

## PALESTINIAN ECONOMIC BULLETIN

Bulletin 143  
August 2018

### Main reports

*As part of a series on Palestine's industrial parks and special economic zones, this issue presents an interview with Mr. Nasr Atyani, General Manager of Jericho Agro-Industrial Park.*

*The World Bank Group publish a report on the Tech startup ecosystem in Palestine.*

*The Palestine Monetary Authority introduce new measures to deal with rejected cheques.*

*On the last day of trading in July 2018, the Al-Quds index reached 537 points, dropping by 0.7% from last month.*

### Donors Respond to the Shorfall of Aid to Palestine

On 31 July, the United Nations Relief and Works Agency for Palestine Refugees in the Near East (UNRWA) announced the discontinuation of its cash-for-work activities which provided short-term job opportunities with on-the-job training for the most vulnerable Palestinian refugee communities. UNRWA has also had to reduce its emergency programmes which cover areas such as food and cash assistance, community mental health, education, shelter, water and sanitation.

The decision of the United States Government to cut \$300m in funding to UNRWA this year has been the largest funding crisis UNRWA has faced since its establishment in 1949.<sup>1</sup> In response, UNRWA and its partners have raised \$238m in new funding from European and Arab donors, reducing its budget deficit from \$446m to \$217m.

On 30 July, the Canadian and UK Governments announced support for economic activity and job creation in the West Bank and Gaza. The UK Government announced that it will provide up to £38m (\$48.52m) over the next five years (2018-2023) through its new aid programme in the West Bank and Gaza, more than double its previous contribution.<sup>2</sup> The new programme aims to create hundreds of jobs, install vital water and electricity infrastructure, increase Palestinian exports, and fund experts to help the Palestinian National Authority (PNA) enhance tax and customs revenues collection due to the PNA, estimated at some \$280.3m per year.

The Canadian Government announced that it will provide CA\$37.7m (\$28.9m), to increase economic opportunities for Palestinians, particularly women and youth, by supporting their economic empowerment, entrepreneurship and employment.<sup>3, 4</sup> Canada will also provide CA\$12.65m (\$9.7m) to respond to food security, health, protection, and economic needs, as well as to support survivors of gender-based violence.

On 24 July, the Board of the World Bank Group (WBG) recommended the allocation of \$90m to accelerate much-needed economic welfare for the Palestinian people, an increase from its yearly disbursement of \$55m.<sup>5</sup> In its current portfolio within Palestine, 40% of World Bank grants support private sector development. However, the rate is expected to increase to 90%, as the additional funds will be allocated towards new projects in energy, water, social and municipal development, in addition to an emergency cash-for-work programme.

### Jericho Agro-Industrial Park: Interview with General Manager, Nasr Atyani

As part of a series to highlight the work of Palestine's industrial parks and special economic zones, this issue of the Bulletin presents an interview with Mr. Nasr Atyani, the General Manager of Jericho Agro-Industrial Park (JAIP). Mr. Atyani also served

1 [www.reuters.com/article/us-usa-palestinians-aid/palestinian-u-n-aid-still-200-million-short-after-trump-cuts-idUSKBN1HV1S3?il=0](http://www.reuters.com/article/us-usa-palestinians-aid/palestinian-u-n-aid-still-200-million-short-after-trump-cuts-idUSKBN1HV1S3?il=0)

2 [www.gov.uk/government/news/uk-to-double-support-for-palestinian-economy-to-advance-peace-with-israel](http://www.gov.uk/government/news/uk-to-double-support-for-palestinian-economy-to-advance-peace-with-israel)

3 [www.theglobeandmail.com/politics/article-canada-pledges-50-million-for-vulnerable-palestinians/](http://www.theglobeandmail.com/politics/article-canada-pledges-50-million-for-vulnerable-palestinians/)

4 [www.worldbulletin.net/palestine/204510/canada-to-provide-can50m-for-palestinians](http://www.worldbulletin.net/palestine/204510/canada-to-provide-can50m-for-palestinians)

5 [www.worldbank.org/en/news/press-release/2018/07/25/us-90-million-to-boost-palestinian-economic-opportunities-and-livelihoods](http://www.worldbank.org/en/news/press-release/2018/07/25/us-90-million-to-boost-palestinian-economic-opportunities-and-livelihoods) and <https://www.youtube.com/watch?v=nCFyFaerKaw&feature=youtu.be>

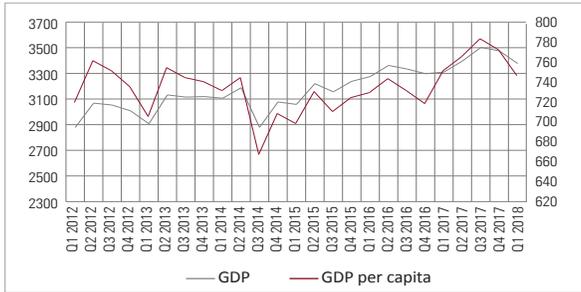




# Palestine Economic Dashboard

## Growth

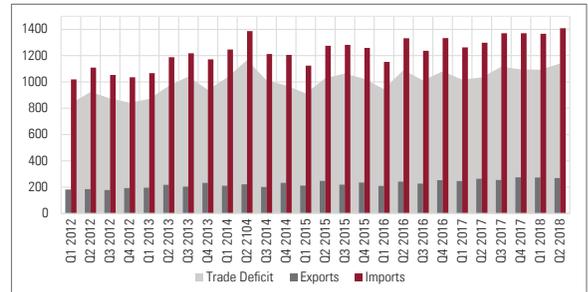
GDP (in million USD) and GDP Per Capita (in USD) in Palestine, Q1 2012–Q1 2018



GDP (Q1 2018): \$3,377.6m GDP per capita (Q1 2018): \$746.2  
Source: PCBS

## Trade

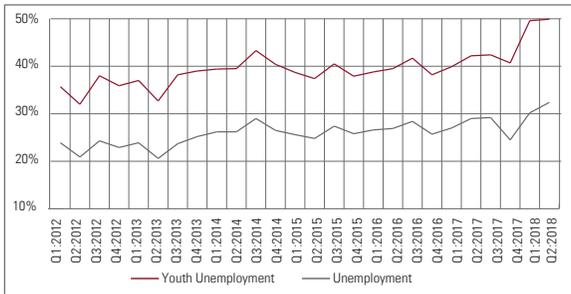
Exports, Imports and Trade Deficit in Palestine ('000 USD), Q1 2012–Q2 2018



Imports (Q2 2018): \$1,409.2m Exports (Q2 2018): \$268.4m  
Trade deficit (Q2 2018): \$1,140.8m Source: PCBS

## Unemployment

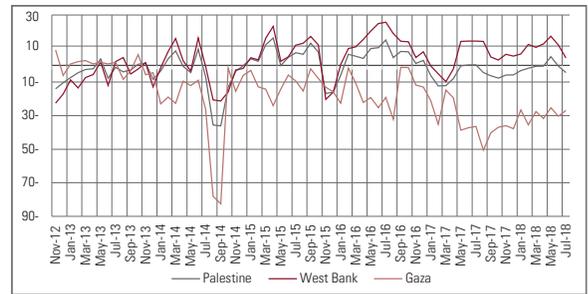
Unemployment and Youth Unemployment in Palestine (%), Q1 2012–Q2 2018



Unemployment rate (Q2 2018): 32.4% Youth Unemployment rate (Q2 2018): 49.9%  
Source: PCBS

## Business Cycle Index

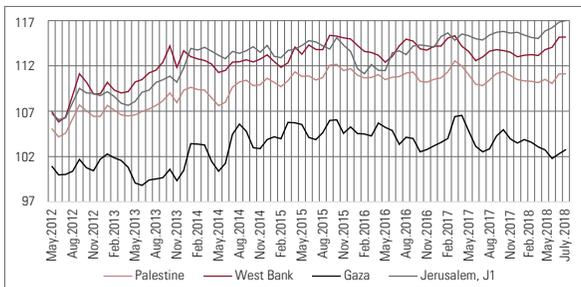
Palestine Monetary Authority Business Cycle Index, Nov 2012–July 2018



Palestine (July 2018): -4.3 West Bank (July 2018): 4.4  
Gaza (July 2018): -26.9 Source: PMA

## Inflation

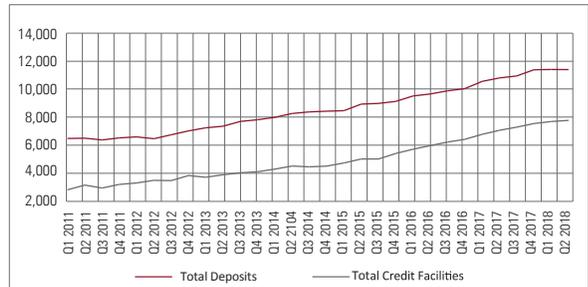
Consumer Price Index (Base year = 2010), January 2012 – July 2018



Palestine (July 2018): 111.14 West Bank (July 2018): 115.19  
Gaza (July 2018): 102.77 Source: PCBS

## Banking Sector

Total Credit Facilities and Total Deposits in Palestine ('000 USD), Q1 2011–Q2 2018



Total Credit Facilities (Q2 2018): \$8,259.96m Total Deposits (Q2 2018): \$11,993.06m  
Source: PMA

The Portland Trust



The Palestinian Economic Bulletin is prepared by the Palestine Economic Policy Research Institute (MAS) and edited by The Portland Trust. Please send any comments, suggestions, or complaints to [feedback@portlandtrust.org](mailto:feedback@portlandtrust.org)

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