

## **PCBS release preliminary estimated for the Economic Losses in Gaza Strip caused by Israeli Aggression:**

The President of the Palestinian Central Bureau of Statistics, Dr. Luay Shabaneh, declared Gaza Strip as a disaster zone for the humanitarian, economic, health, and social sense due to the Israel military aggression launched on Saturday, December 27, 2008, which has impacted the entire livelihoods of the Gaza Strip. According to preliminary and provisional estimates, by January 20, 2009 the death toll reached 1,315 and more than 5,400 people were wounded, including 400 people in serious condition<sup>4</sup>. The Israeli aggression also destroyed the infrastructure of the public service sector, the headquarters of the public institutions, societies, and private properties, and brought to a standstill the socio-economic activities of the people of Gaza Strip.

PCBS indicated that their estimation remain preliminary and based on general and provisional estimations of losses. According to such preliminary estimates, the total direct economic losses in buildings, infrastructure, and national economy losses in Gaza Strip are approximately 1.9 billion dollars.

The value of the size of preliminary losses was estimated using PCBS database. The average cost of building a one square meter, taken from the Building and Establishments Census, and the average area and number of floors of the buildings and establishments, based on the statistics of the building licenses available to PCBS, as well as other sources -shown in the report- were used to estimate the preliminary losses in Gaza Strip resulting from the Israeli military operations.

Estimating the losses in economic activities, according to Dr. Shabaneh, was based on the Gross Domestic Products (GDP) of the different economic sectors and activities published by PCBS. The losses of the Palestinian economy was estimated at 85% of the value added of each economic sector during the past 22 days of Israeli military operations in Gaza Strip. In addition to that, estimating the impact of the Israeli aggression on the 2009. Gradually, the economic activities need one year to return back as it was before the Israeli aggression.

The losses in the agricultural sector and agriculture land were estimated according to the capital value and median consumption. Based on the agricultural statistics of 2006/2007, approximately 80% of the agriculture land and crops were destroyed.

The estimates of the future annual aid to be given to the families of the Palestinians victims were based on the median annual wage of a laborer in Gaza Strip of \$ 4,830, according to the findings of the Labor Force Survey of the third quarter of 2008.

Moreover, a number of reports from neighboring countries, especially Lebanon, were used in order to arrive to estimates about the cost of the removal of the debris caused by the shelling of the building and houses of Gaza Strip.

Dr. Shabaneh also described the preliminary economic losses in Gaza Strip, which resulted from the Israeli aggression, as follows:

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<sup>(1)</sup> The Department of First Aid and Emergencies in Gaza Strip.

## Total losses

The Israeli military operations brought about destruction to people, property, economic sectors, public activities, and private property. However, for the purpose of estimating the losses resulting from the aggression, they were restricted to three key sectors including infrastructure and buildings, economic activities, and human losses, as detailed below.

## Losses in infrastructure and buildings

The findings of the Building and Establishments Census, which PCBS conducted during the fourth quarter of 2007, show that the number of buildings and establishments in Gaza Strip is 147,437. The preliminary estimates show that by January 17, 2009, the Israeli aggression caused damage to 14% of the buildings and establishments. The following table summarizes the damage and the estimated cost of repairing such damage.

Establishment	Number	Cost in millions of dollars <sup>(2)</sup>
Completely destroyed housing units <sup>(2)</sup>	4,100	200.0
Partially damaged buildings and housing units <sup>(2)</sup>	17,000	82.0
Mosques <sup>(2)</sup>	23	3.0
Schools, hospitals and universities <sup>(5)</sup>	25	8.4
Security headquarters <sup>(3)</sup>	31	6.3
Ministries complex <sup>(3)</sup>	1	25.0
Ministries buildings <sup>(3)</sup>	16	23.5
Bridges <sup>(3)</sup>	2	3.0
Municipalities and local councils' headquarters <sup>(4)</sup>	5	2.3
Gas stations <sup>(2)</sup>	4	2.0
Furniture, installations, machines, and devices of destroyed buildings <sup>(2)</sup>	-	1.0
Water and sewer lines <sup>(5)</sup>	10	2.4
Farmland, farmland equipment, and infrastructure	-	90.0
Ambulances and fire engines <sup>(1)</sup>	20	1.5
Electricity generating stations <sup>(2)</sup>	10	0.4
Roads (in kilometers)	50 kilometers	2.0
Factories, bureaus de change, blacksmith workshops, and other commercial establishments (establishment)	1500	19.0
Homes, factories, and workshops' fences <sup>(2)</sup>	-	5.0
Other direct losses <sup>(2)</sup>	-	22.0
<b>Total - Direct Losses</b>		<b>498.8</b>
Costs of removal of rubble and workers wages <sup>(2)</sup>		600.0
<b>Grand Total</b>		<b>1,098.8</b>

<sup>(2)</sup> PCBS estimates

<sup>(3)</sup> Estimates by the Palestinian Contractors Union

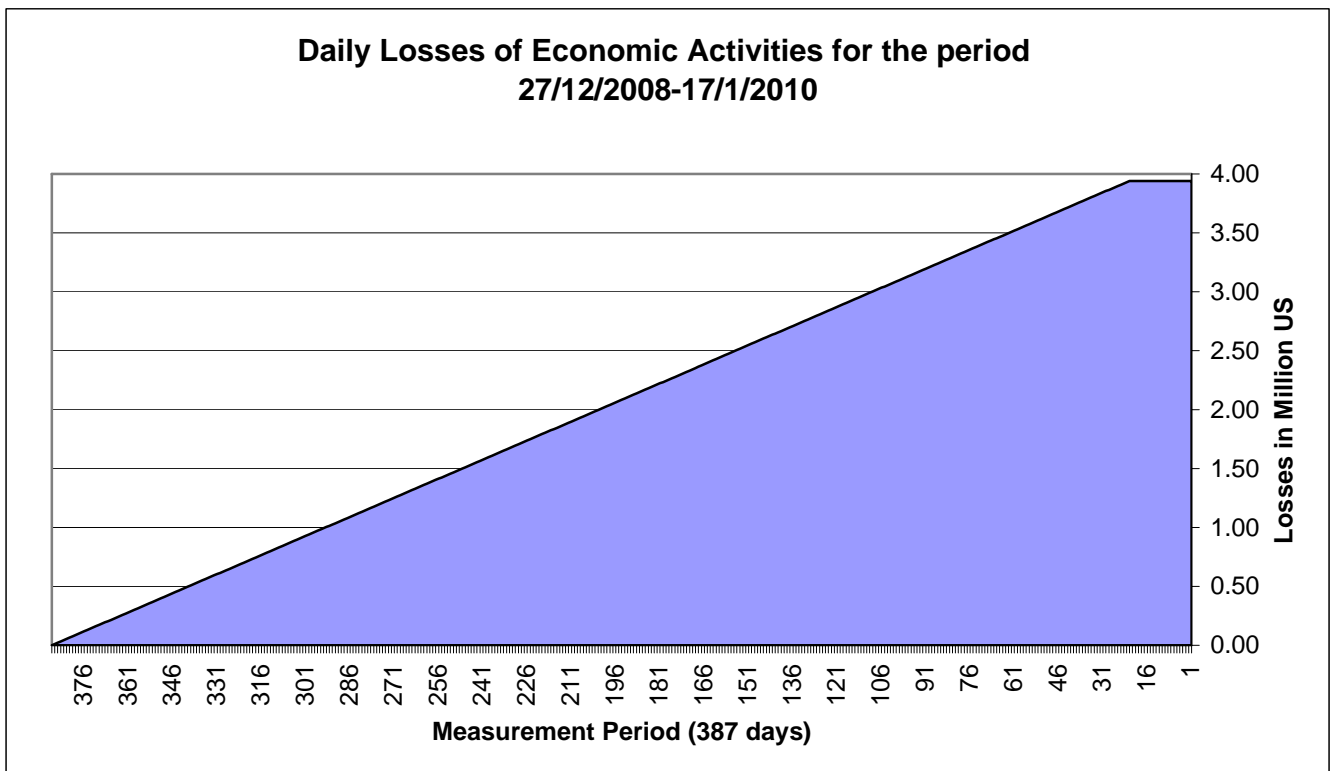
<sup>(4)</sup> estimates by the Ministry of Local Government

<sup>(5)</sup> Estimates by the Water Authority

### Losses in economic activities<sup>6</sup>

The Israeli attack brought the economic activities of Gaza Strip to a complete standstill. Follows an preliminary estimation of the economic losses by the different economic sectors with respect to value added per day.

Economic activity	Daily losses in thousands of dollars
Agriculture and Fisheries	311.0
Mining & Quarrying, Water, Electricity	438.0
Construction	335.3
Wholesale and Retail Trade	306.5
Transport, storage & communications	72.5
Financial Intermediate	179.0
Services	1,175.8
Public Administration and Defense	853.5
Public Sector Companies	269.4
<b>Total</b>	<b>3,941</b>



The daily losses of economic activities reached to 4 million dollars and the total of gradually losses for the next year estimated by 717.3 million dollars. So, the grand total of losses in economic activities during the Israeli aggression and the follow year estimated by 804 million dollars.

### Human losses

Preliminary statistics show that more than 1,315 people were killed by January 20, 2009. The families of those victims need aid and support. Additionally, there are approximately 5,400 wounded people who require rehabilitation and aid. In total, the annual compensations and rehabilitation costs resulting from human losses are estimated at 31.5 million dollars.

<sup>(6)</sup> PCBS estimates