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**Human rights situation in Palestine and other  
occupied Arab territories**

**Joint written statement\* submitted by the International  
Organization for the Elimination of All Forms of Racial  
Discrimination (EAFORD), Arab Organization for Human  
Rights, International-Lawyers.Org, Union of Arab Jurists,  
non-governmental organizations in special consultative  
status, International Educational Development, Inc., World  
Peace Council, non-governmental organizations on the roster**

The Secretary-General has received the following written statement which is circulated in accordance with Economic and Social Council resolution 1996/31.

[18 August 2017]

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\* This written statement is issued, unedited, in the language(s) received from the submitting non-governmental organization(s).

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## **The Debilitation of Palestinian Socioeconomic Development\***

Israel's policies and practices impede a solid economic environment and sustainable development in Occupied Palestinian Territory and violate Palestinians' economic and social rights. Israeli restrictions on the movement of people and goods, the discriminatory zoning and planning, deinstitutionalization of Palestinian economy, exploitation of Palestinian natural resources, rigorous sanctions, military actions and the blockade on Gaza have devastated Palestinian economy and caused lasting socioeconomic hardship and a protracted humanitarian crisis in Gaza. Discrimination against Palestinian citizens of Israel in the job market again shows that the Israeli apartheid system traverses the Green Line. The direly needed realization of the social and economic rights of the Palestinian people requires urgent redress of the root causes – which are focus of this submission.

### **Background**

Following their occupation in June 1967, the Gaza Strip and the West Bank were drawn progressively into a state of interdependency with the Israeli economy, with substantial implications for their long-term growth and development. Additionally, Israel has been engaging in the direct destruction of Palestinian manufacturing businesses<sup>1</sup> as well as in the debilitation of the traditionally vital agricultural sector<sup>2</sup>.

The economic dependence on Israel was entrenched with the 1994 Protocol on Economic Relations, or the Paris Protocol. The Paris Protocol institutionalized the captivity of the Palestinian economy to the Israeli market, severely restricting Palestinians' ability to develop any industries that might pose a challenge to Israeli industries and anchoring the de-development and de-industrialization of Palestinian economy. Israel controls Palestinian economy, including all imports and exports. Any commodity to be imported or exported has to be channeled through Israeli trade organizations. As a result, the Palestinian economy has regressed into a collection of insignificant local markets unable to compete with Israeli monopolies on goods. The Occupying Power is responsible for collecting customs duties on behalf of the PA, which it repeatedly withholds as form of punishment. The withholding of VAT duties and customs amounting to tens of millions of dollars per month signifies that employment in the public sector often goes unpaid.

### **Predominant Factors in the West Bank**

Inhibitive factors in the occupied West Bank, including East Jerusalem, are stringent Israeli movement and access restrictions of goods and the confiscation of land and property for settlement and Wall construction. The Wall cuts off Palestinians from their agricultural lands, wells, and means of subsistence, thus hampering agricultural production. For Palestinians, this signifies a limited capacity for economic growth. Moreover, the development of the physical environment and infrastructure of occupied Palestine aimed at catering to the needs of the Jewish settlements has exhausted Palestinian physical, natural and financial resources that would otherwise have fostered Palestinian development.

Israel retains control of almost all land reserves needed for the development of Palestinian communities located in Area C, most of which were formerly within the municipal jurisdiction of their communities and privately owned. The use of this land for the development of Areas A and B, such as building industrial plants or agricultural facilities, laying water mains or creating roads, is subject to the rare approval by the Occupying Power. According to the World Bank, the

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<sup>1</sup> Sansour (2014); Abunimah (2012).

<sup>2</sup> While the agricultural sector in Palestine has traditionally played a vital economic role, it is besieged and gravely distorted by the Israeli occupation. Israel restricted Palestinian production of traditional crops that would compete with products from Israel by limiting water used for irrigation by farmers producing competing agricultural products and the dumping of lower priced products on Palestinian markets, forcing Palestinians to sell below cost. Thereby, occupied Palestine turned into a captive market for Israeli goods. The relative contribution of Palestinian agriculture to the GDP and exports has been in a continuous state of decline.

Palestinian GDP could have increased by 3.4 billion dollars a year without Israel's restrictions imposed on economic development in Area C. Furthermore, Israel maintains its control over all crossing points between the West Bank and Israel, and between the West Bank and Jordan, as well as all the roads leading to Areas A and B. This leaves Israel with sole authority to decide the import of goods into the West Bank, even into areas officially under PA jurisdiction.

### **Predominant Factors in Gaza**

The population of Gaza has been brought to the brink of the abyss, with a protracted humanitarian crisis looming. Israel still bans nearly all exports<sup>3</sup> from Gaza ten years after it imposed the blockade, which has resulted in the collapse of Gaza's economy, with most factories and hundreds of businesses shutting down. Gaza's economic growth is negative, its unemployment rate ranks among the highest in the world<sup>4</sup>, especially among youth, and the region depends on humanitarian aid. Vital infrastructure and public services lie in ruins. While Gaza residents have had to get used to the grim reality of power shortages and receiving electricity only few hours each day, the further power cuts imposed by the Occupying Power and the Palestinian Authority have rendered the situation unfathomably worse. At the height of summer, most Gaza residents have to make ends meet with erratic electricity of two to six hours daily and with scarce water supplies of only six to eight hours every four days.

The electricity and fuel shortage devastates water and sewage facilities, with about 95 percent of water received being contaminated and non-potable and with untreated sewage constantly flowing into the coastal areas. This heightens the risk of waterborne diseases as well as of flooding and further displacement.

Gaza registers negative economic growth and is expected to be unlivable by 2020 or earlier, while currently 47 percent of Gaza households are food-insecure and 42 percent of those able and willing to work are unemployed<sup>5</sup>. Wide segments of the population, about 80 percent, are therefore dependent on humanitarian aid. This situation has been aggravated by the constraints imposed on agencies providing humanitarian aid in Gaza as well as by the prevention of reconstruction of homes and livelihoods destroyed in the 2014 operation through the blockade and severe import restrictions. Restrictions on the opening of the Rafah crossing have compounding effects. This leaves tens of thousands of Gazan Palestinians displaced.

Gazan Palestinian communities living and working in Access Restricted Areas, such as fishermen, suffer particularly under diminished access to agricultural land and the sea and the destruction and confiscation of equipment and means needed for their livelihood, resulting in unemployment or income loss and deepening displacement pressure.

### **Conclusion and Recommendations**

The Israeli occupation imposes heavy economic costs on the Palestinian people. It causes a loss of hundreds of millions in annual revenues, a deceleration of Palestinian GDP, and deepens the Palestinian fiscal crisis. Thus, Palestinians' socioeconomic situation is critical. Unemployment continues to be extremely high, with two out of five Palestinian youths and 51 percent of young graduates being unemployed during the first quarter of 2016. In Gaza, the youth unemployment rate amounts to 58 percent. This is particularly due to the social, economic and political marginalization of young people under occupation. Palestinian women continue to suffer under the severe impact of the ongoing illegal Israeli occupation and all of its manifestations, and continue to be disproportionately faced with high rates of poverty and unemployment.

Palestine's economic deficiency is man-made and a result of Israel's stifling occupation. In view of Palestine's wealth in natural resources and once flourishing traditional industries and agriculture, and auspicious international trade relations, especially with other Arab countries, the economic deprivation of the Palestinian people is all the more

<sup>3</sup> Israel currently limits the ban on goods entering Gaza to those it defines as "dual-use", hence those allegedly usable for civilian and military purposes such as cement, iron and raw materials for the furniture industry. (B'tselem, 2016)

<sup>4</sup> Gaza's unemployment rate had peaked at 44% and 72% of households suffered from food insecurity. Gaza's reconstruction remained behind. In early September 2015, the UN Conference on Trade and Development considered that Gaza may become unliveable by 2020 unless economic trends shift.

<sup>5</sup> <http://www.worldbank.org/en/country/westbankandgaza/overview>

agonizing. At the same time, the Israeli economy largely thrives on the expense of Palestinian natural and economic resources. Development in Palestine will be neither successful nor sustainable without the ability of the Palestinian people to fully control their economic activities, natural resources, and border crossings.

Israel's control over Palestinian economy and natural resources obstructs the political, social, and economic development of Occupied Palestine. Therefore, the signatories to this statement recommend to the relevant UN bodies to pressure Israel to:

- End its policies of illegal appropriation and exploitation of Palestinian natural resources by, *inter alia*, enabling Palestinian development of their water sector and infrastructure; granting Palestinians unrestricted access to and use of their rightful share of water resources in accordance with the principle of equitable and reasonable utilization and in adherence with the obligations of an Occupying Power under international humanitarian law to provide water to the occupied population without discrimination; ceasing Israel's illegal mineral extraction and quarrying activities and withdrawing all operating permissions granted to companies in occupied Palestine;
- Halt its restrictions on Palestinian economic development by, *inter alia*, effecting an immediate end to Israeli policies prohibiting Palestinian trade with the outside world, ending the inhibition of Palestinian access to their agricultural lands, suspending all restrictions on the movement of persons and goods, allowing for development of infrastructure and projects, ceasing the imposition of economic sanctions, and eliminating discriminatory policies in the enjoyment of right to work affecting Palestinian citizens of Israel.

In the light of Gaza's devastating humanitarian and energy crisis, which renders everyday activities such as cooking, taking exams, computer work, conserving food, and employing respirators – almost impossible, we call on the Israeli government, the Egyptian and Palestinian Authorities to:

- Allow for the full opening of the border crossings of the Gaza Strip in order to facilitate the sustained and regular movement of persons and goods within and into and out of the Gaza Strip as well as reconstruction, economic recovery, vast infrastructure repair, rehabilitation and development in Gaza.

It is clear, however, that the self-generating social and economic development of Occupied Palestine can only be achieved with the end of Israeli occupation.

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\*Geneva International Centre for Justice (GICJ), The Arab Lawyers Association-UK, The Brussels Tribunal, Rural Women Development Society (RWDS), Euro-Mediterranean Human Rights Monitor, Association of Humanitarian Lawyers (AHL), The Iraqi Commission for Human Rights (ICHR), Human Rights & Democracy Media Center "SHAMS", Association of Human Rights Defenders in Iraq (AHRD), General Federation of Iraqi Women (GFIW), Youth Against Settlements (YAS), Organisation for Justice & Democracy in Iraq (OJDI), The Iraqi Centre for Human Rights (ICHR), International Anti-Occupation Network (IAON), NGOs without consultative status, also share the views expressed in this statement.