

Summary of Gaza & West Bank Interim Rapid Damage and Needs Assessment (IRDNA)

1. About the Report: Scope, Definitions,

On 18 February, the World Bank, United Nations, and European Union, published their Interim Rapid Damage and Needs Assessment (IRDNA).¹ The report covers three items:

- the physical infrastructural damage that 1 year of aggression has inflicted up to 8 October 2024, as such do not account for the three months prior to the ceasefire. The human and qualitative is covered until January 2025, and it includes figures on poverty, food insecurity, displacement, impact on children and women.
- Social and economic losses refer to the **disruption of economic flows and increased costs in service provision** and were estimated by developing and accessing more than 200-loss variable. These have been estimated and projected for three years since the social and economic impact will likely be felt until substantial recovery is made.
- Recovery needs are presented in two period windows; **a three-year short-term period**, and a medium-to-long-term period of **five years and over**. Calculating needs consider costs of reconstruction and recovery particularly current cost of materials, labor, equipment, land, inflation, among other factors. The assessment covers 18 sub-sectors, analyzed under four key sectors: social, infrastructure, productive, and cross-cutting sectors. The report does not consider governance, security, or law in the assessment.

Data Collection and Validation:

- ground data acquisition through PA line ministries.
- ground data verification through the World Bank sector teams in close association with PA line ministries
- ground data verification and triangulation and extensive ground-truthing through UN agencies with feet on-the-ground and working closely with PA line ministries, humanitarian actors, civil society organizations, and other developmental partners
- use of remote sensing technologies (high resolution satellite imagery) for damage verification, enumeration, baseline verification, damage and loss characterization and quantification, conflict-induced damage isolation and conflict trend analyses, including multisource acquisition and use of satellite imagery
- Social Media Analytics

2. Key Findings

¹ <https://tinyurl.com/mpvrldcad>

Owing to the mass physical destruction that has swept over 70% of buildings, including 92% of housing units in the Gaza Strip,² physical *damages* have totaled \$29.8bn. An additional \$19.1bn is accounted for by economic and social *losses* resulting from the aggression. According to the report, the total *needs* for recovery and reconstruction of the Gaza Strip cost \$53.2 billion, out of which \$19.9 billion is for recovery needs in the short term (3 years). This estimate eclipses the previous estimate January 2024 of \$18.5 billion, showcasing the increased escalation pace in the past year.³

Table 1: Gaza Strip Sectoral Damages, Losses, and Needs (in USD Million)

| Sector | Damage | Losses | Recovery Needs (3 yrs) | Recovery Needs (total) |
|------------------------|---------------|---------------|------------------------|------------------------|
| Productive Sectors | 6,749 | 3,825 | 2,770 | 11,142 |
| Social Sectors | 18,127 | 11,496 | 14,197 | 30,430 |
| Infrastructure Sectors | 4,891 | 2,408 | 1,977 | 7,960 |
| Cross-Cutting Sectors | 113 | 1,330 | 1,054 | 3,706 |
| Total | 29,880 | 19,059 | 19,998 | 53,238 |

Social Sectors: Health, Education, Social Protection, Housing, and Cultural Heritage

By far, the social sector was the most impacted both in terms of *damage* and *losses* (Table 1), primarily driven by the mass destruction in the housing sector (\$15.8bn). The *damage* in the housing sector has left unimaginable humanitarian implications, with almost all the population displaced, and without access to basic services. By nature, housing requires the most *resources* (\$15.2bn) in the long term to restore the sector, including reconstructing the 290,000-destroyed housing units, followed by the health sector (\$7bn).

The health sector has sustained about \$6.3bn in *losses* resulting from the productivity loss of the health sector. This is driven by the loss of human resources of the sector, disruption of healthcare services, and increasing burden of the rise of and spread of diseases, malnutrition, and mental health issues (\$5.9bn). The is the largest sector in terms of financial *needs* for recovery, as it requires a total of \$7bn for reconstruction and service delivery needs. In terms of losses, the education is the second highest social sector with about \$3.2 *losses* resulting from reduced revenue, increased operational costs of temporary education, employment and human capital losses.

An October 2024-estimation revealed this economic and infrastructural devastation will likely drive approximately all Gazan population under the poverty line, with at least 60% suffering from

² <https://www.ochaopt.org/content/humanitarian-situation-update-263-gaza-strip>

³ <https://tinyurl.com/yc75f5p8>

multidimensional poverty, thus needing massive humanitarian efforts.⁴ To facilitate short-term humanitarian relief, **priority** is given to social sectors, which require \$14.2 billion of the total sum (80%), owing to the massive need for recovery in the housing (\$3.7bn), health (4.3bn), social protection (\$3.5bn), and education sectors (\$2.6bn). Vital activities considered in this estimate include enhancing the targeting and data collection operations, supporting children, women, youth, people with disabilities, and internally displaced persons through labor-intensive work initiatives, temporary housing, legal aid, among other activities. These sectors also require the most **resources** for long-term recovery, accounting for about 57% of the total sum of recovery needs (\$30.2bn).

Productive Sectors: Commerce and Industry, Agriculture, and Finance

The commerce and industry sectors were severely affected by the destruction of 88% of its establishments, leading to \$5.9bn in **damage**. **Losses** of the sector were accounted for over a five-year period totaling \$2.2bn considering reduced returns (\$1.76bn), and reduced wages (\$473m). Gaza's GDP decreased from \$2.1b to \$365.2m between 2023 and 2024.

With the destruction of 103 km² of cropland, amounting to 68% of all crop fields, the agricultural sector has seen \$1.3 billion losses. And while the finance sector did not suffer major physical destruction (\$14m), it nonetheless will suffer \$325m in cumulative losses because of credit and cash losses in the Strip.

The total need of the sector is estimated at \$11.1bn. Commerce and industry, and agriculture require roughly \$11 billion to revitalize the productive cycle and corresponding labor market activity to promote recovery. 2024 has seen a near 82% decrease in employment in Palestine in 2024 due to the aggression,⁵ which has amounted to about \$953 million in income losses, leading to a \$1.6bn need for recovery in the employment sector.

Infrastructure and Cross-Cutting Sectors

Infrastructure sectors, including transport, WASH, Energy, ICT, and municipality services have sustained \$4.9bn in damages, and \$2.4bn in losses. The transport sector has had the largest share of the damage, with about 62% of the total road network damaged or destroyed, including 44% of primary roads used for the movement of goods and humanitarian aid because of military operations. This had resulted in \$2.5 billion damage and an estimated loss of \$377 million. \$2.9 billion is required to restore the primary road network for economic recovery as well as facilitate the movement of humanitarian aid needed in the medium to long-run. This is followed by \$1.5bn in damages in the WASH sector, which requires \$2.7bn for long-term recovery.

⁴ <https://tinyurl.com/372zt8up>

⁵ https://www.pcbs.gov.ps/portals/pcbs/PressRelease/Press_Ar_RealityPrivNGoEnter2024A.pdf

Cross-cutting sectors, including land, social development, urban planning, employment, and environment, have sustained the least damage with merely \$113 million, as well as the least estimated losses of \$1.3 billion up to the next three years. In total, infrastructure sectors (\$7.9bn), and finally cross-cutting sectors (\$3.7bn). Employment and the environment require \$1.6bn and \$1.9bn in long-term recovery.

3. **Conditions Affecting Recovery** (*These are elaborately explained in the report*):

- Recovery and reconstruction will require a substantial, years-long effort.
- None of the conditions for large-scale recovery and reconstruction of the Gaza Strip are present.
- Coordination of the funding and activities for recovery is important to enable Building Back Better (BBB) principles, improve efficiencies in financing (including donor funding), allow for impact at scale, and ensure the distribution of support across sectors/ avoid concentration in a select few.
- **Required operational principles:**
 - a. A Palestinian-led process that reconnects Palestinians in Gaza and the West Bank
 - b. Effective planning, resourcing, and coordination of recovery efforts
 - c. BBB and Building Forward Better (BFB)
 - d. inclusivity and targeting to avoid social fragmentation, including the unique needs of women, children, the elderly, persons with disabilities, as well as displaced people
 - e. transparency and accountability, promoting inclusivity and social cohesion.
- **Strategic conditions:**
 - a. **Addressing safety and security** as a minimum requirement for recovery to be delivered on a scale.
 - b. **Unimpeded humanitarian access**, meeting immediate humanitarian needs as essential for moving into recovery and reconstruction.
 - c. **Improved access and mobility for recovery**, ensuring the unimpeded and safe movement of people and goods into Gaza, within Gaza, and between Gaza and the West Bank.
 - d. **Restoration of minimum essential service provision** as foundational to restore normalcy, enable livelihoods, and allow timely and comprehensive international recovery efforts.
 - e. **At-scale and predictable entry of commercial**, recovery, and reconstruction materials, equipment, and expertise: streamlining procedures for the entry of the required volume of recovery materials, technical expertise, and specialized equipment into Gaza at scale is crucial to jumpstart rebuilding efforts.

- f. **Resource mobilization and coordination of efforts**, assuring assistance efforts are targeted, complementary, prioritized, sequenced, and resourced adequately and effectively.
- g. **Clarifying governance arrangements**: establishing clear, transparent, and accountable governance frameworks ensures effective coordination among stakeholders, mitigates risks of inefficiency and corruption, and builds public confidence in recovery processes.

- **Operational Conditions**

- a. Debris Management
- b. Resolving land ownership challenges
- c. Surge enablers

4. Next Steps

Adopting a Conflict Recovery Framework (CRF) aligned with these practices can support the recovery process. Prioritizing recovery activities involves inter-sectoral prioritization based on indicators such as humanitarian impact, pro-poor and gender-sensitive agendas, sustainable livelihoods, and critical infrastructure restoration. Recovery requires assessment, planning, resource mobilization, capacity building, coordination, communication, monitoring, and implementation.

The next steps following and building on the IRDNA are preparation of a CRF with prioritization and sequencing of recovery interventions that are multisectoral. These efforts are being undertaken in full coordination with *Palestinian stakeholders, including the PA*. For recovery to proceed, Gaza-specific constraints and challenges must be addressed along with general principles of good practice.

The World Bank will soon develop a recovery and reconstruction framework designed as a *strategic plan* to guide these processes. The Palestinian Authority intends to use it to inform its own short-, medium- and long-term recovery planning.

Annex 1: IRDNA Matrix

| Sector | | Damage | Losses | Recovery Needs (3 yrs) | Recovery Needs (total) in \$bn |
|-------------------------------|-----------------------|---------------|---------------|------------------------|--------------------------------|
| Productive Sectors | Commerce and Industry | 5,900 | 2,200 | 1,060 | 6,900 |
| | Agriculture | 835 | 1,300 | 1,700 | 4,200 |
| | Finance | 14 | 325 | 10 | 42 |
| | Total | 6,749 | 3,825 | 2,770 | 11,142 |
| Social Sectors | Housing Sector | 15,800 | 545 | 3,700 | 15,200 |
| | Social Protection | 33 | 1,390 | 3,500 | 4,180 |
| | Health | 1,300 | 6,300 | 4,300 | 7,058 |
| | Education | 874 | 3,206 | 2,649 | 3,800 |
| | Cultural Heritage | 120 | 55 | 48 | 192 |
| | Total | 18,127 | 11,496 | 14,197 | 30,430 |
| Infrastructure Sectors | Transport | 2,500 | 377 | 724 | 2,900 |
| | Water and Sanitation | 1500 | 64 | 664 | 2,700 |
| | Energy | 494 | 243 | 365 | 1,460 |
| | ICT | 164 | 736 | 114 | 460 |
| | Municipal Services | 233 | 988 | 110 | 440 |
| | Total | 4,891 | 2,408 | 1,977 | 7,960 |
| Cross-Cutting Sectors | Land | 11 | 115 | 12 | 32 |
| | Social Development | | | 171 | 171 |
| | Urban Planning | | | 3 | 3 |
| | Employment | 10 | 1,050 | 388 | 1,600 |
| | Environment | 92 | 165 | 480 | 1,900 |
| | Total | 113 | 1330 | 1054 | 3706 |
| Total | | 29,880 | 19,059 | 19,998 | 53,238 |