PRESS RELEASE

Local Aid Co-ordination Committee Co-Chairs¹





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DAMAGE TO CIVILIAN INFRASTRUCTURE AND INSTITUTIONS IN THE WEST BANK ESTIMATED AT US\$361 MILLION

Jerusalem, 15 May 2002—An assessment conducted by international donors estimated physical damage in the West Bank resulting from Israel's recent military incursions during March/April 2002 at US\$361 million.

The military incursions were launched in March 2002 following a series of suicide bombings inside Israel.

It should be emphasized that the figure of US\$361 million does not include income losses and social and humanitarian costs.

Areas – the Nablus region was hardest-hit, with repair costs estimated at US\$114 million, followed by the Jenin region (US\$83 million) and Ramallah (US\$51 million).

Sectors – the private sector suffered the most, with repairs estimated at a total of US\$97 million, of which US\$50 million consisted of damage to buildings and equipment and spoilage/loss of inventory. Significant damage also occurred to roads (US\$64 million), private housing (US\$66 million) and ancient cultural sites (US\$48 million), as well as to electricity and water networks, schools and clinics.

In Jenin refugee camp, where 800 families are now homeless, damage to housing amounts to US\$27 million.

Extensive damage was inflicted on sites of important cultural heritage in Nablus. This includes the destruction of the Jame' Al Khadra mosque, an ancient public bath, historic houses and soap factories. The total cost of restoring the old city of Nablus is estimated at US\$42.5 million.

Palestinian Authority ministries in Ramallah were also seriously damaged. The offices of PA ministries and agencies were entered and ransacked to varying degrees, with destruction focused particularly on office equipment, computers and data storage facilities. The estimated replacement and repair costs to PA office interiors in Ramallah is US\$9.5 million.

"This dollar amount does not account for the cost of disruption associated with losing valuable civilian records such as personnel data from the Ministry of Interior and tax record from the Ministry of Finance" said Timothy Rothermel, Special Representative of UNDP. "Some of this data is irreplaceable."

¹ The Local Aid Coordination Committee includes all representatives of the donor community present in West Bank and Gaza.

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"Serious as it is, the damage to infrastructure and institutions will be overshadowed by the economic losses that the new regime of tightened closures in the West Bank will bring" commented Nigel Roberts, Director of the World Bank. Roberts recalled that in the first 15 months of the *intifada*, physical damage from armed conflict amounted to US\$305 million while Palestinian income losses due to restrictions on the movement of people and goods totaled US\$2.4 billion. "Severe internal closure will shut down much of what remains of the Palestinian private sector and will cripple orderly governance and the delivery of education and health services" Roberts added.

United Nations agencies (UNDP, UNRWA, WFP, WHO, UNSCO and UNESCO), the World Bank, the European Union, USAID and the governments of Canada, Denmark, France, Germany, Italy, Japan, the Netherlands and Norway carried out the damage assessment, in close cooperation with the PA. The objective was to provide a sound basis for a credible donor response.

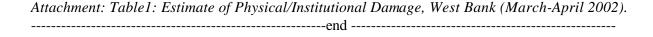
"One of the most heartening aspects of this effort has been the commitment of PA and local government institutions to this exercise" said Rothermel. "This shows that the Palestinian service delivery organizations which play such an important part in sustaining public welfare can still be effective if they are given the chance to work."

Damage inventories were compiled on a regional basis by teams consisting of donor technical staff and Palestinian central and municipal personnel. Seven regional teams were formed: Jenin (led by Norway), Tulkarem (the World Bank), Qalquilya (UNDP and France), Nablus (Japan, UNDP and Germany), Ramallah (the Netherlands and the World Bank), Bethlehem (Italy) and Hebron (USAID). In a related exercise, thematic groups looked at damages and needs in the private sector (USAID), Non-Governmental Organizations (Canada) and public institutions (the European Commission and the World Bank). Needs have been prioritized by communities and local authorities at a regional level, and the PA is now determining the most appropriate allocation of available donor funds between identified priorities.

"The way in which the international community has worked together on meeting immediate humanitarian needs and carrying out this damage assessment is remarkable" said Geir Pedersen, Resident Representative of Norway in West Bank and Gaza. "The challenge now is to carry this unprecedented level of cooperation into the repair and reconstruction phase, and we and the PA are now determining which donor should tackle each aspect of the damage."

Donors have already indicated that they will provide at least US\$150 million for priority repairs, on an urgent basis. This figure is likely to grow as the PA approaches donors for additional assistance. All parties have agreed on the need for speed in disbursement.

Continued closures and tightened restrictions on the movement of goods and people remain the biggest blockage to recovery. Unless these are eased, the Palestinian economy will not be able to recover and the aid community's work will be seriously hampered. "Economic and social despair is in no-one's interests. We need Israel's cooperation to help improve economic conditions for the Palestinian civilian population and to help donors do their job" said Michael Keating, Director for Socio-Economic Affairs in UNSCO.



ESTIMATE OF PHYSICAL/INSTITUTIONAL DAMAGE, WEST BANK (MARCH-APRIL 2002)

	BETLEHEM***	HEBRON	JENIN	NABLUS	QALQILIA**	RAMALLAH	TULKAREM**	TOTAL
SECTOR/AREA	DD1DD1D1	22221011	022 122 1	1112200	Ų.12.Q.22.1		10222222	101112
INFRASTRUCTURE								
A. Roads	4,000,000	7,125,720	15,711,953	21,952,715	939,447	10,100,000	4,160,000	63,989,835
B. Water and Sewage	265,000	1,380,310	2,116,487	1,488,190	335,910	1,100,000	190,000	6,875,897
C. Electricity	527,375	1,661,611	2,632,297	1,360,798	874,426	907,065	663,434	8,627,006
D. Solid Waste	706,200	506,650	169,820	5,834,250	271,000	1,000,000	9,000	8,496,920
TOTAL	700,200	300,030	109,020	3,031,230	271,000	1,000,000	7,000	87,989,658
PUBLIC BUILDINGS								0.,505,000
A. Health	30,000	360,646	322,500		12,130	60,000		785,276
B. Education	30,000	228,700	373,112	427,113	12,130	200,000	322,600	1,551,525
C. Municipalities/Governorate	209,750	581,380	369,580	64,710		700,000	322,000	1,925,420
TOTAL	205,700	201,200	205,200	0.,,10		,,,,,,,,		4,262,221
PRIVATE SOCIAL SERVICES								4,202,221
			4 500			40.000	10.000	71 <00
A. Health			1,600			40,000	10,000	51,600
B. Education								-
TOTAL								51,600
PRIVATE SECTOR			10-11	. = .=			105115	42 504 042
Industrial	1,225,000	3,347,000	187,291	4,567,142	107,142	2,964,142	107,145	12,504,862
Commercial	4,900,000	5,360,000	6,460,000	20,120,000	590,000	11,800,000	310,000	49,540,000
Tourism	1,910,000							1,910,000
Information Technology				1,000		8,056,596		8,057,596
Agriculture	1,010,000	5,520,000	9,120,000	3,600,000	1,070,000	3,050,000	2,100,000	25,470,000
TOTAL								97,482,458
PA INSTITUTIONS *								
Physical (Exterior)								3,084,000
Institutional (Interior)								12,623,802
TOTAL								15,707,802
CULTURAL HERITAGE								
TOTAL	4,275,000	39,600	1,311,000	42,531,570				48,157,170
NGOs								
A. Health	=			204,216	10,520	665,472	443,000	1,323,208
B. Education	536,609			11,510		736,445	148,500	1,433,064
C. Others	147,410	271,950	290,422	78,019		591,340	47,814	1,426,955
TOTAL								4,183,227
PRIVATE HOUSING								
TOTAL	4,000,000	2,070,830	42,604,000	11,906,930	528,350	4,400,000	250,000	65,760,110
CARS								
Private	104,167	200,000	940,000			3,700,000	60,000	5,004,167
Public		10,000	174,000	180,000	69,830	800,000	60,000	1,293,830
TOTAL								6,297,997
GRAND TOTAL	23,846,511	28,664,397	82,784,062	114,328,163	4,808,755	50,871,060	8,881,493	361,363,448
* Figures for Central Palestinian Ins			istrative offices.		, , ,			
** Figures for Private Sector have n			<u> </u>					
*** Figures for the whole region hav								
Donor Support Group, Date 5/15/							++	
Donor Support Group, Date 3/13/	£00£							