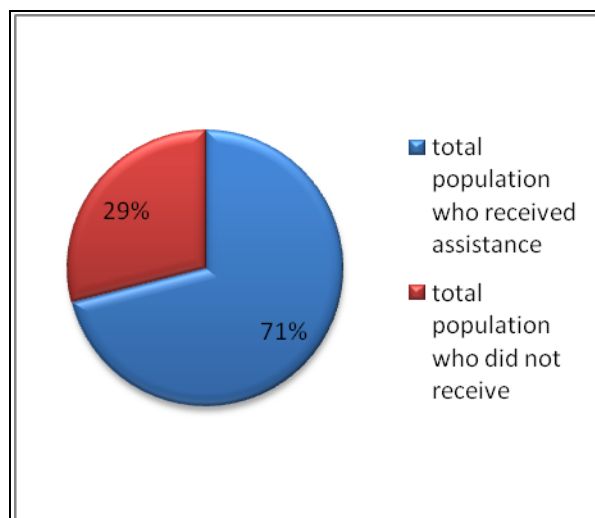
	Percent reported as urgent need
Stable source of income	57%
Job opportunity	42%
Water	30%
Electricity	46%
Cooking gas	62%
Food	43%
Cash	70%

## 8. HUMANITARIAN RESPONSE AND TARGETING

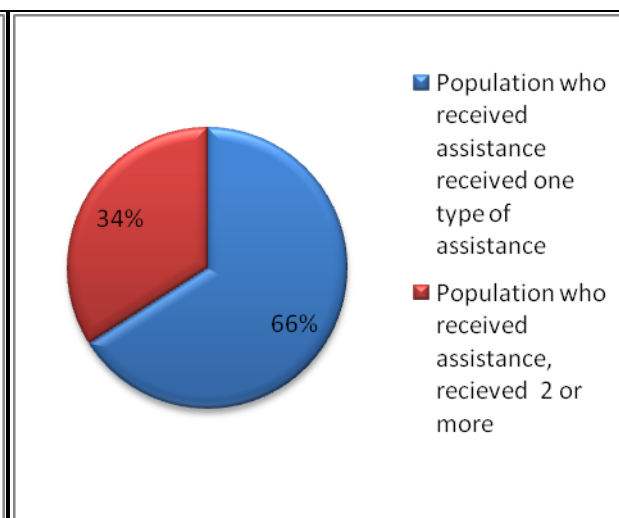
### 8.1 ASSISTANCE

A total of 71 percent of the Gaza population are reporting receiving aid while 29 percent of the population report that they do not receive. Of the population receiving aid, 66 percent are receiving one type of assistance while a total of 34 percent are receiving two or more types of assistance (only 8 percent are receiving 3 types of assistance). These figures reflect a response to a crucial need to respond to households' inability to purchase food using their own means, due to their lack of income. As such, they do not reflect dependency on aid but absence of alternatives for households to generate their own income and sustain access to food and coverage of other essential expenditures by their own means, as a result of the unresolved political dimensions.

**Figure 20: Percentage of Total Population Receiving Assistance**

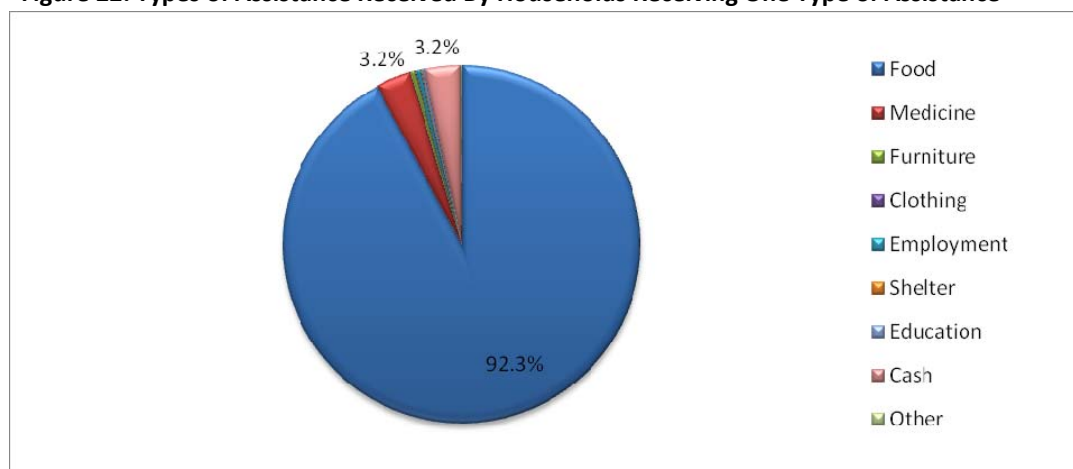


**Figure 21: Percentage of Total Population Receiving One or More Types of Assistance**



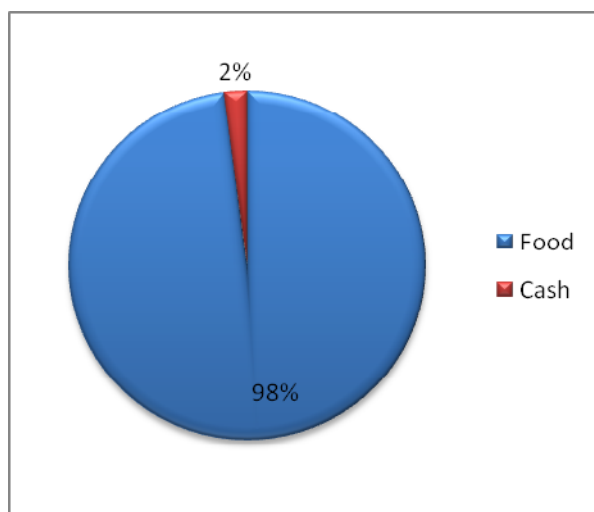
The households who receive one type of assistance, 92.3 percent are receiving food aid.

**Figure 22: Types of Assistance Received By Households Receiving One Type of Assistance**

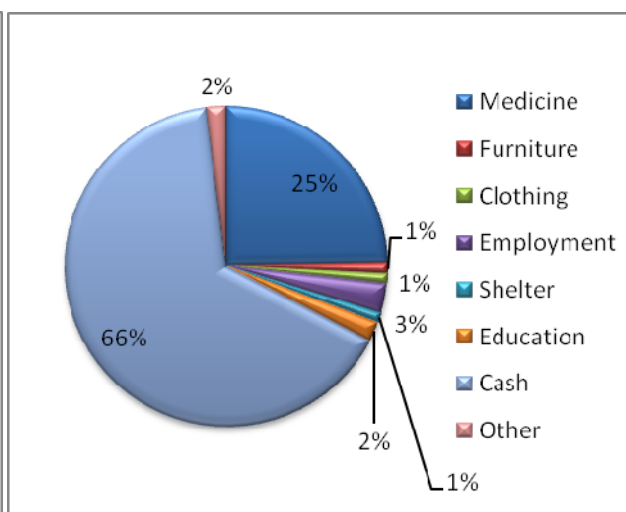


The figures below refer to the percentage of households who received two types of assistance. Of those receiving two types of assistance, 98 percent received food and 2 percent receiving cash as their first type of assistance. As the second type of assistance, 66 percent received cash, 25 percent are received medicines and 3 percent were employment under an assistance scheme. The low level of cases receiving employment assistance is most likely interpreted by respondents as long term employment rather than cash for work or temporary job creation programmes that are captured as cash assistance rather than employment.

**Figure 23: First Type of Assistance Received By Those Receiving Two Types of Assistance**



**Figure 24: Second Type of Assistance Received By Those Receiving Two Types of Assistance**



In the Gaza Strip, the food consumption patterns<sup>21</sup> shows that 14 percent of households had “poor” food consumption, with a diet consisting mainly of cereals and staples, with very rare consumption of animal products, vegetables and fruits; absolute amount of food consumed are also likely to be low. Twenty three percent of households had “borderline” food consumption, with a diet including a slightly more frequent consumption of animal products and vegetable/fruits and amounts consumed probably just sufficient to meet kilocalorie requirements. Sixty three percent had “acceptable” food consumption, with a diet including more diversified food items, consumed in sufficient quantities. Among the food insecure, 19 percent had “poor” food consumption, 26 percent “borderline” and 55 percent “acceptable”. Humanitarian assistance (consisting in its vast majority of food aid) is expected to play a major role in enabling most Gazan households to secure a diet with an acceptable amount and diversity of food. As a matter of fact, 80 percent of the food insecure received food aid in the Gaza Strip during the 2<sup>nd</sup> semester of 2009.

<sup>21</sup> The Food Consumption Score estimates the amount and variety of food consumed in the households during the 7 days preceding the survey, by counting the number of times specific food items (grouped in specific food groups) are consumed. Three groups are constructed by applying thresholds that define a ‘poor’ food consumption pattern, ‘borderline’ food consumption, and ‘acceptable’ food consumption.

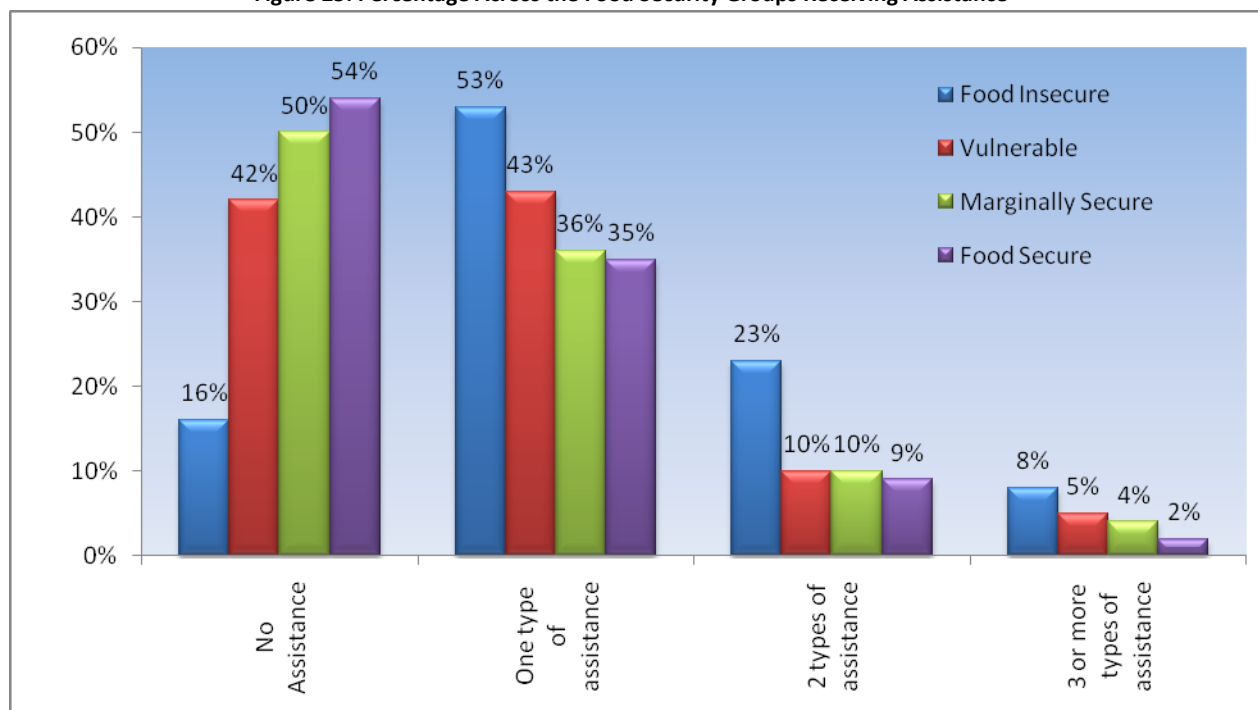
During the 7 days prior to the survey, households in the poor food consumption group consumed on a daily basis cereals and tubers, bread and rice. Sugar and vegetable oils were consumed six days and vegetables four days. Other food items were rarely, if ever, eaten. Food aid was the main source of the items consumed. More than 60 percent of households with poor food consumption were dependent on food aid as their main source for the staple foods (wheat flour, sugar, rice, vegetable oil and pulses). This diet type is poor in micronutrient and good quality protein, and probably low in kilocalories.

The borderline food consumption group has a similar pattern to that of the poor food consumption group. However, during the 7 days prior to the survey, vegetables were consumed five days rather than four, and meat or eggs were consumed three to four days. Quantities of non-staple food consumed may also be problematic among these households due to their low purchasing power. The main source of the staple food consumed (cereals, pulses, sugar, oil) was food assistance. More than 50 percent of this group was dependent on food assistance as a main source for the staple food.

The good food consumption group consumed not only cereals, pulses, sugar and oil each day during the 7 days prior to the survey but also frequently a good combination of other foods including dairy products, vegetables, fruits, meat or eggs. The quantities of food consumed are also likely to be sufficient to satisfy household needs. Yet, it must be noted that 20 to 25 percent of households in this group remained dependent on food aid as a main source for the staple foods (wheat flour, sugar, rice, oil and pulses).

## **8.2 TARGETING**

The following section refers to all types of assistance. The number of types of assistance households were receiving was broken down into the food security groups. As previously shown in sections 7.2 and 8.1, food assistance is widely distributed and generally to those that are absolutely in need. However, of importance is the 16 percent of food insecure households who are not receiving any form of assistance. Additionally, 8 percent of households who are food secure out of the total population are receiving at least one type of assistance. Out of the total of food insecure households who did not receive assistance, 26 percent of them are non refugees compared to 9 percent of them who are refugees. Out of the total food secure households receiving assistance, 5 percent of them are non refugees compared to 10 percent who are refugees. Generally, refugees appear to be better targeted compared to non refugees. However, due to the high coverage of refugee households receiving assistance, there appears to be a higher percentage of refugees who are food secure but receive assistance. To be noted, for the food secure households receiving assistance, the figures may indicate a level of mistargetting of assistance but it may also be the result of a lift in households' food security levels thanks to the assistance received.

**Figure 25: Percentage Across the Food Security Groups Receiving Assistance**

Given the high level of aid coverage since operation “Cast Lead” and the outreach of food aid during this period in particular, food security levels have just been sustained compared to the 2008 levels and food insecurity remains in the Gaza Strip very high. While it is possible that households tend to underreport the value of assistance received, other factors must also be taken into consideration when analyzing the high levels of food insecurity. Assistance packages received by food insecure households provide relief to affected families to some degree, they are not sufficient to sustainably lift the household out of the category of food insecurity. As long as restrictions on Gaza’s borders by the Government of Israel blockade are in place, Gaza population will face lack of employment opportunities in order to revive their economy.

## 9. RECOMMENDATIONS

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Food insecurity in the Gaza Strip is a consequence of a livelihoods crisis due to a 28 month blockade restricting commercial access for the import and export of goods and people towards labour markets. As a result, the Gaza Strip is currently undergoing a de-development in which the shrinking of the private sector and a stagnated economy is reeling the population into high levels of poverty and food insecurity.

The prevalence of food insecurity has remained the same. However, soaring food prices have reduced the purchasing power of households. This has been compounded by the latest military operation Cast Lead providing additional strain to households on top of the affects of the protracted blockade. If the blockade persists to deprive the livelihoods of the Gazan population, it is likely that what we will see is a continued erosion of people's livelihood, a consumption economy that is fuelled by the public sector wages and on aid. Furthermore, there will be an increasing dependency on this aid.

Both non agricultural livelihoods and agricultural livelihoods are in danger of further erosion. The private sector particularly have declined in operations as closures due to restrictions in the import of industrial diesel have lead to recurrent electricity cuts which limits their ability to operate. Lack of investments and imports of raw materials and export of manufactured goods have also stricken the sector's ability to grow. The agriculture sector suffers from unavailability of inputs, inability to market produce, the contamination of ground water with sewage and seawater which is reducing agricultural productivity. With consideration to the larger unresolved political dimensions which has impacted employment, income and food security, the following technical recommendations should be followed in order to improve the food security of the Gazan population.

- This survey indicates that food insecurity within the Gaza Strip remains high. The impacts of the war has added additional strain to a 28 month blockade in which livelihoods are further deteriorating while the food insecurity levels have remained the same. Greater efforts are thus needed to lift the blockade and create long term sustainable solutions in order to prevent further economic deterioration causing the erosion of livelihoods as a result of the lack of employment opportunities within the Gaza Strip.
- Until economic growth, stability, a decrease in poverty levels have been achieved within the Gaza Strip food and cash distributions remain essential in the short term to assist households experiencing hardships. It is also important that all households facing deep poverty levels are properly targeted. In addition, the vulnerable, representing 16 percent of all households, and marginally secure, representing 6 percent of all households, should receive adequate assistance to avoid further decline towards food insecurity.
- Evidence show that higher food insecurity levels exist among the non-refugee population (compared to the refugee population) and among female headed households (compared to male headed households) and families with a high ratio of children or dependent adults. Food

and cash assistance must therefore ensure targeting of hardship cases of all social categories keeping in mind the gender dimension within all humanitarian responses. Aid should ensure equal access to humanitarian assistance to those social categories identified as most vulnerable while at the same time ensuring the different needs are addressed, including for example support of agricultural inputs to farmers whose assets were damaged during the war and the removal of access restrictions on the number of nautical miles for fisherman.

- Considering the high level of food insecurity and with the declining quality of foods purchased, continued support for the local production of fresh foods (vegetables, fruits, poultry, meat and fish) for local consumption is required. Support for poor to poor programmes is important in tackling the prevalence of food insecurity and in supporting the social or kinship networks within the Gaza Strip which play a key role in the inter-household redistribution of income and aid.
- As aforementioned, national government salaries being the important source of reliable income for households requires a steady pipeline of funds for PA salaries to sustain households who rely on those regular incomes to prevent them from falling deeper into poverty.
- Furthermore, a steady pipeline of funds for both food and cash assistance but also one that ensures a package of assistance that would lift people out of their food insecurity levels is highly important in positively impacting the conditions of households in Gaza. Interventions to support safety nets should be further expanded (e.g. urban voucher, school feeding programmes, cash handouts, and employment creation where possible, etc.).
- Addressing the aggregate consumption gap for all the food insecure and vulnerable populations but also reviewing the volume of assistance per household to meet all their needs, is of critical importance.
- Improved nutrition surveillance activities, including nutrition data analysis, are especially relevant given evidence of the decrease of food quality and quantity used as a negative coping mechanism by the food insecure and vulnerable population.
- There is a need to fine tune agency targeting mechanisms in order to prevent leakages in the aid distributed to meet the needs of all the population who rely on these packages and to sustain their consumption patterns, particularly those with a high ratio of child or dependent adult members.
- Support to the Palestinian Central Bureau of Statistics in monitoring the socio-economic and food security indicators is essential for adapting programme interventions to the rapidly changing socio-economic conditions impacting the living standards of Palestinian households and filling a critical information gap. In the next round, the same methodology should be used for both the West Bank and Gaza Strip. Regular funding needs to be secured to ensure the situation is monitored systematically rather than a one-off survey, with the aim of institutionalising the SEFSec within the regular Palestinian statistics information system.

**ANNEX I. FOOD SECURITY ANALYSIS METHODOLOGY**

The methodology was designed based on PCBS Impact of Israeli Measures dataset for April-June 2006. The survey consisted of 8,081 households. A total of 21 households were removed from the analysis due to missing data and 17 were removed for being outliers. The final analysis is based on a sample of 8,043 households.

**Table 1--Sample size breakdown by location – West Bank and Gaza Strip**

	No. of Households	West Bank and Gaza Strip	Gaza Strip	West Bank
<b>TOTAL</b>	8,043	100%	34.1	65.9

**Table 2-- Sample size breakdown by refugee status**

	No. of Households	West Bank and Gaza Strip	Refugees	Non-refugees
<b>TOTAL</b>	8,043	100%	43.5%	56.5%

**Table 3-- Sample size breakdown by type of location of residence**

	No. of Households	West Bank and Gaza Strip	Urban	Rural	Camp
<b>TOTAL</b>	8,043	100%	57%	28%	15%

**Selection of variables and methodological framework**

The variables used to assess food security were chosen in three steps.

- First, review of the 2003 Comprehensive Food Security Assessment<sup>22</sup> and qualitative information gathered for this study<sup>23</sup> confirmed macro-level analysis of aggregate data suggesting that food security in the oPt is primarily a function of food access.
- Second, the variable most related to food access is income however, due to the fact that it is usually underestimated in the household surveys; consumption<sup>24</sup> was also included in the analysis.
- Third, considering that the available datasets are a cross-section, the analysis is going to be static, using only income and consumption. A third variable reflecting the changing socio-economic impact of Israeli measures was added to make the model more dynamic.
- Considering the multiplicity of indicators, several clustering techniques were run on the variables to identify the latent pattern of the data. The process generated three distinct clusters, with strong internal homogeneity. Characteristics of the three clusters are shown on the chart below.

<sup>22</sup> Executive Report of the Food Security Assessment, West Bank and Gaza Strip, FAO with WFP, Rome, 2003.

<sup>23</sup> Al-Sahel Company for Institutional Development and Communication. (2006). Rapid Qualitative Verification Assessment in the oPt. Commissioned by WFP.

<sup>24</sup> Consumption (expenditure) is often considered as a proxy for income as a more reliable variable.



**Table 4: Cluster characteristics**

	Decreased Total Expenditures (last 12 months)	Decreased Food Expenditures (last 12 months)	Decreased Non-food Expenditures (last 12 months)	Future <sup>25</sup> Financial Resources (+/- 4 months)	Average HH Size
<b>Cluster 1: Highly Impacted</b>	Yes	Yes	Yes	27%	6.5
<b>Cluster 2: Moderately Impacted</b>	Yes	No	Yes	44%	5.8
<b>Cluster 3: Negligibly Impacted</b>	No	No	No	51%	5.2

Each cluster represents the extent to which the household was impacted in the past 12 months. The level of impact is defined by decreases in expenditure patterns and correlated to financial steadfastness and household size.

Subsequently, a three-way cross-tabulation was performed on consumption, income (using both official thresholds: the 'deep poverty rate' of USD 1.6/capita/day and the 'relative poverty rate' of \$2.2/capita/day)<sup>26</sup> and the three clusters. This produced a decision matrix, which was subjected to a focus group discussion, through which local experts generated the four food security groupings.

**Table 5: Methodological Clustering and Cross tabulation**

Monthly Income	Clusters	Average Monthly Consumption		
		Less than 4.7\$/c/d	4.7-5.6 \$/c/d	More than 5.6\$/c/d
Less than 4.7 \$/c/d	1	1	2	3
	2	1	2	3
	3	1	2	3
Between 4.7-5.6 \$/c/d	1	2	2	3
	2	2	2	4
	3	2	3	4
More than	1	3	3	4

<sup>25</sup> The fourth column gives the proportions of the households that can steadfast for at least 4 months.

<sup>26</sup> Two poverty lines were developed according to actual spending patterns of Palestinian families. The first, termed "deep (absolute) poverty line" (currently 2045 NIS/standard family/month), was calculated to reflect a budget for food, clothing and housing. The second line "relative poverty line" (currently 2407 NIS /Standard family /month) adds other necessities including health care, education, transportation, personal care, and housekeeping supplies. The two lines were adjusted to reflect the different consumption needs of families based on their composition (household size and the number of children)

5.6 \$/c/d	2	3	4	4
	3	3	4	4



Food Insecure



Marginally Secure



Vulnerable



Food Secure

## ANNEX II. LEXICONS

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### **Food Security**

Food security exists when all people, at all time, have physical, social and economic access to sufficient, safe and nutritious food which meets their dietary needs and food preferences for an active and healthy life.

### **Coping Mechanisms**

Coping mechanism are the methods by which households try to deal with a crisis. At times of severe food insecurity households may (a) make greater use than normal of wild foods, (b) plant other crops, (c) seek other sources of income, (d) rely more on gifts and remittances, (e) sell off assets to buy food and (f) migrate. Coping mechanisms should be discouraged if they lead to disinvestment, if they reduce a household's capacity to recover its long-term food security, and if they harm the environment. Others may be encouraged and strengthened<sup>27</sup>.

### **Livelihoods**

A livelihood comprises a household's capabilities, assets and activities required to secure basic needs - food, shelter, health, education and income. A livelihood is sustainable if it can successfully manage and mitigate the effects of external stresses and shocks, maintain or enhance its capabilities and assets, and provide for future generations<sup>28</sup>.

### **Under Coverage**

Under coverage rate (exclusion errors): is the non-receipt of assistance to households who fall under the food insecurity threshold or poverty line and represent the percentage of the poor, who do not receive assistance<sup>29</sup>.

### **Leakage**

Leakage rate (inclusion): the receipt of assistance of households who fall under the food secure threshold or number of non-needy recipient households as a percentage of all recipient households<sup>30</sup>.

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<sup>27</sup> WFP Programme Guidance Manual; 2009

<sup>28</sup> *Idem*

<sup>29</sup> Adapted from World Bank

<sup>30</sup> *Idem*