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BASELINE HOUSEHOLD VULNERABILITY ASSESSMENT

Gaza Protection Consortium

GAZA STRIP, NOVEMBER 2020



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Introduction and Key Findings

The Gaza Protection Consortium

The 'My Choice' programme, implemented by the Gaza Protection Consortium (GPC) and the World Food Programme (WFP), will distribute multi-purpose cash assistance (MPCA) to 1,499 poor refugee households and up to 1,144 poor non-refugee households across all of Gaza. This is provided via a debit card issued by the Bank of Palestine, and can be used at ATMs and in retailers. The cash transfer amount is calculated on an average household basis, in line with the Cash Working Group's Minimum Expenditure Basket (MEB) and recommended transfer value of ILS 1,196 / €315 per household per month. The baseline analysis, totalling 2,241 households, is presented as follows: after detailing household demographics, the report outlines the common types of housing and residential arrangements (such as home ownership or renting), as well as energy, heating and water use. It then details head of household education, as well as data on children in the household and issues faced by children. The following three sections cover household economics: rates of employment and common occupational sectors, household cash-flow (income and expenditure) and household debt. Finally, the report discusses the range of negative coping strategies and behaviours used by households to try meet their basic needs.¹

Key Findings

- Nine percent of the refugee caseload received from the local authorities represents female headed households, and about half of households host extended family inside their homes;
- More than half of surveyed household heads suffer from health related issues, out of which 89 percent report multiple health issues, including 15 percent with some form of mental disability;
- Over 22 percent of households report that their children face challenges at home or at school, half of whom indicate that the primary challenge is domestic violence;
- The short-term unemployment rate among the surveyed households stands at 74 percent;
- Only four percent of the surveyed households indicate that at least one of their members enjoys regular employment, while a further 22 percent report some form of temporary employment;
- On average, households need to spend almost double what they earn, with an average monthly income of ILS 382 compared to average monthly expenditure of ILS 726;
- The highest monthly household income and expenditure is recorded in the Middle Area;
- Ten percent of families rent their home, paying on average ILS 496 in rent – almost a quarter above average income;
- The most common negative coping strategy to sustain household expenditure is taking debt, primarily from shops, family and friends;
- A remarkable 90 percent of households have carry debt, which on average equals ILS 10,173, or double annual income. The median debt is ILS 3,000;
- At the current repayment rates, it would take six years for a typical household to repay their existing debt;
- A total of 69 percent of households do not demonstrate food insecurity according to Food Consumption Scores (FCS), ranking as either "acceptable" or "borderline".

¹ The report contains analysis of variables that are not normally distributed (such as income, expenditure, debt and FCS), and the authors of this report acknowledge that in such cases, averages (and other parametric tests) provide little meaningful information. For this reason, for each of these variables, the full distributions are presented (as percentages or using histograms) and analysed using non-parametric tests as well as presenting mean and median values. Where correlations between these variables are presented (if they can be ranked), these use Spearman's rho (ρ).

The baseline dataset

2,241 households
9% female-headed
All governorates
All refugees

Average monthly household income

ILS 382 / € 98

Average household size

6.4 members

7.5 with extended family members

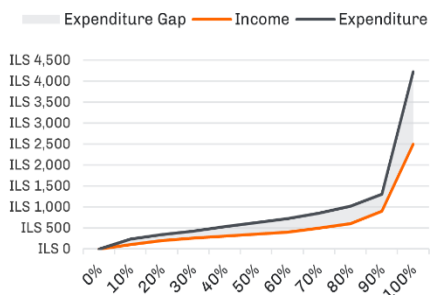
Average Dependency Ratio

1.74

49% of households have a dependency ratio > 2

Expenditure Gap

Households spend €1 for every 77 cents of income



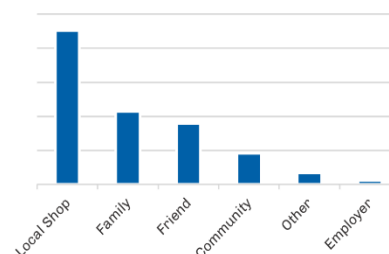
Average monthly expenditure

ILS 726 / €186

Households with Debt

90%

Most debt sourced informally



Average Household Debt

ILS 10,173 / €2,615

Time to repay average debt without assistance

6 years / 70 months

Priority Expenditures

- 1) Food (41% of budget)
- 2) Debt repayment (16%)
- 3) Health (9%)
- 4) Education (7%)
- 5) Clothing / shoes (5%)

Average Food Consumption Score

42.2
(Acceptable)

Short-term unemployment rate:

74%

Household heads with illness or disability:

51%

Coping Strategy Use

- 1) Buy goods on credit (78% of households)
- 2) Reduce NFI spending (41%)
- 3) Family members eat elsewhere (29%)
- 4) Sell assets (13%)
- 5) Spend savings (8%)

Households in precarious housing situation

7%

Households renting
10%



The Gaza Strip

Since the start of the blockade of the Gaza Strip in 2007, its population of nearly two million has suffered increasing socioeconomic hardships. Today, the number of poor people in the Gaza Strip is four times higher than in the West Bank, which significantly limits their ability to acquire basic goods and services necessary for a life in dignity.

At the centre of the long-standing challenges in the Gaza Strip is the erosion of households' purchasing power owing to persistently high rates of unemployment and poverty. Data from the Palestinian Central Bureau of Statistics (PCBS) helps to illustrate the scope of the crisis. A recent labour force study found that around 82 percent of Gazan wage-earners earned less than the minimum wage of ILS 1,450, with a majority taking home less than half of that amount.

At the same time, the rate of unemployment in the Gaza Strip has fluctuated over the past three years between the high rates of 44 and 52 percent.² These figures mask a deep disparity between males and females; indeed, the unemployment rate among females in 2019 reached 63.7 percent, the highest in the Middle East and North Africa (MENA) region and among the highest in the world. Regrettably, the COVID-19 pandemic has led to rates of employment to fall further, decreasing by 17 percent between the first and second quarters of 2020. The low incomes and high rates of unemployment lead to extremely high rates of poverty, with over half of Gazans living in poverty today, of which one third are classified as living in 'deep poverty' (expenditure below ILS 1,974 per month)³ which makes the Gaza Strip among the poorest in the MENA region.⁴

Years of socioeconomic decline, conflict and closure affected many different sectors. The United Nations reports⁵ that almost 70 percent of the Gaza Strip population is food insecure. The primary reason for food insecurity is not so much the availability of food in local markets as the insufficient financial resources to acquire it.



The Gaza Strip has five governorates and administrative districts, from north to south: North Gaza, Gaza City, Middle Area, Khan Younis and Rafah.

² PCBS (2019) 'Unemployment Rate Among Labour Force Participants'.

³ PCBS (2017) '[Poverty Percentages among Individuals in Palestine, According to Monthly Consumption Patterns](#)'.

⁴ Atamanov, S. & Palaniswamy, N. (2018) '[West Bank and Gaza Poverty and Shared Prosperity Diagnostic](#)', World Bank, Palestine.

⁵ OCHA (2018) '[Food insecurity in the OPT: 1.3 million Palestinians in the Gaza Strip are food insecure](#)'.

Public healthcare remains underfunded and with precarious infrastructure and insufficient stocks of medicine, while private clinics remain out of financial reach for most Gazans. Among the GPC's assessed caseload, only one percent of the students complete the five years at university (postgraduate) and 30 percent endure living in overcrowded housing accommodation. The economic collapse of the Gaza Strip remains the key factor pushing most vulnerable families to engage in negative coping strategies while rendering the government unable to provide sufficient social safety nets.

In order to make ends meet Palestinians in the Gaza Strip tend to spend more than they earn. Many families accrue regular monthly debt. Among poor refugee families, the average amount of debt is higher than 10,000 shekels, which is equivalent to 70 months of repayment. Today, the financial crisis in the Gaza Strip affects most families, resulting in complex, multi-sectoral vulnerabilities. It is difficult to assume that this situation will improve to any satisfying degree as long as the blockade continues to erode the fundamental basis of a functional market economy.

Methodology

The baseline vulnerability assessment survey was developed jointly by the GPC and WFP technical teams, and conducted by the GPC field teams between August and September 2020. The Palestinian Ministry of Social Development (MoSD) provided a list of 4,033 potentially-eligible households from across all five of Gaza's governorates, and after an initial round of internal screening, the GPC and WFP team contacted households on the list to participate in the baseline survey. The survey was initially conducted through household visits, but after a resurgence of COVID-19 cases in Gaza, shifted to remote data collection via mobile phones. Approximately 80 percent of all surveys were conducted over the phone.

The findings in this report are from the finalised refugee baseline dataset that was prepared for MPCA eligibility analysis. This excludes all non-refugees (non-refugees being properly the analytical and programmatic responsibility of WFP) as well as any incomplete surveys and duplicate records.⁶ The final dataset contained in total 2,241 refugee household surveys.

The GPC team prepared a pre-analysis plan to guide the quantitative analysis. This corresponded approximately to the structure of the baseline survey; the sections and sub-sections of this report follow the structure of the pre-analysis plan. Most of the non-demographic variables – for example, levels of education, types of housing, monthly income and other variables included in standard household economic analyses (HEA) – are compared between female- and male-headed households, across each of Gaza's governorates and between younger and older households. In addition, several additional socio-economic and demographic variables were created for the purposes of more nuanced, comparative analysis. Such examples include having a regular income, having a high dependency ratio and residing in substandard housing. The full list of new variables is included in Annex 1.

Household Demographics

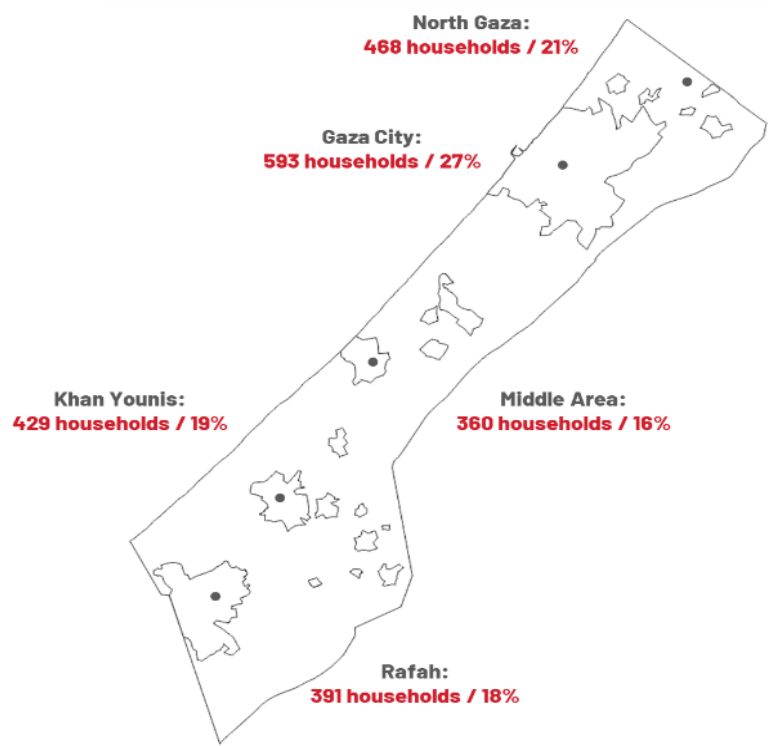
Heads of Household

Of the 2,241 households assessed, 91 percent were male-headed households and nine percent were female-headed. This is a relatively small ratio of female-to-male-headed households, and means a larger margin of error in female-headed household data.⁷ The geographic representation of assessed households is more evenly spread throughout the Gaza Strip, with most being in Gaza City (24 percent) and the fewest being in Middle Area (15 percent), as shown in **Figure 1A** below. **Figure 1B** demonstrates the geographic distribution of female- and male-headed households, while **Figure 2** shows the female and male-headed household representation within each governorate.

⁶ An example of a duplicate record would be an extended family that was recorded separately from the nuclear family on the initial MoSD list, and was contacted for baseline assessment, but then whose data was already recorded during the survey with the nuclear family.

⁷ Weighting was not applied to female-headed households because (1) the unit of analysis in this report is households, not individuals, meaning in general it is female-headed households, not females, that are factored into analysis, and (2) the findings pertain to poor households registered with the MoSD but not in receipt of assistance – the population of interest – and cannot be generalised to the wider Gaza population. This means the full dataset is in effect the sample frame. In other words, the number of female-headed households in the dataset is representative of female-headed households within the population of interest.

FIGURE 1A: PARTICIPANT HOUSEHOLDS



The average head of household age varies little between governorates, with the overall average being 40 years old. Depending on the head of household age, households were categorised as either ‘young adult’ (head of household aged between 18 – 29), ‘adult’ (head of household aged between 30 – 49), or ‘older adult’ (head of household aged over 50); 82 percent are adult households, 15 percent are older adult households and three percent are young adult households.

The percentage of older adult female-headed households is more than double the average, more than triple the percentage of elderly adult male-headed households and the average female head of household age is higher than average, at 46.

FIGURE 1B: GEOGRAPHIC DISTRIBUTION OF FEMALE AND MALE-HEADED HOUSEHOLDS

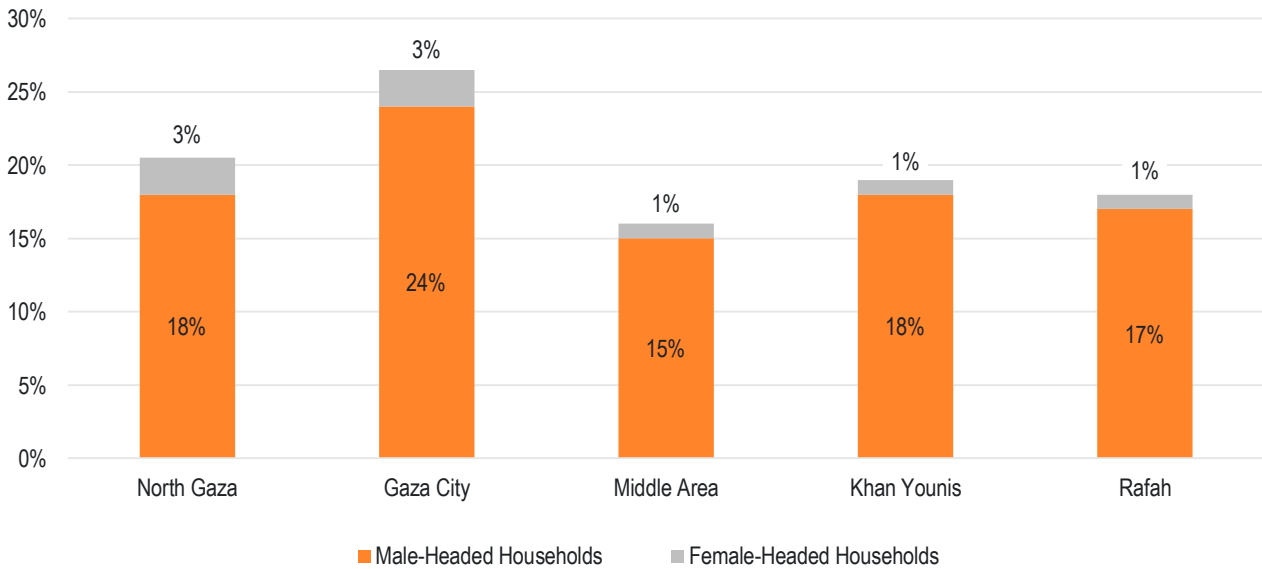
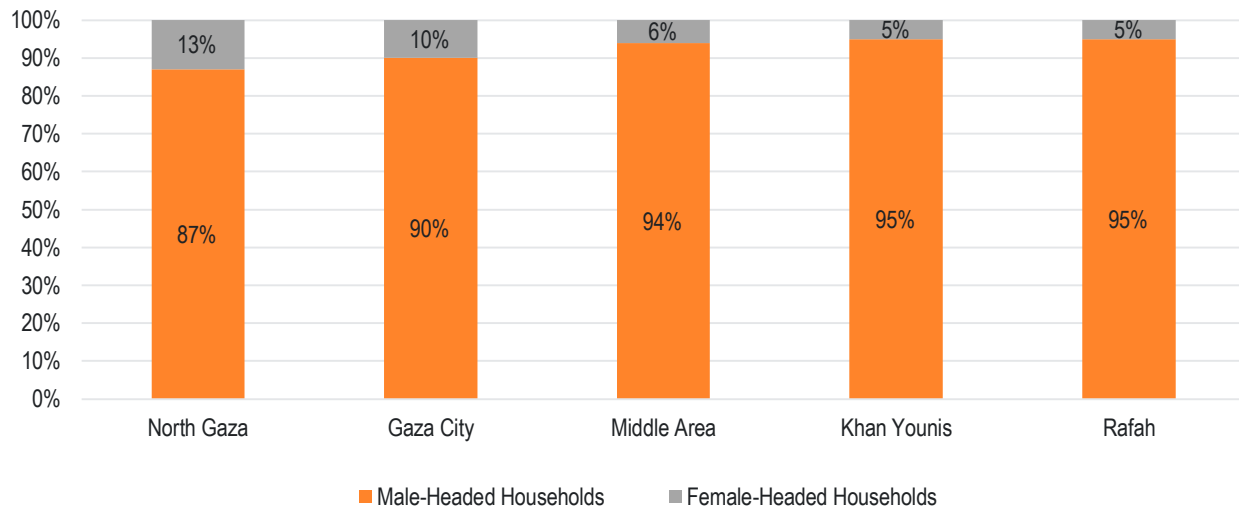


FIGURE 2: PERCENTAGE OF FEMALE AND MALE-HEADED HOUSEHOLDS PER GOVERNORATE



Dependents

Across participating households, 94 percent have school-aged children (0-17 years old), and the average household has three school-age children (across participating households, 58 percent of all household members are school-age children). Conversely, two percent of household members are aged 65 or older. The average dependency ratio (the ratio of dependents to working-age adults) is 1.74, and half of households have dependency ratios greater than 2.00 (i.e., two dependents per adult). This, and the average head of household ages and distribution of age brackets across each governorate, is shown in **Table 1** below.

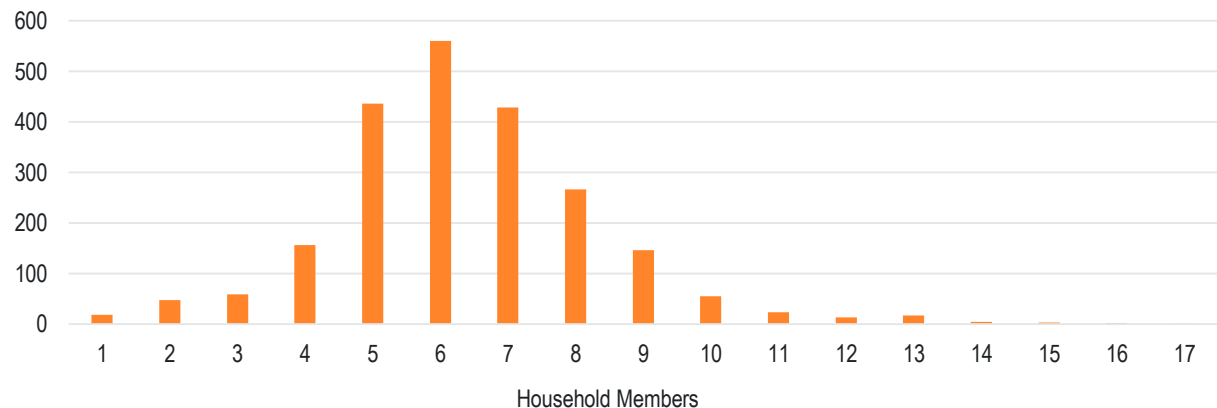
TABLE 1: DEPENDENCY RATIOS, HOUSEHOLD AGE BRACKETS, AND AVERAGE HOUSEHOLD SIZE, PER GOVERNORATE

	Dependency Ratio	Average Age	Household Size	Young Adult	Adult	Older Adult
North Gaza	1.59	41	6	4%	80%	16%
Gaza City	1.77	41	6	2%	84%	14%
Middle Area	1.81	40	6	1%	89%	10%
Khan Younis	1.82	39	7	2%	89%	9%
Rafah	1.90	38	7	1%	91%	8%
Female	1.34	46	5	5%	60%	35%
Male	1.77	39	7	2%	88%	10%
Young Adult	1.49	26	5			
Adult	1.9	37	7			
Older Adult	0.62	58	6			

Household Size

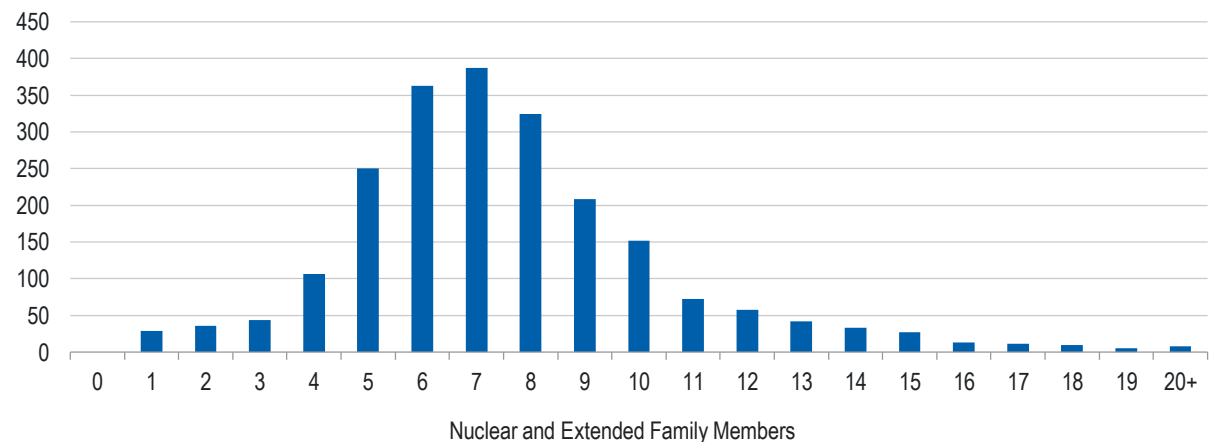
The average household has 6.4 nuclear members, which is slightly above the Gaza average of 5.8. **Figure 3** shows how household size is distributed across the baseline dataset. In total, 57 percent of households have six or fewer members, 43 percent have seven or more members, and 5 percent have 10 or more members. The large majority (83 percent) have between four and eight members (the standard deviation is 1.99).

FIGURE 3: DISTRIBUTION OF HOUSEHOLD SIZE



However, 48 percent of households also have extended family members residing within the same dwelling as the nuclear family.⁸ When nuclear *and* extended family members are taken into account, the average household size increases to 7.5 members, as shown in **Figure 4** below. Just under a quarter of households (23 percent) had two or more nuclear families within the same housing unit.

FIGURE 4: DISTRIBUTION OF COMPOSITE HOUSEHOLD SIZE (NUCLEAR AND EXTENDED FAMILIES)



⁸ A 'nuclear family' has several [definitions according to UNSTAT](#), but is usually a single family nucleus comprised of a married couple, a father, or mother, with or without child(ren). Extended family members are relatives or other persons living with the family nucleus.

Illness and Disability

Over half (51 percent) of household heads have some type of health issue, whether illness, disability or disease. Of those with a health issue, 89 percent report multiple health issues. The most commonly occurring health problems are diseases that affect bones or muscles, followed by different physical disabilities, diabetes and high blood pressure. **Figures 5** shows the prevalence of different diseases and disabilities across all households (Note: **Figure 5** shows that 26 percent of reported diseases affect bones and muscles, not that 26 percent of households have a head with that disease).

FIGURE 5: PREVALENCE OF HEAD OF HOUSEHOLD ILLESSES OR DISEASES

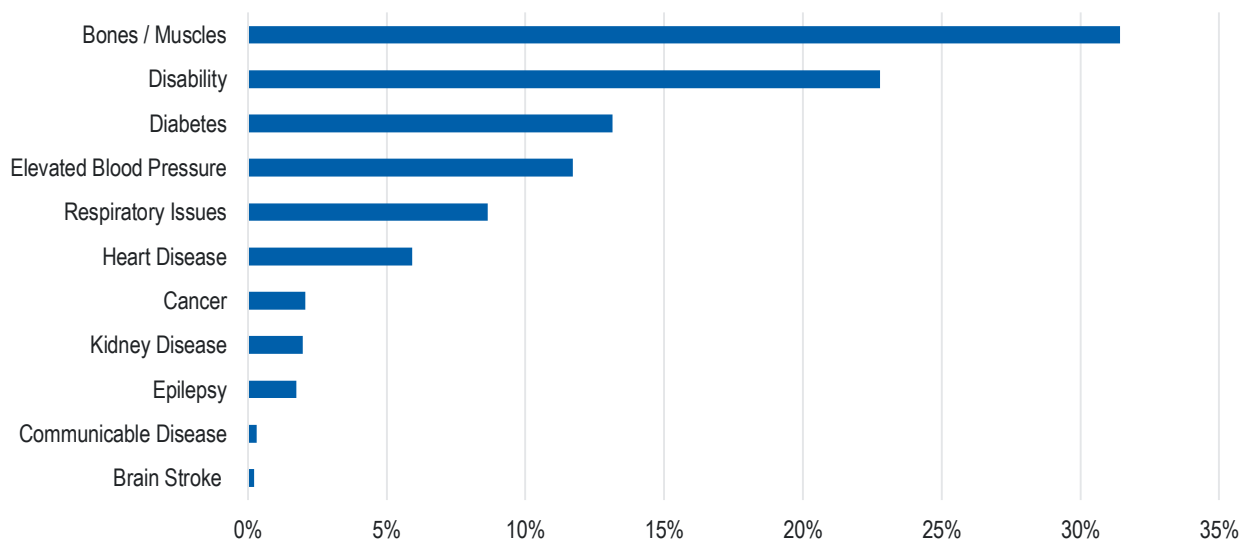
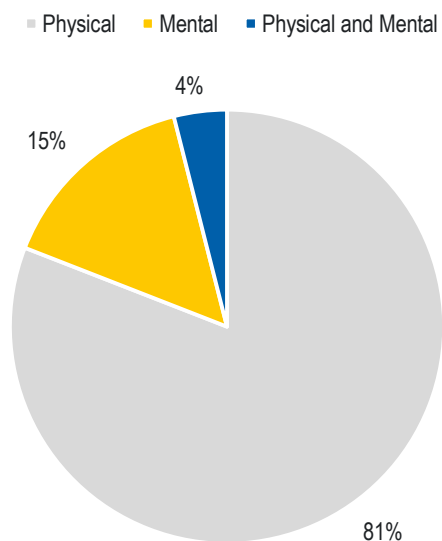


FIGURE 6: PREVALENCE OF HEAD OF HOUSEHOLD DISABILITIES



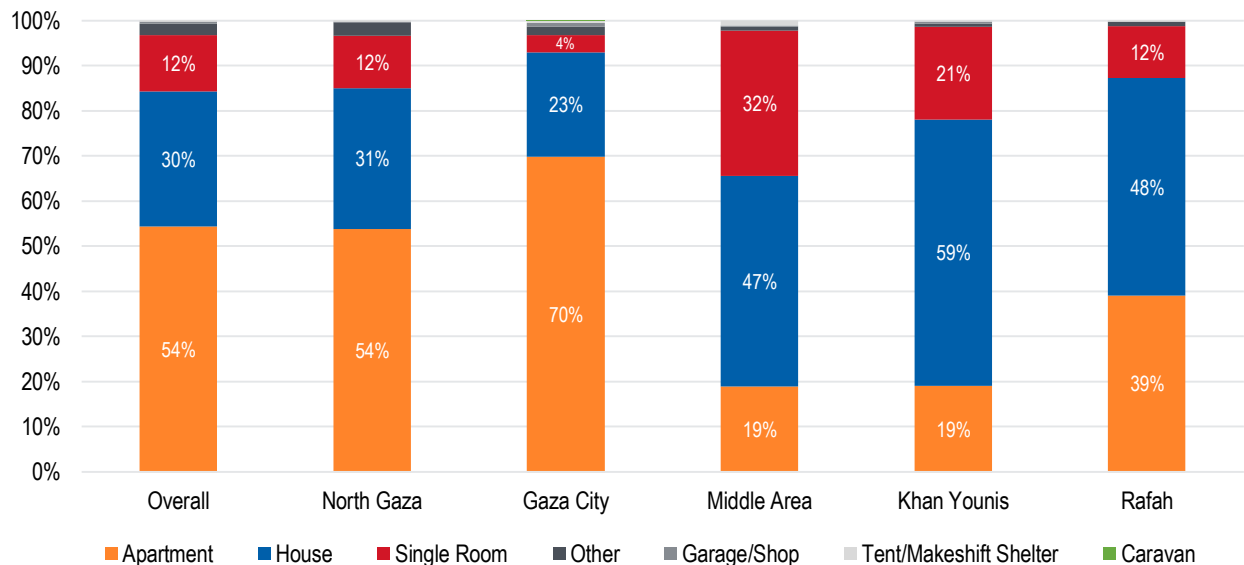
Physical disabilities are by far the most common type of disability (81 percent), which includes visual and hearing impairments. 15 percent of reported disabilities are mental disabilities, including speech and language disorders and learning disabilities.

Housing and Services

Shelter Types

The majority of households, approximately 54 percent, reside in apartments, followed by houses and single rooms. Notably, residents of Khan Younis and Middle Area more often live in houses. **Figure 7** below shows the types of shelter among participants by geographic area.

FIGURE 7: TYPES OF SHELTER, PER GOVERNORATE



Property Ownership

The survey also asked about residential arrangements: home ownership, renting or less common and more precarious circumstances. Home ownership is the most common arrangement, whether just the family house or apartment (63 percent), or the house plus their own land (21 percent). Only one percent of each group owe or pay mortgage repayments on their property. With such a small sample, the mortgage or shelter repayment values should not be taken as indicative of actual costs. Nonetheless, the median mortgage repayment is ILS 900 per month.

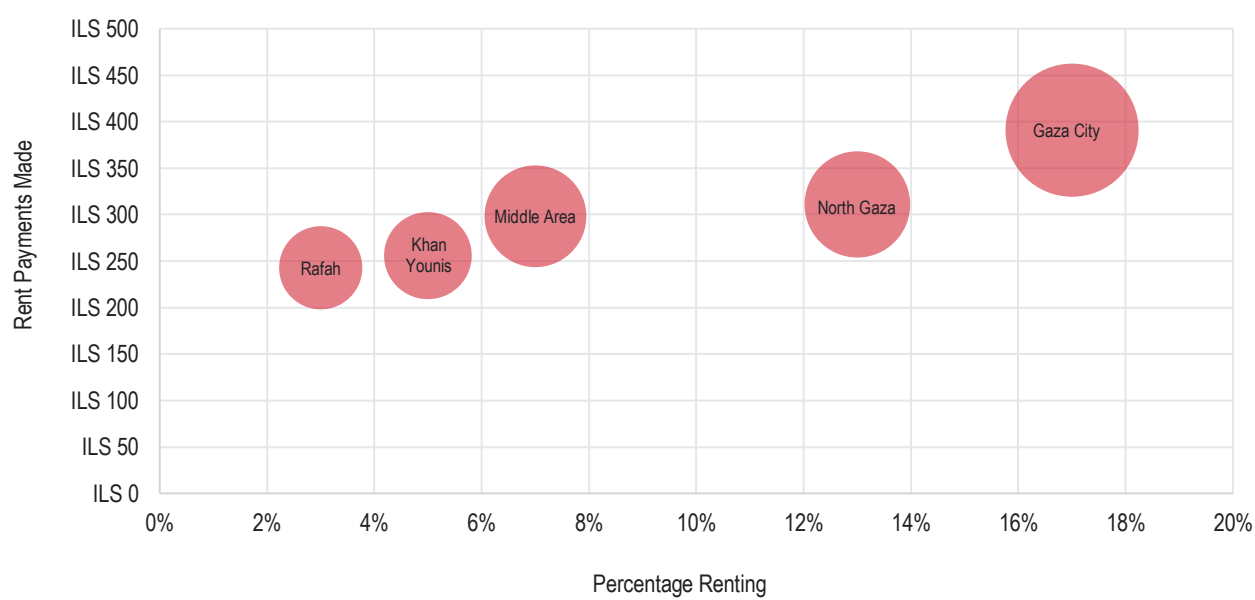
Renting is not common in Gaza: 10 percent of assessed households say they rent their dwelling, 75 percent of whom rent with a written rental agreement, and the other 25 percent having either a verbal agreement or no agreement. Renting is more common in Gaza City, with 17 percent of residents renting. The average rent owed is ILS 496 per month, and the average rent paid is ILS 336 per month. Across every governorate households pay less in rent than what they owe each month, creating a persistent rent payment deficit. On average, fewer than half (46 percent) of renting households pay the full amount of what is owed each month.

This, with rental rates and the average rent owed, is shown in **Table 2**.⁹ Residents of Middle Area have the largest average rent payments deficit. As shown in **Figure 8**, the more common renting is in an area, the larger the rental payments made are (there is a 0.95 correlation between rental rates and the amount of rent paid per month, and a weaker but still positive correlation of 0.42 between rental rates and the amount of rent owed each month). Two-thirds of participants report paying rent on a regular basis, the remainder making irregular or late payments.

TABLE 2: RENTAL RATES, AND RENT OWED, PAID AND UNPAID PER GOVERNORATE

	Renting	Rent Owed	Rent Paid	Rent Payment Deficit
Gaza City	17%	ILS 529	ILS 391	ILS 138
North Gaza	13%	ILS 453	ILS 311	ILS 142
Middle Area	7%	ILS 604	ILS 298	ILS 306
Rafah	3%	ILS 385	ILS 243	ILS 142
Khan Younis	5%	ILS 410	ILS 256	ILS 154

FIGURE 8: RENTAL RATES VS RENT PAID PER MONTH, PER GOVERNORATE



⁹ An in-depth housing market study, with a larger sample of renters per governorate, would be needed to obtain a more robust indicator of actual rent costs and the rent payments deficit.

Water, Electricity and Heating

Table 3 below shows the common sources of water, electricity and heating across all participants. The large majority use the local public network for water and electricity, with no variance across different demographic groups. How families heat their households is more diverse, the majority using electrical or gas heaters, but again showed little variance across governorates or against the sex of heads of households. The public electricity network in Gaza experiences outages for six – 10 hours per day, on average, and as noted above, the water from the public network is largely not drinkable, so while the large majority are connected to these networks, this does not equate to sufficient access to these services. Mercy Corps and Oxfam reports found that many households instead purchase drinking and cooking water from water trucking companies or in bottles.

TABLE 3: SOURCES OF WATER, ELECTRICITY AND HEATING

Water	Public Network	Dug Well	Other	No Domestic Water	Makkarot Water	Private Tank	Communal Network
	96%	2.4%	0.7%	0.3%	0.3%	0.2%	0.2%

Electricity	Public Network	Other	No Electricity
	98%	1.2%	0.7%

Heating	Electricity	Gas	Wood/Coal	Other	Diesel
	42%	40%	12%	4%	1%

While the majority of participants live in apartments or houses, whether a family home or in rented accommodation, many participants are exposed to harm in various ways due to the circumstances surrounding their shelter. For example, 66 percent of renters report being at risk of eviction due to incomplete or late payments, ranging from 50 percent in Khan Younis to 74 percent in North Gaza and Rafah. Some of these cases are referred to the Shelter Cluster as part of the GPC referral mechanism. Across all shelter types and living arrangements, 39 percent report damage to their property (increasing to 43 percent among those living in houses), 44 percent with light damage, 48 percent with partial damage and 7% with high damage. A total of seven percent of participants live in what is here termed 'precarious housing', which is when their shelter is borrowed for free, the family is hosted for free or the family is squatting on waqf land or lives in a tent or makeshift shelter.

Members of the GPC field conducted the baseline vulnerability assessment using tablet devices and the CommCare data collection platform, initially in-person with participants until a second outbreak of COVID-19 led to assessments being conducted remotely over the phone.

Photo Credit: NRC



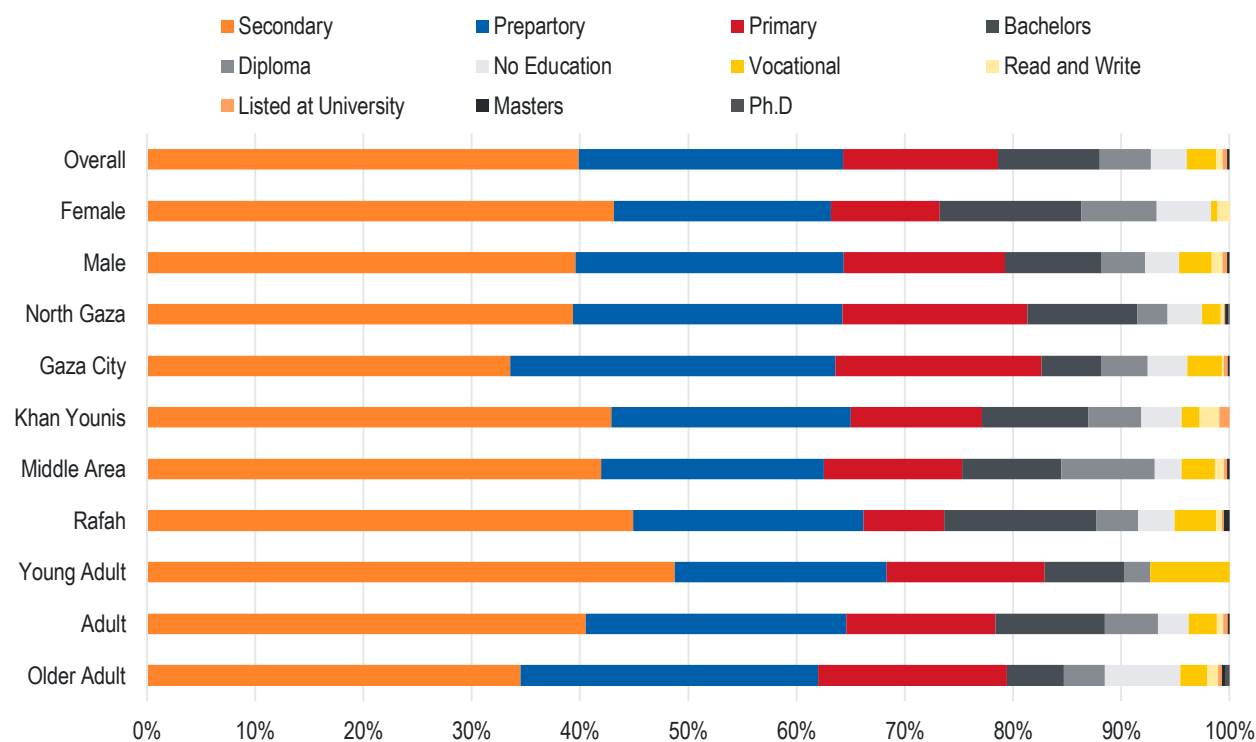
Education

Head of Household Education

Among Gaza's youth, school attendance is high. This is seen in the dataset through the extremely low rate of households reporting their children had dropped out of school, at two percent. However, among heads of households, the highest level of education varies. **Figure 9** shows educational completion among female- and male-headed households, between different age groups and across each governorate. The majority of households have completed at least secondary education, but 14 percent overall had only completed primary education, and four percent had no education or could only read and write. Less than one percent had completed postgraduate education (although nine percent had a bachelors' degree). These rates of completion mirror the Gaza rates reported by the PCBS.

The ratios of primary, preparatory (middle school) and secondary education do not vary too widely between governorates, or among female- and male-headed households, nor younger or older households. The notable rates are in Gaza City, which has lower rates of secondary completion, and elderly households, who have the lowest rates of secondary completion, the lowest rates of bachelors completion, and the highest rates of either no education or only being able to read and write (eight percent). Younger adult households have the highest rates of secondary completion.

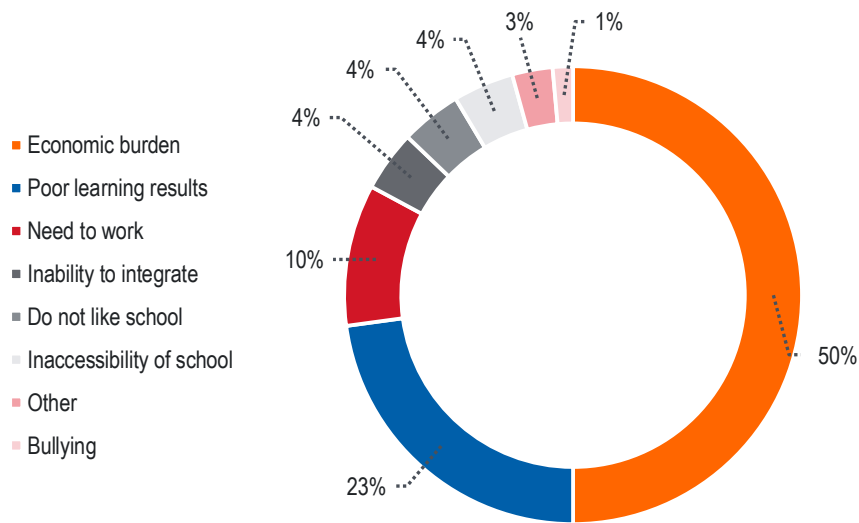
FIGURE 9: HEAD OF HOUSEHOLD LEVELS OF EDUCATION



Child Challenges: School Dropout, Neglect, Violence

Of the two percent of households that reported their children had dropped out of school, half indicated this was due to economic constraints (they could not afford uniforms, equipment and other materials), just under a quarter (23 percent) due to poor learning results and 10 percent because the children needed to work (note this is not the total figure for school-age children working, which is discussed below).

FIGURE 10: REASONS FOR DROPPING OUT OF SCHOOL



Although school dropout rates are low, 22 percent of households said their children faced challenges at home or at school on a regular basis (**Figure 11**). These ranged from being exposed to domestic violence between others in the household (30 percent of the challenges faced), neglect, violence at school and behavioural disorders. More problematic is the nine percent of households that say children in their household are directly exposed equally to verbal, physical and emotional violence (**Figure 12**).

FIGURE 11: CHILD CHALLENGES AT HOME AND SCHOOL

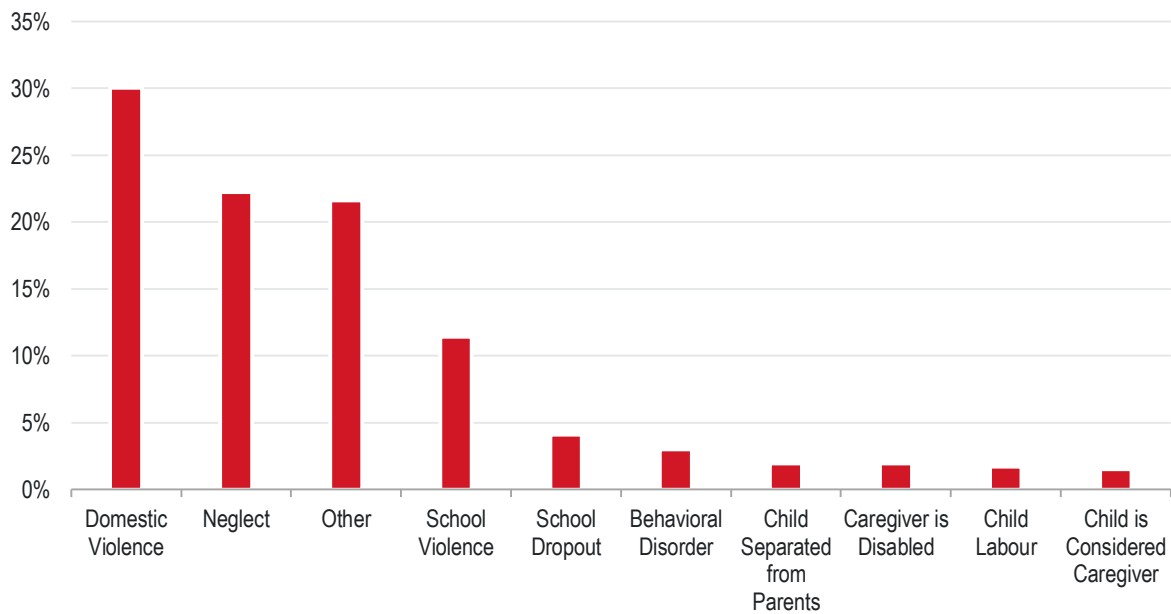
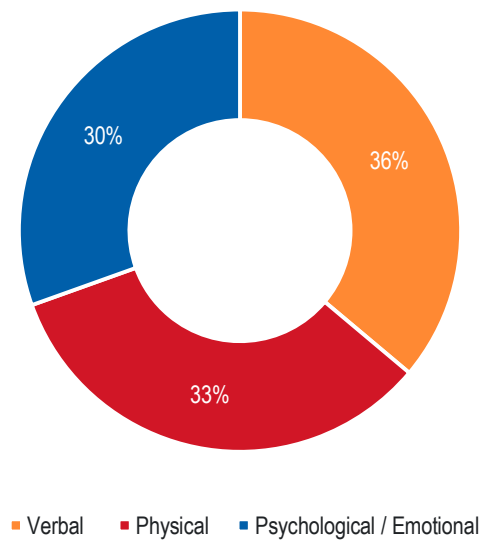


FIGURE 12: TYPES AND PREVALENCE OF CHILD EXPOSURE TO VIOLENCE



PROTECTION CASES

The GPC reviews the baseline data for households or family members who may be in need of additional assistance, beyond MPCA. This includes legal assistance from NRC’s ICLA team, as well as referrals to the Protection and Shelter Clusters.

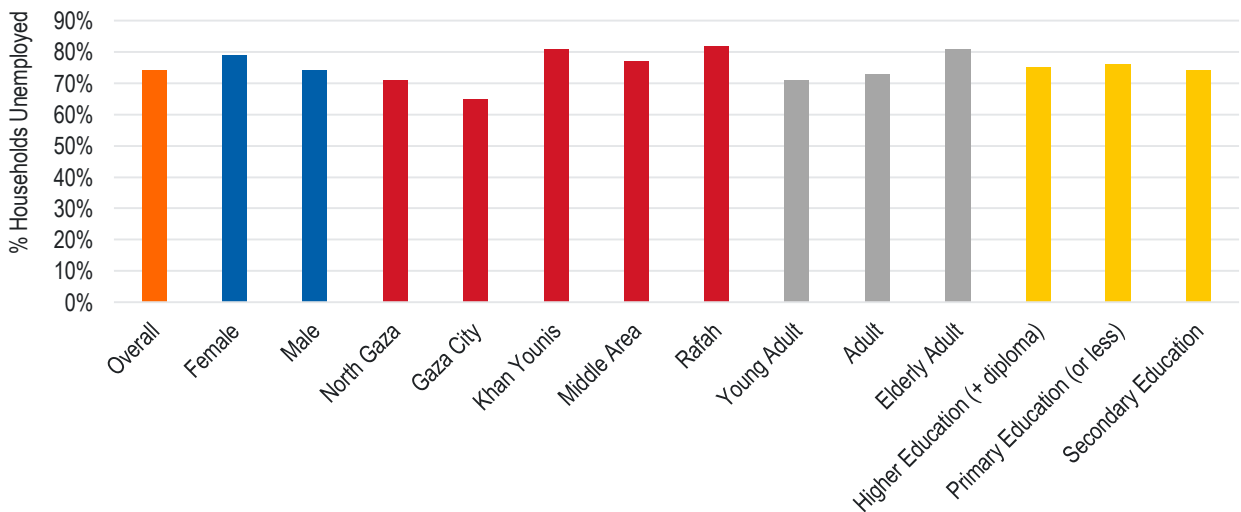
Household (un)Employment

Short-term Unemployment

The survey also included an in-depth module on household employment. This included a question on the number of working household members, as well as which members work (for example, male adults or female children), and the *type* of employment, or the main occupational sector. Among participating households, **the short-term unemployment rate is extremely high, at 74 percent**. This was found by asking how many members of each household had worked in either temporary or regular employment over the previous 30 days¹⁰.

The unemployment rate is lowest in Gaza City, at 65 percent, and highest in Rafah, at 82 percent. As shown in **Figure 13**, the level of education of the head of household has little impact on the short-term unemployment rate. Of the households that do have work, 22 percent have temporary employment (for example, daily or seasonal work) and **four percent have regular employment**. It should be noted that there is a difference between the household employment rate and economic participation. Across all households, 93 percent of those with work are males between 18 – 59, and only four percent are females between 18 – 59 (even though 21 percent of female-headed households have working members). Two percent are children between six – 17.

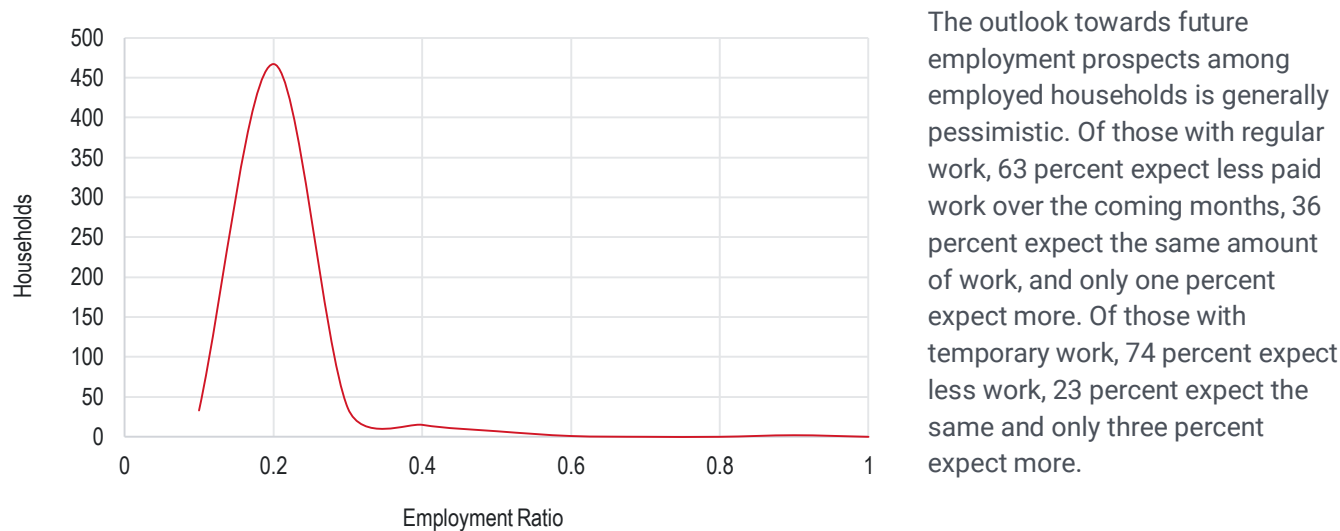
FIGURE 13: SHORT-TERM UNEMPLOYMENT AMONG DEMOGRAPHIC GROUPS, EDUCATIONAL ATTAINMENT, AND PER GOVERNORATE



Another way of looking at employment is using the *employment ratio*. This measures employment *within the household*. As an example, an employment ratio of 0.5 would mean 50 percent of the adults in the household have work. The average employment ratio across all participating households is 0.06, which includes the 74 percent of households with a ratio of 0.0. However, among those with working members, the average ratio is 0.18 (i.e., almost 20 percent of household adults have work). Only two percent of households have a ratio of 0.5 or greater. The Gaza-level distribution of *positive* employment ratios is shown in **Figure 14** below.

¹⁰ This differs from the PCBS unemployment rate, which is the percentage of unemployed working-age individuals.

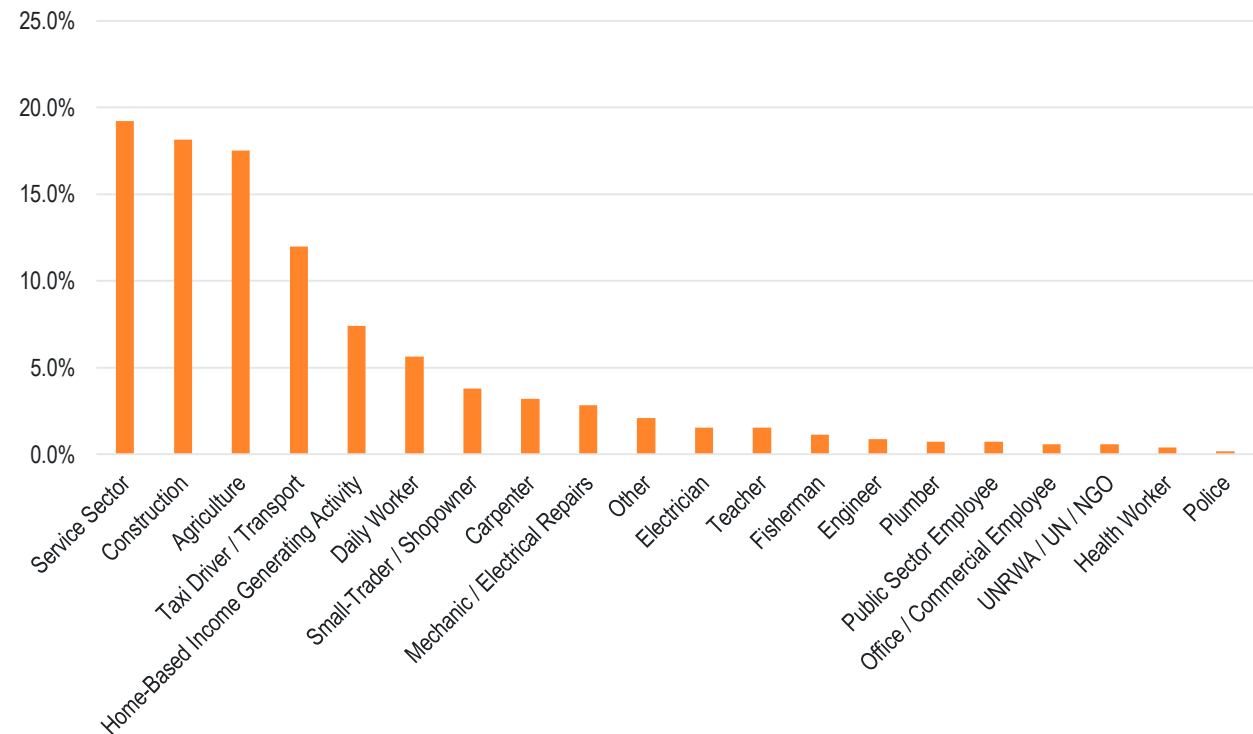
FIGURE 14: GAZA DISTRIBUTION OF HOUSEHOLD EMPLOYMENT RATIO



Household Occupations

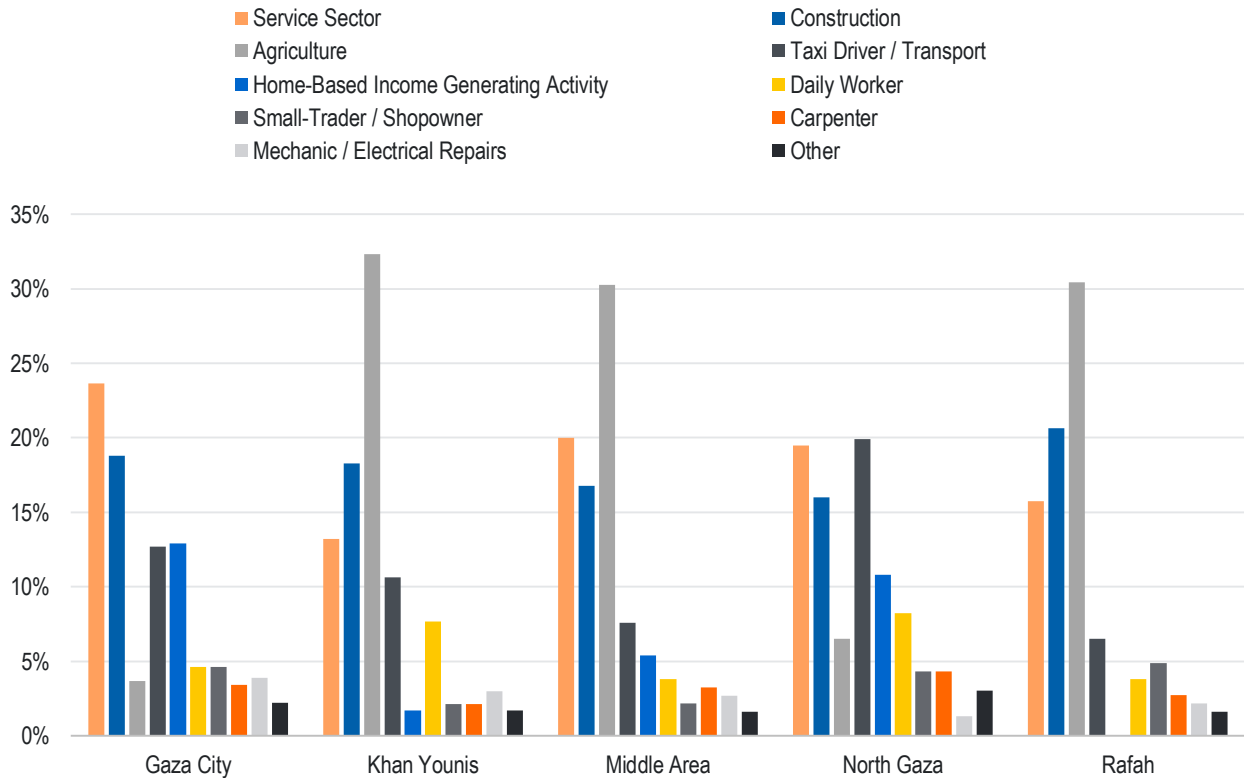
For those with work (26 percent of households), or those currently without work but with prior work experience or training, the most common occupations in Gaza are within the service sector, closely followed by the construction, agriculture and transportation sectors.

FIGURE 15: MOST COMMON HOUSEHOLD OCCUPATIONS, ACROSS GAZA



When disaggregated by governorate, shown in **Figure 16**, the most common occupations vary. Baseline participants in Khan Younis, Middle Area and Rafah predominantly work (or have past experience) in agriculture, ranging from 30-32 percent of households, high compared to the four percent in Gaza City and six percent in North Gaza. All governorates have similar levels of construction work, similar levels of small traders (for example, street stall sellers) and small shop owners and fairly similar numbers of those listing their occupation as ‘daily worker.’ This is a catch-all term for those who may have certifications or specific training in a particular sector or line of work, but currently take any work available, on daily wage rates.

FIGURE 16: MOST COMMON HOUSEHOLD OCCUPATIONS, PER GOVERNORATE



Household Cash-Flow

Income and Expenditure

The baseline assessment also sought to understand present levels of income and expenditure among participating households. It did this with an income module, which determined the amount of monthly income earned or obtained from a range of different sources of income, and an expenditure module, which determined how much households spend on a range of different goods and services.¹¹

¹¹ The expenditure module used was recommended by WFP and is very similar to that used by PCBS. The majority of expenses in the module have a 30-day recall period, but others, such as expenditure on education, productive assets, furniture and vehicles, have a three-month recall period. These longer recall expenses are disaggregated into monthly totals.

The households participating in the baseline overwhelmingly rely on informal and unreliable sources of income. In the survey, households could select multiple sources of income and the amount they receive from each. **Figure 17** below shows the most common sources of income across all participating households. Cash assistance, whether from the MoSD, UN agencies or NGOs, is the most common source of income. Many also rely on support from their community, friends and family. Income from temporary or daily labour was the third most common, underlining the employment crisis in Gaza. Having a regular salary, from the private or public sectors, was very infrequently mentioned as a source of income.

FIGURE 17: MOST COMMON SOURCES OF HOUSEHOLD INCOME

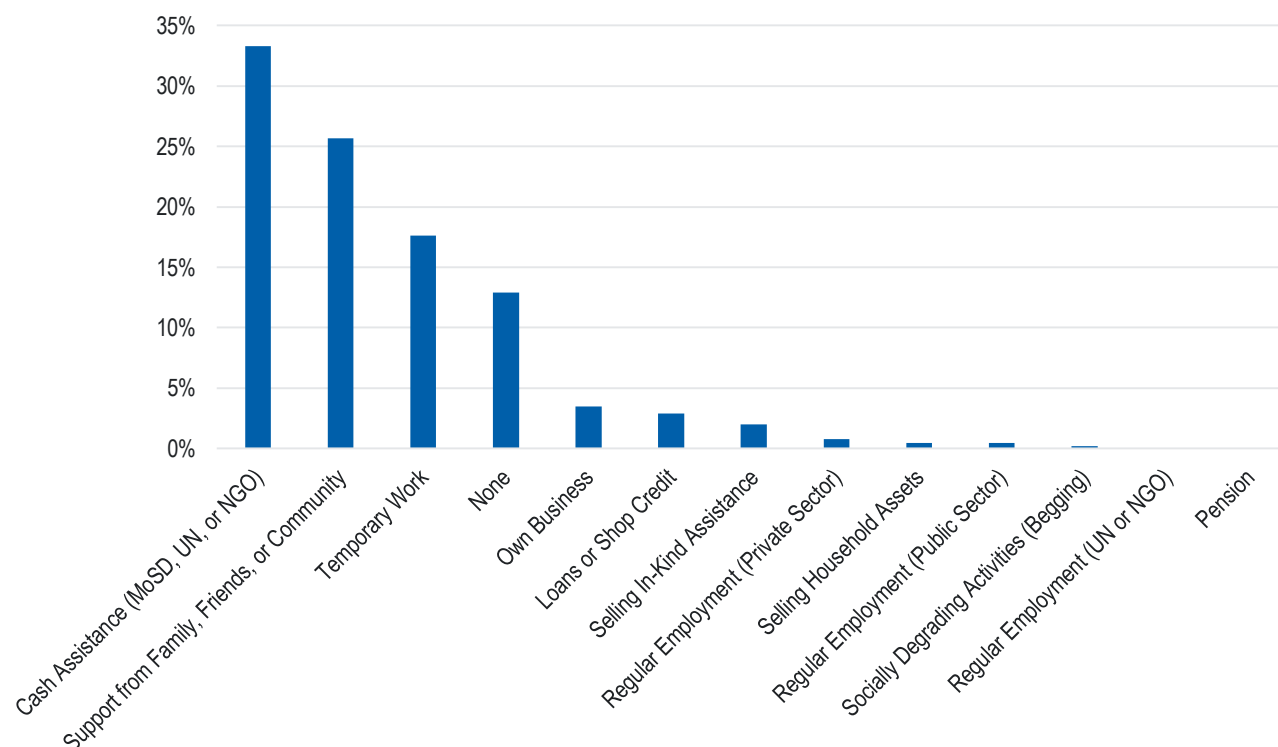


TABLE 4: AVERAGE INCOME PER SOURCE, PER MONTH

Income Source (in order of most common)	Average per Month
Cash Assistance (MoSD, UN, or NGO)	ILS 481
Support from Family, Friends, or Community	ILS 280
Temporary Work	ILS 311
Own Business	ILS 396
Loans or Shop Credit	ILS 717
Selling In-Kind Assistance	ILS 120
Regular Employment (Private Sector)	ILS 728
Selling Household Assets	ILS 874
Regular Employment (Public Sector)	ILS 993
Socially Degrading Activities (Begging)	ILS 150
Regular Employment (UN or NGO)	ILS 400
Pension / Retirement Fund	ILS 1,800

As shown in **Table 4**, the higher monthly incomes are from retirement pensions (note: this was the primary source of income for just a handful of households), regular salaries, loans, and selling assets. However, income from the latter two may fluctuate month-to-month more than regular salaries and income. The most common sources of income have lower averages. Note: the averages in the table exclude zero values.

Average monthly household income is ILS 382 (€98), meaning an approximate annual income of ILS 4,584 (€1,178). This is extremely low, and far below the Gaza minimum wage of ILS 1,450. While self-reported income can be bias-prone, it is close to the ILS 390 average reported in Mercy Corps’ 2019 baseline assessment, which lends robustness to this average. There is also notable inequality even within a dataset of poor and vulnerable households, with the highest-earning 10 percent taking home more than 25 times the lowest-earning 10 percent. **In total, just four percent of households report monthly incomes above the Gaza minimum wage.** Monthly income at the 20th percentile is just ILS 200 (€51), and is the criteria for having a ‘low income’ in the analysis below. The percentile and band distributions are shown in **Figures 18a** and **18b**.

FIGURE 18A: MONTHLY HOUSEHOLD INCOME DISTRIBUTION (PERCENTILES)

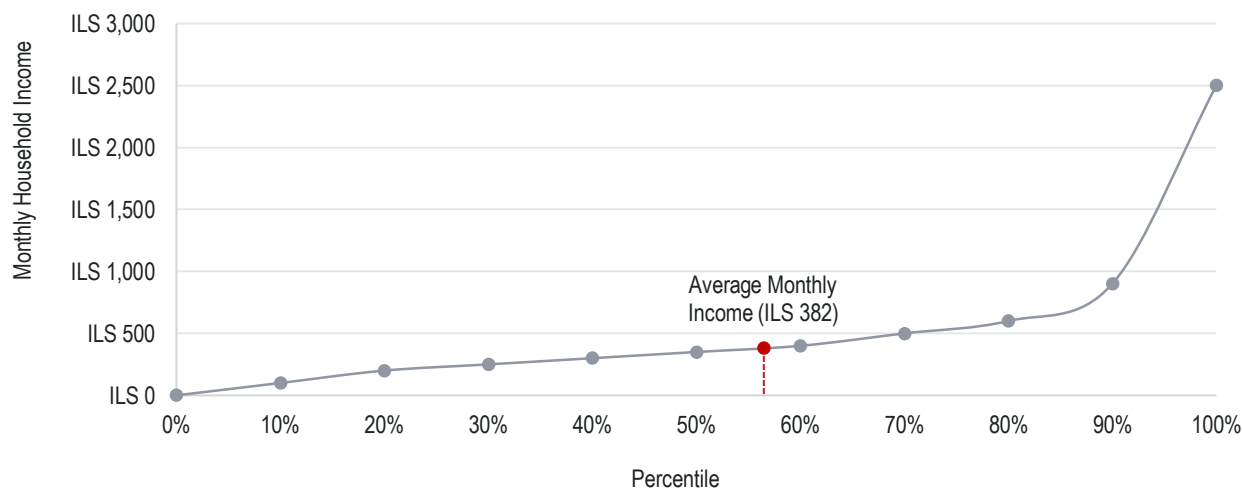
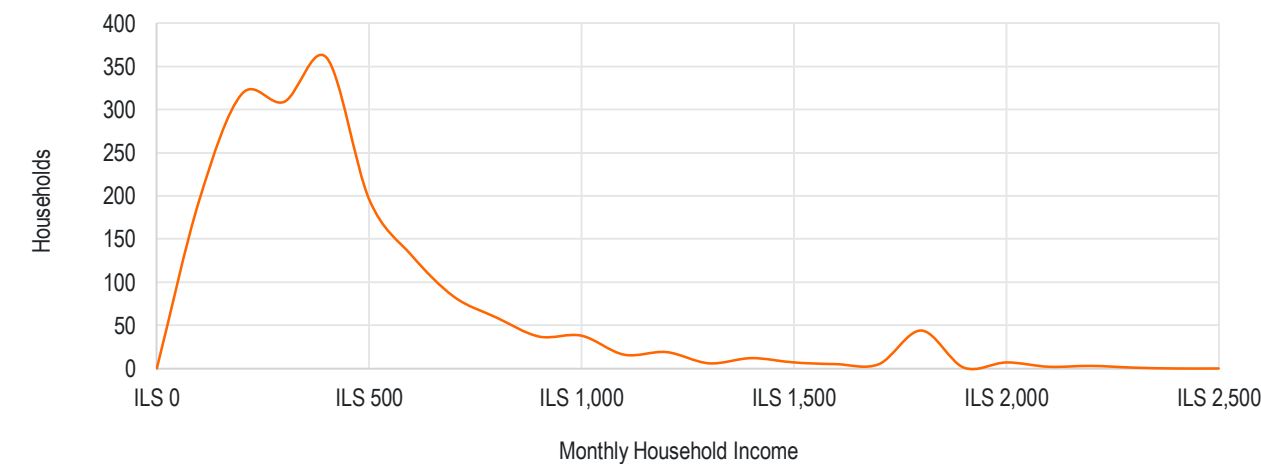
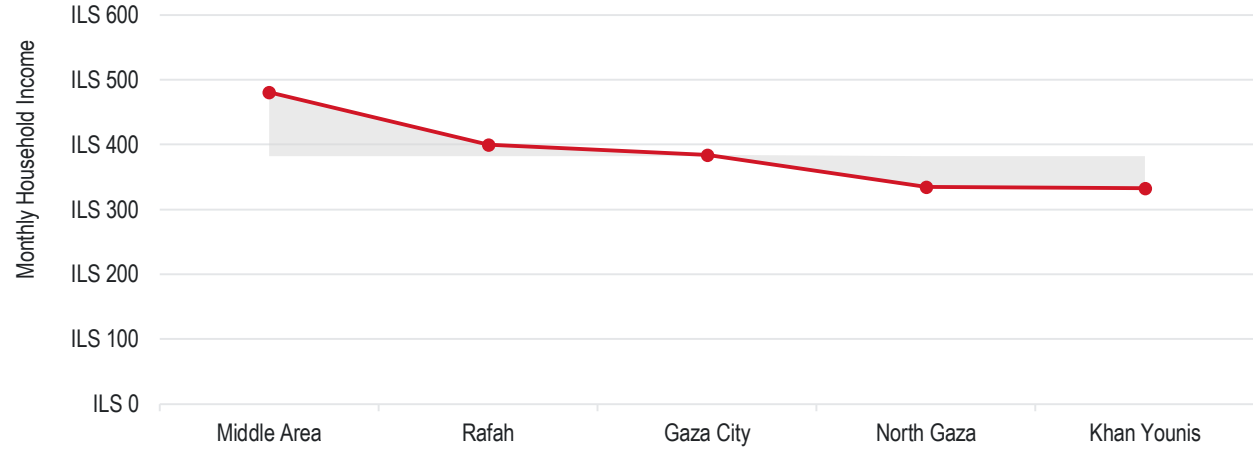


FIGURE 18B: MONTHLY HOUSEHOLD INCOME DISTRIBUTION (BANDS)



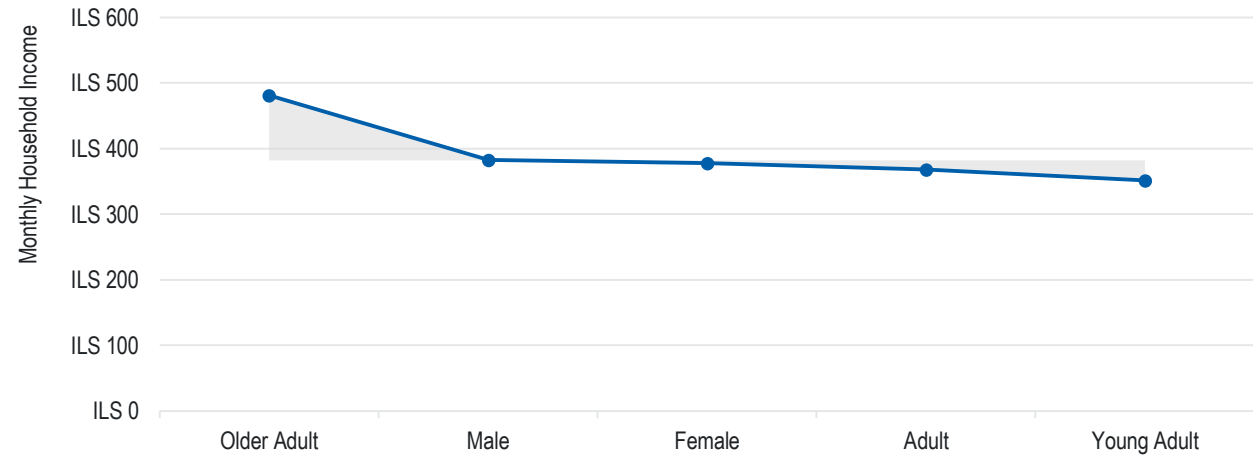
Average monthly income varies between governorates, and between different demographic and socioeconomic subgroups. Some of these subgroups, such as ‘having a regular income’, are small in number (fewer than 100 households), meaning the averages carry a larger margin of error. As shown in **Figure 19a**, at ILS 481 households in Middle Area earn the highest monthly income, 26 percent higher than average and 44 percent higher than households in Khan Younis, which have the lowest monthly incomes.

FIGURE 19A: MONTHLY HOUSEHOLD INCOME PER GOVERNORATE, WITH VARIANCE FROM AVERAGE



Female- and male-headed households have monthly incomes very close to the average, with female-headed households earning slightly less (this reverses with per capita incomes, presented below). Older adult households have the highest monthly incomes (ILS 481), and young adults have the lowest at an average ILS 351 per month.

FIGURE 19B: MONTHLY HOUSEHOLD INCOME AMONG DEMOGRAPHIC GROUPS, WITH VARIANCE FROM AVERAGE



There is larger variance among different socio-economic groups, as shown in **Figure 19c**. Perhaps unsurprisingly, those with a regular income (who receive a regular salary from the private, public or UN / NGO sectors, or a pension) earn more than double the average income each month; those who own real estate and those with large households (nine or more members) also have above-average incomes. On the other end of the spectrum, unemployed households, those with ‘poor’ food consumption scores (FCS) and those with high rates of consumption-based coping strategy use (the reduced Coping Strategy Index, or rCSI) have the lowest incomes, the latter two earning around 30 percent less than average. There is a 0.23 correlation between monthly income and the household FCS, using Spearman’s ρ , suggesting, intuitively, the higher the income, the higher the consumption score.

FIGURE 19C: MONTHLY HOUSEHOLD INCOME AMONG SOCIOECONOMIC GROUPS, WITH VARIANCE FROM AVERAGE

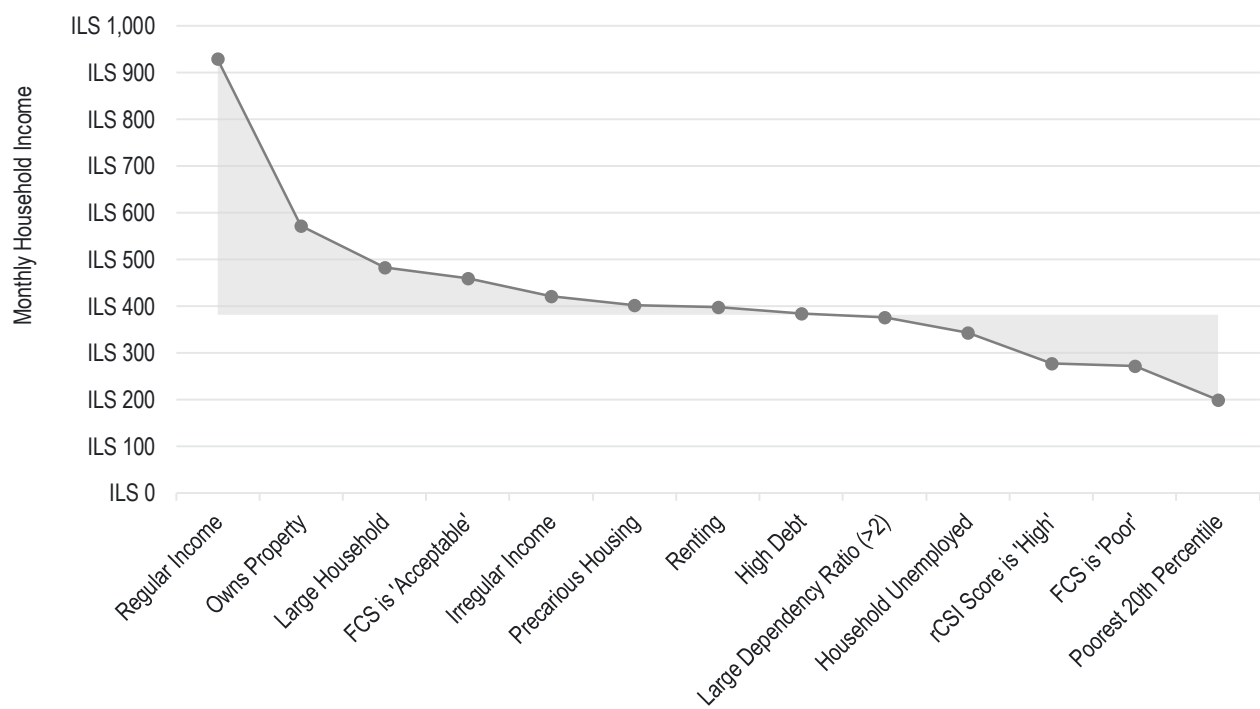
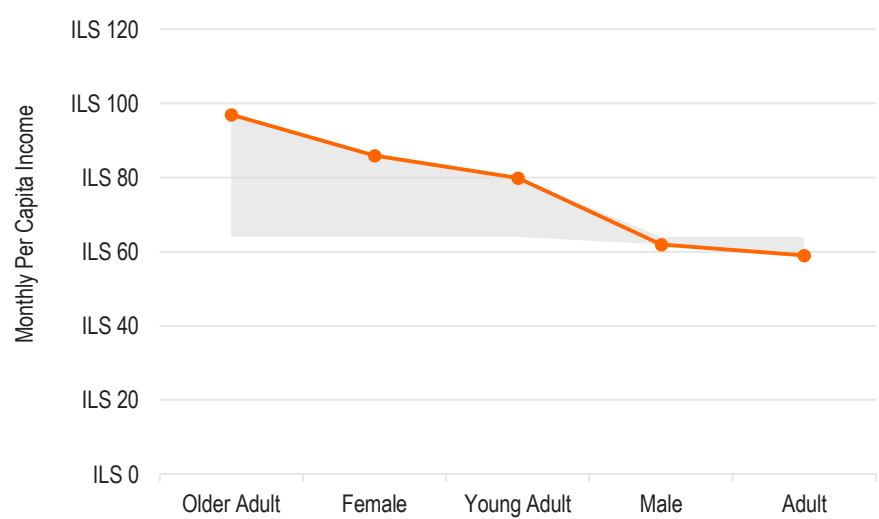


FIGURE 20A: MONTHLY PER CAPITA INCOME AMONG DEMOGRAPHIC GROUPS, WITH VARIANCE FROM AVERAGE

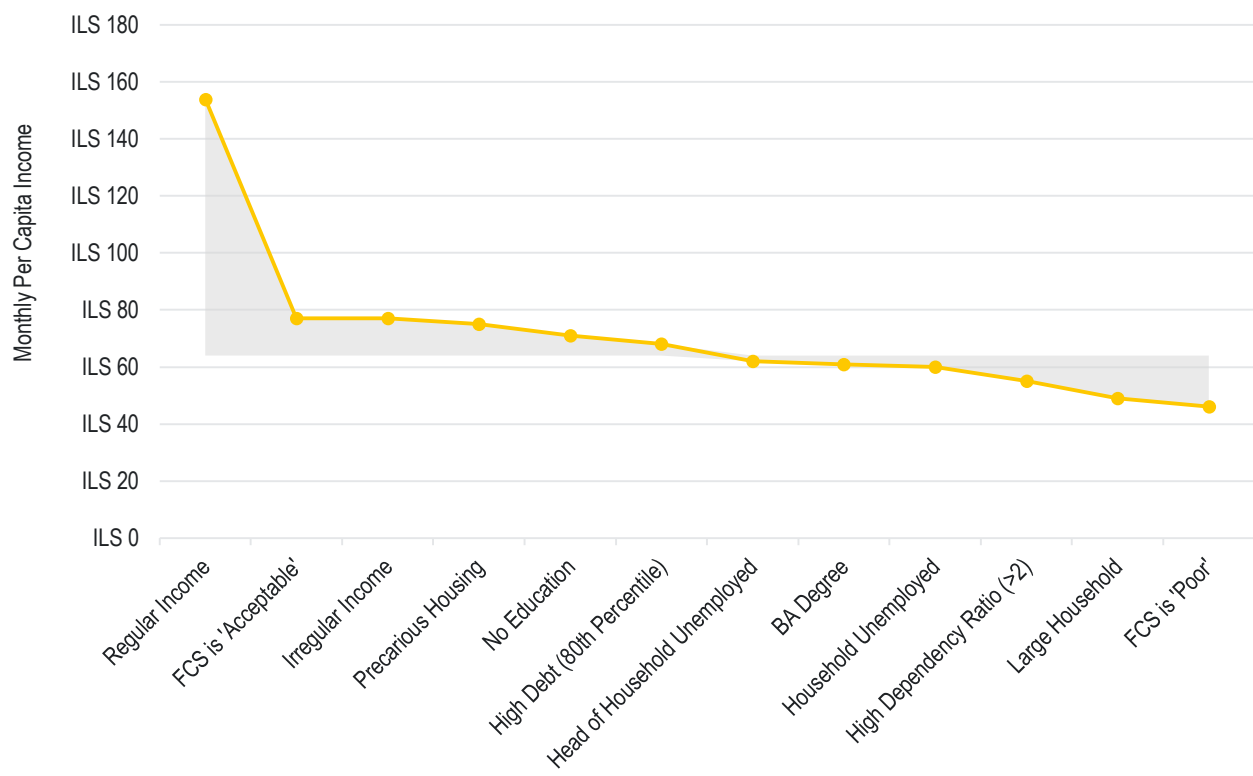


Per capita monthly income was also calculated for the same demographic and socio-economic subgroups, and for each governorate. Measured in per capita terms, male and adult per capita incomes vary very little from the average of ILS 64 (€16). However, because they have smaller households, female-headed and young adult households have above-average per capita incomes (**Figure 20a**).

Among different socio-economic subgroups, at the higher and lower extremes, monthly per capita income reflects monthly household income. Not surprisingly, those with a regular salary earn the most, and those with poor Food Consumption Scores earn the least. Large dependency ratios also result in below-average per capita incomes (but less so at the household level).

That households in which the head has completed no education have *higher* per capita incomes than those with B.A. degrees is likely due to the fairly small sample of the former, and the fact that much of the available work in Gaza does not formally require high levels of education. It further evidences the relatively little impact education has on earnings in Gaza, at least among more vulnerable households. Although not presented here for reasons of space and scope, among the common occupational sectors, the monthly per capita income mirrors that of the household income, with those in the service sector earning above average incomes (household average of ILS 447) and those in agriculture earning 30% less than the average (ILS 295).

FIGURE 20B: MONTHLY PER CAPITA INCOME AMONG SOCIOECONOMIC GROUPS, WITH VARIANCE FROM AVERAGE



Average monthly household expenditure is ILS 726, far below the household deep poverty line of ILS 1,974. The monthly average did not differ significantly between female- and male-headed households, with female-headed households spending approximately six percent less per month (ILS 689 / €177) than male-headed households (ILS 729 / €187). However, between governorates there is a larger variance, with residents of Middle Area spending the most, and residents of Khan Younis and Rafah spending the least (**Figure 22a**).

Similarly, there was considerable variance in monthly expenditure between different socio-economic subgroups. As with income, those who own property and have access to a regular income spend the most, and those with 'poor' FCS and those residing in precarious housing spend the least. However, with monthly expenditure, the distances from the average are smaller than with income: the lowest-spending households spend approximately 14 percent less than average expenditure, compared with *earning* 30-35 percent less than the average income (**Figure 22b**). This suggests that, irrespective of income, there is a minimum a household must spend in order to survive.

FIGURE 21A: MONTHLY HOUSEHOLD EXPENDITURE DISTRIBUTION (PERCENTILES)

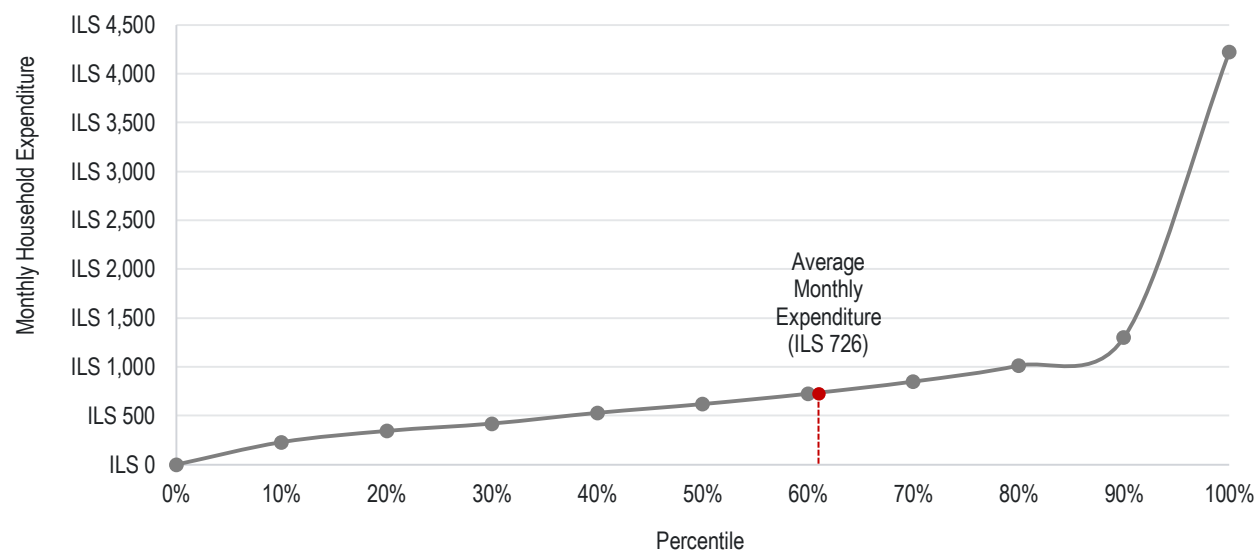


FIGURE 21B: MONTHLY HOUSEHOLD EXPENDITURE DISTRIBUTION (BANDS)

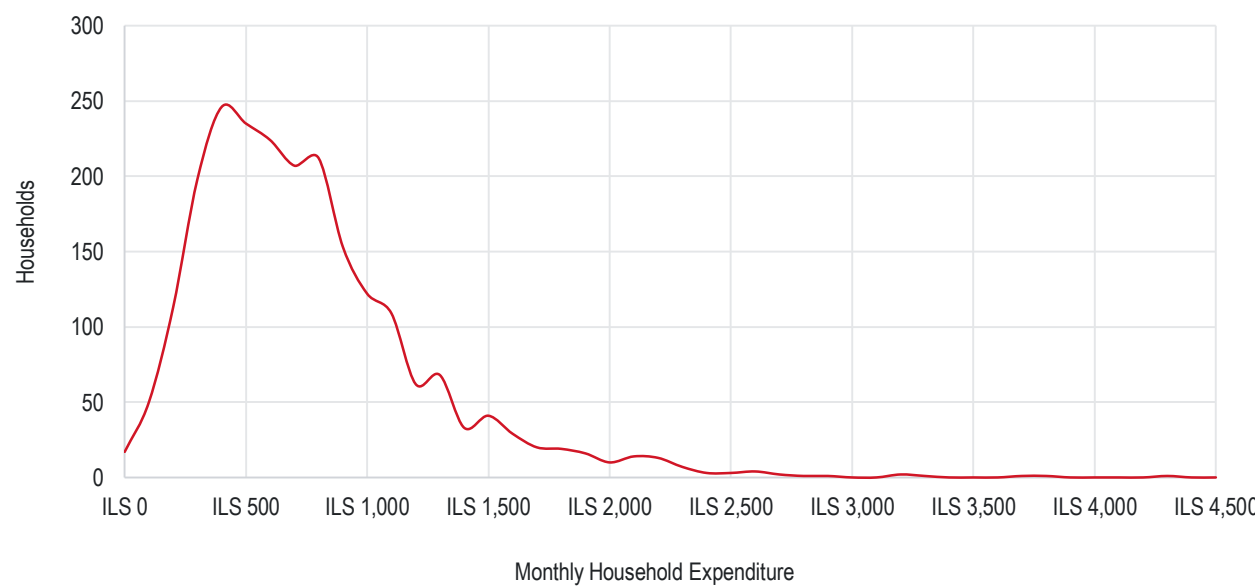


FIGURE 22A: MONTHLY HOUSEHOLD EXPENDITURE PER GOVERNORATE, WITH VARIANCE FROM AVERAGE

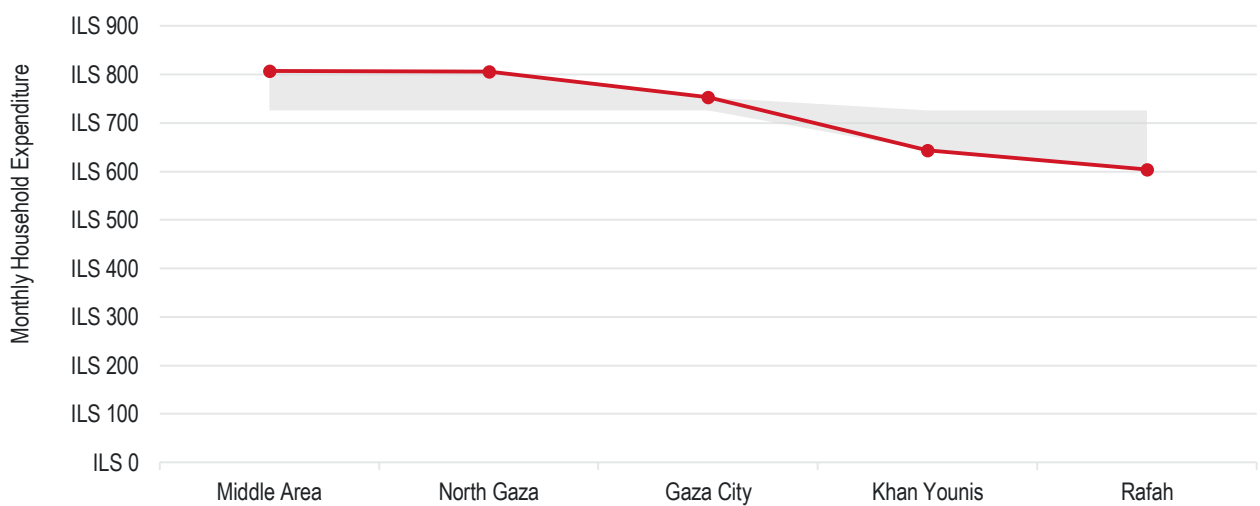
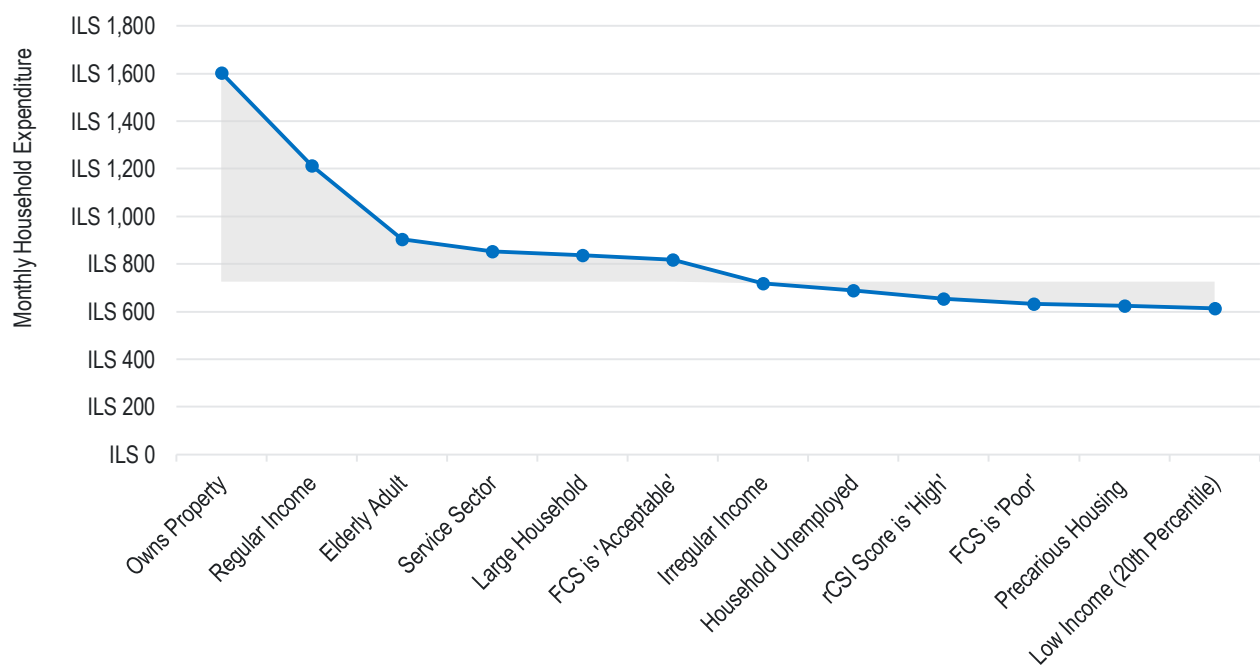
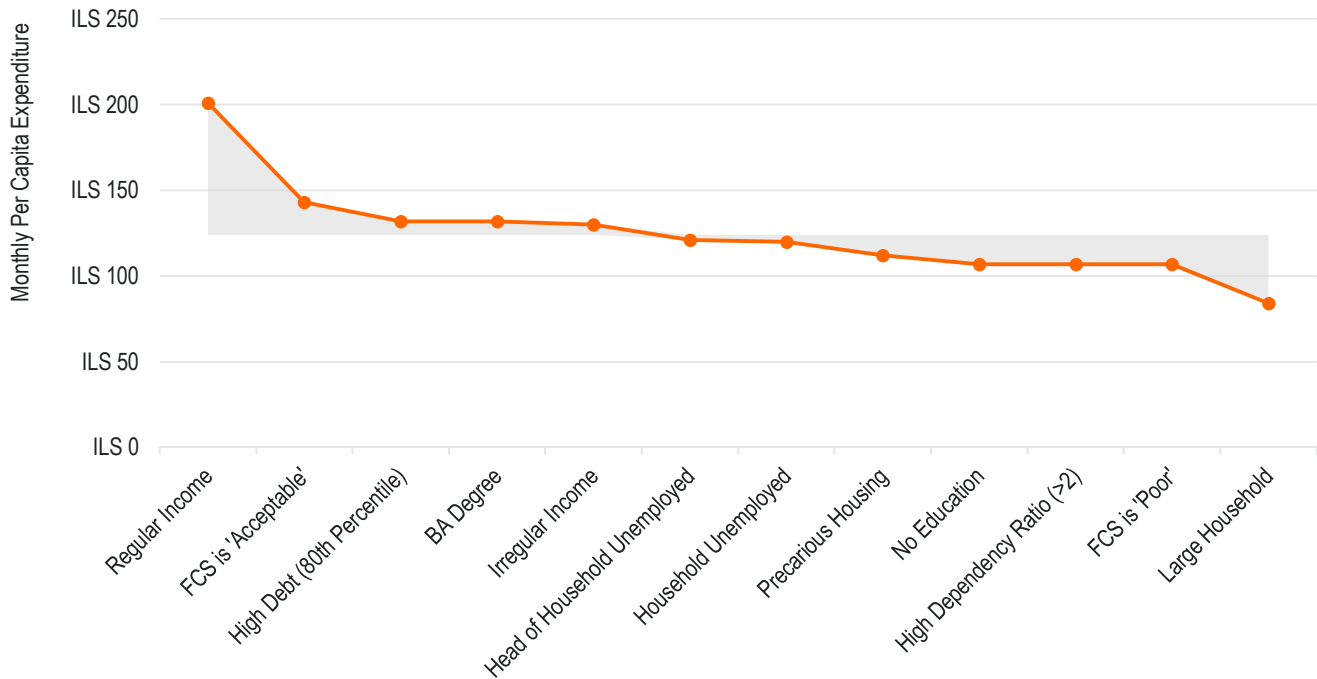


FIGURE 22B: MONTHLY HOUSEHOLD EXPENDITURE AMONG SOCIOECONOMIC GROUPS, WITH VARIANCE FROM AVERAGE



As with income, per capita expenditure generally reflects household expenditure. Average per capita expenditure is ILS 124 (€32) per person, per month. Female-headed households likewise have a considerably higher average per capita expenditure than male-headed households, at ILS 161 compared to ILS 121. Per capita expenditure among different socio-economic subgroups is shown in **Figure 23** below.

FIGURE 23: MONTHLY PER CAPITA EXPENDITURE AMONG SOCIO-ECONOMIC SUBGROUPS, WITH VARIANCE FROM AVERAGE



Breaking down the average monthly household budget, the majority of expenditure goes towards food (41 percent) and debt repayment (16 percent). Expenditure on household needs, such as drinking water and non-food items, and on personal care, including hygiene items, is relatively low (8 percent combined). This indicates that these needs are mostly going unmet, and that essentials such as food and healthcare are being prioritised over these other basic needs.

Table 5 shows the percentage breakdown of the full household expenditure module for the whole dataset, male-headed households, female-headed households and for each governorate.



SEASONALITY

When in the year an expenditure survey is carried out can affect how households spend. While spending on things like food and healthcare are likely to be more consistent month to month, or vary according to circumstance, spending on electricity, fuel, education, and clothing, for example, may vary significantly by season – e.g., spending on energy and warmer clothing may increase in winter months, and spending on education might be higher at the start of the academic year. The average spending shown here reflects a snapshot that will be monitored over the course of the program.

TABLE 5: MONTHLY HOUSEHOLD EXPENDITURE

Expenditure Category	Average	Female	Male	North Gaza	Gaza City	Khan Younis	Middle Area	Rafah
Food	41% / ILS 376	42%	41%	43%	45%	45%	29%	39%
Debt Repayment	16% / ILS 146	10%	16%	14%	17%	12%	13%	25%
Health	9% / ILS 87	12%	9%	12%	9%	7%	10%	9%
Education	7% / ILS 64	9%	7%	6%	7%	11%	5%	6%
Clothing & Shoes	5% / ILS 48	4%	5%	5%	4%	5%	7%	5%
Household Needs (e.g., water, bedding)	5% / ILS 43	5%	5%	2%	4%	4%	9%	5%
Energy (electricity / Fuel)	4% / ILS 32	4%	3%	5%	3%	4%	2%	3%
Housing	3% / ILS 25	4%	3%	3%	3%	2%	4%	1%
Transport	3% / ILS 25	4%	3%	3%	2%	3%	4%	2%
Cigarettes	2% / ILS 19	2%	2%	2%	2%	2%	3%	2%
Personal Care (e.g., hygiene products)	2% / ILS 18	3%	2%	2%	2%	2%	2%	2%
Productive Assets	2% / ILS 14	0%	2%	0%	0%	0%	8%	1%
Home Appliances	1% / ILS 7	1%	1%	0%	1%	0%	2%	0%
Communications	1% / ILS 6	1%	1%	1%	1%	1%	1%	0%
Durable Goods	1% / ILS 5	0%	1%	0%	0%	1%	1%	0%
Furniture	0.2% / ILS 2	0.1%	0.3%	0.2%	0.1%	0.1%	1%	0%
Cultural / Recreational	0.2% / ILS 1	0.2%	0.2%	0.1%	0.1%	0.3%	0.3%	0%
Vehicles	0.2% / ILS 1	0.0%	0.2%	0.0%	0.1%	0.1%	0.5%	0%

Figures 24 and 25 show monthly expenditure on the most common goods and services for different demographic and socio-economic groups. With a couple of exceptions, households spend between 33 – 49 percent of their monthly budget on food. While not considered ‘very high’ according to WFP’s food security indicators¹² food is by far the largest monthly expense, which goes some way to explaining the generally acceptable food consumption scores presented below. Just over 60 percent of households spend at least half their monthly budget on food. Debt repayment is more consistent, the outliers being young adult households (spending the least) and households in Rafah (spending the most). Expenditure on healthcare varies from 10 – 16 percent of the average monthly budget. Around 40 percent of households spend more than 10 percent, which is considered ‘catastrophic health spending’ by the World Health Organisation¹³, and is an indicator of financial hardship as it suggests households must choose between spending on healthcare over other basic needs. Further, average monthly spending on health increases to 16 percent among households whose head has a disability.

¹² Mathiassen, I., et al (2017) *Conducting Food Security Assessments using Household Expenditure Surveys (HES)*, VAM Guidance Paper, World Food Programme, Rome.

¹³ World Health Organisation (2019) *Global Spending on Health: A World in Transition*, Geneva.

Households in Middle Area and those with regular incomes have the most diverse expenditure, spending less on food and more on productive assets and housing, respectively. Perhaps unsurprisingly, households that rent their shelter spend 14 percent of their budget per month on housing, compared with 3 percent on average.

FIGURE 24: MONTHLY HOUSEHOLD EXPENDITURE AMONG DEMOGRAPHIC GROUPS AND PER GOVERNORATE

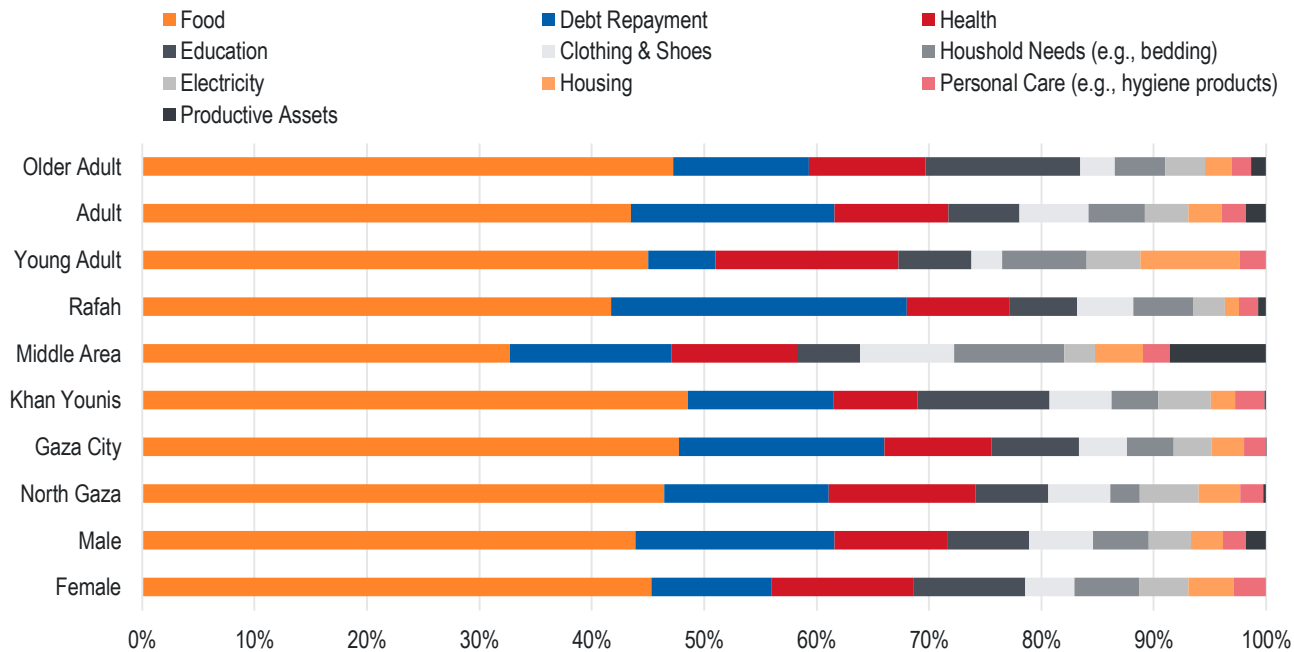
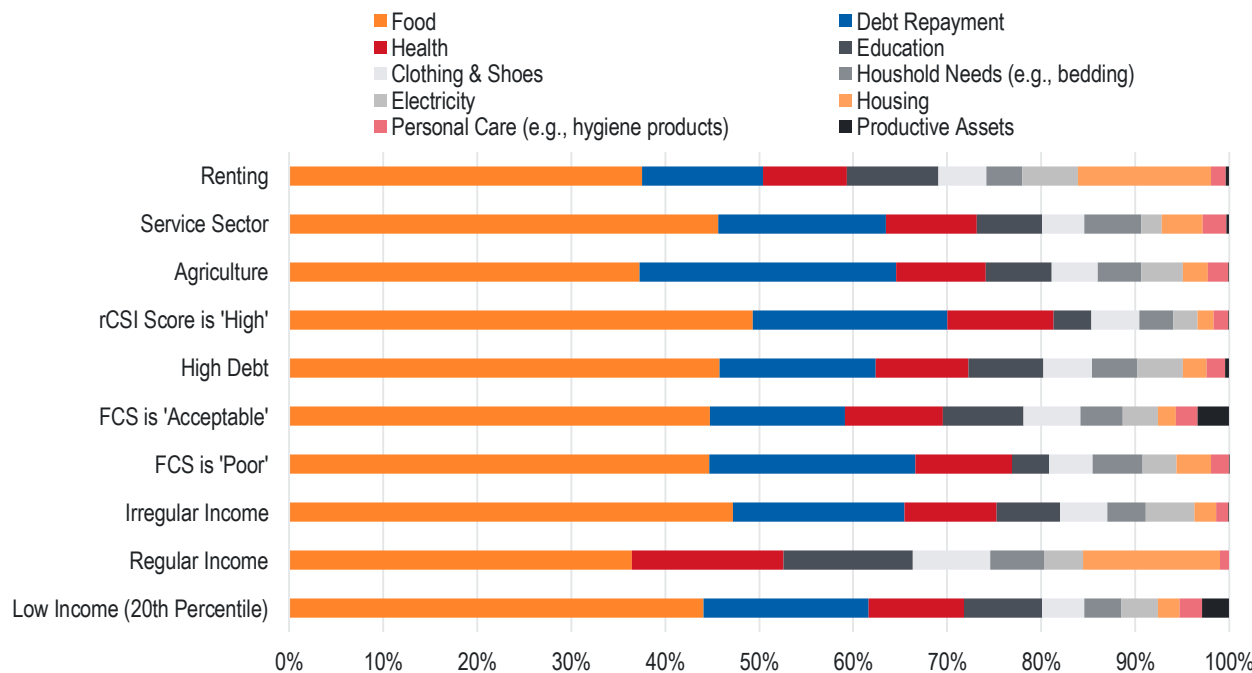


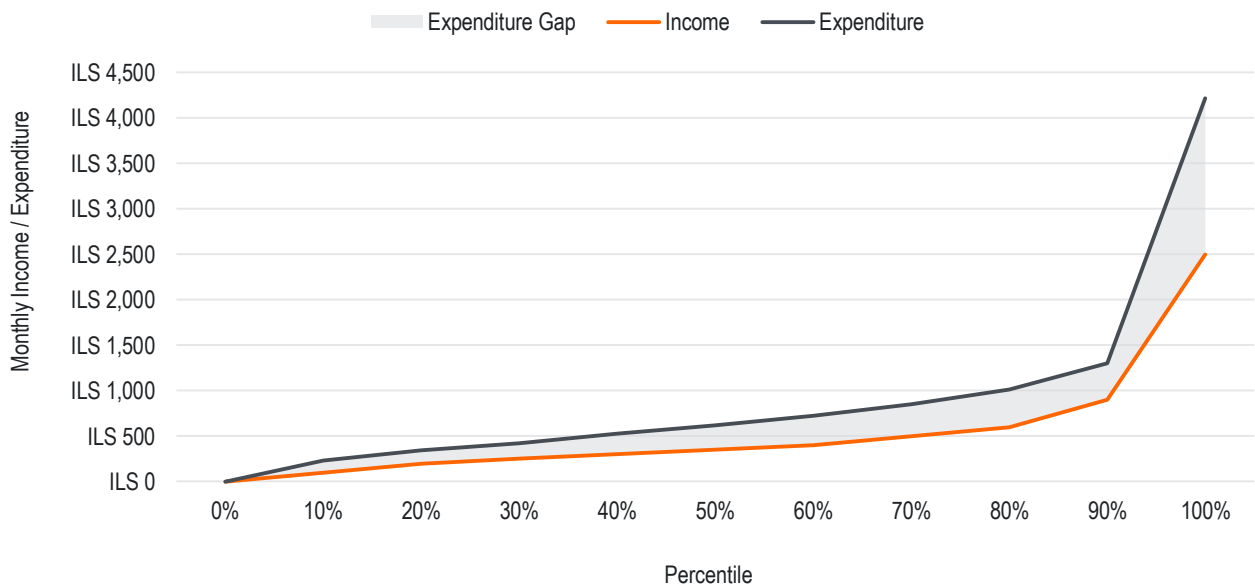
FIGURE 25: MONTHLY HOUSEHOLD EXPENDITURE AMONG SOCIO-ECONOMIC GROUPS



The Expenditure Gap

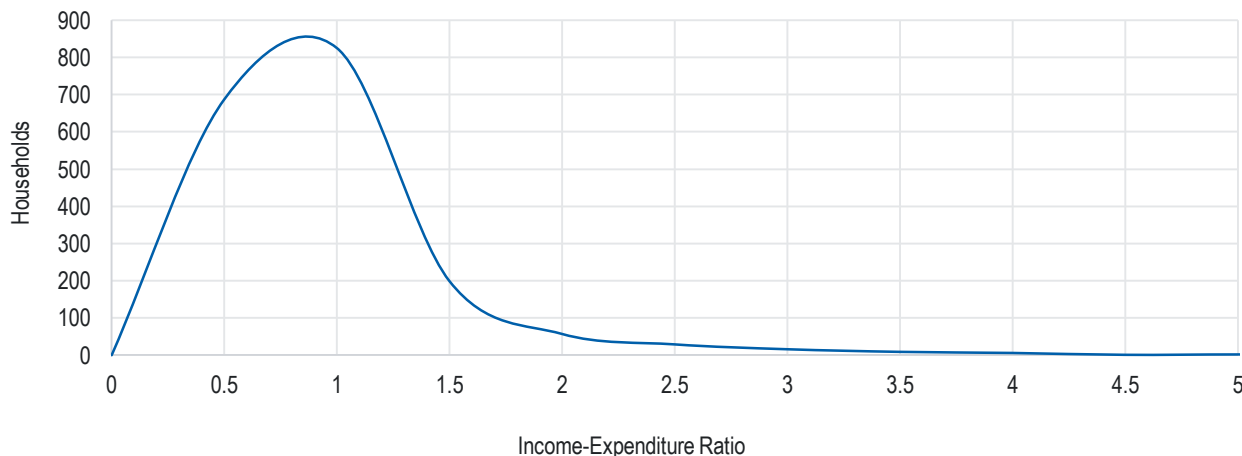
The preceding section shows how households live with a persistent gap between income and expenditure, which is at least partly met by incurring debt and partly by resorting to coping strategies that seek remuneration (such as selling assets or in-kind assistance). This gap can be seen at every decile of income and expenditure distributions, shown below in **Figure 26**, and through the income-expenditure ratio (IER), shown in **Figure 27**.

FIGURE 26: THE EXPENDITURE GAP



Looking at the IER, households currently spend €1 for every 77 cents of income (an average IER of 0.77). More than three-quarters of households need to spend more than they earn each month, which is a large enough proportion of baseline participants to generate the expenditure gap at each decile of the distributions. In currency terms the average expenditure gap, across all households, is ILS 279 (€72).

FIGURE 27: INCOME-EXPENDITURE RATIO DISTRIBUTION (BANDS)



Household Debt

The Scale of Indebtedness

The baseline data suggests that the lack of opportunities for employment in Gaza, and the consequent reliance on informal and unreliable sources of *inadequate* income, is driving significant household indebtedness. As will be shown below, this debt is used primarily to finance meeting basic needs, not investment. Among all baseline participants, **90 percent are carrying debt, with an average total debt of ILS 10,173 (€2,615)**. This amounts to around 2.2 times the annual income (a debt-to-income (DTI) ratio of 2.2:1). Almost a fifth of households have debts larger than the ILS 10,173 average. Further, **65 percent of households made no debt repayments in the preceding month**. At current repayment rates (for those able to make repayments), and without incurring additional debt or receiving further assistance, **it would take the average household six years, or 70 months, to repay their debt**.

The distribution of household debt, however, is extremely skewed. As shown in **Figure 28a**, the average debt is considerably larger than the median debt of ILS 3,000 (€771). The value of debt at the 95th percentile is ILS 30,000 (more than 90% of households carry less debt than this). When the data is capped at the 95th percentile, the average debt drops to ILS 5,056 (€1,306), which is still slightly larger than the average annual income. This shows how the value of the debts above the 95th percentile skews the data considerably. The percentile distribution is shown in **Figure 28b**, which needed a logarithmic y axis to be legible (nearly four percent of households had debts in excess of ILS 100k; all data here are capped at ILS 1m).

What is clear in the data, and will be discussed further in the section on negative coping strategy use below, is that debt represents a significant issue for vulnerable Gazan households **and is considered crisis borrowing**. Lacking adequate incomes – or debt serviceability – **debt acts as an informal social safety net**. While a DTI ratio of 2:1 is not considered problematic in high-income countries – where debt is largely formal and used for investment or hire purchases – when the debt is used primarily to finance meeting basic needs, it is significant. One quarter of households who are in debt report being at risk of imprisonment, and 23 percent report not feeling safe in their area.

FIGURE 28A: TOTAL HOUSEHOLD DEBT DISTRIBUTION (BANDS)

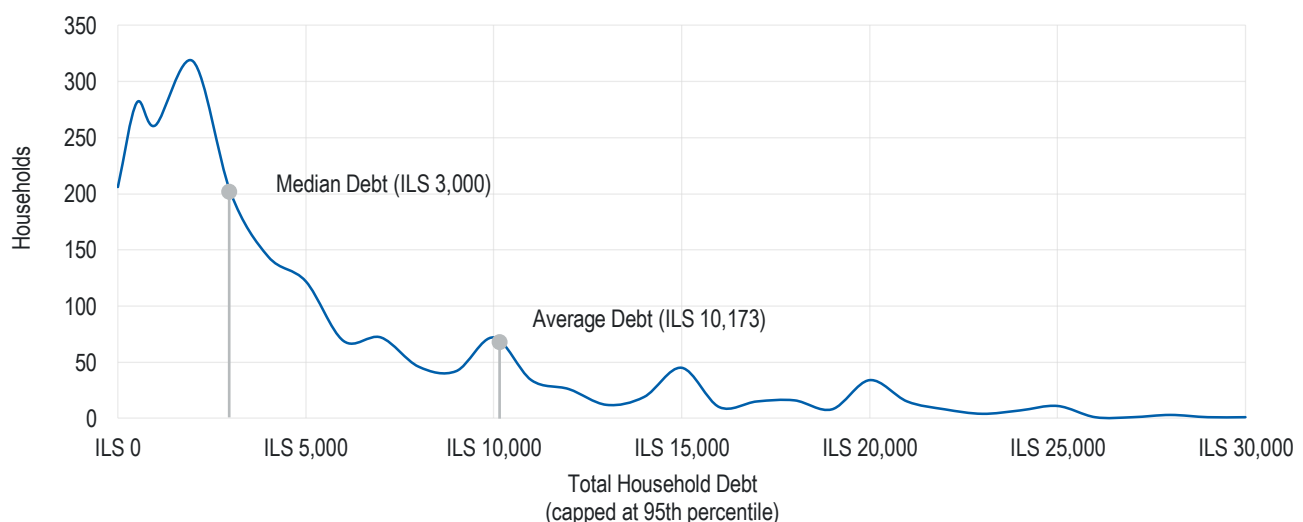


FIGURE 28B: TOTAL HOUSEHOLD DEBT DISTRIBUTION (PERCENTILES)

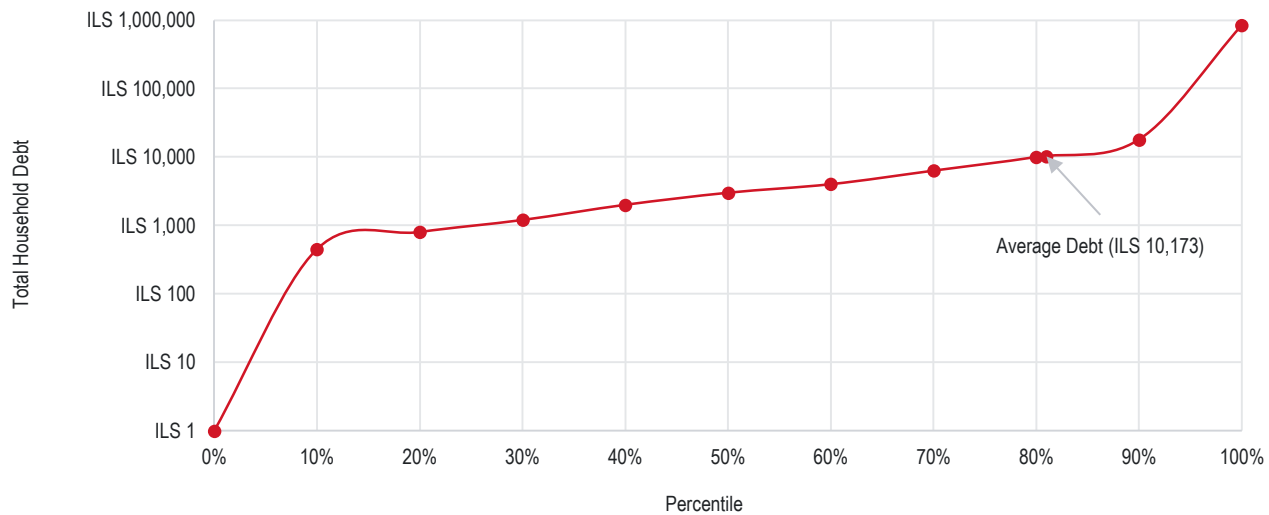
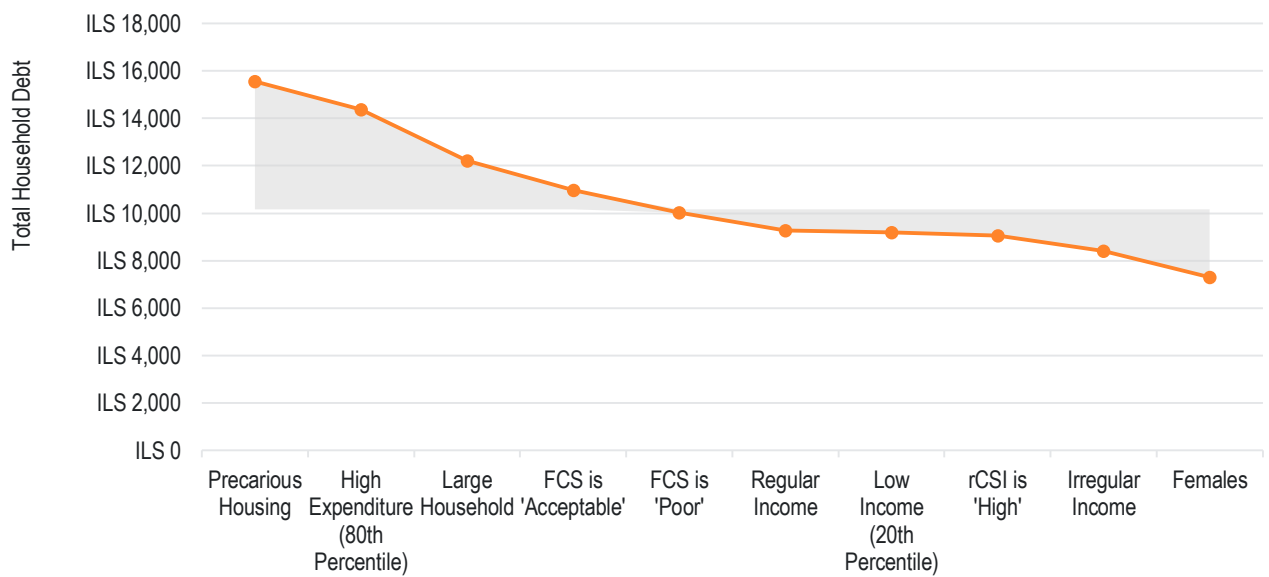


Figure 29 shows the average total debt among selected socio-economic subgroups. Those residing in precarious housing hold the largest average total debt (by 52 percent), and those with large households also carry above-average total debts. Households with a regular income carry slightly below-average debts, which is to be expected given they can meet more of their basic needs using their income, although it is only eight percent below average, suggesting that **even with a regular income, debt is a necessity**. Total debt among residents of Middle Area and Gaza City, as well as for female-headed households, is between 21 – 29 percent lower than the average.

FIGURE 29: TOTAL HOUSEHOLD DEBT AMONG SOCIO-ECONOMIC SUBGROUPS, WITH VARIANCE FROM AVERAGE

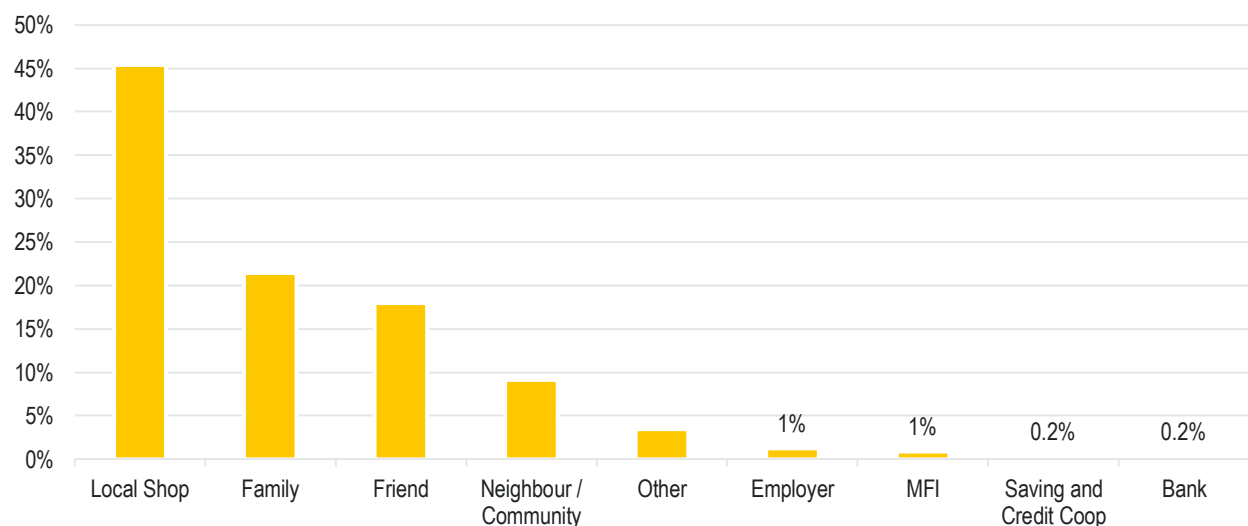


Who Lends?

The debt module in the baseline survey was structured by lender. For each type of lender the household owes debt to, they were asked to provide the value of the debt, the type of debt and reason for incurring it. Almost all debt is sourced informally, mostly from local shops, family members, friends and other members of the community willing to lend. Very few households cited formal lending institutions – banks, microfinance institutions (MFI) and local savings and loans organisations.

Employers are also a source of debt, and can be considered as a formal or informal lender, depending on the employer. However, the picture is complex: over half of households (52 percent) have debts with more than one lender, and nine percent have debts with three or more lenders. The data in **Figure 30** ranks the different lenders according to use. Households could select multiple lenders, and the chart represents the total instances of each lender.

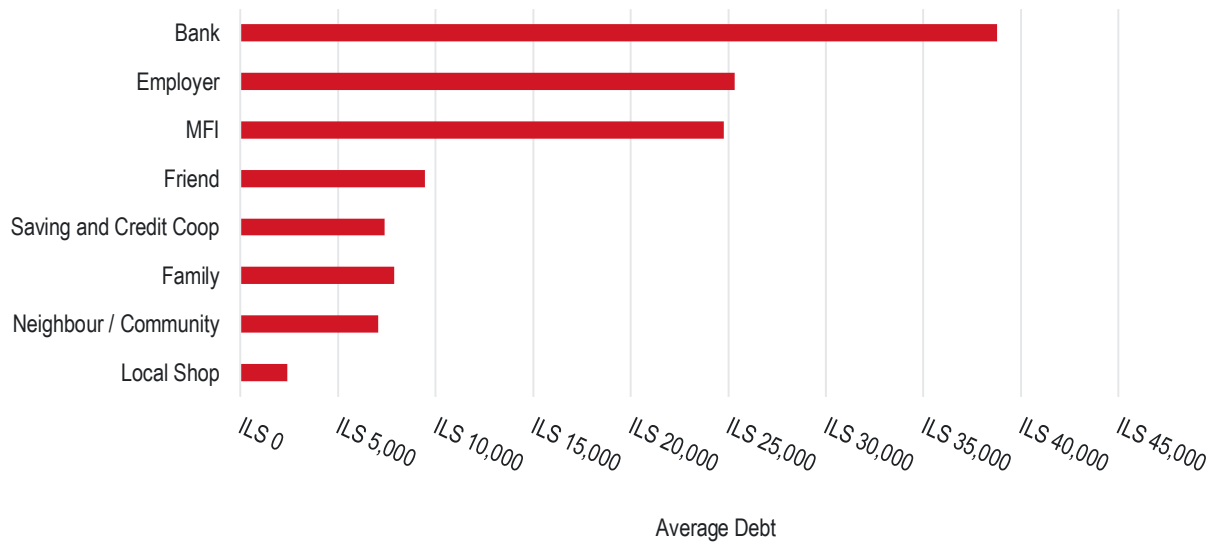
FIGURE 30: TYPES OF LENDERS



As a rule, the more formal the lender, the larger the average debt held with that lender. However, the sample with the formal lenders is very small – for example, only 0.2 percent of households (amounting to seven households, out of 2,005 with debts) took a bank loan. The average amount owed to local shops is the lowest, at ILS 2,397 (€615), with friends, family and members of the community providing larger informal loans, averaging between ILS 7,000 – 9,000 (€1,800 – 2,314). **Figure 31** shows the average value of debt per lender.

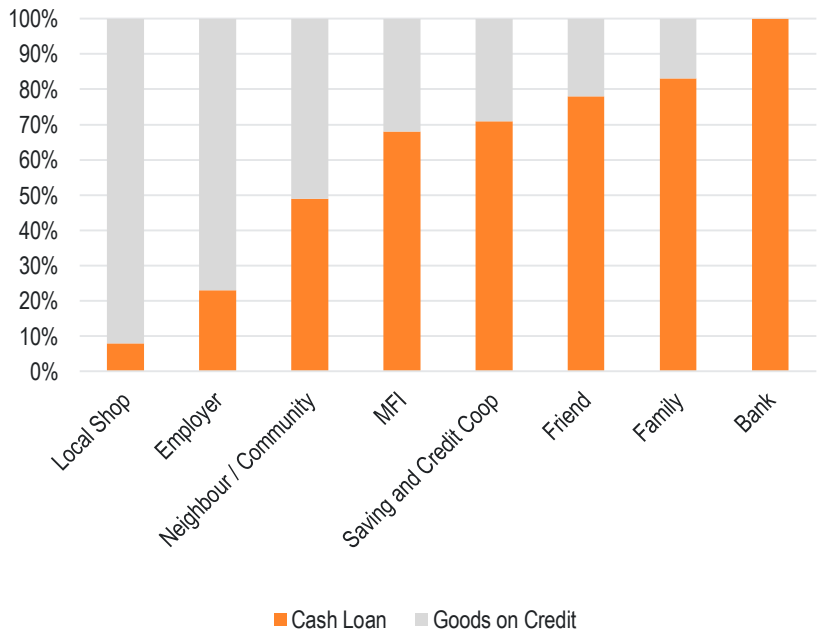
Although the debt module provides a high level of detail, a limitation was not asking how many separate debts households carried *per lender*, the value of separate debts with the same type of lender or surveying repayment rates. It is possible that with local shops, households might hold multiple small debts with multiple shops, which are partially or fully repaid on a regular or irregular basis, with each partial or full repayment securing access to future lines of credit. This would be better understood through dedicated research into household debt in Gaza.

FIGURE 31: AVERAGE HOUSEHOLD DEBT PER LENDER



Cash or Credit?

FIGURE 302: TYPE OF DEBT PER LENDER



The type of debt – cash loans or goods / services on credit – varies by lender. As expected, debt with local shops is almost entirely in the form of goods or services on credit (likewise for debt owed to employers, but this may change with a larger sample). Debts owed to friends and family members are largely cash loans (as with the formal lenders).

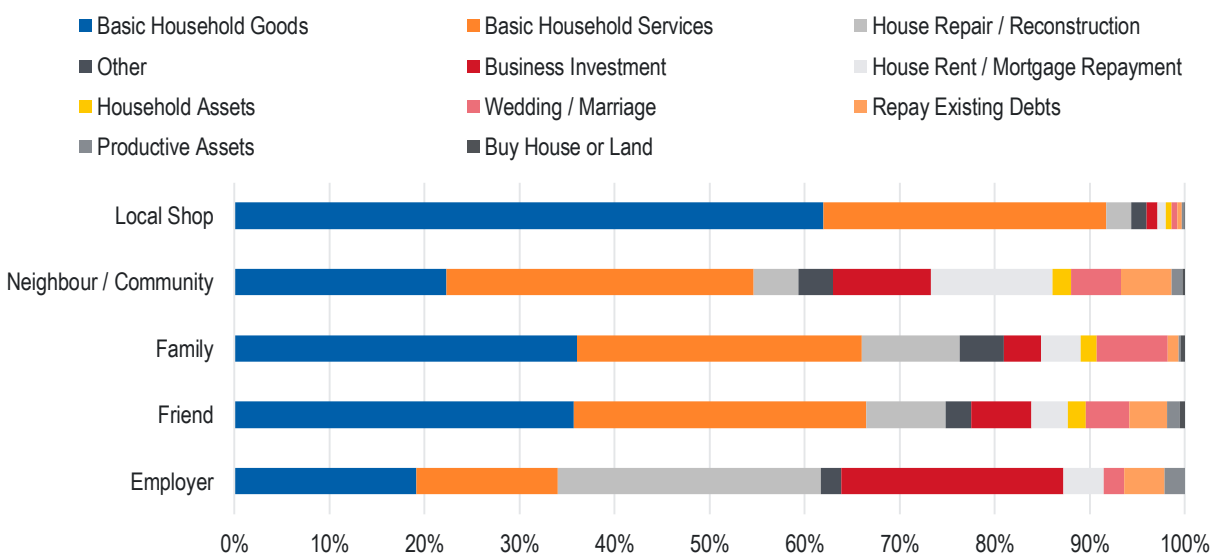
Debt owed to members of the community is a mix of cash and credit, and there may be some conflation here between ‘neighbours’ and ‘local shop owners’ who are considered neighbours. Again, dedicated research could unpack this.

Why Borrow?

Although the reasons for incurring debt vary from household to household, and lender to lender, for the majority debt is used to purchase basic goods (food and NFIs) and services (water, electricity, heating). As shown in **Figure 33**, this is especially true with debt owed to local shops. Loans taken from friends and family members are more often used for household repairs, paying rent, and investing in businesses, and for cultural expenses such as weddings. Debt for rent is most common among those borrowing from members of the community, which can be in the form of deferred rental payments to landlords (who are also neighbours). Renters have slightly higher total debts than the average, at ILS 10,633, but marginally so.

Relatively little debt is used to repay existing debt, as indicated by the low repayment rates noted above. While some borrowers report being at risk of imprisonment, for the majority it is not clear in the data whether unpaid debts are eventually written-off, whether cash loans from friends and family are seen more as charitable giving, and to what degree non-repayment affects a household's ability to borrow in the future. Seeking the perspectives of different lenders would help answer these questions.

FIGURE 33: REASONS FOR INCURRING DEBT (COMMON LENDERS)

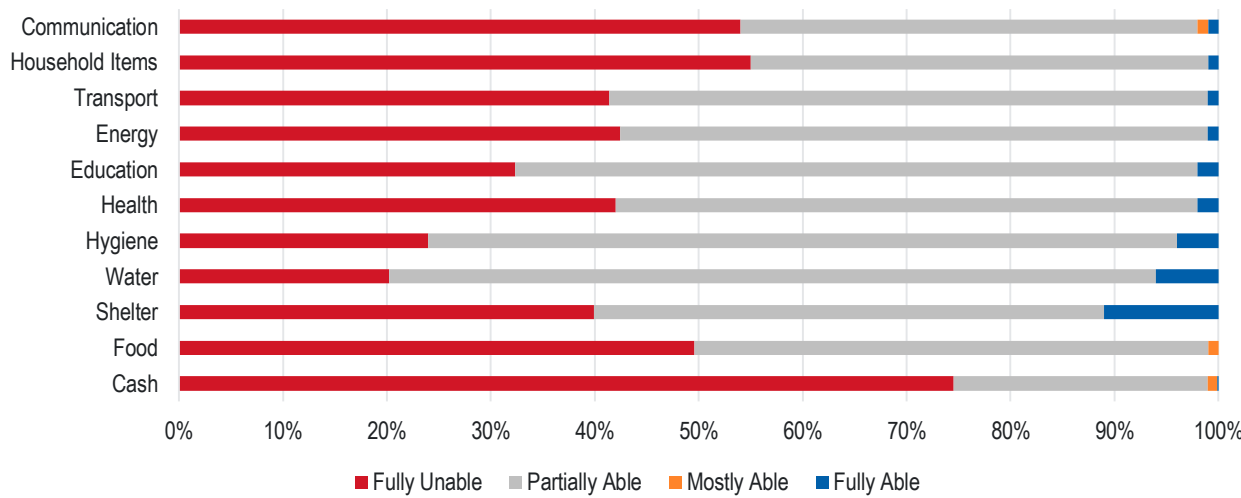


Unmet Basic Needs

The conditions of poor households discussed in this report – large households hosting extended family members, a high incidence of chronic health problems and the economic insecurity – mean that, even with debt and other coping strategies discussed below, most household needs are going unmet. The baseline survey asked households to rank their ability to meet a range of basic needs on a scale of 1 to 4, with 1 being fully able to meet a given need, and 4 being fully unable to meet that need.

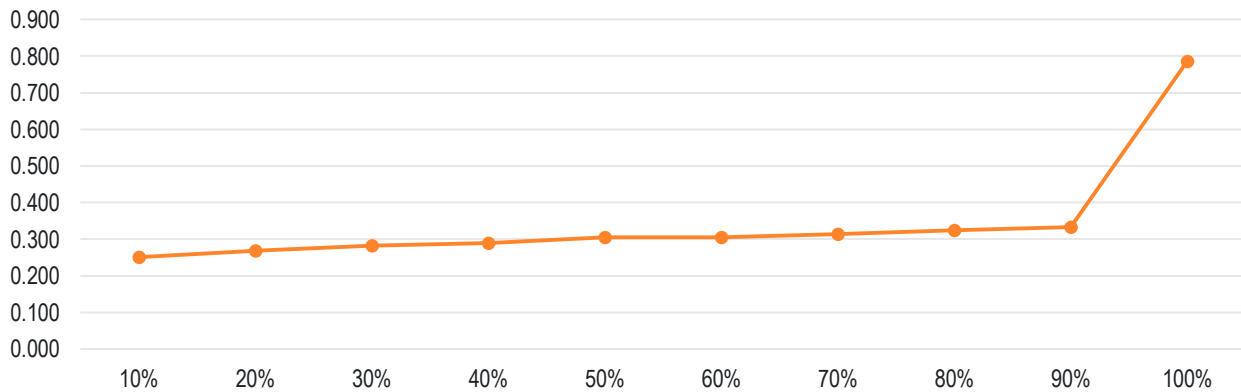
As shown in **Figure 34**, the majority of households report being fully unable or only partially able to meet almost every essential need. This includes 'cash', which is here a proxy for the sufficiency of their monthly income. Very few report feeling mostly or fully able to meet any given need.

FIGURE 34: HOUSEHOLDS' ABILITY TO MEET BASIC NEEDS



When these rankings are standardized and quantified, every household can be given a score from 0 to 1, with 1 meaning they feel fully able to meet all needs and 0 meaning they feel fully unable to meet any need. This provides a qualitative benchmark that can be monitored over the course of the program. The baseline average score, across all households, is 0.300. A score of 0.500 or larger would indicate most households feel able to meet the majority of their needs. Despite variances in other indicators of vulnerability, at baseline the majority of households had Meeting Needs Index scores between 0.250 and 0.333 (only 6% of households had scores above the 90th percentile).

FIGURE 35: DISTRIBUTION OF MEETING NEEDS INDEX SCORES (PERCENTILES)



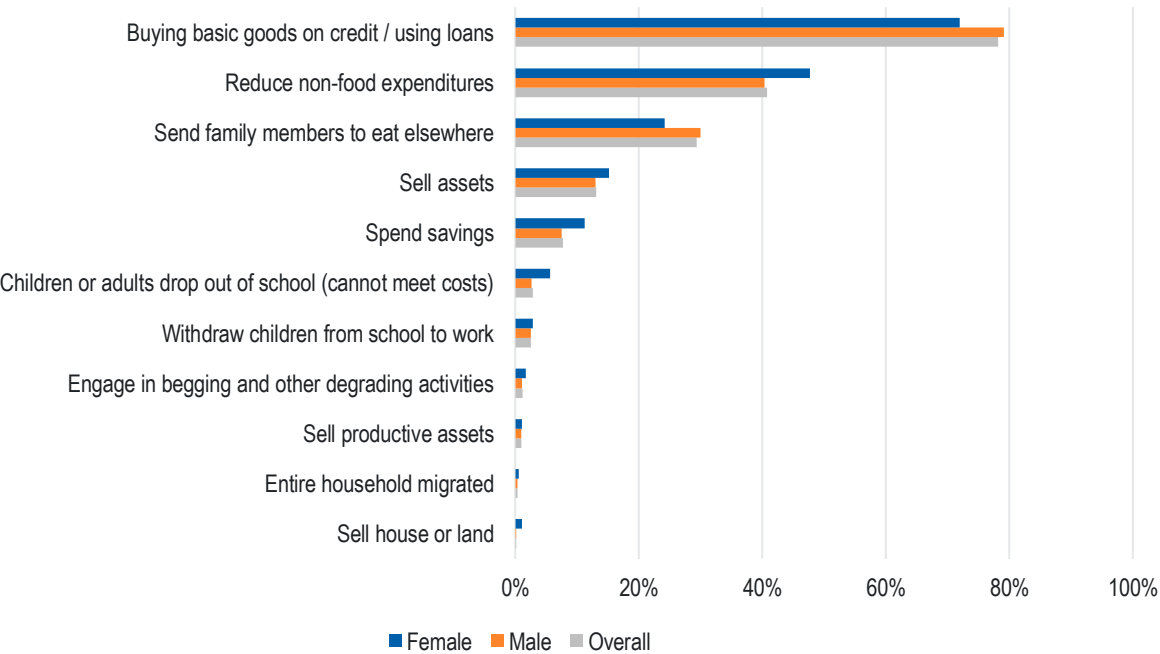
Coping Strategies

When a household's ability to meet their basic needs is degraded by a shock or crisis, or they are at risk of (or vulnerable to) having their ability to meet needs degraded. The household has behavioural choices – coping strategies – they can make to try to cope with or mitigate the shock or crisis. The choices at their disposal emerge from social, cultural and economic factors that are typically shared with other households within their locality, who likely also share a similar set of behavioural options for coping.

In Gaza, to try and meet basic needs while living with vulnerabilities such as chronic illnesses and disabilities, poor access to services, and economic insecurity, households frequently resort to a range of negative coping strategies. The baseline survey asked whether households had resorted to any of a list of 10 consumption- and livelihoods-based negative coping strategies in the previous month. While some individual coping strategies are more severe than others (the full list with severities is included in **Annex 2**), the list was not frequency-based (the reduced coping strategy index (rCSI), discussed below, is frequency-based).

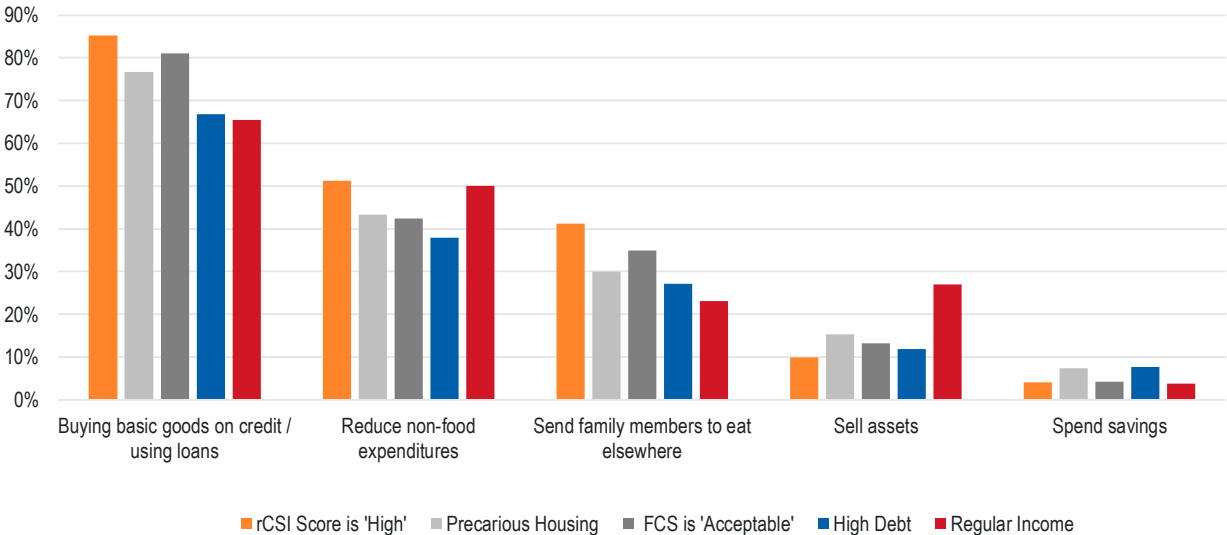
Figure 36 shows which negative coping strategies are used most often by all households, and by female and male-headed households. In line with the previous section on debt, the most common negative coping strategy, used by 78 percent of households, is buying goods on credit or taking loans. This is followed by reducing non-food expenditures in order to meet food needs (41 percent), and sending family members elsewhere to eat (29 percent). Female-headed households less often resorted to buying goods and services on credit than male-headed households, but more often reduced expenditure on non-food items to prioritise food, and more often sold assets and spent down their savings. However, the difference in the latter two is marginal. Although not common, five percent of households needed to withdraw their children from school because they either could not meet the costs, or needed them to work.

FIGURE 36: NEGATIVE COPING STRATEGY USE AMONG ALL HOUSEHOLDS, AND FEMALE AND MALE-HEADED HOUSEHOLDS



When looking at coping strategy use across selected socio-economic subgroups, the order of the most common coping behaviours did not change, with the exception of those with a regular income, who sold assets more often than sending family members elsewhere to eat. The rates of usage of each strategy likewise did not differ drastically between subgroups: most households, even those with a regular income, need to make stressful and oftentimes harmful decisions to make ends meet. Households with 'high' rCSI scores had some of the highest rates of negative coping strategy use out of all subgroups.

FIGURE 37: COPING STRATEGY USE AMONG SELECTED SOCIO-ECONOMIC SUBGROUPS



Food Consumption and Insecurity

Food Consumption Scores

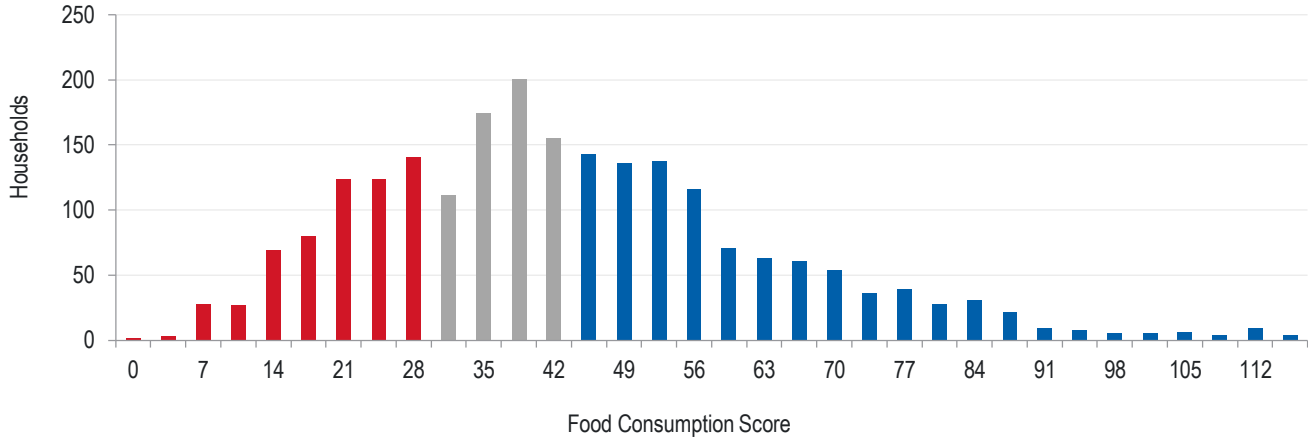
To understand the sufficiency of weekly food intake, the baseline survey also included a food consumption score (FCS) module. The FCS module asks how often different food groups were consumed over the previous seven days, with each group having its own weight, and groups the resulting scores into 'poor' (FCS between 0-28), 'borderline' (FCS between 28-42) and 'acceptable' (FCS of 42+) levels of food consumption. FCS data, together with monthly expenditure on food, the consumption-based monthly coping strategy use, and the rCSI scores discussed in the next section, provide insight into the overall food security of participating households.

MEASURING CONSUMPTION

The food consumption module used in the baseline survey was a modified version of the standardized module, called 'FCS-N'. This has six additional food groups, each with its own weight. This results in higher possible scores, and provides a higher-resolution understanding of consumption and food group (nutrient) deficiency.

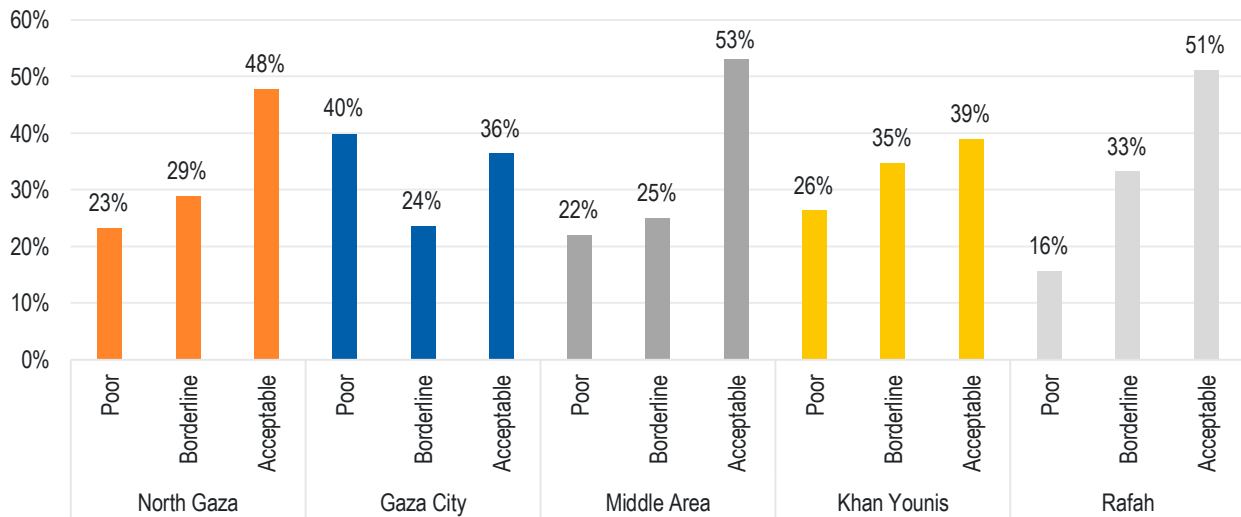
The average FCS score is 42.2, which is acceptable, and 46 percent of participating households had acceptable scores. However, 27 percent had poor scores, and same amount had borderline scores. This results in a median FCS of 39.5, which is borderline. The distribution of FCS is shown below in **Figure 38**. Poor scores are shown in red, borderline in grey, and acceptable are shown in blue.

FIGURE 38: FOOD CONSUMPTION SCORE DISTRIBUTION (BANDS)



Roughly the same ratio of poor, borderline and acceptable scores were also seen at the governorate level, as shown in **Figure 39**, with the exception of Gaza City and Khan Yousis, both of which both show higher rates of poor and borderline food consumption, and have borderline average scores.

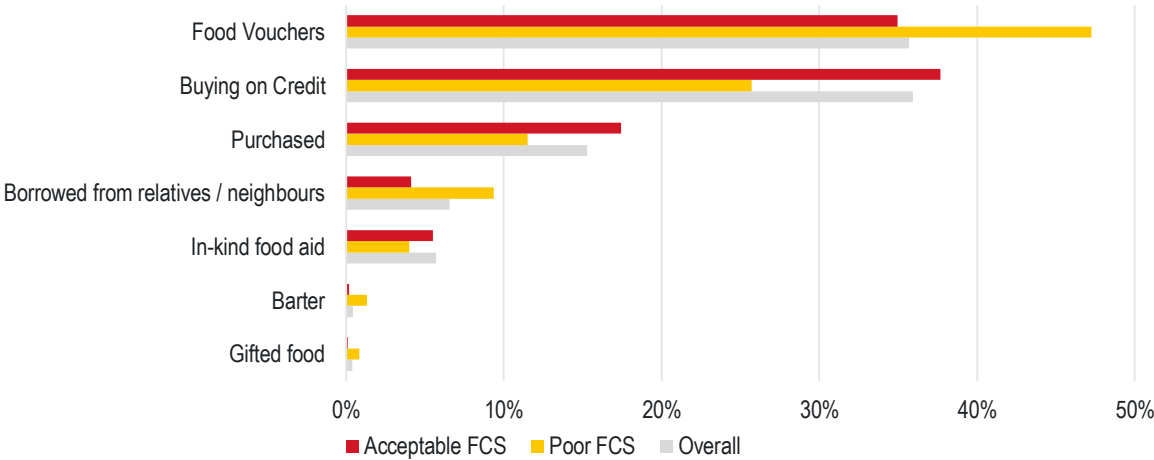
FIGURE 39: FOOD CONSUMPTION SCORES PER GOVERNORATE



The FCS module also included a question on the primary means of accessing food, in the absence of sufficient incomes. **Figure 40** disaggregates this into responses by those with poor and acceptable consumption scores. Overall, food vouchers and buying food on credit are the most common means of accessing food, especially among those with poor FCS. However, even among those with acceptable scores voucher use is high, though these households more often buy food on credit.

Only 15% of households said purchasing with income is the main way they access food, increasing to 17% among those with acceptable consumption scores. **This indicates that, even if the average or household FCS is acceptable, the means by which food is obtained are largely insecure and, for some households, requires incurring debt.**

FIGURE 40: PRIMARY MEANS OF ACCESSING FOOD



The Reduced Coping Strategy Index (rCSI)

Another measure of food security is the rCSI, which is a frequency-based measure of five universal coping strategies, with a shorter recall period of one week, rather than one month. Again, while the average FCS is 'acceptable', most households resort to specific consumption-based coping behaviours that mitigate the impacts of not having enough food to eat.

The average score is 25.6, which is 'high' (≥ 10). There is no difference in average scores between female- and male-headed households, and, while there is greater variance between governorates – households in Khan Younis have a significantly lower average rCSI score than the rest, which appears to be an outlier – none have a 'low' or 'medium' average rCSI score.

FIGURE 41: AVERAGE REDUCED CSI SCORES AMONG FEMALE AND MALE-HEADED HOUSEHOLDS, AND PER GOVERNORATE

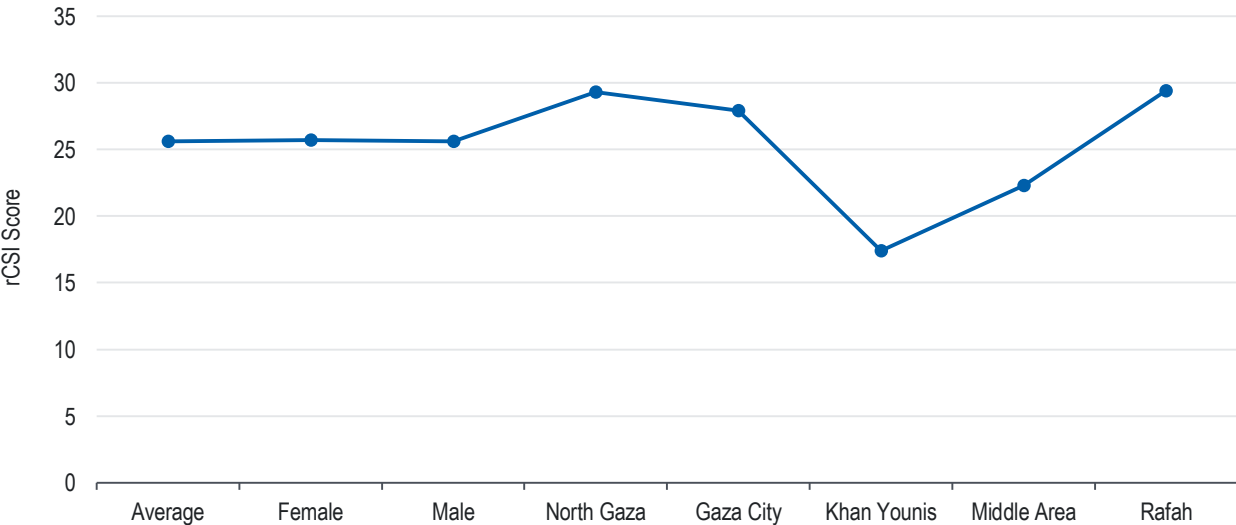


FIGURE 42: FREQUENCY OF WEEKLY COPING STRATEGY USE



The most commonly-adopted weekly coping strategies are reducing the number of daily meals and consuming smaller individual meals (on average, 4 times per week), however the other strategies are adopted by households almost as often.

Conclusions

The surveyed refugee households show numerous multi-sectoral vulnerabilities. A typical family has no regular income, their assets and savings are eroded, and survives through debt and/or various other negative coping strategies, despite lacking debt serviceability. As families rarely use newly-acquired debts to repay older debt, the possibility of full repayment is unlikely. At the current repayment rate, the GPC estimates it would take an average family six years to fully repay the borrowed money, whether it be cash loans or store credit. Carrying such a significant debt burden exposes these households to significant risk. A specific study into debt and debt repayment would serve to build on the data presented here, better understand the mechanics of crisis borrowing and inform future programming.

About half the families host a household member with an illness or disability that often requires financial support. The average household has two school-age children and invests at least some part of its earnings in education, which features as the fourth main household expenditure after food, debt repayment and healthcare.

The majority of surveyed households do not show food insecurity in food consumption scores, largely because some already receive UNRWA food vouchers, and often deal with the lack of sufficient food by sending household members to eat elsewhere, consuming lower quality food or borrowing for consumption. However, in spite of this, an average household continues to spend between 30 – 45 percent of their monthly income on food, which puts a strain on disposable income and impairs their ability to meet other basic needs, such as hygiene, household items or energy.

The baseline data strongly indicates that most vulnerable refugee households are at risk of falling behind if their economic conditions do not improve. The Gaza Protection Consortium concludes that as the target group’s vulnerabilities are complex and multi-sectoral, they require comprehensive multi-sectoral assistance to which Multi-Purpose Cash is well-suited. Over time, the Consortium expects to lift many families out of deep poverty through continuous, monthly cash support, while developing frameworks and pathways for cash- and livelihoods-based nexus programming.

Annexes

Annex 1: Additional Variables

Variable	Definition
FCS is 'Poor'	FCS $\leq$ 28.0
FCS in 'Acceptable'	FCS $\geq$ 42.0
Low Income	20 th percentile; ILS 200
Regular Income	Income is salary from regular employment (public, private, UN/NGO sectors) or pension
Irregular Income	Income is from temporary employment or community/friends/family
rCSI Score is 'High'	rCSI score $\geq$ 30.0
High Debt	80 th percentile; ILS 10,000
Precarious Housing	Housing situation is residing in makeshift shelter, borrows shelter for free, is squatting, or is hosted for free
Household Unemployed	Employment status = 'unemployed'
Common Occupational Sectors (multiple)	Agriculture, service sector, construction, taxi/transport, income-generating activities (IGA)
Educational Levels (multiple)	Higher (degree, diploma), secondary, primary
Dependency Ratio	Total working age adults / dependents (children 0-17, elderly >65)
High Dependency Ratio	Dependency ratio $\geq$ 2
Employment Ratio	Number of employed adults / household size
Uses Severe ('Crisis' or 'Emergency') Coping Strategies	Sold productive assets, withdrew children from school, engaged in begging, sold house/land, or needed to migrate in past 30 days
High Expenditure	80 th percentile; ILS 1,013

Annex 2: Coping Strategies and Severities

Stress	Crisis	Emergency
Selling household assets	Sold productive assets	Engage in begging (or similar risky behavior)
Spending Savings	Withdrew children from school	Sold house or land
Buying goods or services on credit or using borrowed cash	Reduce expenses on health (including medicines) and education	Entire household migrated
Sent household members to eat elsewhere		

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About The Gaza Protection Consortium

The Gaza Protection Consortium (GPC) is a Multi-Purpose Cash Assistance (MPCA) program delivered by Norwegian Refugee Council (NRC) and Mercy Corps in the Gaza Strip. The GPC's objective is to deliver humanitarian assistance to the most vulnerable population affected by extreme poverty, humanitarian crisis and violation of basic rights.

