

**The Reconstruction of the Gaza Strip: Lessons from the Past and
Challenges of the Future**



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September, 2014

Gaza - Palestine

Introduction

This paper is a reflection of a workshop organized by Pal-Think for Strategic Studies on the reconstruction of the Gaza Strip, which was held on September 4, 2014. In addition to using the outcomes of the workshop as a main source of this paper, the paper uses other primary resources on the same topic. One of which is a document entitled: "The Reconstruction of Gaza - A Guidance Note for Palestinian and International Stakeholders", which was prepared by the University of York's Post-war Reconstruction and Development Unit.¹ Pal-Think found it necessary to review and assess past experiences in the reconstruction of Gaza and the ability to fulfill of the donor pledges after the end of Operation Protective Edge. Nevertheless, this activity is part of the current project entitled: "Consolidating the Common Interests of the Palestinian People", which Pal-Think is entrusted to implement in Gaza this year.

The workshop, that received widespread local and international media coverage, included with distinguished guest speakers such as the Minister of Public Works and Housing, Dr. Mofeed Al Hasayna, who gave the opening speech and talked about the current challenges facing the coalition government. Also, speakers such as the Head of the ICRC delegation in the Gaza Strip, Director of the Palestinian Housing Council, and Representative of the United Nations Development Program UNDP were present to enrich the workshop. Additionally, dozens of academics, economists and civil society activists present in audience who engage in a fruitful discussion on the strategies of reconstruction that steers away from the political dispute between Fatah and Hamas and recommends the forming of an independent committee that works under the supervision of the Palestinian Unity Government.

Executive Summary

International calls for the reconstruction of the Gaza Strip began shortly after the latest conflict erupted last July, and went on to last for 52 days left 2144 people dead, 11,000 injured, and over 20,000 buildings, including, houses, schools, hospitals, and factories, partially and totally damaged. This extent of this destruction in less than 2 month of war encouraged the international community and donors take on the responsibility of rebuilding the Gaza Strip and put an end to the suffering of approximately 250,000² Palestinians, who were left homeless and living in 88 UNRWA shelters that lack basic necessities.³ In an attempt to overcome these realities, during the upcoming weeks, hundreds of millions of dollars would need to be mobilized in support of Gaza's rebuilding and recovery.

This document provides a guide to ensuring that funds are spent effectively and that those involved build upon lessons learned from previous reconstruction

¹ Barakat et al (2009) The Reconstruction of Gaza - A Guidance Note for Palestinian and International Stakeholders', PRDU, University of York, UK.

For full access to the document:

[http://www.york.ac.uk/media/prdu/documents/publications/pub.%20Reconstructing%20Gaza,%20Barakat%20et%20al\[1\].%20Jan2009.pdf](http://www.york.ac.uk/media/prdu/documents/publications/pub.%20Reconstructing%20Gaza,%20Barakat%20et%20al[1].%20Jan2009.pdf)

² Gaza Emergency Situation Report, United Nations Office for the Coordination of Humanitarian Affairs: Occupied Palestinian Territory. 3 August 2014. Available online at:

http://www.ochaopt.org/documents/ocha_opt_sitrep_04_08_2014.pdf

³ In a special interview with Dr. Mofeed Al-Hasania, Minister of Public Works and Housing, the Palestinian Unity Government of 2014.

efforts in Gaza and elsewhere in the region. While it is difficult at times to move beyond the scale of the suffering both, preceding and resulting from the recently ended conflict, this paper comes as a way of contributing to Gaza's recovery reconstruction. The paper begins by addressing the contextual features of the current crisis in Gaza which will heavily influence the reconstruction process, before outlining a series of key lessons learned from previous reconstruction attempts and providing strategies and options.

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Context

Reconstruction of the Gaza Strip must take into consideration the dramatic socioeconomic decline of the Strip since 2005. Specifically, one would need to account for the following:

- While Israel unilaterally withdrew from Gaza in 2005, it maintained a de facto occupation that has curtailed freedom of movement for people, goods and finance, thus resulting a severe economic downturn .
- Following Hamas' complete take-over of the Gaza Strip, the conflict between Fatah and Hamas, and the disappointing role of the national Unity Government of 2014 during the war on the Gaza Strip, has resulted in near-complete border closures with both Israel and Egypt, a substantial loss of international assistance for the Strip. This also led to some donors abandoning accountability systems established within the Palestinian Authority (PA). Although a reconciliation agreement was signed between Fatah and Hamas to put an end to 7 years of division, the rift between the two factions persist and Hamas continues to unilaterally control Gaza. This makes governmental involvement challenging and laden with potential for conflict. In light of this, leadership or "ownership" of the reconstruction process will be contested vigorously by the Palestinian factions as well as by the members of the international community, with some attempting to use the opportunity to strengthen Fatah's role in Gaza.
- Over the past 7 years, service delivery and local governance by municipal officials in the Gaza Strip has been substantially weakened by factional disputes as well as by the loss of resources from international donors and tax revenues collected by the Israeli government on behalf of the PA.
- Conflict and lack of political control over the Gaza Strip have contributed to an economic decline, with the unemployment rates reaching 55%.⁴

⁴Gisha, Unemployment in Gaza: highest since 2009, May 23, 2014. Available online at: <http://gisha.org/updates/2901> (Accessed: 07/09/2014).

- The economic decline, waning donor support for Gaza and Israeli restrictions on the import of humanitarian supplies have led to high rates of poverty, estimated by some as higher than 70% prior to this recently concluded conflict.⁵

Medical services and educational opportunities have withered, bringing particularly hardship for Gaza's elderly (among others) as well as for the Territory's exceptionally large youth population. All these factors may contribute to a lack of widely recognized governmental counterparts for reconstruction, a lack of involvement of Gazans or Palestinian private-sector partners, unpredictable access to materials needed for reconstruction and subsequently substantial delays in the relief-to-reconstruction transition.

The Role of the Unity Government in the process of rebuilding Gaza:

Formed in June 2014, the National Consensus Government aimed to end the 7 year-long rift between Hamas and rival Fatah in the West Bank, has yet to take over the duties from the Hamas-run government which remains the de facto ruler of the Gaza Strip. According to Deputy Prime Minister Ziad Abu Amr, the Palestinian National Consensus government intends to take responsibility for the reconstruction of Gaza⁶. In the two previous attempts to rebuild the Gaza Strip after the 2008-9 and 2012 wars, the donor countries that have agreed (verbally) to finance the reconstruction process and to support the Palestinian Authority budget had put, as a condition, that the PA should take the responsibility of the reconstruction process without assigning any role to the de-facto authorities in Gaza. On the other hand, they did not give sufficient consideration to the need for reopening the crossings and lifting the siege of the Gaza Strip to ensure the entrance of raw and building materials, as they were not able to "convince" the Israelis to end the siege. Now that there is a unity technocrat government, international donors should work towards reopening the crossings and lifting the siege on Gaza.

Given its current weak position in the Gaza strip, the unity government must work towards strengthening itself and rebuilding people's confidence in it. After that, it is advised to assign a Gaza Reconstruction Committee to supervise and manage the reconstruction process of the Gaza Strip. The Committee should involve representatives of all factions as well as key international actors such as the United Nations and work together during the assessments of the aftermath of the war and provide a unified and agreed on reports of the current conditions in the Gaza Strip. The Committee should adopt absolute transparency and publish monthly reports on all matters related to its work. However, these reports should be previously submitted to the concerned authorities in the Palestinian National Authority and representatives of donor countries.

⁵ Daily Sabah, "Unemployment Reaches 55 PCT in Gaza Following Israeli Offensive", published on Sep 4, 2014. Available online at: <http://www.dailysabah.com/mideast/2014/09/04/unemployment-reaches-55-pct-in-gaza-following-israeli-offensive>

⁶ Ma'an News, Deputy PM: Unity government to rebuild Gaza, Published Friday 15/08/2014. Available online at: <http://www.maannews.net/eng/ViewDetails.aspx?ID=720784>

Lessons Learned

A variety of lessons have been learned from past reconstruction effort, especially following the 2008-09, and 2012 wars. These pertain most notably to the governance, coordination and administration of reconstruction rather than to sector-specific activities.

- Donor conferences will be able to mobilize large assistance pledges. However, these will only be partially met by donors unless follow up pressure is applied. Commitments are also likely to decline over time, as donor attention drifts elsewhere, unless tangible gains are seen in reconstruction (or on related conditionalities).
- Coordination between donors, international organizations, local organizations and authorities has been heavily politicized and overly complex, thus leading to a deficit of actual, programmatic and policy-oriented collaboration and joint-planning. Past mistakes will need to be addressed, and the coordination structure will require streamlining .
- The absorptive capacity of recipients is likely to be weak given the damage resulting from conflict, the loss of international financing and a past tendency to focus on the importing of short-term expertise form Palestinian expatriates. Rapid and intensive, rather than mainstreamed, capacity development activities will need to be implemented from the beginning.
- Israeli security regulations have significantly impeded reconstruction and development efforts in Gaza in the past, and agreements to allow free access of materials have routinely been violated. Approaches to prevent impediments to reconstruction, while providing security assurances to Israel, must be developed. In addition, the reconstruction process must be made in an inclusive manner, involving the structure in Gaza. Otherwise, there is a Do-No-Harm concern.

Strategies & Options

Taking into consideration the current context as well as the above described lessons from the past, the following recommendations are suggested:

- Advancing political reconciliation as a pre-condition for a successful reconstruction process.
- Needs, opportunities and constraints must be assessed by experts from the Palestinian Authority, international and regional organizations. A separate assessment of strengths and weaknesses evident in earlier rounds of reconstruction must also be conducted by donors and other key stakeholders to learn from previous mistakes.
- Israeli influence upon the reconstruction process and the internal Palestinian politics must be addressed by developing and, most importantly, enforcing a

new mechanism on movement and access and by unifying the Palestinian position by reaching consensus. Given the past failures to ensure this, and the high likelihood of Israeli non-compliance, establishing Rafah, Egypt, as a base for future reconstruction efforts, and importing materials via Egypt, as well as rebuilding the Gaza seaport may help to avoid external impediments.

- The unity government is in a fragile condition and its presence in Gaza remains weak, despite the latest reconciliation agreement adopted in Gaza in April 2014. Therefore, a representative local body, the Gaza Reconstruction Commission, must be established to act as the ultimate and quasi-public counterpart for international donors. This Commission, which should involve representatives of all factions as well as key international actors such as the United Nations, should set the reconstruction agenda and provide overarching coordination to the process.
- While the Commission would manage on-the-ground technical matters, such as the prioritization of sectorial interventions, an International Reconstruction Chief should be appointed by the United Nations to ensure donor compliance with best practices and to tackle external impediments, such as border closures or excessive conditional ties.
- A Gaza Reconstruction Trust Fund, into which all donors would commit funds, should be established in order to promote coordination, accountability and transparency. Major donors should oversee and manage this multi-donor trust fund in collaboration with the Gaza Reconstruction Commission and the International Reconstruction Chief.

These recommendations show the way towards an inclusive and coordinated reconstruction process between a variety of actors and stakeholders with often conflicting interests. An inclusive and coordinated reconstruction process is a prerequisite for a sustainable reconstruction of and durable stability in Gaza and, on the longer term, for a lasting peace in the region.

Note: The production of this paper was funded by the Swiss Government. The views of this working paper do not reflect the policy of the funding entity.