

# **“Sustainable Development under conditions of Conflict and Crises”**

Theme: Sustainable in Development in Palestine: Reality and Challenges



Applied Research Institute-Jerusalem (ARIJ)

## **Opportunities and Challenges of Palestinian Development actions in Area C**

Dr.Jad Isaac and Jane Hilal

### **Abstract**

In recent years, Area C has emerged as a key priority for both the Palestinian National Authority (PNA) and for the international actors in the development sectors. The Palestinian development of Area C is critical to empower existing Palestinian communities to preserve their assets, way of life, and most importantly their continued presence on the land. Furthermore, Area C connects the patchwork of the isolated and densely populated urban and rural communities located in Areas A and B.

A contiguous and socioeconomically viable Palestinian State can thus only be achieved by opening Area C for Palestinian development and for the critical realization of a contiguous Palestinian State. It was found that the Palestinian population densities in Area C built up area or within the proposed outline (master) plans exceeds the equivalent average population densities in Areas A and B. Furthermore, the Palestinian population density within the Palestinian Ministry of Local Government (MoLG) proposed master plans in Area C is almost 600% higher than the population density of Israeli's in the settlements master plan. Only 3 communities out of 291 communities in Area C have approved master plans. Any development outside the area of the approved master plans (with a total area of 5.7 ha) is at risk of demolition by the Israelis (unless the Israeli authorities grant special permits for development). In 2015 alone, Israel demolished 482 homes and structures in area C, uprooted some 13,000 trees, and attached Palestinians and their properties on 898 separate occasions. The geographic distribution of these attacks, demolitions, and tree uprooting suggest an Israeli purpose behind these actions that is perhaps imposing pressures on the Palestinian population to drive outmigration from certain areas (esp. corridors connecting Israeli settlement blocks within Area C). Due to restrictions on development, the limited space to develop urban structures and services and inaccessibility of arable land, the Palestinian communities in Area C have high unemployment and food insecurity rates.

## **1. Introduction**

The West Bank, under the Oslo Accords, was divided into 3 zones: Area A, B, and C. Area A, which is made up of the Palestinian city centres (excluding Hebron) is under Palestinian civil and security control. Area B, which is made up of the Palestinian built-up areas outside Area A, is under Palestinian civil control and joint Israeli and Palestinian security control, though Israel has exclusive right to enter Areas B to conduct “security operations” as it wished. Area C, which makes up 61% of the West Bank, is under Israeli civil and security control. These area assignments were meant to be temporary, with land being phased into total Palestinian control by the end of the five-year interim period as designated by the Oslo Accords, which was set to end with final status negotiations in 1999.

Area C is a region of the West Bank that is rich in its natural resources. Some 300,000 Palestinians currently live in Area C. The majority of Palestinians in the West Bank (some 2.3 million) currently live in Areas A and B; both of which constitute 39% West Bank’s landmass. Hence, Area C has the potential for significant urban expansion to accommodate Palestinian population growth and economic development needs.

In spite of its acknowledged importance for sustainable development in Palestine and for the establishment of a sustainable Palestinian State, the Palestinian Authority has no security or administrative control over this area. Rather, Area C is under the Israeli military control. As of 2015; Israeli military zones occupied 29% of Area C, and Israeli settlements occupied 6% of area C and these continue to spawn and expand. An additional 3% of land was designated as nature reserves areas to be transferred to the control of the Palestinian National Authority (PNA). However, this transfer of control never materialized. Palestinian communities living in Area C therefore find themselves marginalized, often without access to basic services, without adequate schools or clinics, and sometimes even without water or electrical networks.

Palestinian development in Area C requires approval by the Israeli Civil Administration (ICA). In recent years, Area C has emerged as a key priority for both the (PNA) and for the international actors in the development sectors. The Palestinian development of Area C is critical to empower existing Palestinian communities to preserve their assets, way of life, and most importantly their continued presence on the land. A contiguous and socioeconomically viable Palestinian State can thus only be achieved by opening Area C for Palestinian development and for the critical realization of a contiguous Palestinian State.

### **1.1 Population Densities**

The total area of the West Bank excluding East Jerusalem is (5,579 km<sup>2</sup>). There are 2,618,191 Palestinians living in 734 communities in the West Bank (excluding East Jerusalem) compared to 486,000 settlers illegally living in 181 Israeli settlements. There is a stark contrast between the Israeli Settlers and the Palestinians in their access to living space and natural resources. When comparing the Palestinian population density to the Israeli Settler population density in Area C;

the Net Palestinian Population Density in the West Bank (NPPD) (PPD; population/built-up area) in area C is 250% higher than the Net Israeli Settler Population Density (NISPD).. This contrast in access to land area and natural resources between Israeli Settlers and Palestinians in Area C is just one of the many injustices Palestinians suffer from the Israeli military and ICA restriction on Palestinian development in Area C.

The contrast in access to development space and resources between Palestinians and Israeli settlers' in Area C is even larger when comparing population densities within the areas allotted for development (i.e. master plans). The Palestinian population density within the (MoLG) proposed master plans in Area C is almost 600% higher than the population density of Israeli's in the settlements master plan. This is a part of Israel plan to facilitate expansion and development of settlements while restricting the Palestinian potential for development in Area C. The high Palestinian population density within the master plans of Area C means there is little space for population increase, provision of essential services, and utilization of land for agriculture or any other resource for economic development. Restricting development of Palestinian communities' results in migration of Palestinians to urban centers and villages in Areas "A" and "B" which can be viewed as a part of Israeli policies to depopulate the Palestinian population in Area C on route to complete Israeli control of this area.

## 1.2 Status of planning in Area C

Since 2011, (MoLG) in participation with the local communities (e.g. local village councils) began drafting their own Detailed Local Outline Plans. As of August 2015, 108 plans have been drafted for 116 communities of which **77** have been submitted to the ICA. The ICA requires that the plans do not include lands for agriculture and other development purposes, because of their interpretation of the Jordanian Planning Law of 1966 which states that these 'Detailed Outline Plans' are only designed for built-up areas. Furthermore, these plans took into consideration the geographical distribution of Israeli settlements, the West Bank segregation wall, and other constraints imposed by Israel such as closed military zones, Israeli-designated nature reserves and archaeological sites. In spite of these plans being developed to comply with ICA planning criteria, only **three** of the **77** submitted plans were approved by the ICA; **seven** were rejected for reasons including location in firing zone, a nature reserve or others. Another **51** plans have passed more than 18 months of technical discussions with the ICA without decision. The remaining **10** plans entered the review process by the ICA less than 18 months ago.

## 1.3 Israeli violations in Area C

Data on Israeli activities in the oPt were collected from several studies including the analysis of aerial photography, news, media, periodic journals, and from a network of governmental and non-governmental local and international organizations as well as data from field surveys. It has been found that over the past year, settlements' expansion has accelerated with more than 6,299 housing units approved or passed different stages of approval in 17 settlements. Furthermore, 18 outposts

were expanded adding 25 mobile homes. Meanwhile, the demolitions of Palestinian structures, confiscation of land, and uprooting of trees were on the rise with 482 houses and structures demolished displacing approximately 2,450 people from their homes, confiscating 41,609 ha of land, and uprooting 13,367 trees. Furthermore, there were 898 settlers recorded attacks on Palestinian population and properties, mostly, in Area C. In addition to the geography of the aforementioned Israeli violations in Area C, approximately 65% of the plans, tenders and activities for settlement expansions in the past few years occurred in the Western Segregation Zone (the land area between the segregation wall and the green line) and the remaining plans, tenders and settlement expansions occurred in the corridors linking the Western Segregation Zone with the Jordan Valley (Eastern Segregation Zone) and with the settlement block in Southern Hebron.

## **2. Challenges and Opportunities of Sustainable Socio-Economic Development in Area C**

The state of Palestine has been, and remains, subject to a set of specific constraints imposed by the Israeli occupation that render the full utilization of human and economic resources impossible. This is well manifested in more than 60% of the West Bank which is classified as Area C<sup>1</sup>; where Israel retains full security and administrative control over planning and construction, while the PA is responsible for the provision of services. This Land division has created considerable obstacles that threatened the Palestinian livelihood namely: the inability to freely access most land, water and natural resources; the inability to planning, construction and development of infrastructure, the inability of free movement of people, goods and vehicles within and between different parts of the West Bank, East Jerusalem, in addition to challenges in ensuring the basic services that should be provided to the vulnerable communities in Area C. The delivery of basic public services is likewise severely challenged by access and movement restrictions across Area C; these include the segregation wall, checkpoints, roadblocks, and a permit system, which undermine livelihoods and access to basic services, as well as the ability of humanitarian organizations to deliver assistance<sup>2</sup>.

Israel's continued control over Area C affects not only Area C communities, but also the many thousands of residents of Areas A and B who own land in Area C. In addition, because it is the only contiguous territory in the West Bank, Area C is of vital importance to the entire population, containing valuable grazing and agricultural land, water resources, and holding the land reserves necessary for the expansion of Palestinian population centres in Areas A and B and the development of national infrastructure. In addition, the intrusive route of the segregation wall

---

<sup>1</sup> Area C was defined under the Oslo Accords as "areas of the West Bank outside Areas A and B". Israel was to retain civil and security control on an interim basis. While the 1995 Interim Agreement called for the gradual transfer of power and responsibility in the sphere of planning and zoning in Area C to move from the (ICA) to the Palestinian Authority (PA), this transfer was never implemented. As a result, any Area C construction, whether a private home, an animal shelter or a donor-funded infrastructure project, still requires the approval of the ICA, which is under the authority of the Israeli Ministry of Defense. Area C comprises of 3,459,000 dunums (according to the GIS&RS department ARIJ (The Applied Research Institute – Jerusalem))

<sup>2</sup> Ocha (UN- Office for the Coordination of Humanitarian Affairs occupied Palestinian territory). 2013. Area C of the West Bank: Key humanitarian concerns.

through eight of the eleven West Bank governorates isolates farmers from their farms, greenhouses, grazing lands and water resources. The completion of the segregation wall will further aggravate the situation, with an expectant loss of almost 8.6% percent of West Bank agricultural land, 31% of total forested area, and 21% of the rangelands as it will be annexed behind the Segregation Wall upon its completion<sup>3</sup>. Drought and frost have exacerbated the hardship. This has forced families to leave Area C and increased their dependency on humanitarian and development-related aid and assistance<sup>4</sup>. Forced displacement also threatens family cohesion and strains host communities and traditions<sup>5</sup>.

Most of the Palestinian communities inhabiting area C are rural communities<sup>6</sup> reaching up to 99% of total population in Area C; of which 44% communities are classified as Bedouins. The population inhabits Area C is classified according to ARIJ into four clusters (Map 1). The clustered localities are those with built up area totally located in the geo-political Area C. The four clusters are as following: The Palestinian population in Area C is composed of some of the most vulnerable families and communities in Palestine. Of the approximately 40,245 Palestinians residing in communities their built up area is entirely in Area C, 7,893 live in vulnerable herding/Bedouin localities (ARIJ analysis, 2015). Farmers and herders living in Area C tend to experience worse conditions than the general population in terms of social indicators. This is because they usually live in remote areas under-served in (1) public services including: education, water and sanitation, health care, and (2) infrastructure. They are rarely granted permits to upgrade their homes or to invest in agriculture and other businesses<sup>7</sup>. Service provision to populations in Areas A and B has increased in recent years while communities in Area C still struggle to access basic services and assistance such as water/sanitation, primary education and basic safe shelter.

Area C contains 195 settlements, with a population of approximately 719,123 Israeli settlers (3.5 folds more than Palestinian population) for the year 2014, who have been allowed to transfer to the West Bank in contravention of International Human Law (IHL). Settlers' growth rate in Area C reached up to 4% for the year 2014 which is higher than the Palestinian growth rate by 1.5%. They are also using all resources of the area freely, on the contrary is the case of the Palestinians who cannot cultivate, build or even rehabilitate their assets; without given permits from Israel (rarely granted). The Israeli occupation is also jeopardizing the available resources by their practices in Area C including confiscation of land for building settlements, constructing by pass roads, disposing their waste in nature mainly in Palestinian lands, and others.

---

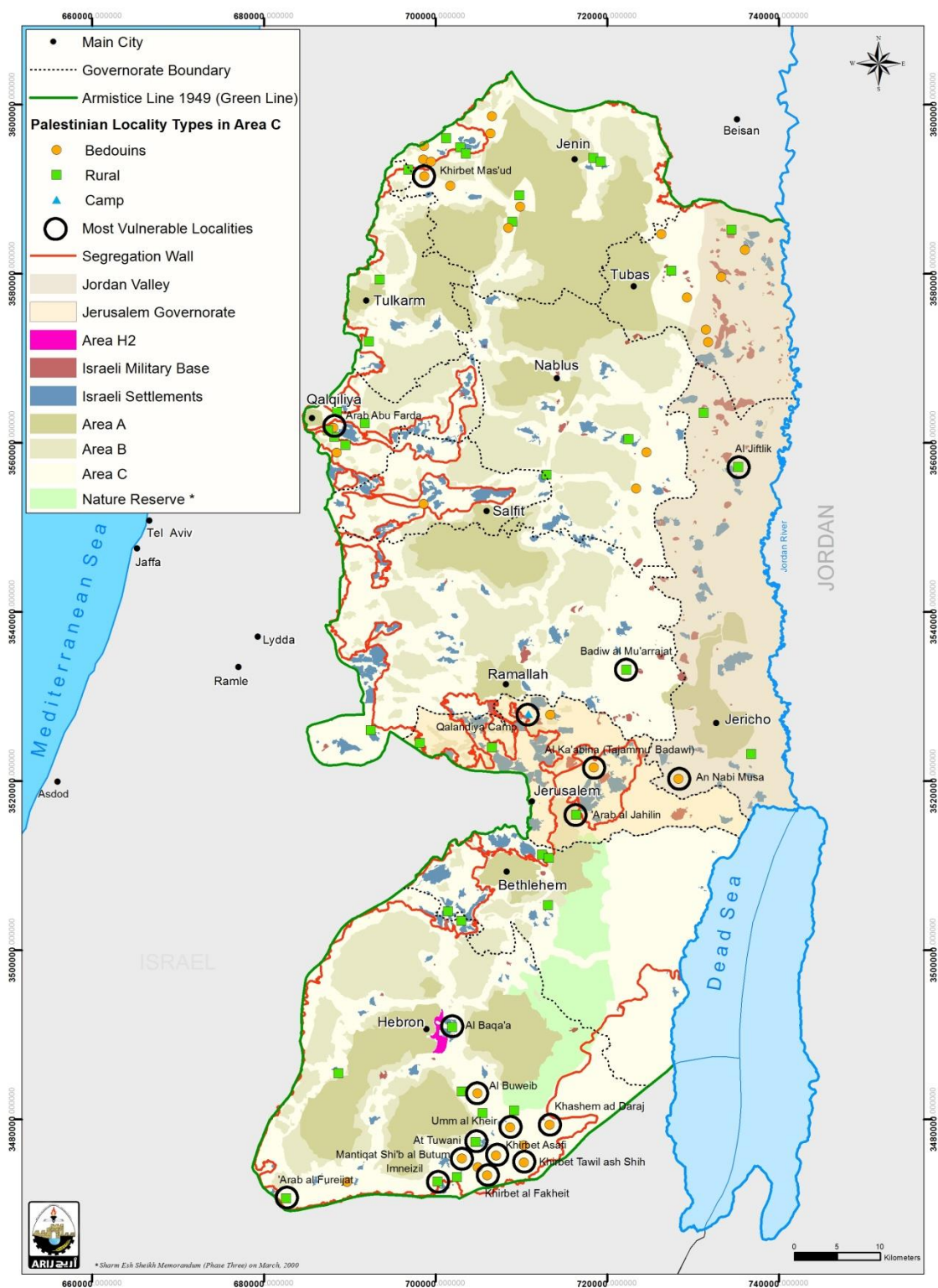
<sup>3</sup> ARIJ (Applied Research Institute-Jerusalem)-GIS (Geographic Information System) Department. 2015. Land Use –Land Cover Analysis for the year 2012.

<sup>4</sup> FAO/WFP, December 2009 – Food Security and Vulnerability Analysis Report in the oPt.

<sup>5</sup> UNRWA, 2009 – Isolated Herding Refugee Population, Draft document.

<sup>6</sup> The Palestinian Central Bureau of statistics (PCBS), 2010. Population Census 2007. Ramallah. Palestine

<sup>7</sup> Ocha (UN- Office for the Coordination of Humanitarian Affairs occupied Palestinian territory). 2013. Area C of the West Bank: Key humanitarian concerns



Map (1): Distribution of Palestinian localities in Area C by locality type and cluster



## 2.1 Economy and Labor Market

Area C is considered a vital and important resource for the Palestinian economy, as it contains about 60% of agricultural lands of the West Bank. Furthermore, this area holds a lot of touristic and archaeological sites, in addition to water resources. It is worth mentioning that Area C is considered the only area that is suitable for Palestinian urban expansion for most of Palestinian communities in the West Bank and the potential food basket for all the Palestinians. Area C has the potential to contribute greatly to the Palestinian economy and future economic development; however, present restrictions under the Israeli occupation prevent such opportunities from flourishing. Currently, economic activity in Area C is almost exclusively limited to low intensity agriculture and herding, which are the trades and livelihood of the majority Bedouin and rural communities. The contraction of the Palestinian per capita GDP by 3.3 per cent (in 2014) and the extremely high unemployment rates subject large sections of the Palestinian population to poverty and food insecurity<sup>8</sup>. With limited job opportunities and minimal existing potential for job creation, the average unemployment among the 73 Area C localities is 20.1%; compared to 17.7% employment in the West Bank. Table (1) identifies the range of unemployment rates per cluster, characterized as high as 62 percent (in Al Buweib Bedouin area), while some areas are all actively employed<sup>9</sup>. Communities in Area C have a large proportion of children that are being supported by few in the labor force; on average only 22%<sup>10</sup> of the community is economically active<sup>11</sup>. Therefore, the burden of providing for households falls on a proportionally small labor force. These circumstances which are compounded by high unemployment rates increase the likelihood of high poverty rates in the community (Table 1).

The labor force falls into four main areas of livestock farming, crop farming, employment in Israeli settlements, and other public employment as outlined in Figure (2.3). Bedouin and rural communities primarily consist of livestock and crop farming, at 91% and 93% respectively<sup>12</sup>. Employment in the Jordan Valley is also largely in livestock and crop farming at 90%. In comparison to these clusters, urban Jerusalem localities, excluding Bedouin areas, have 75% of the labor force that depends on employment in Israeli settlements and other public jobs. Highlighting the case of Bedouin and rural herder communities, their traditional way of life is threatened as increasingly limited access to land, and lack of permits and water resources have eroded traditional livelihoods. Communities that have existed for decades, many of them before the designation of these areas, are unable to herd and farm under the restrictions; thus curtailing their productivity and ability to provide for their households. These regimes directly contribute to the poor living conditions confronting many Palestinian residents of Area C. For herders and farmers, livelihoods are undermined by the inability to construct animal shelters and agricultural

---

<sup>8</sup> UN Conference on Trade and Development. 2015 Report on UNCTAD assistance to the Palestinians people: Developments in the economy of the Occupied Palestinian Territory, pg 4.

<sup>9</sup> PCBS. 2010. Population Census 2007. Ramallah, Palestine

<sup>10</sup> PCBS. 2010. Population Census 2007. Ramallah, Palestine

<sup>11</sup> PCBS defines "economically active" as all persons aged 15 years and over who are either employed or unemployed.

<sup>12</sup> Ibid.

infrastructure, along with restricted access to land, designated as military training zones and nature reserves. In addition, the inability to carry out legal construction has a direct impact on the provision of basic services as well as livelihoods; such as the provision of education and health services. For the international community, difficulties obtaining a building permit, including for very basic infrastructure projects, make for difficult attempts to provide basic humanitarian assistance to some of the most vulnerable communities in the West Bank. The dependency ratio<sup>13</sup> within the Area C localities is 86.6, thus reflecting the high burden on the productive portion of the population<sup>14</sup>. This is particularly significant due to Palestine's very young population under the age of 15. With few economically active citizens and minimal job opportunities, communities are vulnerable to high rates of poverty and a poor quality of life. Poverty rates are found relatively high especially among Bedouins; with highest rate reaching up to 83.1% in some localities such as Al Buweib, and Khashem Adaraj (Al Hathaleen).

## 2.2 Summary for Challenges Facing Communities of Area C

- 1) Less than 1% of Area C has been assigned for Palestinian development (available as an area where Palestinians can build without the risk that these buildings being demolished by the Israeli authorities); in contrast, 43% of the West Bank is allocated to settlement local and regional councils (this includes lands confiscated for settlement building and expansion purposes, together with settler roads and restrictions on Palestinian access to their lands around settlements).
- 2) Communities are located in firing zones or residing fully or partially in closed military zones are at direct risk of forced eviction and forcible transfer, repeated temporary evacuation due to military training exercises,
- 3) Most of the communities in Area C suffers from restricted access to basic services; increases their vulnerability and trigger their displacement. The denial of basic services like access to water have a devastating impact on community livelihoods and their ability to sustain themselves, particularly for farming or herding
- 4) Farmers cannot invest in agricultural productive assets due to the growing practice of targeting and dismantling any installations.
- 5) Isolation and territorial fragmentation among the different imposed administrative areas.
- 6) Most of the communities suffers from low educational attainment, where only 5.6% of total population attained post school education and only 10% attain high school certificate. This condition is highly affected with the localities proximity to schools where only 43% of localities having their built area in Area C are in proximity of 1 km from a school.
- 7) Most of the localities suffers from limited access to health centres since only 18% of localities in Area C have a health clinic centre in its 1km proximity.
- 8) Most of the communities suffers from high unemployment and poverty rates reaching up to 20.3%<sup>15</sup> and 30.1% respectively in comparison to 17.7% and 19.4% in the West Bank.

---

<sup>13</sup> The "dependency ratio" is an age-population ratio of those who are not in the labour force (below 14 years, and above 65 years). It is used to measure the relative pressure on the productive population in the labour force.

<sup>14</sup> PCBS, 2010. Population Census 2007. Ramallah. Palestine

<sup>15</sup> This average didn't include the localities that didn't show unemployment (unemployment rate =0).



- 9) The World Bank has determined that restrictions on access and economic activity in Area C cost the Palestinian economy US\$3.4 billion per year or about 35 per cent of its Gross Domestic Product.
- 10) The implementation of projects in the area is compromised in several ways. First, there is the major obstacle of the restrictions on construction, which limits the implementing organization capacity to deliver any type of infrastructure. It is, also, not always possible to plan around these restrictions because the application of Israeli policies is unsystematic and inconsistent. For example, new areas can be declared as closed for security, or construction is permitted in one area while newly-built infrastructure is demolished in a neighboring area. The restrictions on access for goods and staff causes unplanned delays to programme implementation and raises the costs of inputs, labor, and the associated costs of administration. The absence of a clearly articulated PA policy towards the target areas and a felt lack of coordinated, proactive political support from the international community.

Area C	Unemployment Rate (PCBS,2007)	Poverty Rate (%) (PCBS,2009)	Educational attainment-secondary and above (%) (PCBS,2007)	Food Insecurity (%) (WFP, FAO, UNRWA, PCBS, 2014)
Rural area	16.4	32.4	17.7	26
Bedouins area	15.9	44.8	10.5	79 (UNICEF, UNRWA,WFP, 2010)
Jerusalem area	27.2	---	17.7	26
Jordan Valley	2.9	30.4	11.9	26
West Bank	17.7	19.4	27.7	19

**Table (1): Livelihood Conditions in Area C by cluster**

### 3. Opportunities for Economic Development in Area C

Area C is of vital importance to all Palestinians as it is critical to Palestinian economic development. Area C holds the bulk of Palestinian agricultural and grazing land and main aquifers. Moreover, because Area C is the only contiguous territory in the West Bank, and is therefore the bridge between all three areas, it is critical to the free movement, travel and transport of people and goods. Area C is fundamental to the geographic contiguity of the West Bank and economic viability of a Palestinian State and necessary for the development of public infrastructure and the needs of Palestinian communities, not only in Area C but in the whole West Bank. There is an emphasize on the need for all stakeholders (Palestinian National Authority, private sector, civil society and international organizations) to establish coordinated and coherent policies, strategies, mechanisms and interventions to achieve economic development in Area C.<sup>16</sup> The culture of planning in Area C needs to change to make it more integrated, strategic and participatory. Planning in Area C needs to be “people-centred”, and the focus should be more on development opportunities and challenges, phasing and implementation and less on rigid separation of land uses.

<sup>16</sup> UNCTAD/PRESS/PR/2014/35● Original: English

Occupation of the Palestinian Territory Jeopardizes economic Viability of Two-State Solution, UNCTAD Report

There are many possibilities for job creation within the private and public sector in Area C, should restrictions be lifted. The World Bank identifies potential direct, sector-specific benefits in the area of agriculture, stone mining and quarrying, construction, tourism, telecommunications and cosmetics<sup>17</sup>. Research estimates suggest that the additional output from these sectors alone would amount to at least USD 2.2 billion per annum, which is a significant sum equivalent to 23 percent of the 2011 Palestinian GDP<sup>18</sup>.

---

<sup>17</sup> World Bank. 2013. Area C and the Future of the Palestinian Economy.

<sup>18</sup> Ibid.