1. Concerns, Priority Needs, and Gaps update

West Bank and Gaza Strip

- The PA expects decrease on the revenues of local authorities due to the drop on the transactions of commercial crossings and challenges in collection of local taxes and VAT. Public revenues of the local governments (Municipalities) have already dropped by more than 60% due to the stop of customer collection services. The owners of fuel stations mentioned that the consumption of fuel has dropped by 50% with impact on both the service deliverers and the governmental revenues.

- Cost of agricultural production still high, amidst lack on crucial inputs.
  Limited availability of Inputs, and movements restrictions between governorates are still affecting production costs and causing delays. Broilers producers report that high costs of feed and low sale (if any) prices are making the cost of production unsustainable. Availability of fodder is limited, and traded fodder is poor in quality, as it cannot be checked at the source, due to movement restrictions. In West Bank, cash-only payments continued to limit bulk purchases, causing liquidity concerns, although suppliers partially resumed informal credit to producers with a positive debt repayment record.

- Farmers report lack of availability of both workers (due to movement restrictions) and some crucial inputs like some seeds varieties.

From WFP survey of shop about prices, stock and sales:

- Majority of interviewed shops reported that currently the volume of sales has significantly reduced compared to the period before the COVID-19 crisis in both West Bank and Gaza Strip, this is due to limited working time during this emergency period, most of the customers have stopped working due to the restrictions, resulting in decrease of their purchasing power.

- In both West Bank and Gaza Strip, half of interviewed shops reported that the number of customers asking for credit increased during the emergency situation.

- Food stock is not a problem in shops in both West Bank and Gaza Strip, and there is no problem in the availability of food & non-food items.
The main challenges that will face the shops if the current emergency situation continues, are as follows:
- In Gaza Strip: closure of crossing board, commodities stock will decrease, volume of sales will decrease, reduction in liquidity and some of the shops reported that there is no fear on the future.
- In West Bank: reduction of liquidity and volume of sales will decrease, and increment in the number of customers whose asking for credit.

### West Bank
- The **dairy sector** has been more affected in areas where fresh products are predominant. Products with longer shelf-life like “dry yogurt” produced in the south of the West Bank proved to be more compatible with the impact of the current crisis.
- The limitations imposed during the month of Ramadan have further **decreased the demand** of certain items like lamb meat. On the other hand, other dairy products like white cheese for sweets benefited from Ramadan time.
- FSS partners report that small **food processing cooperatives** had difficulties in carrying out the usual production cycle due to decreased cash flow at household level resulting in diminished ability to buy raw material.
- The investment limitation imposed to farmers due to the advance-cash payment requested by suppliers, may results into **reduced production** of certain products for the **next round of harvest**.
- In addition to the hard time farmers had to face during the COVID-19 crisis, in Northern Jordan Valley many dunums of **wheat and barley have been lost due to fires** that spread easily thanks to these days high temperatures.

### Gaza Strip
- The MoL in Gaza conducted a labour survey to identify workers (people, businesses and sectors) affected due to measures taken to mitigate the risks of COVID-19. This survey represents official data for those affected categories and recognized by all DFA’s bodies in Gaza Strip. Results of the survey showed the following:
  - Around 130,000 persons (representing 93,000 HHs registered)
  - 11,604 registered cases (9%) are from the agriculture sector (including plant, livestock, and fishery), including agricultural labour force.
Other affected segments included transportation & communication (12.5%), Hotels and Restaurants (8.5%), trade (27%), Health & Education (21%), Construction (16%), Others (6%).

2. Response Strategy and Challenges Update

West Bank and Gaza Strip

- The Palestinian Minister of Labor announced the start of releasing payments of 700 ILS to more than 40,500 workers affected by COVID-19 crisis. Workers will be notified through SMS messages before going to the bank. This the is the first intervention from the government to support the workers, noting that about 105,000 requests were submitted from the West Bank and about 170,000 forms in Gaza Strip.

West Bank

- Small food processing cooperatives benefitted from innovative approaches like online promotion of their products, as physical markets were not accessible. It would also be appropriate to improve and facilitate trading connections between small scale producers with unsold overproduction and food processing cooperatives.

- FSS partners reported that some adaptation of interventions took place whereas funds of developmental projects in favour of women cooperatives were diverted to supply essential items to ensure continuation of the production cycle.

- UNRWA and WFP continue their cooperation to provide food to vulnerable refugees through e-vouchers top up, allows them to purchase food items at one of the designated retailer suppliers identified by WFP.

- UNRWA staff is working to prepare the second phase of food assistance, identifying vulnerable refugee families to be targeted. Assistance will be delivered through food baskets and e-vouchers.

Gaza Strip

- Programme implementation challenges as reported by NGOs. Some FSS partners are facing challenges in implementing their projects, especially regarding cash disbursement to their beneficiaries. Banks in Gaza Strip have put in place health and safety measures that limit the ability of beneficiaries to access banks. Coordination meetings among major actors, including Cash Working Group, FSS,
Palestinian Monetary Authority ‘PMA’ and some key partners, were conducted to find a way to help people. Some partners succeeded to have new operational terms with banks that agreed to receive small groups of people. Others agreed on new mechanisms like ATM cards, but this would take time and may cause delay in disbursement as well as additional costs.

- The MoL announced to start releasing cash assistance to around 5,000 affected households in Gaza with 500-700 NIS each. This comes as part of the PA assistance to COVID-19 affected people.