

برنامج
الأغذية
العالمي



Programme
Alimentaire
Mondial

World
Food
Programme

Programa
Mundial
de Alimentos

**Executive Board
Annual Session**

Rome, 6–10 June 2005

OTHER BUSINESS

Agenda item 14

*For information**



Distribution: GENERAL
WFP/EB.A/2005/14-B
1 June 2005
ORIGINAL: ENGLISH

WFP EXECUTIVE BOARD VISIT TO THE OCCUPIED PALESTINIAN TERRITORY

* In accordance with the Board's decisions on governance approved at the 2000 Annual and Third Regular Sessions, items for information should not be discussed unless a Board member specifically requests it well in advance of the meeting and the President accepts the request on the grounds that it is a proper use of the Board's time.

This document is printed in a limited number of copies. Executive Board documents are available on WFP's WEB site (<http://www.wfp.org/eb>).

ACKNOWLEDGEMENTS

1. The team would like to thank the WFP country team, led by Jean Luc Siblot, for the patience and efficiency with which they organized our visit and for the warm welcome they extended to us. We would also like to thank Evelyne Togbe-Olory, Assistant Secretary to the Board, and her colleagues in Rome for their support. We are grateful to the Palestinian Authority for facilitating our visit and to the beneficiaries of WFP's programmes for welcoming us into their communities and homes.

INTRODUCTION

2. Board representatives from China, Nicaragua, Senegal and the United Kingdom visited the Occupied Palestinian Territory from 18 to 22 April 2005, accompanied by Evelyne Togbe-Olory and Torben Due, the WFP representative to Iraq.
3. The purposes of the visit were (i) to evaluate WFP actions, in particular the implementation of emergency operation (EMOP) 10190.2 and the partnerships between WFP and implementing partners such as the Palestinian Authority and non-governmental organizations (NGOs) and with United Nations organizations and other members of the international community, and (ii) to observe the implementation of the new working-capital finance initiative being piloted in the Occupied Palestinian Territory.
4. The team met with the ministers of planning and agriculture, representatives of other United Nations bodies working in the Occupied Palestinian Territory and representatives from the diplomatic community and NGOs, including WFP's implementing partners. We were not able to meet the Minister for Social Affairs, the World Bank representative or representatives of Israel, the occupying power. We observed operations managed by the *Centro Regionale d'Intervento per la Cooperazione* (the Regional Centre for Action for Cooperation, CRIC) and Catholic Relief Services (CRS) but not by the Palestinian Agricultural Relief Committees (PARC), though we met its Executive Director.
5. The team made two field visits. The first was to Gaza, where we visited WFP's warehouse at Karni; in Rafah we observed a food distribution and a food-for-training (FFT) session for Bedouin women managed by CRIC. We saw the impact of closures and demolitions on Gaza residents and were particularly shocked by the devastation resulting from home demolitions in Rafah.
6. The second visit was to the West Bank, where we called on the Mayor of Yatta and met the local coordination committee. We then visited several food-for-work (FFW) programmes implemented by CRS and the homes of two beneficiaries.

CONTEXT

7. Throughout our visit our attention was drawn to the context in which WFP and its partners are operating. Since the beginning of the second Intifada in 2000, Palestinians in the West Bank and Gaza have experienced a collapse in their incomes and a dramatic increase in poverty and food insecurity. The following table provides some statistics:



Population	3.6 million, of whom 1.4 million refugees
GDP per capita	US\$930, from US\$2,000 in 1999.
Unemployment	30–40%, from 10% before second Intifada
Workers with jobs in Israel	35,000, from 150,000 in 2000
Malnutrition	Acute: 1.9% (3.5% in Gaza); chronic: 9.4%
Earning under US\$2.20 per day	West Bank: 38%; Gaza: 65%
Earning under US\$1.60 per day	Overall: 16%
Food-insecure	1.3m – 750,000 non-refugees; 560,000 refugees
Overseas aid, per capita per year	US\$300 (Total: US\$1 billion per year)

8. The immediate causes of this dramatic rise in poverty and food insecurity are the measures taken by the occupying power following the second Intifada in 2000. These include:

- a strict closure policy limiting the movement of goods and people in and between the West Bank and Gaza and Israel; there are about 700 physical blocks and checkpoints in the West Bank alone, which have a devastating impact on the economy and on daily life;
- the barrier being built by Israel,¹ mostly on confiscated Palestinian land, which is severely damaging agricultural and other economic activity, for example by separating farmers from their land and markets and workers from their jobs, and is restricting access to basic services; if completed according to existing plans, tens of thousands of Palestinians will be trapped between the barrier and Israel, and tens of thousands more will be in virtually encircled communities; 5 to 10 percent of the most fertile land and its precious water will be cut off from the rest of the West Bank; and
- damage resulting from military incursions into Gaza, especially the destruction of hundreds of hectares of fertile land and the demolition of thousands of houses – 28,000 people have seen their homes destroyed – and severe restrictions on fishermen – 40 percent of Gaza’s coast is off-limits and fishermen are permitted to fish only up to 10 nautical miles from the remainder, which compounds the damage done by closures, clearances and demolitions.

9. In this context, sustainable development is impossible. Details of Israel’s planned disengagement from Gaza may be known to the Israeli authorities, but WFP and other providers of humanitarian assistance are right to plan on the basis that there will be no short-term or medium-term reduction in humanitarian needs in Gaza; indeed in the short term they may well rise. Convincing analysis by the World Bank and others shows that disengagement alone will not lead to economic growth or reduced poverty, even if it is accompanied by increased development assistance.

¹ An advisory opinion of the International Court of Justice of 9 July 2004 found that the construction of this barrier on Palestinian land is contrary to international law.



10. Sustainable development in the West Bank and Gaza requires lasting peace and a just political settlement that provides for a viable Palestinian state with sufficient contiguous land, adequate access to natural resources, including aquifer water,² freedom of internal and external movement of people and goods and responsibility for internal security and control of its borders and economic and trade policy.
11. In the absence of such a settlement the prospects for poverty reduction will remain poor and the need for substantial humanitarian aid will remain.

INTERNATIONAL ASSISTANCE TO PALESTINIANS IN THE OCCUPIED PALESTINIAN TERRITORY

12. Under international humanitarian law, an occupying power has responsibility for ensuring that the humanitarian needs of people living on the occupied land are met. In the Occupied Palestinian Territory, the international community rather than the occupying power is financing humanitarian needs and supporting long-term development as far as possible. International development assistance totals US\$1.3 billion per year through the Palestinian Authority, the United Nations and NGOs. The Consolidated Humanitarian Appeal Process for 2005 is for US\$303 million, of which US\$184 million is sought by the United Nations Relief and Works Agency for Palestine Refugees in the Near East (UNRWA), US\$42 million by WFP and US\$41 million by the United Nations Development Programme (UNDP).
13. A priority for many donors, including WFP,³ is to help to build the capacity of the Palestinian Authority, which is essential for building the institutions for a future Palestinian state. The Palestinian Authority has in place a Medium-Term Development Plan (MTDP); most of its partners, including WFP, seek to work in this framework.

HARMONIZATION, ALIGNMENT AND UNITED NATIONS REFORM

14. Before 1993, only the United Nations Children's Fund (UNICEF), UNDP and UNRWA were working in the Occupied Palestinian Territory. Since then the number of United Nations organizations has grown to 15, plus many other donors and NGOs. This large number of actors makes good coordination essential and difficult. WFP's main partners are UNDP,⁴ the Office for the Coordination of Humanitarian Affairs (OCHA), the World Health Organization (WHO), UNICEF, the Food and Agriculture Organization of the United Nations (FAO), the World Bank and, increasingly, the Office of the United Nations Special Coordinator for the Middle East Peace Process (UNSCO). OCHA coordinates United Nations humanitarian efforts through the Consolidated Appeals Process. Policy on humanitarian issues is coordinated by a humanitarian emergency policy group; issues relating to delivery are addressed by an operations coordinator group, chaired by UNRWA in the West Bank and in Gaza. A simpler structure for the United Nations presence might be easier to manage. Decisions on this would need to be made in the

² We were told that Israeli settlers in the West Bank consume ten times as much water per person as that permitted to Palestinians.

³ In pursuance of WFP's Strategic Priority 5 on capacity building.

⁴ UNDP provides administrative and financial services to WFP and maintains formal relations with the Government of Israel.



context of United Nations reform and of political developments in the Occupied Palestinian Territory.

15. UNRWA is the main United Nations organization, with responsibility for 4 million Palestinian refugees, of whom 1.5 million are in the Occupied Palestinian Territory; its total budget in 2004–2005 was US\$300 million and it has 20,000 staff, including 9,000 in Gaza. Its Commissioner-General reports directly to the General Assembly, not to the Secretary-General. UNRWA's remit to serve refugees is much wider than WFP's remit for non-refugees, but it is responsible for providing food assistance for refugees just as WFP is for non-refugees. The fact that refugees and non-refugees live side by side in many areas means that both agencies often provide the same service in a single area. This is clearly inefficient, but in the current political circumstances it will not change; WFP and UNRWA must, however, continue to coordinate and learn from each other to a greater extent. Contingency planning among United Nations organizations will be crucial for the Gaza withdrawal, involving pre-positioning food and guaranteeing the food needs of communities that may be sealed off during the withdrawal.
16. We were pleased to learn that the United Nations agencies had begun work on a "Common Country Assessment (CCA)-lite" process, coordinated by UNSCO, and that they envisaged that this would lead to a full CCA and United Nations Development Assistance Framework (UNDAF) process in 2007–2008. This timing fits well with the Palestinian Authority's planning cycle for its MTDP; we endorse this approach and WFP's commitment to continued participation. We were disappointed not to meet the World Bank representative or representatives from UNSCO. There was a strong sense of teamwork among the United Nations agency heads we met.

WFP'S ACTIVITIES

17. WFP has been operating in the Occupied Palestinian Territory since 1991, but it has scaled up its activity in recent years to address increasing vulnerability and hunger. It now has country offices in East Jerusalem, sub-offices and field offices in Gaza and the West Bank and a logistics office at the port of Ashdod in Israel. The current EMOP 10190.2 is based on vulnerability analysis and mapping (VAM) showing that 1,316,000 Palestinians are food-insecure, of whom 752,000 are non-refugees. Of these, WFP estimates that 272,000 are less food-insecure – for example small-scale traders or people with a family member employed by the Palestinian Authority. The team noted this explanation, but encourages WFP to keep track of the impact on food-insecure non-beneficiaries who are omitted from the EMOP and the forthcoming PRRO.
18. Of the 480,000 people covered by the EMOP, 140,000 are in Gaza and the balance in the West Bank. The operation is reasonably well funded – 78 percent as at 28 March 2005.
19. Nearly 200,000 of the beneficiaries, including 100,000 in Gaza, are hardship social cases receiving full rations; they are also eligible for the Ministry of Social Affairs cash allowances, but these are small and irregular. If there is an increase in the capacity of the Ministry of Social Affairs to provide cash, there may be implications for WFP's operations. We were told by the ministry and WFP that sharing information on assisted households was good and that there was little danger of duplication of activities. We note, however, that this remains a risk where several donors are working in the same place; all parties must continue to coordinate to ensure that the risk does not materialize.
20. The team visited a food distribution for hardship social cases and spoke to beneficiaries in Rafah, who expressed satisfaction; the beneficiaries and non-beneficiaries we spoke to agreed that targeting was appropriate. Men and women accepted that women should



normally collect and therefore control the rations. The team judged that the operation was well run and was meeting real needs, and that the partnership with CRIC, the managing NGO, was working well.

21. The team visited Bedouin women benefiting from a food-for-literacy training programme run by CRIC. Originally nomadic, the community is now trapped in Gaza and has settled. The women were enthusiastic about the training and the rations. The team concluded that WFP's operations in Gaza were necessary and providing food for people who would otherwise go hungry. We congratulate the WFP staff we met, particularly Nehaia Abu-Nahla and Keith Ursel who accompanied us, and their NGO partners on their dedication and competence in running a high-quality operation in difficult circumstances.
22. About 250,000 people are classified by WFP as "new poor" having lost their livelihoods since 2000. Most of them live in the West Bank. We had a useful discussion with the Mayor of Yatta, Mr Khalid Abu Jamel, Mr Mousasa Abu Sabah of the Palestinian Legislative Council and other members of the local implementation committee. The Mayor spoke passionately of the good work WFP and CRS were doing and of their collaboration with the municipality; he endorsed the FFW approach because it ensured that those involved were really in need and ensured that useful work was done such as road widening and rehabilitation of community buildings. The Minister for Agriculture stressed the importance of identifying those who did not need help and preventing development of a "charity mentality".
23. We visited the homes of two farmers and met FFW participants at work. We heard some complaints about the quantity of assistance; there was also a desire for cash to complement food. There were complaints about the quality of some of the flour delivered by WFP, which seemed to relate to a specific in-kind donation, and a desire to have part of the ration in rice. The WFP team explained that the complexity of ensuring contemporaneous rice and wheat deliveries made it impractical to provide a mix. The team agreed that the priority should be on-time delivery to those in need.

One former farm labourer we visited had a typically sad story to tell. His family's land was confiscated in 1967 and is now part of an Israeli settlement. Until 2000, he worked in Israel as an unskilled labourer and earned enough to keep his family and build his house. But since 2000 he has been unable to work in Israel. With no land and no job, he has been forced to sell assets to feed his family. These assets are now virtually exhausted. His principal source of income now is WFP's FFW programme – and the only food in his kitchen is from WFP. He has seven children. His two brothers have also built houses on the same plot and live there with their wives and children. None of the men or their wives has a regular job.

24. We were told that one challenge for the FFW programme was to find work to be done that did not require significant capital investment. The draft PRRO contains provision for US\$1.4 million for other direct operational costs (ODOC) to finance non-food costs associated with FFW. We recognize the potential value of community projects, but funds invested in them are not available to provide food for the poorest people. We endorse the recommendations of a recent WFP review that noted the need for a better gender balance among FFW beneficiaries.⁵

⁵ WFP Guidelines state that 70 percent of participants in FFW and FFT should be women; this is met for FFT, but 87 percent of FFW participants are men.



25. We welcome WFP's efforts to try to ensure that food aid can be used as a bridge to development: FFW programmes are designed to produce useful outputs; FFT programmes aim to create human capital. But the long-term impact will depend on wider political considerations, and the extent to which WFP can contribute to sustainable development through the PRRO in the absence of rapid positive political changes will therefore be limited.
26. The team was concerned that none of the families we met appeared to be aware of family planning services and seemed to regard family size as outside their control. The contacts that CRS and WFP have with poor farmers and labourers provides an opportunity to develop awareness of what may be available; we hope that full use will be made of this opportunity, and that the United Nations Population Fund (UNFPA) will ensure the availability of family planning services to all who need them.
27. Local food procurement, especially of wheat flour, helps to alleviate logistics problems at Ashdod and the Karni crossing to Gaza. WFP procures about a third of its food locally, including flour, but little is actually produced locally. This is inevitable in the circumstances. WFP is sourcing olive oil from poor Palestinian farmers, which they appreciate, as does Dr Walid Rabboh, Minister of Agriculture. Despite the high cost – four times that of imported vegetable oil – this programme provides a cash transfer to the participating farmers, who are targeted and below the poverty line, and helps to protect their livelihoods. The team endorses WFP's approach in the olive oil project.
28. Although roads in Israel and much of the Occupied Palestinian Territory are good, the logistics of WFP's operation are complicated by customs clearances, compulsory back-to-back transshipment, delays at border crossings and checkpoints and the fact that there is only one authorized entry point to Gaza. Under the leadership of Mirjana Kavelj, WFP has put in place (i) arrangements to ensure that food reaches beneficiaries on time irrespective of the obstacles and (ii) measures to speed up processes and cut costs, for example reviewing warehousing arrangements and making flexible contracts with Turkish suppliers. The Commodity Movement Processing and Analysis System (COMPAS) is now operational and is helping WFP to manage its commodities.
29. There was insufficient time to study WFP's targeting; we met the VAM team, however, who carry out regular studies of food security, vulnerability and coping mechanisms to help WFP to target the most vulnerable people. Some of our interlocutors were sceptical, however, about the accuracy and consistency of statistics on the nutritional status of Palestinians in the West Bank and Gaza. Under the PRRO, WFP, FAO and the Palestinian Authority will support further development of a food insecurity and vulnerability information and mapping system (FIVIMS) that should provide up-to-date information for WFP's operations.
30. We met the Minister of Planning and the Minister of Agriculture. Relations between WFP and the Palestinian Authority are evidently good in terms of cooperation, occasionally constrained by the Authority's limited capacity, and in terms of the Authority's wish to benefit from WFP's experience through capacity-building. The new ministerial team is stronger than its predecessor and seems more disposed to deal with issues that affect WFP's ability to deliver.
31. We strongly endorse capacity-building for the Palestinian Authority, a prominent feature of the PRRO.
32. Food is readily available for those who can afford it. The Ministry of Social Affairs provides cash for the poorest households; in some cases, cash beneficiaries also benefit from WFP food. If the Palestinian Authority can finance and implement its MTDP, cash



transfers to the poorest are likely to increase. The team recommends that WFP should continue to liaise with the Ministry of Social Affairs to ensure that WFP food and ministry cash complement each other. The team hopes that WFP will draw on its experience of innovative work elsewhere in the world as it implements and looks beyond the PRRO in the Occupied Palestinian Territory.

WORKING-CAPITAL FINANCE INITIATIVE

33. Our terms of reference included a responsibility to study the working-capital finance initiative being piloted in the Occupied Palestinian Territory, the aims of which are to (i) maximize utilization of resources for projects and (ii) improve on-time delivery of food (see WFP/EB.1/2005/5C). The essence of the initiative is to forecast the funding available for operations and to provide up-front financing so that implementation can begin without waiting for confirmed contributions. This reduces the pattern of delays at the start of an operation while donors consider what funding to provide and unspent balances at the end of it.
34. Working-capital financing made possible an advance of US\$9.6 million in July 2004, before any donor funding had been received, thereby (i) preventing a two-month delay to the start of operations, (ii) enabling WFP to deliver twice as much food over the first four months than it would otherwise have done and (iii) enabling WFP to reach 80 percent of targeted beneficiaries on time in the first three months. Those months would otherwise have been difficult for WFP and the beneficiaries. By the end of 2004, 80 percent of the advance had been repaid; the full advance has now been repaid as donor funds have been received. The benefits of working-capital financing are substantial, but three conditions are necessary:
- WFP's forecasting needs to be accurate and prudent to minimize the risk that contributions sufficient to repay the advance do not materialize. The accuracy of forecasting depends on donors being willing to inform WFP of likely contributions, even when these are not yet approved or firm, and when they relate to future years.
 - WFP's financial information systems need to be robust; the necessary tools must be available and staff in country and regional offices trained to use them.
 - Donors need to be flexible regarding the use of their funds and issues such as bag markings and pro rata reporting.
35. In the Occupied Palestinian Territory pilot project, these conditions were met sufficiently to enable the pilot project to be successful. The team strongly endorses the working-capital finance initiative and encourages donors to be flexible enough to enable WFP to maximize the considerable benefits.

STAFF ISSUES

36. The high morale among the staff we met was sustained by good leadership, the belief that what they were doing was important and a strong sense of team work. Some international staff spoke of their concerns that recent revisions to their terms and conditions through the United Nations Special Operations Living Allowance (SOLA) would be detrimental to them; they were raising these with the Regional Director.



CONCLUSIONS

37. Overall, we were impressed with the dedication and effectiveness of the WFP team under the leadership of Jean-Luc Siblot and William Hart. We met a fair proportion of the 55 national staff, all of whom were deeply committed to their work and highly professional and capable. There was a strong sense of real teamwork. WFP's work in the Occupied Palestinian Territory is, sadly, essential for the well-being and even survival of 500,000 people; we judge the EMOP to be well managed and effective. The proposed PRRO is essentially a continuation of the EMOP, with increased emphasis on capacity-building; we commend it to the Board. We encourage Members of WFP to consider contributing to the PRRO.
38. We strongly endorse the working-capital financing initiative and encourage donors to provide WFP with the information necessary to enable it to maximize the potential benefits and to limit any conditions they attach to their contributions.
39. We wish to record our concern about the difficult conditions facing poor Palestinians in the Occupied Palestinian Territory and their poor prospects, at least in the short term, of securing sustainable livelihoods and becoming food-secure. Sustainable development can only take place once there is a political settlement leading to the creation of a viable Palestinian state. Until then, and in the absence of any signal from the occupying power that it intends either to discharge its responsibilities to those in the occupied territory or to reduce significantly the measures that constrain economic activity, we cannot see an end to the need for WFP and the international community to support a population that is getting steadily poorer and less food-secure.

SUMMARY OF CONCLUSIONS AND RECOMMENDATIONS

- i) The proposed PRRO is essentially a continuation of the EMOP, though with a welcome increased emphasis on capacity-building, and we commend it to the Board.
- ii) We encourage Members of WFP to consider contributing to the PRRO.
- iii) The current EMOP is well-managed and effective.
- iv) We strongly endorse the working-capital financing initiative. We encourage donors to provide WFP with the information that will enable it to maximize the potential benefits of the working-capital financing initiative and to limit as far as possible any conditions attached to contributions.
- v) Sustainable development and food security in the Occupied Palestinian Territory depends on peace and a political settlement that provides for a viable Palestinian state.
- vi) Coordination between the many United Nations and other donors is crucial; it will be especially important in the context of Israel's withdrawal from Gaza.
- vii) We endorse the United Nations family's approach to the CCA/UNDAF process and welcome WFP's involvement.
- viii) WFP should continue to monitor the nutritional status of beneficiaries of its programmes and also of those who do not benefit.
- ix) WFP should aim for a better gender balance in FFW.
- x) We acknowledge that Palestinians who need family planning services should have access to them; this is an area where UNFPA could play a key role.



- xi) We endorse WFP's approach to local procurement of olive oil despite the high costs.
- xii) WFP's nutrition unit should investigate the reasons for discrepancies in information on the nutritional status of Palestinians.
- xiii) We strongly endorse the intention to make capacity-building a major feature of the PRRO.
- xiv) WFP should continue to liaise with the Ministry of Social Affairs and other donors to avoid duplication and to ensure that instruments of social protection complement each other.



ANNEX

LIST OF PARTICIPANTS

Mr Moussa Ly, Minister Counsellor, Senegal

H.E. Ma Shiqing, Minister Plenipotentiary, China

Ms Amelia Silva Cabrera, Minister Counsellor, Nicaragua

H.E. Matthew Wyatt, Ambassador, United Kingdom

Mr Torben Due, incoming Director, WFP/ODM

Ms Evelyne Togbe-Olory, WFP/PDB



ACRONYMS USED IN THE DOCUMENT

CCA	Common Country Assessment
COMPAS	Commodity Movement Processing and Analysis System
CRIC	<i>Centro Regionale d'Intervento per la Cooperazione</i>
CRS	Catholic Relief Services
EMOP	emergency operation
FAO	Food and Agriculture Organization of the United Nations
FFT	food-for-training
FFW	food-for-work
FIVIMS	Food Insecurity and Vulnerability Mapping System
MTDP	Medium-Term Development Plan
NGO	non-governmental organization
OCHA	Office for the Coordination of Humanitarian Affairs
ODM	Programme Management Division
ODOC	other direct operational costs
PARC	Palestinian Agricultural Relief Committees
PDB	Executive Board Secretariat
PRRO	protracted relief and recovery operation
UNDAF	United Nations Development Assistance Framework
UNDP	United Nations Development Programme
UNFPA	United Nations Population Fund
UNICEF	United Nations Children's Fund
UNRWA	United Nations Relief and Works Agency for Palestine Refugees in the Near East
UNSCO	Office of the United Nations Special Coordinator for the Middle East Peace Process
VAM	vulnerability analysis and mapping
WHO	World Health Organization

