



Gaza war: expected socioeconomic impacts on the State of Palestine

Preliminary Estimates



the speed with which the war in Gaza has accelerated poverty in a population already vulnerable even before this crisis is deeply concerning.



the shock due to this war has been severe to the whole Palestinian economy and not only to Gaza.



On top of the immediate humanitarian catastrophe, we see unfolding; there is also a **development crisis**.



The war will have a **long-lasting negative impact on human development**.

The economic consequences of the war will have direct and indirect effects on the humanitarian situation, and vice versa

ALMOST 1.5 MILLION PEOPLE IN GAZA INTERNALLY DISPLACED SINCE THE BEGINNING OF THE WAR

THERE IS LARGE-SCALE DESTRUCTION, ESPECIALLY OF THE HOUSING UNITS.

THE ASSESSMENT PREDICTS THAT THE ESTIMATED ECONOMIC DOWNTURN WILL

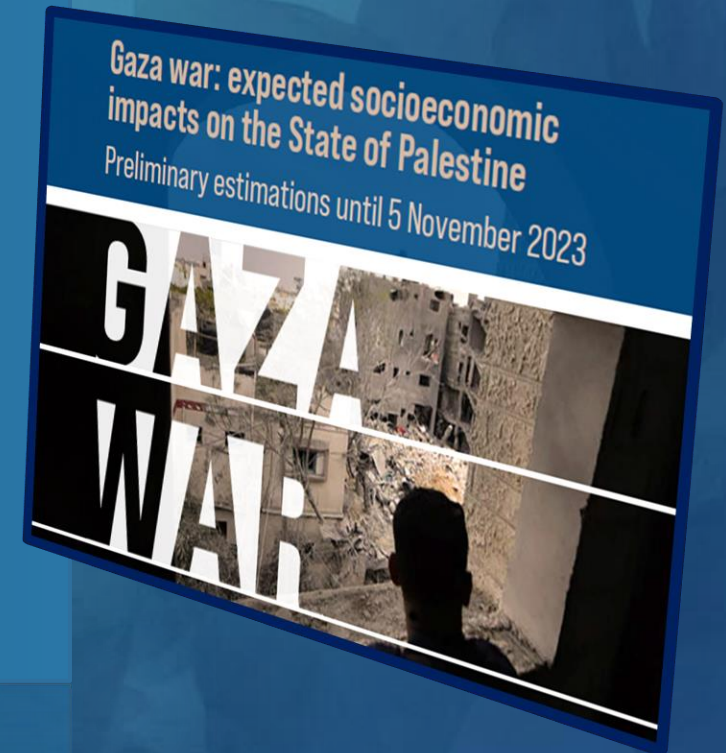
EXACERBATE THE CATASTROPHIC HUMANITARIAN SITUATION & WILL MAKE RECOVERY PROSPECTS CHALLENGING AND SLOW.





Expected Socio-Economic Impacts of the Gaza War on Neighboring Countries in the Arab States Region

Preliminary Estimates



The humanitarian system in Gaza is on the edge of collapse and each day this war continues, the ripple effect on neighbouring countries in the Arab States region will have lasting socioeconomic setbacks.

POVERTY

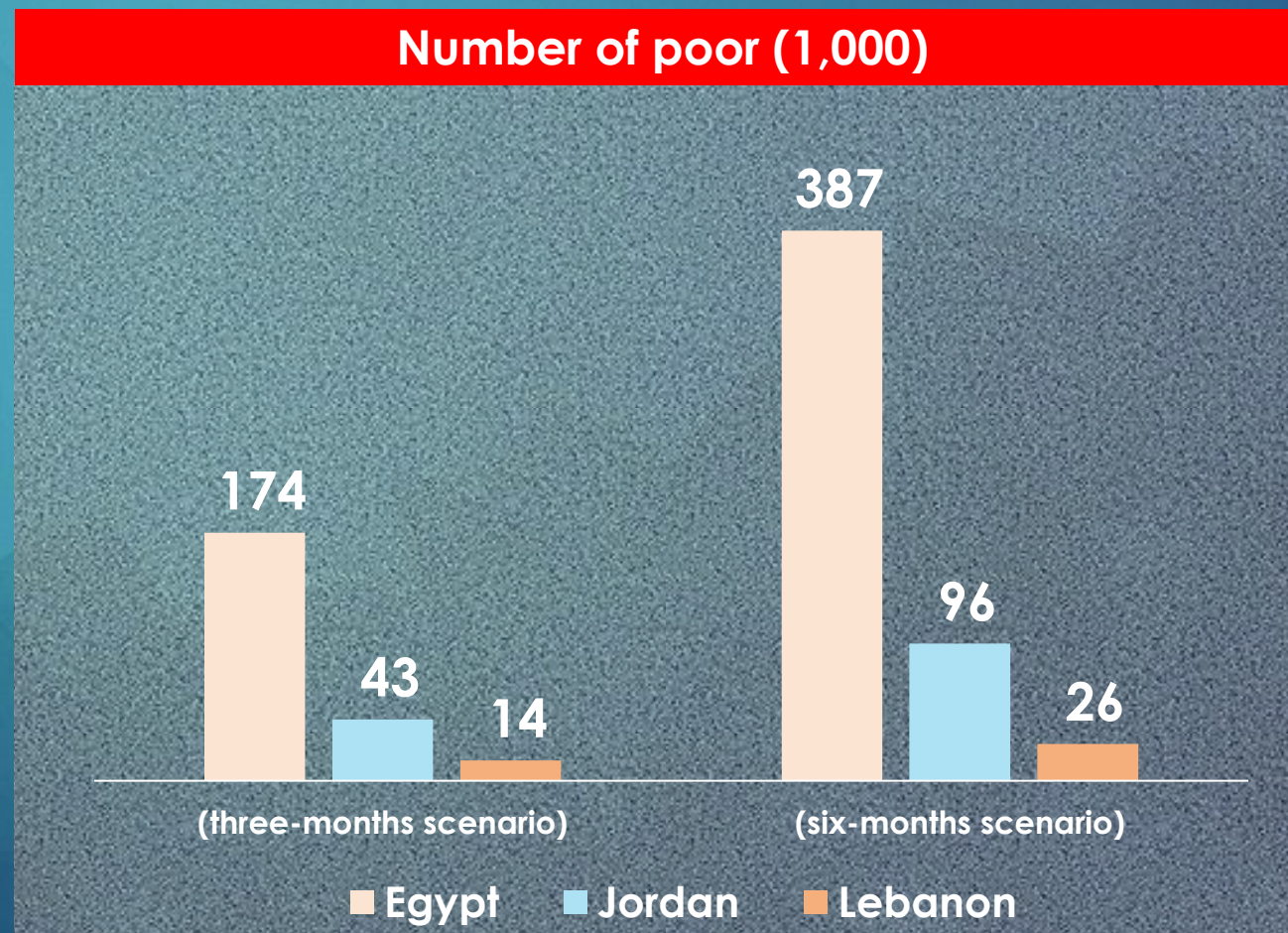
Egypt | Jordan | Lebanon

3-month Scenario

230,000 will fall into poverty by end 2023

6-month Scenario

Over 500,000 will fall into poverty in 2024



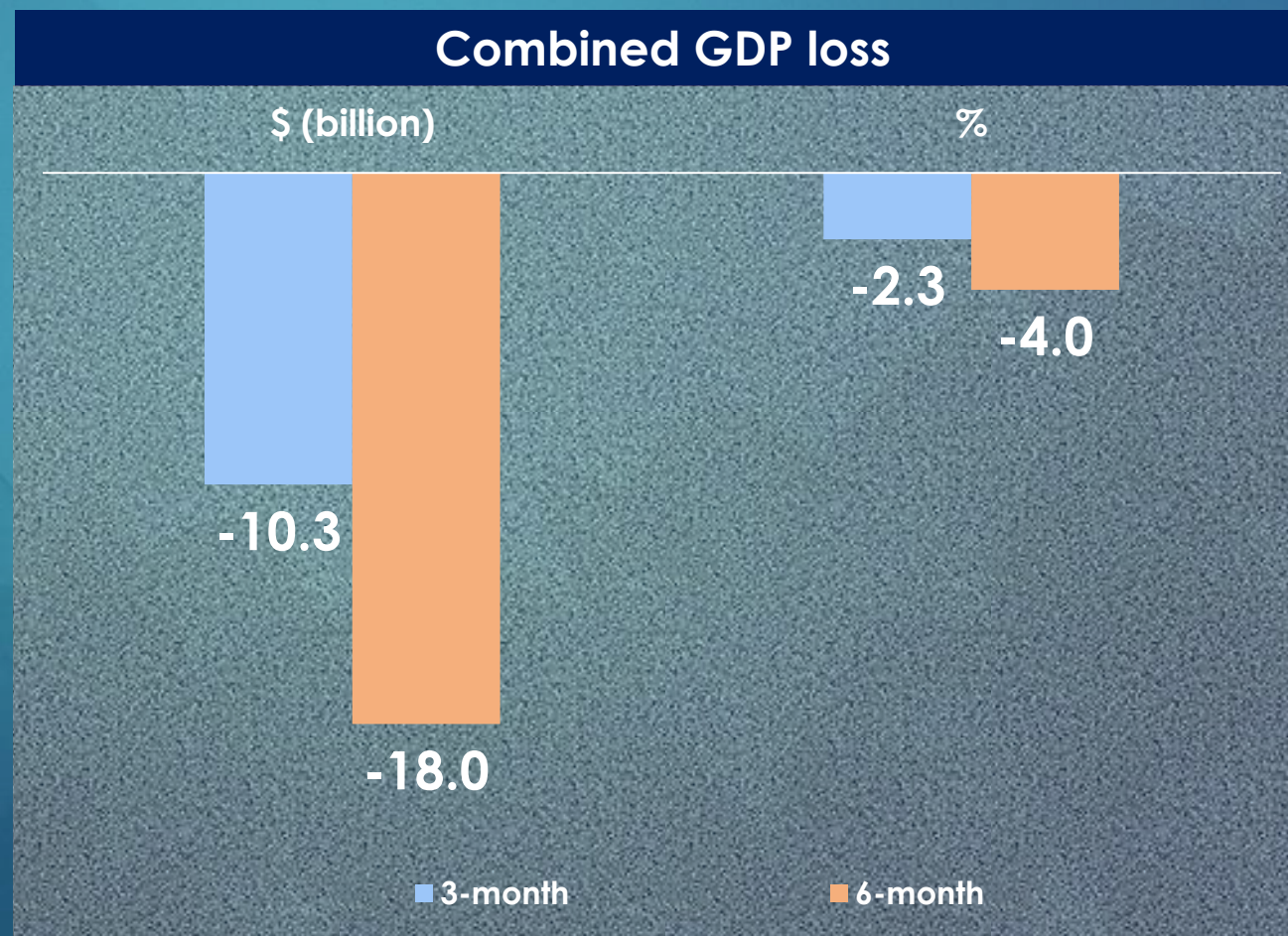
Due to the effects of reduced tourism activities, and other changes in the economy, such as those affecting investment, productivity and trade, the combined GDP will sustain losses.

GDP

Egypt | Jordan | Lebanon

3-month Scenario
Aggregate Loss
US\$ 10.3 billion
= -2.3%

6-month Scenario
Aggregate Loss
US\$ 18.0 billion
= -4.0%



The war will have a long-lasting negative impact on human development.

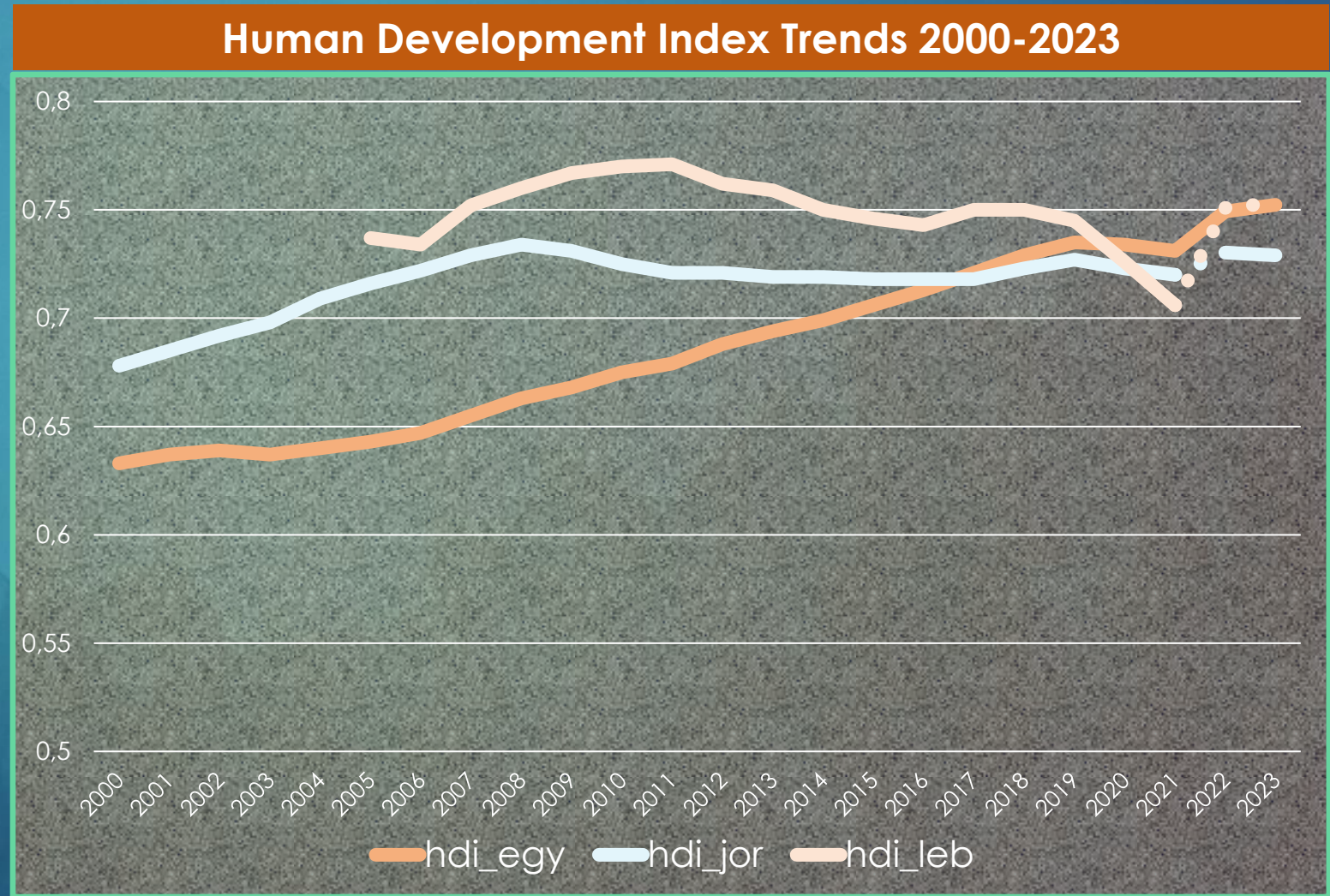


Human Development

Egypt | Jordan | Lebanon

3-month Scenario
2 years in all
3 countries

6-month Scenario
At least 3 years in
all 3 countries



The crisis hit at a time when all three countries have limited policy space to address its impacts, because of pre-existing structural gaps and more recent impacts (including from COVID-19 and the Ukraine war).

SO FAR, THE REGIONAL EFFECTS HAVE LARGELY BEEN CONTAINED BUT ARE BIG ENOUGH DURING SUCH A SHORT PERIOD OF TIME TO PROVIDE GROUNDS FOR CONCERN.

UNLESS THE WAR ENDS SOON, THE SPILLOVER EFFECTS ON THE STATE OF PALESTINE'S IMMEDIATE NEIGHBORS CAN BE SIGNIFICANT

IF THE GEOGRAPHIC SCOPE OF THE WAR EXPANDS THE MAGNITUDE OF THE IMPACT WILL RISE EXPONENTIALLY.

SHORT-TERM EFFECTS CAN HAVE LONG LASTING IMPACTS.

**UNDP's Programme of Assistance to the
Palestinian People (PAPP)**
Crisis Response and Early Recovery
Framework

FRAMEWORK
CRISIS RESPONSE AND EARLY RECOVERY

Crisis Response and Early Recovery Framework

Approach

- All-of-Palestine
- Integrated programming (e.g. area-based)
- Promoting social cohesion
- Risk management and due diligence

Gaza Strip



West Bank (incl. East Jerusalem)



Detailed Infrastructure Damage Assessment (Gaza)
Socioeconomic impact + sectoral assessments (Gaza + WB)

IMMEDIATE



Solar powered mobile desalination units for IDPs



Deployment of youth volunteers for psychosocial support



Emergency support via Egyptian Red Crescent



Emergency health support, incl. medical supplies



Deployment of critical staff to health facilities & municipalities to sustain critical services

AFTER CEASEFIRE



Rubble removal for safe access to critical services



Temporary housing/shelter solutions for IDPs (e.g, prefabricated homes)



Immediate housing rehabilitation - prioritizing most vulnerable households



Restoration of and sustainable solutions for basic services (incl. infrastructure rehabilitation)



Restoration of livelihoods and economic opportunities - prioritizing most vulnerable



Restoration of critical government services (e.g., provision of essential documents to citizens)



Lifeline + income generation support to displaced Gazan workers and families



Deployment of health personnel to support critical healthcare services



Area-based recovery (incl. rehabilitation of critical community infrastructure)



Inclusive, gender-responsive and resilient economic models across critical and most affected sectors



Localized and gender-responsive livelihood restoration for most affected



Immediate and gender-responsive legal aid to individuals impacted by the conflict



Support to civil society organizations (incl. human rights)
Governance
Digital tools / solutions

