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## EMERGENCY OPERATION OCCUPIED PALESTINIAN TERRITORY 200298

<b>Emergency food assistance to the non-refugee population in the Gaza Strip</b>	
Number of beneficiaries	285,000
Duration of project	12 months (January - December 2012 )
WFP food tonnage	39,363 mt
Cost (United States dollars)	
WFP food cost	23,698,362
WFP cash/voucher cost	4,416,500
Total cost to WFP	41,619,492

## EXECUTIVE SUMMARY

Six decades of political instability, four years of blockade and major destruction of private and public property during military confrontations, have led to the disintegration of the productive economy in the Gaza Strip. Over 50 percent of people in Gaza are unable to meet their daily food requirements without support due to few employment opportunities, low incomes and limited economic access to food. In spite of a partial relaxation on import restrictions since June 2010, an ongoing ban on exports and on some imports has hampered recovery and improvements in 2011, and food insecurity levels are likely to persist throughout 2012.

Emergency operation 200298 aims to meet immediate food requirements, enhance food consumption and improve dietary quality of targeted beneficiaries. The operation will also support government capacity at the technical level to ensure successful implementation of the activities, and will promote the Palestinian economy through the prioritization of local purchases where cost-effective.

WFP interventions will respond to assessed needs and mitigate the impact of restricted access through:

- in-kind general food distributions to social hardship cases and vulnerable households;
- school feeding in public basic schools;
- provision of electronic cash-vouchers to promote dietary quality;
- support to specialized institutions through the provision of food rations; and
- technical capacity development.



The operation was designed on the basis of recent food security and market assessments and a mid-term review of the voucher project. A controlled expansion of voucher assistance, on the basis of lessons learned from a pilot voucher project, reflects a planned shift from direct food aid towards a food assistance approach incorporating different transfer modalities.

The operation is aligned with the Palestinian Authority's priorities for the Gaza Strip. It addresses WFP's Strategic Objectives 1 "Save lives and protect livelihoods in emergencies" and 5 "Strengthen the capacities of countries to reduce hunger, including through hand-over strategies and local purchases", and Millennium Development Goals 1 and 2.

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## SITUATION ANALYSIS AND SCENARIO

### The Overall Context

1. The Gaza Strip has been subjected to a blockade since June 2007,<sup>1</sup> characterized by severe restrictions on the entry of goods and a virtual halt of exports from the Gaza territory. This has led to the progressive collapse of all main productive sectors and a steep rise in unemployment, which has averaged at 37 percent for the past four years.<sup>2</sup>
2. The entire population of the Gaza Strip continues to face severe restrictions on movement, shattered livelihoods, low incomes, impoverishment, disrupted social services and general hardship following the 24-day 2008/2009 military conflict. Armed hostilities continued during 2010 and 2011, putting the safety of the population in the "access restricted areas" at risk, particularly fishermen and farmers. There has been no access to 35 percent of Gaza's agricultural land, nor access to the sea beyond three nautical miles, further reducing already limited agricultural and fishing activities.<sup>3</sup>
3. The Government of Israel's decision to ease the blockade through a 'new access regime' that began in June 2010 has brought access to some consumer goods, with potential access to a wider range of products of better quality for consumers. However, despite the massive destruction of private and public property during the military confrontation, importation of construction materials into Gaza is still banned, as well as 'dual-use' items that could potentially be used for military activity.<sup>4</sup> As these items often constitute raw materials and essential inputs for the main productive sectors, recovery is constrained and the easing of the blockade has only had a marginal effect on the economic recovery of the Gaza Strip to date.
4. Tunnels, which operate illegally, continue to be a major means of importation to the Gaza Strip, including for a share of the food items. There has been no tangible relaxation of export restrictions: between in 2011, only 5 percent of the pre-blockade volume of goods was reached.<sup>5</sup> Exports to Israel and trade with the West Bank - Gaza's main export and

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<sup>1</sup>Palestinian leadership has been split since June 2007: the Palestinian Authority controls the West Bank and the de facto authorities control the Gaza Strip.

<sup>2</sup>WFP EMOP 108170, implemented in the Gaza Strip from January 2009 to December 2011, addressed emergency needs resulting from the military conflict of December 2008/January 2009 and the impact of the blockade.

<sup>3</sup>OCHA-WFP, 2010, *Between the Fence and a Hard Place: The humanitarian impact of Israeli-imposed restrictions on access to land and sea in the Gaza Strip*.

<sup>4</sup>Imports by international organizations for humanitarian purposes are exempted: United Nations Conference on Trade and Development, July 2011, *Report on UNCTAD assistance to the Palestinian people: Developments in the economy of the occupied Palestinian territory*.

<sup>5</sup>WFP, 2011, *Gaza: eased or un-eased? Changes on Gaza Market and Household Conditions following Israel's 20 June 2010 New Access Regime*.

trade markets prior to the blockade - are still denied, leaving Gaza manufacturers to compete in a very small market.

5. An annual population growth rate of 3 percent<sup>6</sup> puts an increasing strain on the already limited resources, including natural resources, employment opportunities and basic services. The lack of a peace agreement and the sporadic flare-up of hostilities (as experienced in April, August and October 2011) create an environment of economic instability and discourage economic investment - a situation that is likely to persist in 2012.
6. Unemployment rates dropped to 28 percent in September 2011, possibly as a consequence of the relaxed import controls on goods coming from Israel and the increased illegal tunnel trade from Egypt. Roughly half the work force is employed in agriculture, construction or commerce, on an average daily wage rate of 35 new Israeli shekel (NIS),<sup>7</sup> which leaves families below the deep poverty line determined by the Palestinian Central Bureau of Statistics (PCBS).<sup>8</sup> Close to 39 percent of Gaza's workers are employed in the public sector. Real wages are estimated to have decreased by 22 percent between the second quarter of 2007 and the second quarter of 2011, reflecting the overall rise of prices during the last 3 years and signaling a decline in the purchasing power of workers in the Gaza Strip.<sup>9</sup>

### **The Food Security and Nutrition Situation**

7. The 2010 WFP and Food and Agriculture Organization of the United Nations (FAO) socio-economic and food security survey (SEFSec) estimated the prevalence of food insecurity in the Gaza strip at 52 percent, with an additional 13 percent of the households 'vulnerable' to food insecurity.<sup>10</sup> The prevalence of the population classified as 'food secure' dropped from 24 to 19 percent over the previous year, suggesting a progressive erosion of coping mechanisms even among the better off. Non-refugees are more food insecure than refugee populations, with 55 percent of non-refugee households food insecure compared to 50 percent of refugee households.
8. The 'new access regime' has had no impact on food security: a WFP study in March 2011 found the prevalence of food insecurity unchanged (at 54 percent), despite a greater availability of consumables<sup>11</sup> and the increase in availability of low-paid job opportunities, which have not yet translated into a discernible reduction of poverty and hardship.<sup>12</sup>
9. While stunting and wasting rates among children under 5 in Gaza are within acceptable ranges (9.9 percent and 3.8 percent respectively), other nutritional aspects are of increasing public health concern:
  - The prevalence of anaemia reaches 26 percent among children under 5 and 39 percent among pregnant women.<sup>13</sup>

<sup>6</sup> PCBS data

<sup>7</sup> Exchange rate: US\$1 equals 3.62 NIS in November 2011.

<sup>8</sup> 2009 PCBS Poverty Line is established at 1,783 NIS per month per two adults and three children (corresponding to 60 NIS per household per day).

<sup>9</sup> PCBS. August 2011. Labour Force Survey, Second Quarter 2011.

<sup>10</sup> WFP-FAO, 2010, *Socio-Economic and Food Security Survey West Bank and Gaza Strip, occupied Palestinian territory*

<sup>11</sup> According to 64 percent of interviewed households, the new access regime has further increased the volume of imported food commodities and hence a wider range of products is now available in the market.

<sup>12</sup> WFP, 2011, *Gaza: eased or un-eased? Changes on Gaza Market and Household Conditions following Israel's 20 June 2010 New Access Regime.*

<sup>13</sup> PCBS, United Nations Population Fund (UNFPA), UNICEF, 2011. Palestinian Family Survey, 2010.



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- Low dietary quality is widespread in Gaza: 87 percent of households that reported a decrease in their food expenditures also decreased the diversity and quantity of food they consumed, consuming less meat and milk in particular.<sup>14</sup> Overall, 29 percent of households have a 'poor' or 'borderline' food consumption pattern; this figure increases to 39 percent among the food-insecure of the population, and reaches 44 percent among the food-insecure non-refugee households.<sup>15</sup>
10. Food insecurity in the current Gaza context is not a problem of food availability in the market, as could be the case during sustained hostilities. It remains a direct function of poverty and lack of economic access. Even those who obtained jobs in sectors benefiting from the relaxation on imports are unable to cover the cost of basic food needs due to low wage rates and fluctuating food prices.
  11. The volatile global food price environment has had a strong impact the main staple food prices: between August 2010 and September 2011, a 50 kg bag wheat flour increased from 80 NIS to 105 NIS, while a litre of vegetable oil increased from 5 NIS to 7 NIS.<sup>16</sup> In the Gaza Strip the food consumer price index has increased by 30 percent during the last four years.<sup>17</sup> Prices of staple food commodities widely distributed through international aid agencies (such as wheat flour, vegetable oil and sugar) remain comparable to West Bank prices, while those of other imported food commodities (such as fresh meat, fruits and certain types of vegetables) are higher in the Gaza Strip than in the West Bank. This suggests that without the stabilizing effect of large-scale staple food assistance, the food price crisis would have had a devastating effect on the population's economic access to basic food commodities. Nevertheless, in the first half of 2011, the average household in the Gaza Strip still spends more than half its cash expenditure on food, thus remaining vulnerable to fluctuations in food prices.
  12. While the enrolment (97.8 percent) and retention (99.1 percent) rates for boys and girls in primary schools in Gaza are already high, security and access to food remain issues of concern. Teachers estimate that 40 percent of the students come to school on an empty stomach and with no pocket money to purchase their breakfast. The value of the food transfer provided through school feeding is recognised in the Common Humanitarian Action Plan 2012, where the response strategy of the food sector includes the implementation of school feeding in the Gaza Strip as a valuable safety net.
  13. Orphanages, centres for the elderly, centres for disabled people and other special care institutions registered under the Ministry of Social Affairs (MoSA) target the most vulnerable sections of the Gazan society and have resourcing difficulties. They rely on humanitarian assistance to implement most of their activities, including the provision of diversified meals to their patients.

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<sup>14</sup> WFP, 2011, *Gaza: eased or un-eased? Changes on Gaza Market and Household Conditions following Israel's 20 June 2010 New Access Regime*.

<sup>15</sup> WFP-FAO *SEFSec* 2010.

<sup>16</sup> WFP market monitoring.

<sup>17</sup> PCBS data.

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## Scenario

14. The planning for this emergency operation (EMOP) is based on the most-likely scenario of “relative” stability in the Gaza Strip that would not affect WFP distributions. Despite the partial relaxation of the blockade in June 2010, access to food will remain difficult in 2012 and more than half of the population will continue to depend on humanitarian food assistance. High unemployment levels and a lack of income opportunities will continue to contribute to the high levels of food insecurity which are not expected to improve significantly throughout 2012. The scope of recovery activities remains extremely limited.
15. Contingency planning efforts take into account the constant threat of renewed military incursions in addition to natural hazards such as earthquakes.

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## POLICIES, CAPACITIES AND ACTIONS OF THE GOVERNMENT AND OTHERS

### Policies, Capacities and Actions of the Government

16. The Palestinian Authority has entered its new multi-year Palestinian National Development Plan (2011-2013), with the vision of building towards national independence and sovereignty. Promotion of the local economy is central to the plan, and priorities include the improvement of public service delivery to all citizens throughout the occupied Palestinian territory and the establishment of social safety nets for vulnerable groups.
17. MoSA is working towards implementing a sustainable safety net programme using cash<sup>18</sup> and in-kind and/or voucher food assistance for citizens in vulnerable areas using a single tool and graduated levels of needs-based support. The Ministry of Education and Higher Education (MoEHE) coordinates the school feeding activity and is working towards a policy on school health and nutrition (including school feeding) in the medium/long term. The emergency context of Gaza is taken into account in the national strategies, plans and programmes.

### Policies, Capacities and Actions of Other Major Actors

18. The two main food assistance providers in the Gaza Strip are the United Nations Relief and Works Agency for Palestine Refugees in the Near East (UNRWA) and WFP. UNRWA assists the refugee population and people “married to non-refugees” (MNR), and WFP assists the non-refugees.<sup>19</sup> UNRWA currently provides food assistance to around 650,000 beneficiaries, complemented by cash contributions targeting the most destitute families among them.
19. *Ad-hoc* distributions of fresh food that are complementary to basic food rations, are provided by national and international non-governmental organizations (NGOs), such as the Cooperative for Assistance and Relief Everywhere.
20. Although the scope of recovery interventions remains very limited in the current economic environment, FAO and some local and international NGOs seek to protect livelihoods

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<sup>18</sup> The cash assistance component (mainly funded by the European Union and the World Bank) is intended to complement food assistance and its targeting is being fine-tuned accordingly.

<sup>19</sup> Refugee cards are issued in men’s names. MNR are mixed households, where a non-refugee man is married to a refugee woman, therefore one family member is considered refugee and the others are non-refugee. UNRWA provides the food assistance as a family ration.

through the distribution of agricultural inputs and by promoting household-level income-generating activities through *ad-hoc* projects.

21. Pregnant and lactating women and children 6-59 months receive micronutrient supplementation from United Nations Children's Fund (UNICEF).
22. In the education sector, United Nations agencies including FAO, United Nations Educational, Scientific and Cultural Organization (UNESCO), UNICEF, World Health Organization (WHO), and international NGOs (e.g. OXFAM Great Britain, Islamic Relief, *Action Contre la Faim*, Save the Children, *Terre des Hommes*, American Near East Relief Agency), implement complementary projects in WFP-assisted public primary schools. Activities focus on potable drinking water, hygiene and health/nutrition practices, school management information systems, rehabilitation of school rooms, school gardening, kindergartens, and psycho-social support. Other partners including the international NGO Islamic Relief are planning to implement school feeding activities in basic schools not assisted by WFP.

### **Coordination**

23. Food assistance is coordinated with partners through the Food Sector working group, chaired by WFP, in line with the priorities of the relevant line ministries. WFP also leads the food assistance sector in the Consolidated Appeals Process (CAP). In the 2012 CAP, the food security framework encompasses cash assistance, food assistance, and agriculture to respond to the immediate food needs and emergency livelihoods requirements of vulnerable communities affected by the conflict and the protracted blockade.
24. WFP has developed a beneficiary cross-checking mechanism with its partners, supported by an accessible online database, that avoids duplications between basic food distribution providers and facilitates complementary interventions.
25. WFP also remains lead of the logistics cluster, which would resume cluster activities at any time should there be a clearly identified need for logistics augmentation and coordination in support of other humanitarian agencies and organizations.

## **OBJECTIVES OF WFP ASSISTANCE**

26. The EMOP is aligned with WFP Strategic Objectives 1 "Save lives and protect livelihoods in emergencies" and 5 "Strengthen the capacities of countries to reduce hunger, including through hand-over strategies and local purchases" and with the Palestinian Authority's strategy for 2011-2013. The interventions proposed aim to meet immediate food needs, enhance food consumption and improve dietary quality of targeted beneficiaries. The EMOP will contribute the achievement of Millennium Development Goals 1 "Eradicate extreme poverty and hunger" and 2 "Achieve universal primary education".
27. The operation will also support the Palestinian Authority's social safety net with tools aimed at predicting and reducing hunger; support government capacity at the technical level to ensure successful implementation of the activities; and will promote the Palestinian economy through the prioritization of local purchases where cost-effective.
28. The EMOP includes the following components:
  - General food distribution (GFD) targeting 200,000 food-insecure people in partnership with MoSA and with the international NGO Cooperative Housing Foundation International.



- School feeding as an emergency safety net for 80,000 schoolchildren in public basic schools managed by MoEHE.
- Cash-voucher transfers for 30,000 food-insecure people in partnership with OXFAM-GB.
- Provision of food rations to 7,000 individuals in orphanages and other special care institutions in partnership with MoSA. Technical capacity development activities, including food security assessments, school health and nutrition policy formulation, support to the social safety net reform process, and local purchases.

## BENEFICIARIES AND TARGETING

Activity	Beneficiaries		
	Male	Female	Total
General food distribution	101 500	98 500	200 000
Support to institutions	3 000	4 000	7 000
Voucher	15 500	14 500	30 000
School feeding	40 500	39 500	80 000
<b>Total*</b>	<b>144 300</b>	<b>140 700</b>	<b>285 000</b>

\* Total beneficiary numbers are adjusted to avoid an overlap between approximately 40 percent of school feeding beneficiaries that are also beneficiaries of GFD or voucher activities.

29. The population of Gaza is estimated to be 1.5 million including 518,000 non-refugees, of whom 305,000 non-refugee people are food-insecure.<sup>20</sup> WFP will target 285,000 of this group, taking into account:
- approximately 70,000 food-insecure MNRs are targeted by UNRWA;
  - public schools targeted in this operation may also be attended by some refugee or MNR and/or “food-secure” schoolchildren. WFP’s approach is to assist all children in targeted schools.
30. Based on the recommendations of the mid-term review of the voucher project (February 2011), and the results of the 2010 SEFSec survey, the EMOP includes:
- a transition from GFD to voucher transfers for an additional 15,000 beneficiaries, bringing the total targeted under the voucher component to 30,000; and
  - a slight decrease in the total number of GFD beneficiaries compared to 2011, due to 10,000 people no longer meeting the targeting criteria.
31. As in 2011, WFP will target institutions with very limited resources taking into account the current Gaza context, assisting 7,000 priority non-refugee destitute beneficiaries with at least one meal per day; and 80,000 school children enrolled in lower basic public schools will be covered by the school feeding component.<sup>21</sup>

<sup>20</sup> PCBS 2009 projected figures based on census 2007; and WFP-FAO, 2010, *SEFSec* findings.

<sup>21</sup> WFP gives priority to children in grades 1 to 6 (“low basic cycles”). However, these schools in the Gaza Strip are in some cases integrated with “high basic” schools (grades 7 to 10); it is agreed with the MoEHE that where

32. GFD and voucher beneficiaries will be selected through the proxy means test formula (PMTF), which takes into consideration vulnerability factors (household employment patterns, household size, availability of assets, household members with special needs, household indebtedness etc.), and determines the depth of the consumption gap for each household. WFP will target those households with the biggest consumption gap, taking into consideration the Palestinian national poverty lines.
33. The food consumption score (FCS) will determine the quality of the diet among the beneficiaries selected through the PMTF approach, and consequently their eligibility for the voucher activity. Households with a 'poor' or 'borderline' FCS will be given priority'.

## NUTRITIONAL CONSIDERATIONS AND RATIONS / VALUE OF CASH / VOUCHER TRANSFERS

34. Rations are in line with WFP's nutritional guidelines and Palestinian eating habits. Beneficiaries of GFD assistance will receive a food ration of fortified wheat flour, pulses, vitamin A-enriched vegetable oil, salt and sugar covering 70-90 percent of the daily caloric needs, depending on family size and food packaging. A similar food ration plus fortified date bars will be provided to the targeted institutions.
35. The school feeding activity will provide fortified date bars to children at the beginning of the school day. This is considered the most appropriate ration given the government directive to use locally produced products for food directly distributed to children, for safety considerations.
36. Electronic vouchers can be redeemed for bread, flour, dairy products, pulses, rice, vegetable oil and eggs. This expanded list of food commodities will ensure dietary quality and a balanced intake of nutrients. The planned value of the voucher is US\$12/person/month and is aligned with the local market value of the in-kind ration.<sup>22</sup> While the established voucher value is in line with the findings of the mid-term review of the voucher project, WFP plans to review these calculations in 2012 to ensure that food consumption gaps continue to be addressed with the greatest efficiency possible.

<b>TABLE 2: DAILY FOOD RATION/ TRANSFER BY ACTIVITY (person/day)</b>				
<b>Commodity Type/ Cash &amp; voucher</b>	<b>General food distribution (g)</b>	<b>Support to institutions (g)</b>	<b>School feeding (g)</b>	<b>Voucher (US\$)</b>

this is the case, WFP will assist all children (grades 1 to 10). Consequently approximately 33 percent of the planned WFP school feeding beneficiaries are in the high basic cycle.

<sup>22</sup> Note: the budget includes a flexibility of 10 percent in case of inflation.





Cereals (fortified wheat flour)	422	422		
Pulses (chickpeas)	23	23		
Vegetable oil	30	30		
Iodized salt	6	6		
Sugar	25	25		
Date bars (fortified)		60	60	
Cash/voucher				12
<b>Total Food(g) / Voucher (US\$)</b>	<b>506</b>	<b>566</b>	<b>60</b>	<b>12</b>
<i>Total kcal/day</i>	<i>1 926</i>	<i>2 184</i>	<i>258</i>	
% Kcal from protein	11%	15.8%	4.8%	
% Kcal from fat	17.6%	24.8%	7.2%	
Number of feeding days per year	365	365	173	365

**TABLE 3: TOTAL FOOD/CASH & VOUCHER REQUIREMENTS BY ACTIVITY**  
(mt/US\$)

Commodity Type / Cash & voucher	General food distribution	Support to institutions	School feeding	Voucher	Total (mt or US\$)
Cereals (fortified wheat flour)	30 808	1 077			<b>31 885</b>
Pulses (chickpeas)	1 679	59			<b>1 738</b>
Vegetable Oil	2 190	77			<b>2 267</b>
Iodized salt	439	15			<b>454</b>
Sugar	1 825	64			<b>1 889</b>
Date bars (fortified)		154	830		<b>984</b>
Canned food <sup>23</sup>	146				<b>146</b>
<b>Total (mt)</b>	<b>37 087</b>	<b>1 446</b>	<b>830</b>		<b>39 363</b>
<b>Total (US\$)</b>				4,416,500	<b>4,416,500</b>

## IMPLEMENTATION ARRANGEMENTS

37. *Community Participation:* All WFP activities are designed in consultation with sector and cluster working groups and local stakeholders, including relevant line ministries,

<sup>23</sup> Canned meat/tuna is not part of the regular food ration. However, if an *ad-hoc* in-kind contribution is confirmed for the EMOP, it will be added in the GFD and/or ration for the Institutions in order to further diversify the diet.

community-based organizations and beneficiary groups. Regular feedback is received from beneficiaries through focus group discussions (female, male and mixed), household monitoring visits, and the complaint/suggestion mechanisms in place for each of the activities. Where possible, WFP seeks to take into consideration beneficiaries' suggestions regarding food rations and distribution modalities.

38. *Partners and Capacities:* WFP and its cooperating partners have a strong record of delivery, expertise and innovative approaches acquired through a long-standing collaboration in the Gaza Strip, especially during emergencies:

- WFP implements bi-monthly general food distribution to households and institutions in partnership with MoSA and Cooperative Housing Foundation International. MoSA is the leading institution piloting the PMTF targeting approach.
- Since October 2009, WFP has been piloting an innovative voucher project which involves the transfer of voucher credit through a sophisticated electronic card system. Under the e-voucher delivery system, implemented in partnership with OXFAM-GB, beneficiaries receive a weekly credit on their WFP magnetic cards which can be used for purchasing a variety of pre-determined food items in selected local shops. The voucher project will be complemented by a nutrition-awareness and a gender empowerment pilot project<sup>24</sup> implemented in partnership with OXFAM-GB and the local NGO *Ard El Insan*.
- School feeding will be implemented in partnership with the MoEHE, which will also take responsibility to raise nutritional awareness among targeted schoolchildren.
- In partnership with FAO and UNRWA, WFP will develop the capacity of the PCBS to carry out comprehensive food security analyses. WFP will also work with the Palestinian Authority line ministries to reinforce their monitoring and evaluation and targeting capacities. Also, together with UNICEF and other partners, WFP will support the MoEHE in developing a national school health and nutrition policy.
- Field-level agreements with cooperating partners will set out responsibilities for targeting, beneficiary selection, implementation, distribution, monitoring and reporting in accordance with WFP corporate guidelines. Training to partners will be provided periodically.
- The implementation set-up (such as reinforced monitoring, vetting of suppliers) takes into consideration the security and political constraints linked to the specific Gaza context.

39. *Transfer modalities:*

- In-kind GFD rations will be distributed in each of the five Gaza governorates. Beneficiaries will be informed about distribution dates via short message service (SMS) several days before the beginning of each distribution cycle. Beneficiary names, identification document numbers and ration cards<sup>25</sup> will be rigorously checked before beneficiaries are able to access their rations. Distributions will be recorded through a computerized system allowing for close monitoring and daily updates. WFP and its cooperating partners will strive to improve the cost-efficiency of the distribution process, cycle after cycle.
- Since July 2011, WFP has fully rolled-out the e-voucher system in the Gaza Strip. The system consists of custom-developed software, which allows for secure management of the crediting system and close monitoring of all transactions. The e-voucher system also allows close monitoring of households' access to a well-

<sup>24</sup> WFP "Promotion of women's networks for improved nutrition and gender empowerment", September 2011-May 2012 (Gender innovation fund), which capitalizes on the role of women in the management of food resources to positively influence food consumption behaviour and increase women's opportunities to strengthen informal women's networks at the neighbourhood level.

<sup>25</sup> For cultural reasons, less than 20 percent of the ration cards are issued in women's names, however the ration card is valid for the main breadwinner and the spouse.



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- balanced diet and a reduction in the risk of beneficiaries using the purchased food items for purposes other than consumption; a prompt corrective action can be implemented if required. The cooperating partner has been fully trained on its responsibilities within the e-voucher system.
- School feeding rations, consisting of locally produced date bars, will be delivered to schools by the supplier each week and distributed by school staff each schoolday.
  - Support to special institutions will be delivered through MoSA, and meals will be prepared in the kitchens of each institution. Part of the wheat flour will be baked into bread by local bakeries for the institutions. Bakeries will be remunerated through an allocation of in-kind wheat flour.
40. *Food Assistance Strategy*: Given the current political, security and economic context of the Gaza Strip, a reduction in emergency food assistance is premature. Nevertheless, in 2012 WFP will begin to transition its strategy from in-kind assistance towards a scaling-up of the voucher modality, in order to increasingly protect and strengthen local market structures. This gradual shift will:
- Allow local production to adapt to the increased demand.
  - Take into account any unforeseen impact caused by a reduction in staple commodities in the market (including avoiding the risk of relying on food items imported through the tunnels).
  - Allow required time to pilot the e-voucher system in the context of Gaza, which is key to the further expansion of the activity.
  - Find appropriate ways to involve an adequate number of shops, including smaller shops in the vicinity of beneficiaries.
  - Fine-tune the targeting mechanism and composition of the combined ration; eventually a combined in-kind/voucher ration may be introduced, to further improve dietary quality while maintaining cost-efficiency.
41. To support the local production and market structure, WFP will strive to purchase locally for the in-kind food components, where cost-effective.
42. In the event of funding shortfalls during 2012, WFP envisages: a reduction in the in-kind ration quantity (three-month instead of two-month distributions); simplification of the food basket (items such as salt and sugar would be the first commodities to be removed); and a reduction of the voucher value.<sup>26</sup>
43. Based on the PMTF/FCS targeting methodology, WFP expects to be able to prioritize among different household food security profiles. During 2012, WFP will further examine the possibility of conditional transfers starting from 2013, following assessment of partners' capacity, definition of pertinent activities to be undertaken, and clear and operational household targeting criteria.
44. *Logistics arrangements*: Regionally and internationally purchased food will arrive at Ashdod port. As per blockade-related constraints, containers will be unstuffed and the cargo palletized before its transfer to the Gaza Strip. Part of the food will be pre-positioned in WFP-contracted warehouses in Ashkelon industrial area, East Jerusalem and in the Gaza Strip. Part of the food, especially in case of local purchases in Gaza, will be directly delivered to cooperating partners' warehouses in the Gaza Strip. The landside transport, storage and handling rate for food movements to Gaza has increased over the last years due to the blockade and closure of the Karni crossing point. As a result, WFP has to use a longer transport route. This rate will be reviewed regularly to reflect price fluctuations or other relevant operational changes. WFP's Commodity Movement

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<sup>26</sup> Based on the multi-year agreement signed with DFID in 2011 and other donors' interest in the voucher modality, this component of the EMOP is likely to be fully funded in 2012.

Processing and Analysis System tracks commodities from the port of loading to the distribution by cooperating partners.

45. *Procurement plans:* Salt and fortified date bars<sup>27</sup> will be locally procured in the West Bank and Gaza, respectively. Vegetable oil will be procured internationally. Pulses (mainly chickpeas but also lentils) and sugar will be procured regionally and internationally. Wheat flour will be procured internationally, regionally or locally - it is expected that at least 30 percent will be purchased locally. Rice can be included in the ration *in lieu* of part of the wheat flour in case of in-kind contributions.
46. For the local wheat flour purchase, WFP regularly reviews its shortlist of mills, also taking into consideration UNRWA's purchasing experience.
47. *WFP presence:* The EMOP will be implemented by the country office located in East Jerusalem, a field office in Gaza and a logistics port office in Ashdod. The United Nations Development programme (UNDP) has formal relations with the Government of Israel and provides WFP with administrative services.

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## PERFORMANCE MONITORING

48. The logical framework has been prepared in line with the WFP Strategic Plan (2008-2013). The monitoring system provides real-time data on progress, informs on implementation constraints, and generates outcome data. Beneficiary and distribution data, disaggregated by gender, will be collected by cooperating partners and submitted to WFP for uploading into the monitoring database. Monitoring by cooperating partners is supported by WFP field monitor assistants.<sup>28</sup>
49. E-voucher monitoring is ensured via the established system. WFP will issue monitoring reports every two months and identify corrective actions. Monitoring data will be a primary source for internal and mid-term reviews. Monitoring of secondary effects of the voucher activities will be developed to establish the impact on the dairy supply chain, as well as to develop a control/comparison group.
50. WFP will continue to monitor the food security situation through the annual SEFSec survey, monitor the markets in terms of food availability and prices, and conduct *ad-hoc* surveys as required including a follow-up survey on the impact of the "easing of the blockade" policy and the impact on the market of the shift from GFD to voucher assistance.

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## HAND-OVER STRATEGY

51. For the time being, the fragile political, security and economic context in the Gaza Strip does not allow for an exit from the current emergency assistance modalities. If and when the political and security situation improves and the humanitarian needs decrease, WFP will be ready to restructure and revise its response accordingly.

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<sup>27</sup> While the locally produced fortified date bars are more expensive than those available regionally, this is in line with government requests (see paragraph 34). All food procurement actions will adhere to WFP food procurement rules.

<sup>28</sup> Field monitor assistants support partners in data collection, monitor implementation and conduct site visits. The purchase of personal digital assistants is considered in order to optimize the data collection and entry into the web-based database.

52. WFP will capitalize on the synergies between the Gaza EMOP 200298 and the West Bank protracted relief and recovery operation 200037, in particular in the following sectors: i) development of a comprehensive local food procurement strategy; ii) lessons learned from innovative activities such as cash and voucher and development of new innovative approaches; and iii) development of the technical capacity of local partners and governmental counterparts in strengthening their coordination, analytical and implementation skills for the direct advantage of beneficiaries.

## HAZARD / RISK ASSESSMENT AND PREPAREDNESS PLANNING

### Hazard and Risk Assessment

#### 53. Contextual Risks:

- Under the current blockade and in the wake of the Arab Spring, the context in Gaza remains highly sensitive and political. Disappointment with the outcome of the Palestinian Statehood Bid could result in civil unrest, a deterioration of the security situation and a sudden increase of attacks targeting Israeli territory. Although unlikely, developments around the Statehood bid could spark outbursts of violence targeting the United Nations system in the Gaza Strip. Israeli assets may be targeted through increasing rates of home-made rocket fire. WFP and food sector partners may expect a considerable increase in humanitarian requirements if there were large-scale destruction and displacement.
- The level of seismicity in the region calls for a constant high level of preparedness. The humanitarian community continues to plan for natural hazards that could affect the Gaza Strip, such as earthquake exceeding 6 on the Richter scale. The impact would be disastrous due to the high-rise skyline of Gaza City.
- The expulsion or forced shutdown of NGO Cooperating Partners by the *de facto* authorities remains a constant threat to WFP's implementation capacity, in addition to any other humanitarian access restriction imposed by the *de facto* authorities and/or Israel. This risk is closely monitored by all sectors/clusters under the coordination of the Office for the Coordination of Humanitarian Affairs (OCHA). Mitigation measures include the identification of alternate cooperating partners in advance, and preparation of agreements for immediate engagement when needed.

#### 54. Programmatic Risks:

- Funding has become irregular and insufficient in the current global economic conditions. Donor withdrawal remains a continued risk in the event of new political decisions by the Palestinian Authority and/or de-facto authorities, and the Palestinian Statehood bid. While scaling-up donor relations and advocacy efforts, WFP may encounter difficulties in reaching its objectives and may have to resort to reductions in rations and beneficiary numbers.
- With the ongoing blockade policy, despite the "easing", food supply failures would particularly expose WFP's voucher component to risk. WFP is maintaining a close monitoring and analysis of food production, prices and official crossing capacity, and will revert to in-kind assistance if needed.

### Preparedness Planning

55. Separate contingencies for each risk have been developed in the WFP contingency plan for Gaza which is updated twice a year or more depending on the evolving political situation and the arising threats. The contingency plan is in line with WFP's Emergency Preparedness and Response Package, and focuses on the worst-case scenarios for a large-scale Israeli Defence Force invasion or natural disasters. It is also aligned with the OCHA-

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led inter-agency contingency planning process. As sector lead, WFP prepares the food sector response plan in collaboration with food sector partners.

56. WFP has launched a parallel planning process for the pandemic preparedness plans. This contingency planning is based on the Government's plans and is developed in close cooperation with United Nations partners, the Red Cross/Red Crescent Movement and NGOs.

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## SECURITY CONSIDERATIONS

57. The security environment within Gaza, including its border with Egypt and its seacoast, is dangerous and volatile. Small clashes continue to occur along the boundary of the Gaza Strip. Rockets and mortars are still fired into Israel from Gaza, and Israel continues to conduct military operations inside Gaza, including airstrikes. Israel has also declared an exclusion zone inside Gaza along the boundary, and has taken severe measures against individuals who enter it. The recent spike in armed conflict underscores how militant actions causing Israeli fatalities are highly likely to generate military retaliatory measures. The threat of kidnapping remains a concern for United Nations staff members within the Gaza Strip.
58. The risk to WFP staff and facilities originates from collateral damage and not from direct targeting. The WFP office in Gaza is located in a building that is shared with a number of other United Nations agencies and is administered by UNDP - it complies with minimum operating security standard (MOSS) baselines and minimum security telecommunications standards. WFP warehouses in the Gaza Strip (Karni) and WFP vehicles are also MOSS-compliant and the country office has three armoured vehicles. Warehouse facilities throughout the Gaza Strip which are managed and operated by cooperating partners are not MOSS-compliant.
59. A United Nations Department of Safety and Security-operated 24-hour radio system has been established in Gaza, including a text messaging system through cellular phone network serving as an information-sharing mechanism. The Gaza area security management team reviews the structured threat assessment for Gaza on a bi-weekly basis, and continues to recommend retention of security Level IV (substantial) in Gaza, which is likely to continue through 2012.
60. WFP coordinates access and movement of WFP staff and commodities across Israeli barriers and checkpoints and ensures that security awareness training is implemented and procedures and protocols relating to staff safety are followed.



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## RECOMMENDATION

61. The Executive Director WFP and Director-General of FAO are requested to approve the proposed occupied Palestinian territory emergency operation (EMOP 200298).

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## APPROVAL

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Josette Sheeran  
Executive Director  
United Nations World Food Programme

.....  
José Graziano da Silva  
Director-General  
Food and Agriculture Organization of the  
United Nations

Date: .....

Date:.....

<b>PROJECT COST BREAKDOWN</b>			
<b>Food<sup>29</sup></b>	<b>Quantity (mt)</b>	<b>Value (US\$)</b>	<b>Value (US\$)</b>
Cereals	31,885	13,943,311	
Pulses	1,738	1,934,776	
Oil and fats	2,267	3,528,676	
Mixed and blended food	984	1,596,294	
Others	2,489	2,695,305	
<b>Total food</b>	<b>39,363</b>	<b>23,698,362</b>	
Cash transfers			-
Voucher transfers		4,416,500	
Subtotal food and transfers			28,114,862
External transport			1,495,842
Landside transport, storage and handling			3,540,100
Other direct operational costs			1,902,523
Direct support costs <sup>30</sup> (see Annex I-B)			3,843,395
Total WFP direct costs			<b>38,896,722</b>
Indirect support costs (7 percent) <sup>31</sup>			2,722,771
<b>TOTAL WFP COSTS</b>			<b>41,619,492</b>

<sup>29</sup> This is a notional food basket for budgeting and approval. The contents may vary.

<sup>30</sup> Indicative figure for information purposes. The direct support costs allotment is reviewed annually.

<sup>31</sup> The indirect support cost rate may be amended by the Board during the project.



## ANNEX I-B

<b>DIRECT SUPPORT REQUIREMENTS (US\$)</b>	
<b>Staff and staff-related costs</b>	
International professional staff	861,000
International general service staff	-
Local staff - national officers	474,542
Local staff - general service	1,501,729
Local staff - temporary assistance	110,000
Local staff - overtime	41,800
Hazard pay and hardship allowance	182,000
International consultants	-
Local consultants	-
Non staff HR: UNV	-
Commercial consultancy services	-
Staff duty travel	110,324
<b>Subtotal</b>	<b>3,281,395</b>
<b>Recurring expenses</b>	
Rental of facility	55,000
Utilities general	36,000
Office supplies and other consumables	45,000
Communications and IT services	45,000
Equipment repair and maintenance	15,000
Vehicle running cost and maintenance	85,000
Office set-up and repairs	35,000
UN organization services	90,000
<b>Subtotal</b>	<b>406,000</b>
<b>Equipment and capital costs</b>	
Vehicle leasing	51,000
TC/IT equipment	55,000
Local security costs	50,000
<b>Subtotal</b>	<b>156,000</b>
<b>TOTAL DIRECT SUPPORT COSTS</b>	<b>3,843,395</b>

## ANNEX II - LOGICAL FRAMEWORK SUMMARY EMOP 200298, OCCUPIED PALESTINIAN TERRITORY/GAZA STRIP

Results-Chain (Logic Model)	Performance Indicators	Risks, Assumptions
<b>STRATEGIC OBJECTIVE ONE: SAVE LIVES AND PROTECT LIVELIHOODS IN EMERGENCIES</b>		
<b>Goal: Meet immediate food needs and enhance food consumption and dietary diversity of the most vulnerable and food-insecure non-refugee population through in-kind and voucher assistance</b>		
<b>Outcome 1</b> Improved food consumption over assistance period for targeted households	<ul style="list-style-type: none"> <li>➤ Household food consumption score: improved household food intake. <b>Target: Households with poor FCS decreased or maintained at 11%.</b></li> <li>➤ Proportion of beneficiary household expenditure allocated to food. <b>Target: % food expenditure decreased or maintained at 56%</b></li> </ul>	<ul style="list-style-type: none"> <li>➤ <i>Political and security environments improve.</i></li> <li>➤ <i>Beneficiaries will use cash saved from food/food voucher assistance to buy other complementary, nutritious food items to supplement the diet.</i></li> </ul>
<b>Outputs 1.1</b> Food and vouchers distributed in sufficient quantity and quality to target groups of women, men, girls and boys under secure conditions.	<ul style="list-style-type: none"> <li>➤ Number of women, men, girls and boys receiving food and vouchers, by category, activity, transfer modality and as % of planned.</li> <li>➤ Tonnage of food distributed, by type as % of planned distribution.</li> <li>➤ Quantity of fortified foods and complementary foods by type as % of planned.</li> <li>➤ Total cash equivalent of vouchers distributed.</li> <li>➤ Actual number of voucher redeemed as percentage of total vouchers distributed.</li> <li>➤ Number of orphanages and other special care institutions assisted.</li> </ul>	<ul style="list-style-type: none"> <li>➤ <i>Target population participates in identification, planning, implementation and maintenance of project activities.</i></li> <li>➤ <i>Appropriate partners are selected for implementation.</i></li> <li>➤ <i>Partners' commitments are honoured.</i></li> <li>➤ <i>Access to distribution points is secured.</i></li> <li>➤ <i>No pipeline breaks.</i></li> <li>➤ <i>WFP and partners are able to respect agreements to enable smooth implementation.</i></li> <li>➤ <i>Partners of WFP will have adequate staffing capacity for planning, monitoring and accountability of the project.</i></li> <li>➤ <i>Food items will be readily available in shops upon presentation of vouchers.</i></li> <li>➤ <i>Security incidents will not affect shop keepers or beneficiaries directly.</i></li> <li>➤ <i>Demand placed by the voucher project will not have a negative effect on either prices or availability of goods to the remaining population.</i></li> </ul>
<b>Outcome 2:</b> Stabilized enrolment of 80,000 girls and boys at high risk of dropping out from target primary schools.	<ul style="list-style-type: none"> <li>➤ Retention Rate. <b>Target: 99%</b></li> </ul>	<ul style="list-style-type: none"> <li>➤ <i>Political and security environments improve.</i></li> <li>➤ <i>Easing of PNA financial crisis and resumption of full payment of salaries to MOEHE employees.</i></li> <li>➤ <i>Budget allocations to basic education are adequate and timely.</i></li> <li>➤ <i>Schools keep functioning properly.</i></li> </ul>



<b>Outputs 2.1</b> Food distributed in sufficient quantity and quality to target groups of girls and boys under secure conditions	<ul style="list-style-type: none"> <li>➤ Number of schools assisted by WFP.</li> <li>➤ Actual number girls and boys receiving food assistance as a % of planned beneficiaries.</li> <li>➤ Actual tonnage of food distributed to targeted school children as % of planned tonnage for distribution.</li> </ul>	<ul style="list-style-type: none"> <li>➤ <i>No significant schooling disruption.</i></li> <li>➤ <i>No pipeline breaks.</i></li> </ul>
<b>STRATEGIC OBJECTIVE FIVE: STRENGTHEN THE CAPACITIES OF COUNTRIES TO REDUCE HUNGER, INCLUDING THROUGH HAND-OVER STRATEGIES AND LOCAL PURCHASE</b> <b>Goal: Support the PA social safety net through tools aimed at predicting and reducing hunger, and using WFP purchasing power to expand the domestic production of the Palestinian economy.</b>		
<b>Outcome 3</b> Increased marketing opportunities at national level with cost-effective WFP local purchases.	<ul style="list-style-type: none"> <li>➤ Food purchased locally, as % of food distributed in-country. <b>Target: 28%</b></li> <li>➤ % of increase in volume of sales in small shops. <b>Target: 10% (25% for new shops)</b></li> </ul>	<ul style="list-style-type: none"> <li>➤ <i>Donors support continues notably through contributions in cash.</i></li> <li>➤ <i>Locally purchases are competitively priced.</i></li> <li>➤ <i>Food is available in sufficient quantity and quality.</i></li> </ul>
<b>Output 3.1</b> Food purchased locally.	<ul style="list-style-type: none"> <li>➤ Tonnage of food purchased locally, by type and country classification.</li> <li>➤ Total monetary value (US\$) of food distributed locally</li> </ul>	<ul style="list-style-type: none"> <li>➤ <i>Political and security environments improve.</i></li> </ul>
<b>Outcome 4</b> Progress made towards nationally owned hunger solutions.	<ul style="list-style-type: none"> <li>➤ National Capacity Index (NCI), by hunger solution. <b>(Target: NCI score 15 or above)</b></li> </ul>	<ul style="list-style-type: none"> <li>➤ <i>Political and security environments improve.</i></li> </ul>
<b>Output 4.1</b> Capacity and awareness developed through WFP-led activities.	<ul style="list-style-type: none"> <li>➤ Number of technical assistance projects conducted by WFP to strengthen the national capacity (i.e. FSMS, School Health nutrition policy).</li> <li>➤ Number of people trained in food security analysis, planning, implementation, procedures and practices, monitoring, disaggregated by category (national government and partner staff).</li> </ul>	<ul style="list-style-type: none"> <li>➤ <i>Technical staff actively participates in activities (design, monitoring, assessments etc.)</i></li> </ul>

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### ANNEX III - LIST OF ACRONYMS

CAP	Consolidated Appeals Process
EMOP	emergency operation
FAO	Food and Agriculture Organization of the United Nations
FCS	food consumption score
GFD	general food distribution
ISC	indirect support costs
MoEHE	Ministry of Education and Higher Education
MoSA	Ministry of Social Affairs
MOSS	minimum operating security standards
MNR	married to non-refugees
mt	metric ton
NIS	New Israeli shekel
NGO	non-governmental organization
OCHA	Office for the Coordination of Humanitarian Affairs
OXFAM GB	Oxfam Great Britain
PCBS	Palestinian Central Bureau of Statistics
PMTF	proxy means test formula
SEFSec	socio-economic and food security survey
UNCTAD	United Nations Conference on Trade and Development
UNFPA	United Nations Population Fund
UNESCO	United Nations Educational, Scientific and Cultural Organization
UNICEF	United Nations Children's Fund
UNRWA	United Nations Relief and Works Agency for Palestinians in the Near East
US\$	United States dollar
WFP	United Nations World Food Programme
WHO	World Health Organization



# ANNEX IV – MAP

