



Press Release

MAS Publishes a Study on Comprehensive Response to COVID-19 Economic and Social Impacts in Palestine under Occupation



Ramallah, 24 February 2021: On Thursday the 25th, Feb 2021, the Palestine Economic Policy Research Institute (MAS) releases a six-volume study, entitled **The Comprehensive Response to the Economic and Social Impacts of COVID-19 in Palestine under Occupation: Saving Producers, Protecting the Vulnerable, Resilient Citizens and Communities, and Modern Governance**. With support from UNDP/PAPP, the study was prepared by a team of researchers supervised by MAS Director General Mr. Raja Khalidi and led by Senior Researcher Dr. Rabeh Murrar. According to Khalidi, the study aims at assessing direct and indirect economic and social impacts of the COVID-19 pandemic. It provides a set of in-depth interventions, which cover various aspects of improving the livelihoods of Palestinian households, promoting the most affected economic enterprises, and strengthening community resilience, particularly marginalized and impoverished groups in the face of key COVID-19 challenges and any future shocks. “The study is an up-to-date tool and



reference to monitor and analyze household welfare and affected companies during crises,” Khalidi elaborated.

Khalidi stated that the study was structured in five main pillars. It is informed by a comprehensive survey of all literature produced since the beginning of the pandemic, a series of field investigations, and focused sectoral and regional dialogue sessions. These brought together hundreds of experts and representatives of economic, social, and governmental sectors and institutions from across the West Bank and Gaza Strip. Khalidi added, as put in the Introduction: “Although it may have been hoped that the economic recession curve would be V-shaped (sharp decline followed by a rapid recovery), more realistic projections demonstrate that recession will not be L-shaped (failure to recover in the near future). Rather, the recession might be K-shaped, as some sectors recover while others are in downturn.”

This implies the need to ensure that the public health system is prepared, supported, and enabled to combat the spread of COVID-19. Adequate resources must be provided in public-private partnership while the equally important economic and social consequences should also be addressed. If this cannot be achieved through relief measures alone, then community coping mechanisms need to be reorganized and the burden shared so that households can cope with this long-term crisis – a strategy with which the Palestinian people are well-versed.

Pillar 1, “the Most-Vulnerable MSMEs and Employment Protection, particularly among the Youth and Women”, discusses significant adverse impacts on production assets, MSMEs, inability to access essential production inputs, livelihood opportunities, affected production chains, and logistics services across economic activities. The study provides relevant recommendations and policies, including creating immediate and short-term employment opportunities in priority sectors and supporting MSMEs, self-employment projects, and high-risk production enterprises, especially those run by women and young people.



Pillar 2, “Providing Safety and Social Protection Nets to the most Affected and Vulnerable Groups”, examines deep and unprecedented COVID-19 social consequences on different community groups, particularly the most impoverished, marginalized, and vulnerable who lack social protection. These include women, children, senior citizens, persons with disabilities, Bedouin communities, female-headed households, and food insecure families. The pandemic’s impacts have uncovered key gaps in the Palestinian social protection system. Broad social sectors and groups remain without a social umbrella or protection. The study provides recommendations on how social protection programmes should be aligned and more effectively implemented at once. These should provide a bridge to a quick recovery of households, communities, and local economies, help people cope with difficult conditions through national protection programmes, secure basic services, achieve food security, strengthen social cohesion, and invest in community systems for resilience and responsiveness.

Pillar 3, “Promoting Community Resilience and Access to Basic Services”, investigates the major crisis of Palestinian communities (cities, villages, refugee camps and other “localities”) in the context of the COVID-19 pandemic. It highlights the need to strengthen the capacity of these communities, particularly those which are small and remote from urban, governmental and economic centers, to resist, assimilate, contain, and recover from the effects of (health and other) hazards both timely and effectively in a manner that utilizes and invests in local capacities and expertise. This component is essential to promote Palestinian society fabric and ability to shift from resilience to empowerment. At local community levels, inability to deal with and respond to economic and social challenges will cause centrally designed policies and programme to fail in achieving their objectives. The study presents recommendations, which can bolster communities’ capacity to build resilience to economic and social challenges arising from COVID-19 so that it may be safer and more sustainable. The needs of local government units



and local communities should be better understood so as to strengthen community resilience and response through community action.

Pillar 4, “**Responsive and Comprehensive Governance**”, stresses the importance of learning lessons from central and local crisis management in response to the COVID-19 pandemic. This experience has clearly demonstrated the role government institutions at governorate and local government unit levels play in providing basic services to citizens and the importance of cooperation and coordination between different bodies (government agencies and Governors, the security sector, municipal and village councils, and emergency committees) to reduce the pandemic and its consequences on the economy and citizens’ livelihoods. The study provides recommendations and interventions in this regard.

Part of Pillar 5 is dedicated to examine the myriad and harsh COVID-19 **economic and social impacts in the Gaza Strip**. These have compounded health and socioeconomic conditions arising from 14 years of the severe consequences of internal division and blockade.

Based on these interventions, Khalidi indicated that a strategy could be developed to identify areas of concentration of national and international support in reference to SDGs and the “build back better” principle. The study confirms that in a time of limited financial resources needed for response or recovery, in a hostile environment and economic siege not experienced by Palestine in 30 years, the old adage that the most important asset of Palestine lies in its human resources or social capital rings true today more than ever. The 2020 crisis has revealed as much about the strengths of the Palestinian people as about social and economic weaknesses and fault-lines. Hence, response and recovery efforts should, first and foremost, mobilize, organize, and frame human resources and enhance social solidarity and coordination. “This way, solutions may be reached that do not require so much financial resources as dependence on others (rather than their exclusion), attention to



the most marginalized and impoverished, and prior thinking and planning, not reaction,” Khalidi concluded.

Digital copies (English and Arabic) will be available for download via MAS’s website on Thursday 25th Feb 2021 www.mas.ps