



Palestinian Central Bureau of Statistics (PCBS)

Press Release on the Losses of Private Sector in Palestine due to the Israeli occupation Aggression on Gaza Strip

An almost complete cessation in the production of private sector establishments in Gaza Strip in addition to an unprecedented decline in the West Bank incurred the Palestinian Economy losses in production by 2.3 billion USD through four month (October/2023- January/2024) of Israeli occupation Aggression

About half of the private sector establishments stopped their production or declined in Palestine as a result of an almost total suspension in production of about 56 thousand establishments in Gaza Strip, where internal trade constitutes more than half of the establishments in Gaza Strip.

The estimated number of private sector establishments in Palestine in 2023 is about 176 thousand establishments, 56 thousand establishments in Gaza Strip and 120 thousand establishments in the West Bank. Internal trade constitutes the largest share in Gaza Strip, which is about 56% of the total number of establishments, followed by the services sector with a percentage of 30%, and industry sector by 10% while other economic activities (construction, transport and storage, information and telecommunications, finance and insurance) constitute 4% of the total number of establishments. The primary results indicated that 29% of total establishment in west bank witnessed decline or stopped in production through the Israeli occupation Aggression while most of establishments in Gaza strip stopped their production

The majority of employment in Gaza Strip has become unemployed, estimated at more than 153 thousand employees, except for employees in the health and humanitarian relief sectors.

The estimated number of employees in Palestine in 2023 is about 522 thousand employees (349 thousand employees in the West Bank, 173 thousand in Gaza Strip). As for the percentage distribution of economic activities, internal trade activity in Gaza Strip contributes with the highest share to employment by 45.5% of the total number of employees, followed by service activity by 38.1%, while industry activity contributes with 11.1%, followed by construction activities by 1.7%, information and communication activities by 1.5%, transportation and storage activities by 1.2%, and financial and insurance activities by 0.9%. As a result of the ongoing Israeli occupation aggression on Gaza Strip, about 89% of the total number of employees in Gaza Strip have been out of work.

Approximately USD 2.3 billion is the value of losses through four month of Israeli occupation Aggression in Palestine as a result of an almost total suspension in production in Gaza Strip along with the repercussions of the Israeli occupation aggression on Palestine, of almost USD 19 million per day, except for direct losses in properties and assets losses

The Palestinian economy has witnessed, during the past years, a recession, especially, in Gaza Strip, due to repeated Israeli occupation aggressions on Gaza over the past years, in addition to the suffocating siege imposed by the Israeli occupation aggressions on Gaza Strip. However, there is no doubt that this current and ongoing Israeli occupation aggression on Gaza Strip is not like the previous ones, as it involves systematic destruction of all aspects of life in all its sectors, which has paralyzed the economy in all of Gaza Strip, especially after the destruction of many economic establishments, which cannot be counted or listed until now and up to this moment because of the ongoing violent bombardment of Gaza Strip. There is certainly a complete destruction of the economic life of all sectors in Gaza Strip, **where Gaza Strip is operating now at a productive capacity of about 14%** through four month of Israeli occupation Aggression. Knowingly, this percentage is made up of vital sectors that did not stop completely during the Israeli occupation Aggression on Gaza, such the health sector, bakeries and part of the internal trade sector to meet people's needs of food and medicine.



This impact has not only been reflected on Gaza Strip, but also on the West Bank, even if it was less affected. The impact of the Israeli occupation aggression on Gaza and its repercussions in the West Bank of increasing restrictions and tightening the stranglehold on the governorates of the West Bank, disconnecting communication and roads between the governorates, the obstruction of goods access from abroad, preventing the Palestinians living in 1948 territories enter the governorates of the West Bank as well as forbidding workers to access their work inside the occupied territories of Palestine, and the continued deduction of parts of tax revenues (clearance) by the Israeli occupation aggressions over the year which exceeded NIS 2 billion. Where all these reasons and other more have paralyzed the economic movement in Palestine. Preliminary estimates have indicated that private sector establishments in Palestine have suffered losses estimated at more than USD 2.3 billion as of the beginning of the Israeli occupation aggression on Gaza Strip, **which is about USD 19 million per day, excluding loss of properties and fixed assets.**

Erosion of the Production Base: Preliminary estimates indicate that the production of economic sectors in the West Bank through four month of Israeli occupation Aggression lost about 27% of its production compared to the total of usual four month production percentage with an estimated loss of about USD 1.5 billion through four month. Whereas Gaza Strip lost 86% of its usual monthly production during the month-long Israeli occupation aggression on Gaza since October, that is equivalent to USD 810 million, which will, in return, negatively affect Palestine's general revenues.

Value of Economic Sectors Losses of Production since October, 2023 in Palestine* by Region.

(Value in USD thousand)

Sector	Value of usual production (four month)			Value of production through Israeli occupation aggression (four month)			Value of losses through four month of Israeli occupation aggression		
	West Bank	Gaza Strip	Palestine	West Bank	Gaza Strip	Palestine	West Bank	Gaza Strip	Palestine
Industry	1,939,909.6	221,430.0	2,161,339.6	1,382,623.2	6,159.1	1,388,782.3	557,286.4	215,270.9	772,557.3
Construction	74,267.2	11,135.2	85,402.4	50,267.3	0.0	50,267.3	23,999.9	11,135.2	35,135.1
Services and other branches	3,511,860.4	711,690.8	4,223,551.2	2,606,851.6	128,396.6	2,735,248.2	905,008.8	583,294.2	1,488,303.0
Total	5,526,037.2	944,256.0	6,470,293.2	4,039,742.1	134,555.7	4,174,297.8	1,486,295.1	809,700.3	2,295,995.4

*: Data excluded those parts of Jerusalem which were annexed by Israeli Occupation in 1967.

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