



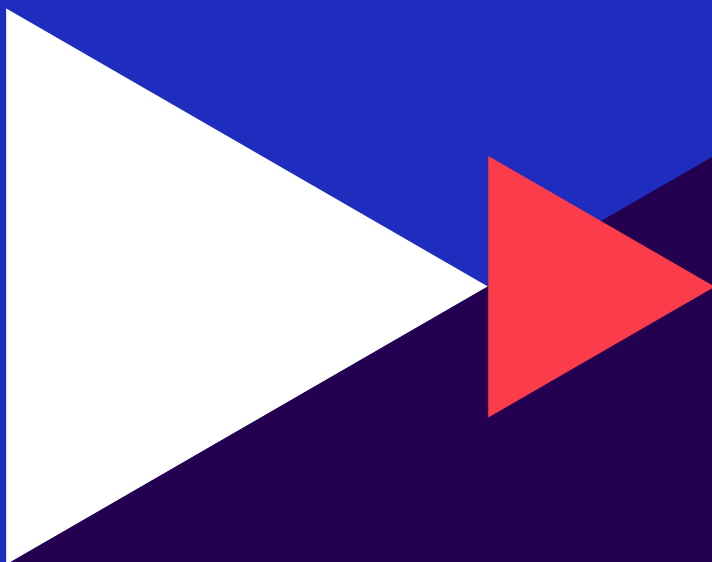
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► ILC.114/DG/APP

► The situation of workers of the occupied Arab territories

Report of the Director-General
Appendix

International Labour Conference
114th Session, 2026



▶ **The situation of workers of the occupied Arab territories**

Report of the Director-General – Appendix

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► Preface

As in previous years, this report is submitted pursuant to the mandate conferred by the International Labour Conference in 1980 and presents the findings of a mission I entrusted to prepare it. For the third consecutive year, the mission was regrettably not permitted to enter Israel and the occupied Arab territories. Furthermore, the hostilities in the region that erupted on 28 February 2026 prevented the mission from conducting in-person meetings with Palestinian interlocutors in Amman, Jordan. However, it was able to engage virtually with a broad range of Arab and Israeli interlocutors, as well as representatives of the United Nations and other international and non-governmental organizations. Missions to Cairo and Damascus that had been conducted earlier allowed for in-person meetings with Arab interlocutors.

I am grateful for the information provided by all those who engaged with the mission, including written inputs from the Israeli authorities. The mission's work was conducted with full impartiality and grounded in factual accuracy, guided by the Constitution and mandate of the ILO.

This report examines developments relating to labour markets, workers' rights and labour governance within their broader political, legal and economic context. It also outlines priority actions for jobs-centred recovery and reconstruction in Palestine focused on decent work, which are fundamental to social justice, resilience and human dignity.

I wish that this year's report could portray a decisive improvement for the Palestinian world of work. It cannot. Gaza's workplaces remain in ruins, and dependence on humanitarian assistance is widespread. In the West Bank, workers continue to be confronted with displacement, severe movement restrictions, military operations and increased settlement expansion. Unemployment, underemployment and informality remain high, while opportunities for education and skills development continue to narrow.

Renewed efforts by the international community to help bring an end to the devastating war in Gaza following the ceasefire of October 2025, together with plans for stabilization and reconstruction, have offered a measure of cautious hope. Yet, the regional turmoil risks setting back these efforts and exacerbating the grave economic and social conditions on the ground.

Ultimately, prospects for improving the situation of Palestinian workers will largely depend on progress towards a political solution involving both parties – Palestinians and Israelis – in line with international law and internationally endorsed frameworks for achieving a just and lasting peace, as reaffirmed in successive United Nations resolutions.

May 2026

Gilbert F. Hougbo
Director-General

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► Introduction

1. This Report of the Director-General presents the findings of the annual ILO mission mandated to assess the situation of workers of the occupied Arab territories. As in previous years, it was carried out in accordance with the resolution concerning the implications of Israeli settlements in Palestine and other occupied Arab territories in connection with the situation of Arab workers, adopted by the International Labour Conference at its 66th Session (1980).¹ The mission was guided by the principles and objectives of the Constitution of the International Labour Organization, including the Declaration of Philadelphia, and the body of international labour standards. It was also guided by relevant resolutions of the United Nations (UN) General Assembly and Security Council² and international humanitarian and human rights law.³
2. The mission covered the situation of the workers of the Occupied Palestinian Territory (the West Bank, including East Jerusalem, and Gaza) and the occupied Syrian Golan.⁴
3. The Director-General entrusted Konstantinos Papadakis, Senior Adviser, Labour Governance and Sectoral Policies Department, to lead the mission. The mission team also included Kee Beom Kim, Macroeconomic and Employment Policies Specialist in the Employment, Skills and Sustainable Enterprises Department; Martin Oelz, Senior Specialist on Equality and Non-Discrimination in the Labour and Social Protection Department; and Elisa Webber, Legal Specialist in the International Labour Standards Department. Dan Cork, ILO Representative in Jerusalem, Rasha El Shurafa, Programme and Operations Officer, and Dalal Abu Saleh, Operations Assistant, from the Office of the ILO Representative in Jerusalem, helped prepare the mission and supported its work. Mohamed Anas Sabee, ILO Country Coordinator for the Syrian Arab Republic, facilitated the mission leader's meetings with Syrian constituents. Katerine Landuyt, a former long-standing mission member and currently Senior Labour Migration Policy Specialist in the Labour and Social Protection Department, acted as technical adviser.
4. Due to visas not having been granted by the Israeli authorities, the mission was unable to conduct on-the-ground meetings for the third consecutive year. In addition, the hostilities in the region that erupted on 28 February 2026 prevented the mission from conducting in-person meetings with Palestinian interlocutors in Amman, Jordan. Instead, it conducted videoconference meetings with Palestinian, Israeli and other interlocutors from 1 to 11 March 2026. These included representatives of various Palestinian ministries and institutions, social partners, non-governmental organizations (NGOs), research institutions, as well as with businesspeople and

¹ ILO, [Resolution concerning the Implications of Israeli Settlements in Palestine and Other Occupied Arab Territories in Connection with the Situation of Arab Workers](#), International Labour Conference, 66th Session, 1980.

² These include Security Council resolutions 242 (1967), 338 (1973), 497 (1981), 1397 (2002), 1515 (2003), 1850 (2008), 1860 (2009), 2334 (2016), 2712 (2023), 2720 (2023), 2728 (2024), 2735 (2024), and 2803 (2025).

³ In particular, the Hague Convention of 1907 (respecting the laws and customs of war on land) and the Fourth Geneva Convention of 1949 (relative to the protection of civilian persons in time of war).

⁴ Pursuant to the adoption, by the International Labour Conference at its 113th Session (2025), of the Resolution on the status of Palestine in the ILO and participation rights of Palestine in ILO meetings, the Conference decided that Palestine should be invited to participate in ILO meetings as a non-member observer State. The State of Palestine subsequently informed the Director-General that the designation of "State of Palestine" should be used for Palestine in the ILO. The term "Occupied Palestinian Territory" continues to be used when referring to the geographical territory covering the West Bank, including East Jerusalem, and the Gaza Strip where the context requires. When there is a need to refer to the occupied Syrian Golan in addition to those territories, the term "occupied Arab territories" continues to be used.

workers. These also included meetings with Israeli employers, trade unions and NGO representatives. Representatives of the Government of Israel provided written inputs. The mission also consulted representatives of the UN and other international organizations, as well as diplomatic missions.

5. In addition, the mission leader held consultations with senior representatives of the League of Arab States, the Arab Labour Organization and the National Committee for the Administration of Gaza in Cairo from 16 to 17 February and with Syrian constituents in Damascus from 19 to 20 February 2026.
6. The mission benefited from the cooperation of a wide range of Arab and Israeli interlocutors in providing the factual information, both written and oral, on which the findings of this report are based.
7. The report is structured as follows. Chapter 1 examines the overall political, legal and economic developments shaping the Palestinian world of work and labour market outcomes. Chapter 2 presents the current state of the economy and labour market in Gaza and the West Bank. Chapter 3 assesses the impact of conflict, occupation and settlement activity on Palestinian workers' rights. Chapter 4 reviews labour governance initiatives developed by the State of Palestine. Chapter 5 addresses the situation of workers in the occupied Syrian Golan. Finally, Chapter 6 sets out priority actions to foster a jobs-centred and rights-based recovery for the Palestinian labour market and to empower workers within a broader framework of recovery and reconstruction.

► Chapter 1. The consequences of war and occupation for Palestinian workers

8. Following the devastating Hamas-led attack on Israel in October 2023, which resulted in the deaths of almost 1,200 Israelis and foreign citizens and the taking of some 230 hostages to the Gaza Strip, large-scale Israeli military operations caused extensive loss of life – with over 72,000 fatalities reported as of April 2026⁵ – widespread destruction of infrastructure, massive displacement and profound humanitarian, economic and labour market distress in the enclave. In the West Bank, including East Jerusalem, movement restrictions, settlement expansion,⁶ intensifying military operations, settler violence and displacement have steadily – and increasingly since 2023 – undermined employment and income opportunities, as well as livelihoods. By many accounts, prospects for Palestinian workers across the territory have rarely appeared so bleak.

New international efforts for peace

9. The New York Declaration on the Peaceful Settlement of the Question of Palestine and the Implementation of the Two-State Solution,⁷ the outcome of an international conference organized by France and Saudi Arabia in July 2025, was endorsed by the UN General Assembly on 12 September 2025.⁸ In the same month, an agreement was announced on a Comprehensive Plan to End the Gaza Conflict, spearheaded by the President of the United States of America, and a ceasefire in Gaza became effective in October 2025. The UN Security Council endorsed the Comprehensive Plan in November 2025.⁹ By January 2026, all Israeli hostages, alive or deceased, had been released. These developments have raised hopes for stabilization, reconstruction and the opening of a path towards durable peace.
10. The Security Council also welcomed the establishment of a Board of Peace to oversee elements of the Comprehensive Plan and support reconstruction efforts through a transitional governance mechanism, including a High Representative for Gaza and the National Committee for the Administration of Gaza. Composed of Palestinian technocrats, the National Committee has been tasked with coordinating civilian governance and public service delivery during a transitional phase, including facilitating reconstruction.¹⁰ At the time of writing, it was based in Cairo and was not yet fully operational. The Board of Peace held its inaugural meeting in Washington, DC, on 19 February 2026, when some of its members announced pledges of US\$17 billion for Gaza’s humanitarian and reconstruction response.¹¹ The World Bank, European Union and United

⁵ UN Office for the Coordination of Humanitarian Affairs (OCHA), “Reported impact snapshot: Gaza Strip (8 April 2026)”.

⁶ UN Security Council resolution 2334 (2016) reaffirmed that “the establishment by Israel of settlements in the Palestinian territory occupied since 1967, including East Jerusalem, has no legal validity and constitutes a flagrant violation under international law and a major obstacle to the achievement of the two-State solution and a just, lasting and comprehensive peace” (para. 1).

⁷ UN General Assembly, [New York Declaration on the Peaceful Settlement of the Question of Palestine and the Implementation of the Two-State Solution](#), A/CONF.243/2025/1, Annex.

⁸ UN, “[General Assembly Endorses New York Declaration, Charting Path to Palestinian Statehood](#)”, 12 September 2026.

⁹ UN Security Council, [Resolution 2803 \(2025\) Adopted by the Security Council at its 10046th meeting, on 17 November 2025](#), para. 1.

¹⁰ See “[National Committee for the Administration of Gaza \(NCAG\): For a free, peaceful, and prosperous Gaza](#)”.

¹¹ Aamer Madhani and Matthew Lee, “[Trump Gets Pledges for Gaza Reconstruction and Troop Commitments at Inaugural Board of Peace Talks](#)”, Associated Press, 19 February 2026.

Nations have estimated that around US\$71 billion would be required to rehabilitate physical and social infrastructure, restore services and bring workers into employment.¹²

Gaza on life support amid a fragile ceasefire

11. While efforts to advance the implementation of the Comprehensive Plan are ongoing, violence and insecurity have continued in the enclave. According to the Ministry of Health in Gaza, 689 Palestinians were killed and 1,860 injured between the entry into force of the ceasefire on 10 October 2025 and 25 March 2026.¹³
12. While humanitarian access has started to improve and additional temporary learning spaces have opened, Gaza's enterprises and economy remain in ruins and job scarcity is acute. Employment is concentrated largely in UN agencies, NGOs, some small recycling workshops, street shops and subsistence-based activities. While facing high costs of living, those employed are often either paid irregularly or receive only a fraction of their wages, below the statutory minimum wage, and are increasingly being hired on daily contracts or through cash-for-work schemes. Agricultural and fishing activities are severely restricted. Over 2 million Gazans are reportedly confined to less than 50 per cent of the enclave (beyond the "yellow line" established by Israel).¹⁴ Freelance remote work through digital platforms – one of the few ways for skilled youth in Gaza to generate income from abroad – remains constrained by the lack of workspaces, reliable electricity and stable internet connectivity.
13. Critical steps for reactivating the economy, creating jobs and advancing reconstruction in Gaza that were highlighted by the mission's interlocutors include: removing restrictions impeding the movement of people and goods into Gaza, including some materials currently unauthorized as they are considered "dual use" items;¹⁵ building institutions for labour market governance and skills development; and supporting Gaza's private sector actors.

Occupation and escalating violence in the West Bank

14. An increasingly dense system of movement and access restrictions directly impacts the Palestinian economy, enterprises, labour market and workers' rights. Military operations have resulted in the destruction of housing, damage to productive assets and displacement, thereby disrupting access to employment, education and basic services. Settler-related violence is on the rise, particularly in rural areas in the North, and has further spiked since the start of the regional hostilities in February 2026, threatening Palestinian workers' safety and access to land, agricultural production and the viability of small enterprises.¹⁶
15. The institutional underpinnings of the Oslo Accords¹⁷ – which, inter alia, established formal dialogue and coordination mechanisms between the Government of Israel and the Palestinian

¹² World Bank, EU and UN, *Gaza Strip Rapid Damage and Needs Assessment*, April 2026, 21.

¹³ OCHA, "Humanitarian Situation Report", 27 March 2026.

¹⁴ OCHA, "Humanitarian Situation Update #342: Gaza Strip", 20 November 2025.

¹⁵ "Dual use" goods refer to machinery, equipment, fuel and other inputs to production that can potentially be used for military purposes. See Gisha, "Dual-Use' Goods: Current Status Report", 17 March 2026.

¹⁶ UN High Commissioner for Human Rights, *Israeli settlements in the Occupied Palestinian Territory, including East Jerusalem, and in the occupied Syrian Golan*, A/HRC/61/70, 4 February 2026, paras 39–41.

¹⁷ A series of agreements between the Government of Israel and the Palestine Liberation Organization, between 1993 and 1995, establishing interim self-governance arrangements for a transitional period of five years, during which permanent status issues were to be negotiated with a view to achieving a negotiated two-State solution. The accompanying Paris Protocol (1994) set the framework for economic relations. Negotiations have remained incomplete.

Authority that are relevant to the movement of Palestinian workers, work permits and revenue transfers – have continued to erode, directly affecting economic and employment prospects that depend on such cooperation. Recent decisions of the Government of Israel that affect land administration and governance in Areas A, B and C of the West Bank exemplify this erosion.¹⁸ This is seen by many as paving the way for further settlement expansion, among other things, and undermining prospects for a two-State solution,¹⁹ notwithstanding the recognition of the State of Palestine by several countries in 2025.²⁰

A deepening fiscal and financial crisis

16. In 2025–26 the Palestinian fiscal crisis deepened sharply. In addition to the economic impact of the war in Gaza and declining international aid,²¹ a central driver of the crisis has been Israel's withholding of Palestinian clearance revenues and customs duties, which account for approximately two thirds of total government revenue. The full interruption of these transfers since May 2025 has left the Government of the State of Palestine with critically low liquidity to pay civil servants, maintain basic services and social protection, and meet its financial obligations. Without resumed transfers, it may be unable to meet its payment obligations in 2026 and risks collapsing.²²
17. Over the years, the Israeli authorities have justified the deductions as offsetting the costs of services provided by Israel²³ and payments under programmes supporting families of Palestinian prisoners, released detainees and those killed or injured in conflicts with Israel, referred to by the Palestinian Government as the "Martyrs Fund". Israeli officials have characterized these arrangements as a "pay for slay" policy, arguing that they may incentivize attacks on Israelis. According to their estimates, payments amounted to 489 million shekels (US\$144 million) in 2025 while the cumulative amount for the years 2018–25 was estimated at 4 billion shekels (US\$1.2 billion).²⁴ While the Palestinian Government reformed these programmes under a poverty-based social assistance system in 2025, Israel's position regarding the deductions had not changed at the time of writing.
18. This fiscal crisis has immediate consequences for workers, enterprises and the broader economy, not least because of the central role public wages play in supporting household consumption and private sector activity. It also risks eroding institutional capacity over time, including labour

¹⁸ According to the Oslo II Accord, Area A includes urban centres (some 18 per cent of the West Bank) and is under Palestinian civil and security control. Area B covers small towns and near-urban areas and is under Israeli security control and Palestinian civil control. Area C (61 per cent of the West Bank) is under Israeli security and civil control.

¹⁹ The decisions were condemned by 85 UN Member States, the European Union, the League of Arab States and the Organisation of Islamic Cooperation. See UN Audiovisual Library, [UN/West Bank Press Encounter](#), 17 February 2026.

²⁰ Andorra, Australia, Belgium, Canada, France, Liechtenstein, Luxembourg, Malta, Mexico, Monaco, Portugal and the United Kingdom of Great Britain and Northern Ireland.

²¹ In 2023, international aid to the Palestinian Government was US\$358 million. United Nations Conference on Trade and Development (UNCTAD), *Developments in the Economy of the Occupied Palestinian Territory*, 23 July 2024, para. 39.

²² Wafa News Agency, ["Finance Minister: Financial Situation Extremely Critical, Essential Services At Risk, No Alternative to Clearance Revenues"](#), 12 February 2026.

²³ These include electricity, water, sewage, health services, administrative fees and other costs. See various editions of World Bank, *Economic Monitoring Report to the Ad Hoc Liaison Committee*.

²⁴ Israeli Ministry of Defence, Report to the Ministerial Committee on National Security Affairs pursuant to the Law on Freezing Funds Paid by the Palestinian Authority in Connection with Terrorism, from the Funds Transferred to it by the Government of Israel, 2018 [received by the mission on 1 April 2026].

market governance functions such as labour inspection and public employment services, which are critical for upholding workers' rights and supporting recovery.

19. The financial sector is also facing mounting pressures, including uncertainty surrounding correspondent banking relationships with Israeli banks, which are essential for facilitating trade. At the same time, restrictions on transferring surplus cash in Israeli shekels to Israel have limited the ability of Palestinian banks to support economic activity.

Economic contraction and a labour market in distress

20. The combined effects of limited work opportunities in Israel, movement restrictions, insecurity and fiscal strain have continued to weigh on economic activity. Although output rebounded in 2025, it remained well below pre-war (2022) levels. Overall Palestinian gross domestic product (GDP) increased by 4.3 per cent year-on-year in 2025 but was still 20 per cent lower than in 2022. Gaza's economy remained 82 per cent smaller than its pre-war level, while the West Bank economy was 7 per cent smaller.
21. Labour market indicators remain critically weak. In the West Bank, unemployment declined from 31.4 per cent in 2024 to 28.7 per cent in 2025 but the rate remains more than double the pre-war rate of 13.1 per cent in 2022. In Gaza, the unemployment rate stands at 85.1 per cent. Labour market conditions are further characterized by underemployment and informality, pointing to deeper structural distress beyond headline unemployment rates.
22. Employment channels that had previously absorbed large numbers of Palestinian workers were sharply curtailed. Prior to October 2023, almost 200,000 Palestinians were employed in Israel and the settlements; today, that number stands at 44,000, with only around 14,000 holding permits.²⁵ The Israeli authorities indicated that since last year no new permits have been issued and that existing permits are limited to sectors defined as essential and subject to security criteria such as minimum age and marital status. A number of interlocutors suggested that the number of Palestinian workers without permits might actually be up to 40,000. Some workers continue to turn to permit brokers, who often extract a substantial share of their wages.
23. Without measures to stabilize incomes and rebuild employment pathways, high unemployment, underemployment and informality may become entrenched, with long-term implications for productivity, social cohesion and institutional resilience.

Labour reforms and recovery plans

24. Reform efforts by the Government of the State of Palestine have continued, including in labour governance, notably through progress in tripartite negotiations on a new labour law, and in strategic planning, such as the development of new Labour Sector Strategy for 2025–27 and a Decent Work and Recovery Programme (2026–27). Local and national elections were also announced for 2026.
25. Yet, the effectiveness of institutional reforms depends not only on legislative and administrative improvements, but also on the restoration of fiscal predictability, labour market access and productive activity. Without a supportive economic environment, reforms risk remaining largely procedural rather than transformative. In turn, such an environment ultimately depends on progress towards a political solution that addresses the conflict and the occupation and their consequences for Palestinian workers and employers.

²⁵ ILO estimates based on Palestinian Central Bureau of Statistics (PCBS), Quarterly Labour Force Surveys, 2024–25.

▶ Chapter 2. Economic and labour market developments amid a deepening multi-layered crisis

Economic developments

26. Economic developments in the Occupied Palestinian Territory in 2025 and early 2026 continued to be shaped by the war in Gaza, intensified movement restrictions and rising violence in the West Bank and long-standing structural constraints imposed by the occupation. Together, these factors have disrupted production, trade and access to employment, giving rise to a multi-layered economic crisis affecting fiscal stability, financial systems and productive capacity (box 2.1).

▶ Box 2.1. The multi-layered crisis facing the Palestinian economy

Economic and labour market developments in the Occupied Palestinian Territory are shaped by a **set of complex and mutually reinforcing constraints** that have intensified since October 2023. These constraints give rise to a multi-layered crisis, further undermining access to employment and income-generating opportunities.

A central element of the crisis is the **severe deterioration of the fiscal position of the Government**. Clearance revenues have been sharply reduced in recent years and, since May 2025, have been suspended entirely, critically reducing government liquidity. At the same time, weaker economic activity has **reduced domestic tax revenues**. Against a backdrop of **declining international budget support** over the past decade, the Government has implemented emergency austerity measures, including partial payment (typically 50–70 per cent) of public sector salaries, reducing purchasing power and domestic demand. Increased reliance on **arrears and domestic borrowing** has pushed public debt levels beyond the prudential limits established by the Palestine Monetary Authority. ¹ Total domestic debt more than doubled between 2019 and 2025, reaching over US\$3.4 billion. ²

The crisis also has significant **financial sector implications**. Palestinian banks face increasing exposure to government borrowing while remaining dependent on **correspondent banking relationships** with Israeli banks to clear foreign currency transactions. These relationships are subject to the renewal of **indemnity letters** issued by Israeli authorities, which shield Israeli banks from risks associated with transactions involving Palestinian banks. Whereas these letters used to be renewed annually, the mission was informed that they are currently being renewed every two weeks, creating recurring uncertainty for Palestinian banks and the wider financial system.

At the same time, Palestinian banks are encountering a growing **excess cash problem** in Israeli shekels. Because most transactions in the Palestinian economy are conducted in shekels, banks must regularly transfer surplus cash to Israel. However, they remain subject to an annual ceiling of about 18 billion shekels on such transfers – an arrangement established under the 1994 Paris Protocol when the Palestinian economy was significantly smaller. As economic activity expanded over the past three decades, the ceiling has proven insufficient, resulting in the accumulation of large volumes of physical cash in Palestinian bank vaults. This surplus liquidity limits banks' capacity to support international trade and private sector lending, impacting the labour market.

Structural and security-related constraints further weigh on economic activity. A complex system of movement and access restrictions in the West Bank – together with the Separation Barrier ³ and the infrastructure of settlements – increase commuting times and reduce workers' ability to reach workplaces. Firms face higher operating costs and increasingly uncertain supply chains, as delays in transporting goods and inputs disrupt production schedules and increase transportation expenses. Since the outbreak of the war in Gaza, these restrictions have become significantly more stringent and unpredictable, while settler violence has intensified, further disrupting economic activity. Consequently,

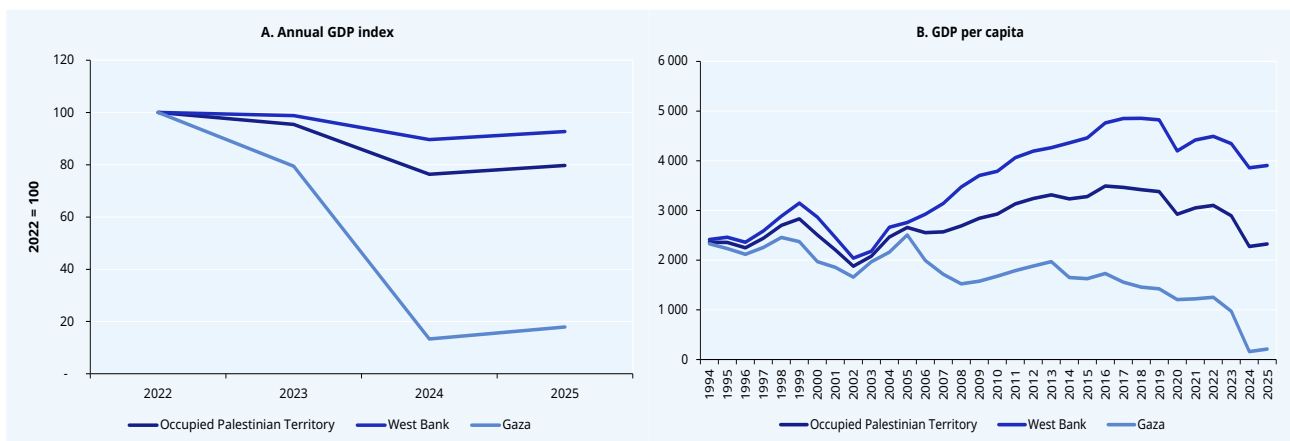
Palestinian employers report difficulties in maintaining stable employment relationships, including retaining workers and, in some cases, paying full wages.

These pressures are occurring against the backdrop of the **long-term erosion of the Palestinian productive base**, largely reflecting decades of restrictions on movement, access to land, water and other resources, and limited policy autonomy. The cumulative economic costs of occupation-related measures between 2000 and 2024 is estimated at US\$212.2 billion, while the economic value extracted by settlements is estimated at US\$832.7 billion.⁴

¹ World Bank, *Impacts of the Conflict in the Middle East on the Palestinian Economy*, September 2025. ² Palestine Monetary Authority, "External and Internal Debt on Palestinian Government" (accessed on 7 April 2026). ³ The Separation Barrier, 85 per cent of which runs inside the West Bank, is over 710 kilometres long and also separates East Jerusalem from the rest of the West Bank. ⁴ Figures in constant 2015 dollars. See UNCTAD, *The Cumulative Economic Cost of Occupation for the Palestinian People (2000–2024) and the Long Road to Recovery*, 2026, v.

27. Following the unprecedented economic collapse in 2024, when the Palestinian economy contracted by 20 per cent compared with the previous year, economic activity in 2025 is estimated to have increased by 4.3 per cent. In Gaza, GDP expanded by a third, while growth in the West Bank was a more modest 3.4 per cent. The recovery in both Gaza and the West Bank was largely consumption-led, reflecting the implementation of the ceasefire in Gaza and a partial increase in household incomes in the West Bank as more Palestinians regained access to employment in Israel and the settlements. Despite this rebound from a low base, economic output in the Occupied Palestinian Territory remains around 20 per cent below its pre-war 2022 level (figure 2.1.A), comparable to levels last seen in 2009. Gaza's contribution to total aggregate output has fallen to less than 6 per cent of the Palestinian economy. The challenging economic conditions have resulted in a significant deterioration in living standards, with GDP per capita at levels last observed more than two decades ago (figure 2.1.B).

► **Figure 2.1. Index of annual real GDP and GDP per capita (constant 2015 prices)**



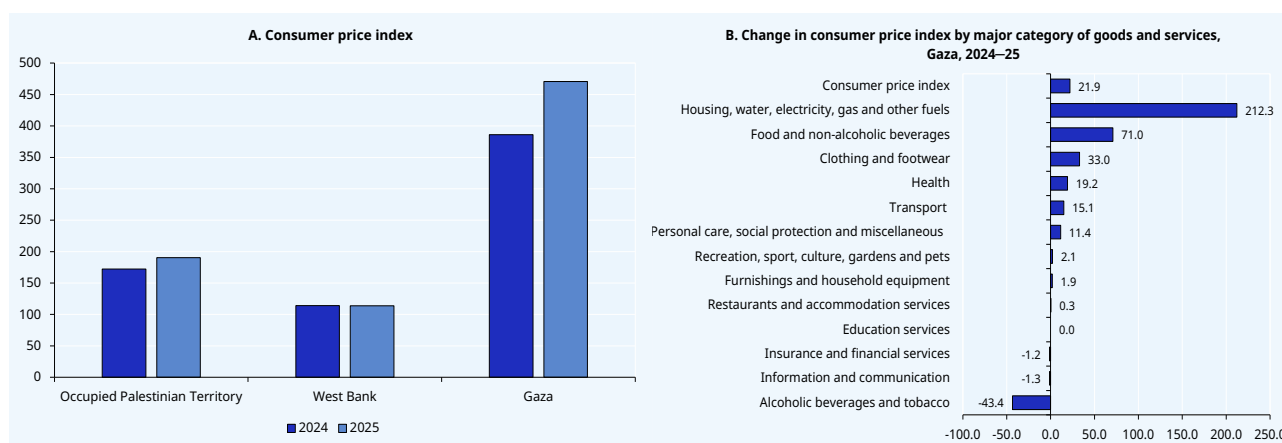
Source: ILO calculations based on PCBS National Accounts, 2025.

28. Sectoral developments in 2025 reflect both cyclical adjustments and structural constraints. Services continue to account for around 70 per cent of the economy of the Occupied Palestinian Territory. Agriculture and manufacturing were the main drivers of the modest rebound, each expanding by around 11 per cent. Increased agricultural output reflects the sector's traditional role as a buffer during periods of economic distress, while the expansion of manufacturing partly reflects shifts towards domestic production amid disruptions in trade finance and supply chains (box 2.1). By contrast, transportation and storage was the only sector that continued to contract

in 2025, declining by 3.4 per cent, reflecting heightened movement restrictions and logistical disruptions in the West Bank.

29. Price dynamics remained highly uneven across the Occupied Palestinian Territory. In 2025, the consumer price index increased by 10.5 per cent year-on-year, driven entirely by price developments in Gaza (figure 2.2.A). In the enclave, prices rose by 21.9 per cent, largely reflecting a 212 per cent price increase in the housing, water, electricity, gas and other fuels category and a 71 per cent increase in food prices (figure 2.2.B). Workers and consumers in Gaza have also faced considerable price volatility, with prices spiking when crossings are closed – such as at the outset of the hostilities in the region that began at the end of February 2026 – and easing when larger volumes of goods are allowed to enter. In the West Bank, prices fell slightly in 2025, by 0.1 per cent, reflecting weak aggregate demand.

► **Figure 2.2. Inflation (consumer price index, 2018 = 100) and change in consumer price index in Gaza by major category of goods and services, 2024–25 (per cent)**



Source: PCBS.

30. The economic outlook for 2026 is extremely fragile. The Palestine Monetary Authority projects GDP growth of between 4.1 to 4.5 per cent in 2026. However, this projection is subject to considerable downside risks. In addition to the multi-layered challenges described in box 2.1, the expiry of the moratorium on debt repayments in Gaza may result in significant debt write-offs, with spillover effects on both financial stability and the real economy in the West Bank. At the same time, the Government is implementing an austerity budget for 2026 to confront what many describe as an “existential” fiscal crisis.

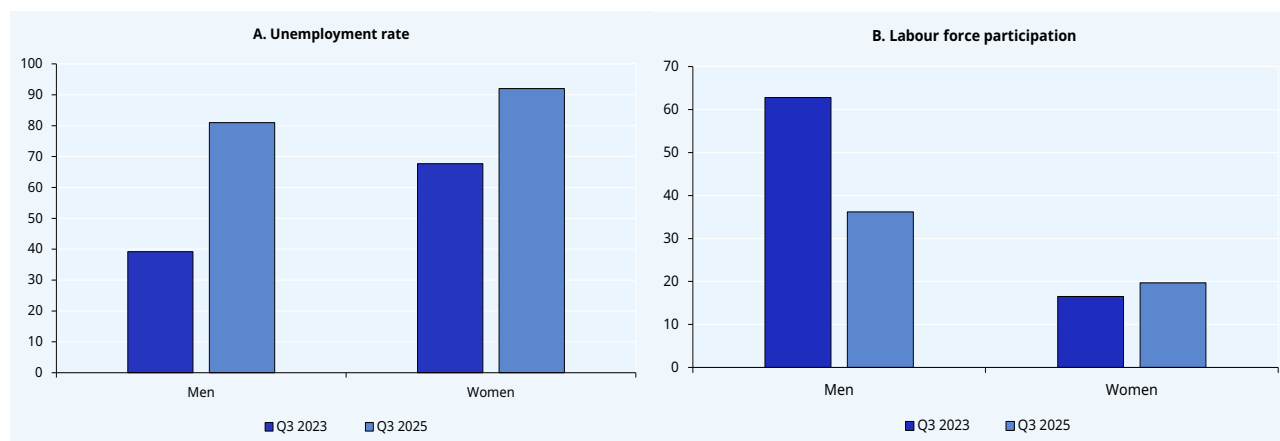
Labour market developments in Gaza

31. Despite the ceasefire, Gaza’s labour market remains devastated. The entry of humanitarian aid has improved, although the onset of the regional hostilities at the end of February 2026 created new disruptions. Reconstruction has yet to begin. Most of the enclave’s infrastructure remains destroyed and economic activity continues to be severely constrained by ongoing insecurity, hostilities and entry restrictions on commercial goods – including items broadly categorized as “dual use” goods. The mission was also informed that a costly coordination system for importing commercial goods, involving a few authorized Israeli and Palestinian traders but excluding goods from the West Bank, further hinders business activities. Most workplaces remain destroyed or inoperable, and productive employment opportunities are extremely scarce. For the vast majority of Gaza’s workers, the labour market has effectively ceased to function, with households relying

overwhelmingly on a narrow range of jobs linked to humanitarian assistance, public services and survival-driven informal activities.

- 32.** The scale of employment losses illustrates the severity of the labour market collapse. More than 250,000 jobs are estimated to have been lost since the beginning of war, resulting in cumulative labour income losses of US\$2.8 billion.²⁶ In addition, significant damage has been inflicted on labour infrastructure. The destruction of government buildings, regional employment service offices, technical and vocational education and training schools, and the offices of trade unions and employers' organizations is estimated to have caused damage of US\$16.8 million, excluding losses related to intangible assets and institutional capacity.²⁷
- 33.** Gaza's labour market had already been severely constrained by the 19-year blockade and the military conflict has further deepened the constraints.²⁸ According to a labour force survey conducted in Gaza in the third quarter of 2025, the unemployment rate reached 85.1 per cent, compared with 45.1 per cent in the third quarter of 2023, prior to the war (figure 2.3.A). Labour force participation has also shifted significantly. Among men, participation declined from 62.8 per cent in the third quarter of 2023 to 36.2 per cent in the third quarter of 2025 (figure 2.3.B). In contrast, women's labour force participation increased from 16.5 per cent to 19.7 per cent, partly reflecting the added worker effect, whereby women enter the labour market in response to declining household incomes. This trend also reflects the growing number of women assuming primary breadwinner roles following the death or incapacitation of male household members.

► **Figure 2.3. Unemployment rate and labour force participation rate, Gaza, third quarters of 2023 and 2025 (per cent)**



Source: PCBS.

- 34.** In addition to labour market distress, around 77 per cent of the population continues to face acute food insecurity.²⁹ The near-total destruction of the agricultural sector, the fact that most of Gaza's fertile land is under direct Israeli control,³⁰ and continued restrictions on the entry of seeds,

²⁶ World Bank, EU and UN, *Gaza Strip Rapid Damage and Needs Assessment*, April 2026, 20.

²⁷ World Bank, EU and UN, 20.

²⁸ It has also been argued that, in the past, Gaza's tunnel economy, while providing essential supplies during the blockade, introduced unregulated goods into the market that undermined formal economic actors and hindered sustainable economic and job growth. See, for example, Nicolas Pelham, "Gaza's Tunnel Phenomenon: The Unintended Dynamics of Israel's Siege", *Journal of Palestinian Studies*, Vol. 41 No. 4, Summer 2012.

²⁹ Integrated Food Security Phase Classification, "IPC Global Initiative: Special Brief – Gaza Strip", 19 December 2025.

³⁰ Gisha, "The War on Food Production: The Agricultural Sector", 23 October 2025.

fertilizers and other agricultural inputs and equipment, as well as the ban on fishing, have further constrained food availability. Food shortages, high prices and reduced household incomes have altered labour supply behaviour, pushing households into short-term coping strategies such as informal work or child labour, rather than longer-term investments in skills and productive activities.

35. Education and skills formation have also been severely disrupted, which delays school-to-work transitions. Formal schooling in Gaza was interrupted for two academic years and is now operating, to some extent, in temporary learning spaces for only three days a week with shortened three-hour shifts. More than 650,000 children remain out of school.³¹

Labour market developments in the West Bank, including East Jerusalem

36. Labour market conditions in the West Bank showed some improvement in 2025 following the sharp deterioration recorded in 2024. Labour underutilization indicators, including the unemployment rate, declined modestly as economic activity partially stabilized after the initial shock of the war in Gaza. However, these improvements should be interpreted with caution. A complex system of movement restrictions continues to fragment the West Bank, including by isolating East Jerusalem, and disrupt access to workplaces and markets, with one study estimating 191,000 working hours lost daily or 73 million hours annually.³² This is equivalent to 36,500 full-time jobs lost for an entire year. Interlocutors stated that repeated closures and tightened regulations have affected cargo movements at the Allenby Bridge crossing, which serves as the main access point for Palestinian traders in the West Bank. At the same time, subdued domestic demand – reflecting the severe fiscal constraints of the Government and reduced household purchasing power – has limited job creation, while frequent military incursions into urban centres and refugee camps have heightened uncertainty and weighed on investment. Many workers previously employed in Israel remain unemployed, as the weak West Bank economy lacks the capacity to absorb them. In addition, trade between the West Bank and Gaza is suspended, further fragmenting the Palestinian economy and limiting opportunities for enterprise recovery. As a result, the labour market recovery in the West Bank remains fragile and uneven, with structural constraints continuing to weigh heavily on employment prospects.
37. The modest improvement in headline labour market indicators in 2025 was accompanied by a limited expansion in employment. Total employment in the West Bank increased by 5.4 per cent, rising from 683,000 in 2024 to 720,000 in 2025, while the unemployment rate declined from 31.4 per cent to 28.7 per cent over the same period (table 2.1). This reduction corresponds to a decline in the number of unemployed persons from 313,000 to 290,000. As a result, the employment-to-population ratio increased slightly, from 31.6 per cent to 32.4 per cent, suggesting a modest stabilization of labour market conditions following the sharp deterioration observed in 2024.

³¹ United Nations Children's Fund (UNICEF), "Protecting Children in Gaza Strip", updated as of October 2025, 1.

³² Tareq Sadeq and Ahmad Alawneh, "The Cost of Closure: Occupation Checkpoints in the North and Central West Bank since 7 October 2023", *Omrán*, 14 (54), 2026, 193.

► Table 2.1. Key labour market indicators, West Bank, 2024 and 2025

	2024	2025	Change (% or %pt)
Population 15+ ('000s)	2 164	2 218	2.5
Labour force ('000s)	996	1 010	1.4
Labour force participation rate – total (%)	46.0	45.5	-0.5
Labour force participation rate – men (%)	73.4	72.0	-1.4
Labour force participation rate – women (%)	17.8	18.2	0.4
Employment ('000s)	683	720	5.4
of which in Israel and the settlements ('000s)	31	44	40.5
Employment-to-population ratio – total (%)	31.6	32.4	0.8
Employment-to-population ratio – men (%)	50.1	51.5	1.4
Employment-to-population ratio – women (%)	12.4	12.8	0.4
Informal employment ('000s)	331	351	6.1
Informal employment rate – total (%)	48.5	48.8	0.3
Informal employment rate – men (%)	50.6	51.0	0.4
Informal employment rate – women (%)	39.6	39.8	0.2
Unemployment ('000s)	313	290	-7.4
Unemployment rate – total (%)	31.4	28.7	-2.7
Unemployment rate – men (%)	31.7	28.5	-3.2
Unemployment rate – women (%)	30.1	29.7	-0.4
Potential labour force ('000s)	25	24	-2.1
Discouraged workers ('000s)	15	15	-1.4
LU3 rate – total (%)	33.1	30.4	-2.7
LU3 rate – men (%)	33.4	30.2	-3.2
LU3 rate – women (%)	32.0	31.0	-1.0

Source: ILO estimates based on PCBS, Quarterly Labour Force Surveys, 2024–25.

38. However, other indicators suggest that the recovery remains fragile. Labour force participation declined slightly from 46.0 per cent in 2024 to 45.5 per cent in 2025, suggesting that some individuals stopped actively seeking employment amid deteriorating economic prospects. This decline was driven primarily by a reduction in men's labour force participation, which fell from 73.4 per cent to 72.0 per cent, while women's participation increased marginally from 17.8 per cent to 18.2 per cent. At the same time, the number of workers in time-related underemployment increased by 28.7 per cent, indicating that many of those who remain employed are working fewer hours than they would prefer.

39. Gender differences in labour market outcomes also persisted. While unemployment rates declined for both men and women, the improvement was considerably more pronounced among men. The unemployment rate for men fell by 3.2 percentage points, from 31.7 per cent to 28.5 per cent, whereas the unemployment rate for women declined only marginally, from 30.1 per cent to 29.7 per cent. At the same time, women's employment-to-population ratio increased only slightly, from 12.4 per cent to 12.8 per cent (by 0.4 percentage points) while the ratio increased by 1.4 percentage points for men, underscoring the structural barriers facing women in the labour market. Movement restrictions affect women particularly strongly, as insecurity and longer commutes further discourage labour market participation.
40. Labour market conditions for young people (aged 15–24) in the West Bank showed some improvement in 2025 following the severe deterioration observed in 2024. Youth unemployment declined from 33.7 per cent in 2024 to 32.2 per cent in 2025, with the improvement driven primarily by young men, whose unemployment rate fell by 2.9 percentage points (from 40.3 per cent to 37.4 per cent) compared to a 0.6 percentage point decline for young women (from 56.7 per cent to 56.1 per cent). The share of youth not in employment, education or training also declined marginally, from 26.7 per cent to 25.8 per cent.
41. The structure of employment also highlights the limited quality of the labour market recovery. Informal employment increased from 331,000 in 2024 to 351,000 workers in 2025, representing a rise of 6.1 per cent, and the informal employment rate edged up from 48.5 per cent to 48.8 per cent. Similarly, the share of employed individuals who make social security contributions declined from 36.1 per cent to 35.2 per cent. This suggests that a significant share of the employment gains in 2025 occurred in informal or precarious work.
42. Broader measures of labour underutilization show a similar pattern of modest improvement alongside continued labour market slack. The LU3 rate – a composite measure including unemployment and the potential labour force – declined from 33.1 per cent in 2024 to 30.4 per cent in 2025, reflecting the reduction in unemployment. Nevertheless, the persistence of high levels of labour underutilization suggests that a substantial share of the working-age population continues to face limited access to productive employment opportunities.
43. Almost two thirds of Palestinians are employed in the services sector. Women particularly are concentrated in services, accounting for 87.3 per cent, while men are more evenly distributed, with construction and manufacturing also absorbing a significant share of employment.
44. Livelihoods and employment opportunities in and around East Jerusalem continue to be profoundly shaped by spatial fragmentation, economic marginalization and settlement expansion. Palestinian communities have been fragmented into isolated enclaves, with limited connectivity to each other and to broader Palestinian markets, undermining economic linkages and access to employment.³³ These constraints, together with land confiscation and restricted access to agricultural areas, have contributed to a marked decline in agriculture and small-scale trade – historically important sources of livelihoods. At the same time, regulatory constraints, high licensing and taxation costs, and competition from settlement-based economic activities such as the Atarot industrial zone have further weakened the viability of Palestinian enterprises.
45. Taken together, following the severe shock experienced in 2024, the labour market remains far from a meaningful recovery, despite some signs of stabilization. Modest employment gains and

³³ Palestine Economic Policy Research Institute and Arab Center for Research and Policy Studies, *Economic and Social Dynamics of Jerusalem Villages in the Context of Settlement Expansion in Jerusalem Governorate: The Cases of Biddu, Beit Iksa, Al-Ram and Kafr Aqab* [in Arabic], 2025.

declining unemployment have occurred alongside falling labour force participation and rising informal employment, indicating that labour market adjustment continues to take place largely through decreased quality of work or withdrawal from the labour force, rather than through sustained job creation.

Palestinians working in Israel and the settlements

46. Employment in Israel and the settlements is a sizeable, yet increasingly precarious, component of Palestinian labour market dynamics. In 2025, approximately 44,000 Palestinians were employed in Israel and the settlements, representing a 40.6 per cent increase compared with 2024 (table 2.2). Of this number, 14,000 held work permits. This growth in employment was concentrated in construction, where employment nearly doubled from 8,600 to 17,000. This rebound reflects both labour and skills shortages in Israel – despite rising numbers of foreign workers – and the lack of viable employment opportunities within the Palestinian domestic economy. However, employment levels remain well below pre-war levels of around 193,000, and access to these jobs continues to be highly constrained and uncertain.

► **Table 2.2. Palestinian work in Israel and the settlements: Key characteristics**

	2022	2023	2024	2025
Employed in Israel and settlements ('000s) *	193	149	31	44
Employed with work permits ('000s)	113	112	14	14
<i>Obtained permit from broker ('000s)</i>	59	56	2	2
<i>Obtained permit without broker ('000s)</i>	53	56	12	12
Employed without work permit ('000s)	40	28	12	18

* Total includes those with an Israeli ID or a foreign passport.

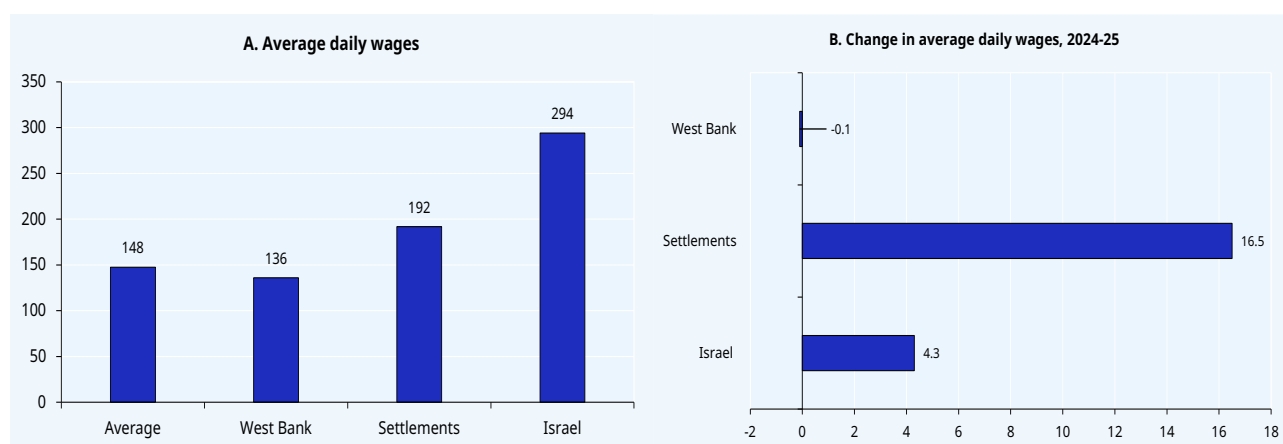
Source: ILO estimates based on PCBS, Quarterly Labour Force Surveys, 2022–25.

47. Employment in Israel and the settlements is also characterized by pronounced gender disparities. Men account for the overwhelming majority of Palestinian workers in Israel and the settlements, representing around 96 per cent of total employment. Sectoral differences are also evident. Among men, construction accounts for the largest share (40.1 per cent), followed by manufacturing, mining and quarrying (28.4 per cent). By contrast, women are concentrated in other services (42.5 per cent), including domestic work, and in manufacturing, mining and quarrying (39.9 per cent).
48. According to the PCBS, the number of Palestinians working in settlements increased by 14.4 per cent, from 14,700 in 2024 to 16,800 in 2025, underscoring the growing role of settlements as a source of employment in the absence of broader labour market opportunities.³⁴ At the same time, the structure of employment in Israel and the settlements has shifted in ways that point to increasing vulnerability.

³⁴ According to information provided by the Israeli Government, approximately 34,850 active work licences currently exist for settlements, compared with 47,500 before October 2023. As noted in previous reports of the Director-General, PCBS figures likely underestimate actual employment, partly due to the stigma associated with working in settlements. In addition, these figures include other foreign workers.

49. In particular, there has been a sharp rise in employment without permits. The number of such Palestinian workers increased by 59.0 per cent, from 11,500 in 2024 to 18,300 in 2025. As a result, an increasing share of Palestinian workers are engaged in informal or irregular employment, without access to legal protections or social security. Several interlocutors indicated that official figures likely underestimate the actual numbers of Palestinian workers without permits, with some estimating that the number of such workers could be as high as 40,000. The mission was informed that the rise in such employment is driven by growing economic desperation in the West Bank, as workers seek any available source of income in the face of limited domestic opportunities.
50. Wage differentials continue to be a key driver of Palestinian employment in Israel and the settlements. In 2025, average daily wages for Palestinians employed in Israel stood at 294 shekels, 2.2 times the level in the West Bank, while wages in the settlements were 41 per cent higher than in the West Bank (figure 2.4.A). The construction sector in Israel continued to provide the highest wages, with an average daily wage of 327 shekels. Between 2024 and 2025, average daily wages in Israel increased by 4.3 per cent while wages in the settlements grew more rapidly, by 16.5 per cent (figure 2.4.B). By contrast, wages in the West Bank remained stagnant, reinforcing incentives for Palestinian workers to seek employment outside the domestic economy despite the associated costs, risks and uncertainties.

► **Figure 2.4. Average daily wages by place of work, 2025 (shekels) and change in average daily wages, 2024–25 (per cent)**



Source: ILO estimates based on PCBS, Quarterly Labour Force Surveys, 2024–25.

51. Overall, these developments point to a dual dynamic. While employment in Israel and the settlements is providing livelihoods for a growing number of Palestinians, it is increasingly characterized by informality, insecurity and unequal access. Reliance on these labour markets is therefore not only a reflection of economic necessity but also a source of vulnerability.

▶ Chapter 3. Palestinian workers' rights

52. Successive reports of the Director-General have underscored the adverse effects of Israeli measures in the context of occupation on the social and economic rights of Palestinian workers, including those embodied in international labour standards. Such measures have included settlement expansion, control over land, evictions, demolitions and displacements, as well as movement and access restrictions. Combined with increasing incidents of settler violence, these measures have seriously undermined the realization of fundamental principles and rights at work.

Settlement expansion

53. Settlements and the complex set of policies and measures that support them restrict Palestinians' access to land, water and other productive resources, as well as infrastructure development, and freedom of movement and residence. This contributes to the Palestinian economy's increasing weakness in generating jobs, while access to available work is hindered and agricultural livelihoods undermined. Over the years, settlement expansion in the West Bank has steadily increased, and since 2023 has accelerated at an unprecedented pace (table 3.1).³⁵

▶ **Table 3.1. Selected indicators of settlement expansion in the West Bank (2022–25)**

	2022	2023	2024	2025
Number of outposts established (excluding East Jerusalem)	7	32	62	86
Plans for new housing units in settlements that have advanced by passing at least one planning stage (excluding East Jerusalem)	4 427	12 883	9 961	27 941
Plans for new housing units for Palestinians in Area C that have passed at least one planning stage	58	0	0	n.a.
New tenders for the construction of housing units in settlements issued (excluding East Jerusalem)	159	1 258	1 329	9 629
Palestinian land declared to be state land, in hectares, after which it is no longer available to Palestinians	389	50	2 426	120
Demolitions of Palestinian structures, primarily due to lack of permits that Palestinians rarely receive, military operations or punitive orders	957	1 178	1 769	1 659

Notes: Unless otherwise indicated, the figures include East Jerusalem. n.a. = data not available.

Sources: Peace Now, "Settlement Watch – Data" and OCHA, "Breakdown of Data on Demolition and Displacement in the West Bank", accessed on 7 April 2026.

³⁵ UN High Commissioner for Human Rights, *Israeli settlements in the Occupied Palestinian Territory, including East Jerusalem, and in the occupied Syrian Golan*, 4 February 2026, para. 11.

54. With the approval of 19 new settlements in December 2025, the overall number of settlements stood at 210, up from 141 in 2022.³⁶ There has also been a marked increase in the number of new outposts,³⁷ from 7 in 2022 to 86 in 2025.

Consolidation of Israeli control over land in the West Bank

55. Some 70 per cent of the land in Area C has been estimated to be off limits for Palestinian development and roughly 58 per cent of land in the same area is believed to be unregistered.³⁸ Having suspended land registration in the West Bank in 1968, the Israeli Government decided in May 2025 to resume it specifically in Area C.³⁹ In February 2026, the Israeli Government instructed the competent authorities to advance land title settlement proceedings, and made related budget allocations. This process will enable the formal registration of land previously declared “state land” by Israel. According to the Israeli NGO Peace Now, this would, in many cases, leave Palestinians with no practical ability to realize their ownership rights.⁴⁰
56. Furthermore, the Israeli Government has adopted measures enabling Israelis to purchase land directly from Palestinians. Previously, Israel permitted only Israeli-registered legal entities to conduct such transactions. In addition, a prior permit requirement for land sales was removed, land registries were opened to the public, and land purchases from Palestinians by the State were resumed. These measures are expected to result in further loss of land by Palestinians.⁴¹

Evictions, demolitions and displacement

57. Land declared “state land” is almost exclusively allocated for Israeli use. Palestinian communities in Area C lack master plans, and building permits for housing, agricultural, commercial or other purposes are nearly impossible to obtain.⁴² In February 2026, the Israeli Government expanded Israeli supervisory and law enforcement authorities in Areas A and B, transferring selected powers over planning and building permits from Palestinian municipal bodies to the Israeli Civil Administration, heightening the risk of evictions and displacement in these areas.⁴³
58. In 2025, the Office for the Coordination of Humanitarian Affairs recorded 1,320 demolitions of Palestinian structures, including those used for agriculture and other livelihood purposes, in Area C alone – the highest number since data collection began in 2009. Of these, 1,270 were due to a lack of permits. In total, there were 1,659 demolitions across all areas of the West Bank. During 2025, evictions, demolitions, confiscations and the sealing of structures displaced

³⁶ Jeremy Sharon, “Government Announces 19 New West Bank Settlements and Legalized Outposts”, *Times of Israel*, 21 December 2025.

³⁷ Outposts are smaller satellite settlements erected on land privately owned by Palestinians but taken over forcibly by Israeli settlers.

³⁸ OCHA, “Area C of the West Bank: Key Humanitarian Concerns”, August 2014; Peace Now, “Government Approves West Bank Land Settlement, Allocates NIS 244 Million for a Process Entailing the Dispossession of Thousands of Palestinians”, 15 February 2026.

³⁹ Ministerial Committee for National Security Affairs, *Decision No. 187/B*, 11 May 2025 [in Hebrew].

⁴⁰ Peace Now, “Government Approves West Bank Land Settlement”.

⁴¹ Peace Now, “The Cabinet Approves a Series of Decisions to Take Control of Land and Strip Powers from the Palestinian Authority”, 8 February 2026.

⁴² OCHA, “Area C of the West Bank: Key Humanitarian Concerns”, August 2014.

⁴³ OCHA, “Humanitarian Situation Update #358: West Bank”, 19 February 2026.

2,116 people.⁴⁴ The resulting loss of productive assets directly impacts Palestinians' livelihoods and income-generating opportunities.

59. Some 33,000 persons were displaced in 2025 when the Jenin, Tulkarm, and Nur Shams refugee camps were emptied as a result of Israeli military operations, abruptly interrupting livelihoods, access to workplaces and education.⁴⁵ Military operations continued in the northern West Bank and spread to other parts of the West Bank, including inside Palestinian towns and villages.⁴⁶ The stated aim of these operations and tightening controls over movement is to respond to security threats against Israelis in the West Bank and Israel.⁴⁷

Movement and access restrictions

60. Palestinian workers now face 925 obstacles in the West Bank – 43 per cent more than the annual average of 647 in the preceding 20 years – including checkpoints, road gates, roadblocks, ditches and earth mounds.⁴⁸ As a result, they are exposed to stress, uncertainty and delays in reaching their workplaces and farmland. The opening hours of checkpoints and gates reportedly change at short notice, resulting in longer, costlier and more dangerous journeys to work.
61. These restrictions hinder all aspects of work in the private and public sectors that depend on freedom of movement. Ministry of Labour officials face constraints in reaching workplaces to carry out labour inspections and provide advisory and other services; Palestinian workers' and employers' organizations face limitations in reaching their members and organizing activities; students are delayed in or prevented from reaching schools and training centres; victims of occupational accidents may not reach hospitals and health services on time, including for emergency care;⁴⁹ and women's and girls' access to reproductive health services is limited.⁵⁰
62. With the construction of the Separation Barrier, Palestinians owning land situated in the "seam zone"⁵¹ have been required to obtain permits to access that land. Since October 2023, the vast majority of an estimated 20,000 holders of farming permits have reportedly been barred from entering. In September 2025, the Israeli Civil Administration issued new rules governing entry into the seam zone. Whereas previously, permit applicants merely had to demonstrate a proprietary connection to land in the zone, access is now granted for the purpose of "agricultural needs". The Israeli NGO HaMoked considers that because most farmers in the zone grow olive trees, viewed by the military as a crop requiring only seasonal care, these new rules effectively restrict the right of olive growers to access their land all year round.⁵²

⁴⁴ OCHA, "Breakdown of Data on Demolition and Displacement in the West Bank", accessed on 7 April 2026.

⁴⁵ OCHA, "West Bank Monthly Snapshot: Casualties, Property Damage and Displacement", as of 31 December 2025; UNRWA, "UNRWA Situation Report #207 on the Humanitarian Crisis in the Gaza Strip and the Occupied West Bank, including East Jerusalem", 4 February 2026.

⁴⁶ UN Deputy Special Coordinator for the Middle East Process, "Briefing to the Security Council", 24 November 2025.

⁴⁷ Amir Bohbot, "Inside Operation Iron Wall: How the IDF Is Reshaping the West Bank", *Jerusalem Post*, 6 July 2025; Mora Deitch, Shaul Arieli and Rebecca Meller, "Summary of Terror Attacks in Israel and the West Bank, 2023–2024", Institute for National Security Studies, 4 February 2025.

⁴⁸ OCHA, "Movement and Access in the West Bank", April 2026.

⁴⁹ OCHA, "West Bank Movement and Access Update", May 2025, 2.

⁵⁰ United Nations Population Fund, "Situation Report: Crisis in Palestine – October–December 2025", 2.

⁵¹ The "seam zone" is the area in the West Bank between the Separation Barrier and the Green Line, designated by the Israeli military as closed to Palestinians. The "Green Line" is the Armistice Line between Israel and the West Bank, in place since 1949.

⁵² HaMoked, "From Emergency Measures to Permanent Policy: The Military Formalizes Draconian War-Time Limitations on 'Seam Zone' Farmers", 6 January 2026.

63. Movement between Gaza and the West Bank remains virtually impossible. Some 4,000 Palestinian workers from Gaza who were in Israel during the 7 October 2023 attacks by Hamas remain stranded in the West Bank. The Rafah crossing has been opened irregularly for very limited numbers of Palestinians to exit and enter the Gaza Strip; Palestinians re-entering faced abuses by Israeli military forces and armed Palestinians operating in the Israeli-controlled part of the Gaza Strip.⁵³ The “yellow line” is increasingly becoming a de facto border hindering the access of Palestinians to their homes and fields.⁵⁴

Violence, including settler attacks

64. Violence is widespread across the West Bank. In 2025, a total of 240 Palestinians were killed and 3,984 Palestinians were injured; 17 Israelis were killed and 101 Israelis were injured. Violence has been escalating further since the beginning of 2026. Between 1 January and 19 March 2026, 26 Palestinians were killed and 660 were injured; 11 Israelis were injured.⁵⁵ According to the Israeli NGO Yesh Din, in respect of 2,427 complaints submitted by Palestinians concerning harm caused by Israeli soldiers between 2016 and 2024, criminal investigations were opened in 22.7 per cent of the cases but only 0.9 per cent resulted in indictments.⁵⁶
65. There has been a surge in incidents causing harm to Palestinians involving Israeli settlers, with 1,828 settler attacks resulting in Palestinian casualties and/or property damage in 2025 – some 400 more than in 2024.⁵⁷ Settlers raided Palestinian homes and communities, destroyed water infrastructure and agricultural equipment, impeded access to land, stole livestock, grazed their animals on private Palestinian land and cultivated land they had taken over.⁵⁸ During the 2025 olive harvest, 178 recorded attacks on Palestinians working in their olive groves, or on their way there, resulted in casualties or property damage. Over 6,000 trees and saplings were destroyed.⁵⁹ There was also a significant increase in the displacement of Palestinian herding communities as a result of settler violence, especially in the Jordan Valley.⁶⁰ A majority of Palestinians harmed by settler violence do not lodge complaints, discouraged by difficulties faced in doing so and the slim chance of obtaining a remedy.⁶¹

Fundamental principles and rights at work

66. Measures restricting Palestinians' freedom of movement, access to land and construction in the Occupied Palestinian Territory affect equality of opportunity and treatment in respect of employment and occupation, including access to education and training. The International Court

⁵³ Office of the United Nations High Commissioner for Human Rights (OHCHR), “[Patterns of Ill-Treatment and Coercion Reported among Palestinians Returning to Gaza](#)”, 5 February 2026.

⁵⁴ OCHA, “[Humanitarian Situation Update #357: Gaza Strip](#)”, 12 February 2026; Emma Graham-Harrison, “[‘Yellow line’ That Divides Gaza Under Trump Plan Is ‘New Border’ for Israel, Says Military Chief](#)”, *Guardian*, 8 December 2025.

⁵⁵ OCHA, “[Data on Casualties](#)”, accessed on 8 April 2026.

⁵⁶ Yesh Din, “[Duration of Processing of Complaints Concerning Israeli Soldiers’ Offenses against Palestinians in the West Bank](#)”, 30 December 2025.

⁵⁷ OCHA, “[West Bank Monthly Snapshot: Casualties, Property Damage and Displacement](#)”, as of 31 December 2025.

⁵⁸ OCHA, “[Humanitarian Situation Update #358: West Bank](#)”, 19 February 2026; B’Tselem, “[Bardalah, the Jordan Valley: Israeli Settlers Let Herd of Cattle Graze in Privately Owned Palestinian Farm Fields in the Qa’un Plain and Assaulted Farmers Who Tried to Defend Their Land](#)”, 1 June 2025.

⁵⁹ OCHA, “[Humanitarian Situation Update #346: West Bank](#)”, 4 December 2025.

⁶⁰ OCHA, “[Humanitarian Situation Update #358: West Bank](#)”, 19 February 2026.

⁶¹ Yesh Din, “[Law Enforcement on Israeli Civilians in the West Bank \(Settler Violence\)](#)”, December 2025.

of Justice recently concluded that this regime of comprehensive restrictions constitutes systemic discrimination.⁶²

67. Limited job opportunities in Israel as well as in the Palestinian labour market increase Palestinian workers' dependence on work in Israeli settlements, heightening their vulnerability to exploitation and abuse. Israeli minimum wage legislation has been made applicable in the settlements via military order.⁶³ However, according to the Palestine General Federation of Trade Unions (PGFTU), employers have in some cases applied Jordanian law, leading to unequal conditions for Palestinians. No occupational safety and health regulations are applicable in the settlements.⁶⁴ Moreover, workers often lack written contracts, with some being obliged to surrender a substantial part of their wages to intermediaries. Vulnerability of Palestinian workers to labour rights violations in the settlements also stems from the effective absence of labour inspection and trade union activity there.
68. Bringing claims in Israeli labour courts is costly for Palestinians working in Israel or the settlements, and complicated by the need to obtain permits to enter Israel. The mission was informed that some Palestinians had still not received the wages they claimed were due to them for the last weeks that they had worked in Israel before 7 October 2023. Palestinian construction workers who worked in Israel prior to October 2023 have continued to benefit from access, free of charge, to the dispute settlement mechanism set up under the sectoral collective agreement between Histadrut and the Israel Builders' Association, which in 2025 handled 1,219 cases, mostly related to wages.
69. The PGFTU reported that several Palestinian workers attempting to reach workplaces in Israel were shot at, and some killed, by Israeli security forces at or near the Separation Barrier.⁶⁵ Palestinian workers seeking to access work in Israel without permits are reportedly classified as "security detainees" and a new prison is reported to have been constructed for their detention.⁶⁶
70. The PGFTU informed the mission that, in October 2025, Israeli security forces had raided its headquarters in Nablus, damaging several offices and questioning workers and union members present on the premises during the operation.
71. On 26 January 2026, the Israeli Knesset adopted legislation to prevent the employment of education workers holding degrees from institutions of higher education under the Palestinian Authority.⁶⁷ The majority of the teachers in municipal schools (official and recognized private schools) in East Jerusalem have such degrees.⁶⁸ The measure is currently being challenged before the Israeli High Court of Justice by Israeli NGOs arguing that the measure is discriminatory.⁶⁹

⁶² International Court of Justice, *Legal Consequences Arising from the Policies and Practices of Israel in the Occupied Palestinian Territory, Including East Jerusalem*, Advisory Opinion of 19 July 2024, para. 223.

⁶³ State Comptroller of Israel, *Israeli Administrated Industrial Zones in Judea & Samaria: Follow-up Audit*, February 2023, 142.

⁶⁴ State Comptroller of Israel, *Follow-up Audit*, 143.

⁶⁵ Since 7 October 2023, OCHA has documented the killing of 17 Palestinians and the injury of 262 others while attempting to cross the Barrier after Israeli authorities revoked or suspended most permits to access East Jerusalem and Israel. OCHA, "Humanitarian Situation Update #358: West Bank", 19 February 2026.

⁶⁶ Palestinian Information Center, "Ben-Gvir Approves New Prison to Detain Palestinian Workers", 30 September 2025.

⁶⁷ Law for the Prevention of Employment of Education Workers Who Hold an Academic Degree from an Institution in the Palestinian Authority (Legislative Amendments), 5786–2026. The legislation prohibits the employment of such degree holders, but does not have retroactive effect. Such persons may be employed if they also hold an Israeli degree, unless it is proven that their employment would have "a harmful influence on students or minors".

⁶⁸ Knesset Research and Information Centre, "Arab Education in East Jerusalem: Selected Aspects", 3 November 2024.

⁶⁹ Association for Civil Rights in Israel, "Repeal the Law Disqualifying Teachers with Degrees from the Palestinian Authority", 25 February 2026.

Given that the education sector is an important employer for Palestinian women in East Jerusalem, the measure would affect them in particular. Furthermore, the Israeli authorities have instructed the principals of recognized private schools in East Jerusalem to give hiring preference to Palestinians with East Jerusalem residence over those residing in other parts of the West Bank as of the 2026–27 school year.⁷⁰

⁷⁰ Jerusalem District and the City of Jerusalem, Instructions to Principals of Private / Recognized but Unofficial Schools Regarding the Employment of Teachers Holding a Green ID, 12 March 2026 [in Arabic].

► Chapter 4. Labour governance in a protracted crisis

72. Palestinian labour governance institutions have been functioning in a prolonged emergency mode. In Gaza, given the fragility of the ceasefire and the scale of destruction, the re-establishment of labour market governance structures remains elusive. The cost of restoring employment services, labour inspection capacities, and advocacy and representation by workers' and employers' organizations is difficult to quantify. In the West Bank, security concerns, movement and access restrictions and economic contraction have weakened labour governance capacity. Palestinian civil servants have continued to work despite reduced salaries, but the delivery of key services has been affected.⁷¹

Reform efforts

73. Despite these constraints, the Government has sought to advance governance reforms. A draft interim Constitution⁷² was published in February 2026.⁷³ Municipal elections were scheduled for April 2026 across the State of Palestine⁷⁴ and Palestinian National Council elections are planned for November 2026.⁷⁵

74. Work on labour law reform has resumed within the Tripartite Labour Policy Committee, with a view to adoption in 2026. The Ministry of Labour has also developed a National Labour Sector Strategy (2025–2027) providing policy direction beyond emergency response, but implementation remains constrained by the political and fiscal challenges.

Social partners under pressure

75. Workers' and employers' organizations across the State of Palestine continue to operate under precarious conditions. However, their operational capacity is severely curtailed, particularly in Gaza. Activities are largely limited to maintaining a basic institutional presence. The PGFTU in Gaza reported a lack of trade union premises following their destruction, repeated displacement of workers and harsh living conditions, with the lack of electricity severely affecting organizational functioning. In an effort to maintain contact with workers and document their situation, the Federation has launched an initiative to register all workers across the enclave.

76. The Federation of Palestinian Chambers of Commerce, Industry and Agriculture reported similar pressures. All five Gazan Chambers of Commerce have suffered significant institutional disruption, including the destruction of premises and information and communications technology (ICT) infrastructure, staff displacement and the loss of revenue streams.⁷⁶

⁷¹ World Bank, *Impacts of the Conflict in the Middle East on the Palestinian Economy*, April 2025, 14–15.

⁷² WAFA News Agency, "President Abbas Issues Decree Establishing Interim Constitution Drafting Committee", 18 August 2025.

⁷³ Constitution Drafting Committee, "Draft of the Temporary Constitution of the State of Palestine", February 2026 [unofficial translation].

⁷⁴ Prime Minister's Office, "PM Mustafa Directs Authorities to Address Citizens' Needs in Tubas; Cabinet Sets Local Council Elections for 25 April 2026", 2 December 2025.

⁷⁵ Jacob Magid and AFP, "Palestinian Authority's Abbas Calls First-Ever Direct PLO Parliament Elections", *Times of Israel*, 3 February 2026.

⁷⁶ ILO, "Rapid Institutional Assessment of Chambers of Commerce, Industry and Agriculture in the Gaza Strip", 2025 (unpublished).

Employment and emergency support programmes

- 77.** The Ministry of Labour has continued to support relief interventions, such as wage subsidies to enterprises through loan schemes covering up to nine months of salaries. It has also pursued measures aimed at strengthening labour market functioning, such as the launch in December 2025 of a job-matching platform powered by artificial intelligence to connect jobseekers with local and international employers,⁷⁷ and of the Labour Market Compass to collect and provide accurate labour market data.⁷⁸
- 78.** The Ministry has continued to implement employment support programmes such as the Bader initiative, launched in 2024 in partnership with the Palestine Monetary Authority. The programme provides interest-free loans of up to 60,000 shekels to workers who lost employment in Israel following the war to enable them to establish or expand small enterprises, supporting the creation of around 500 productive projects.
- 79.** Through the Monshati scheme, which centralizes access for micro, small and medium-sized enterprises (MSMEs) to financing opportunities, advisory services and capacity-building programmes, the Palestine Monetary Authority supported approximately 1,000 new loans to MSMEs between 2024 and 2026. In addition, in 2025 alone, 1,034 MSMEs received new loans under the financing scheme Estidama.⁷⁹ The Palestinian Employment Fund has been implementing, in partnership with the ILO, an emergency employment scheme, which in 2025 targeted 1,250 beneficiaries in Gaza and the West Bank, including 257 women.⁸⁰
- 80.** The mission previously reported that there were approximately 39,000 civil servants employed by the Palestinian Authority in Gaza as of 2022.⁸¹ It is unclear how many remain on its payroll to date. Efforts to establish a vetted Palestinian police force in Gaza have begun,⁸² and tens of thousands have applied to serve in it.⁸³ Employment through local and international NGOs and international organizations remains a key source of income for many. The United Nations Relief and Works Agency for Palestine Refugees in the Near East (UNRWA), a major employer in Gaza with around 11,000 personnel,⁸⁴ has reduced salaries and working time to 80 per cent since February 2026 and has increasingly relied on daily contracts and cash-for-work schemes due to the lack of resources. There is uncertainty regarding the scale of employment linked to the de facto authorities in Gaza. Some reports indicate that payments by Hamas to civil servants have been irregular, reduced or halted, amid a deepening financial crisis and with the “tunnel economy” collapsing.⁸⁵

⁷⁷ See “Job Match”.

⁷⁸ Ministry of Labour, National Labour Sector Strategy 2025–2027, 40.

⁷⁹ Palestine Monetary Authority, note to the mission, March 2026.

⁸⁰ ILO, “Emergency Employment in the Occupied Palestinian Territory”, January 2026.

⁸¹ ILO, *The Situation of Workers of the Occupied Arab Territories*, ILC.111/DG/APP, 2023.

⁸² UN Security Council resolution 2803 (2025), para. 15.

⁸³ *Times of Israel*, “Board of Peace Envoy Lays Out Principles of Disarmament Plan Presented to Hamas”, 25 March 2026.

⁸⁴ UNRWA, “UNRWA Situation Report #211 on the Humanitarian Crisis in the Gaza Strip and the Occupied West Bank, Including East Jerusalem”, 5 March 2026.

⁸⁵ Shira Rubin and Hazem Balousha, “Hamas Facing Financial And Administrative Crisis Amid Gaza War As Revenue Dries Up”, *Washington Post*, 21 July 2025; *Times of Israel*, “Coffee and Cash: How Hamas Pays Its Civil Servants amid the War”, 4 September 2025.

81. The Emergency Operations Room for Gaza operated until early 2026, implementing mainly humanitarian assistance, alongside limited employment support through cash-for-work and other temporary employment schemes.⁸⁶

Deepening vulnerabilities

82. Women's employment rates remain extremely low in the West Bank and are even more constrained in Gaza, where paid work is virtually inaccessible. At the same time, rising unpaid care responsibilities, driven by displacement, increased numbers of persons with disabilities and a lack of services, continue to push some women out of the labour market.⁸⁷ The percentage of female-headed households in Gaza rose by 50 per cent between October 2023 and October 2025. In the West Bank, young educated women face significantly higher unemployment, underscoring persistent structural barriers to their labour market integration.⁸⁸
83. The Ministry of Women's Affairs has provided cash assistance to women-headed households, promoted job creation programmes, established women's cooperatives to support collective livelihood recovery and offered capacity-building to women entrepreneurs. The Inclusive Palestinian Economy Initiative 2025–2030 seeks to support women-led MSMEs, strengthen local value chains and integrate women into the green and digital economies.
84. In Gaza, young people informed the mission that the destruction of infrastructure, lack of electricity and unreliable internet connectivity have severely curtailed opportunities for freelance and remote work that previously provided a source of income. Access to safe working spaces, reliable digital infrastructure and opportunities for independent work were identified as critical priorities to allow meaningful participation in economic recovery. Almost all technical and vocational education and training (TVET) institutes have been either destroyed or rendered non-functional.⁸⁹ Incubators that previously supported start-ups, such as within the University College of Applied Sciences, have also been destroyed. Their reactivation would require resources and a stable operating environment.
85. In the West Bank, while TVET institutions have continued to operate, they face increasing challenges due to movement restrictions and limited employment opportunities for graduates. Efforts to strengthen the transition from training to employment have been supported through initiatives such as the Business Recovery Initiative of the Palestinian Employment Fund, supported by the ILO, which covers both Gaza and the West Bank. UNRWA has continued its TVET activities in the West Bank; however, the Qalandia Training Centre is operating under severe constraints following recent Israeli legislation mandating the cut-off of electricity and water to UNRWA facilities.⁹⁰
86. Several interlocutors reported a significant increase in child labour in Gaza as a harmful survival strategy. One out of four families had children – some as young as six – engaging in hazardous

⁸⁶ State of Palestine, Government Operations Room for Emergency Interventions in the Southern Governorates, Annual report 2025–2026 (unpublished).

⁸⁷ ILO, Decent Work and Recovery Programme, 2026–2027.

⁸⁸ PCBS, "The Palestinian Central Bureau of Statistics (PCBS) highlights the situation of Palestinian women on the International Women's Day", 8 March 2026. See also Ministry of Women's Affairs, "The Reality of Women in the Palestinian Economy 2026 on the Eve of 8th of March", 8 March 2026.

⁸⁹ ILO, "Workforce Solutions for Business Recovery in the State of Palestine", 2025 (unpublished), 1.

⁹⁰ Sam Sokol, "Knesset Passes Law Blocking Provision of Electricity and Water to UNRWA Facilities", *Times of Israel*, 29 December 2025; Amira Hass, "Palestinian UNRWA Vocational Training Center Faces Closure by Israel", *Haaretz*, 16 January 2026.

work.⁹¹ Interlocutors described children carrying out activities such as collecting and selling water in plastic bags, searching through rubble for reusable materials and selling homemade food or small items on the street.

Reconfiguring social protection

87. Social protection is a key governance priority. In 2025, the Ministry of Social Development continued to work on the reform of the National Cash Transfer Programme, which led to the introduction of rights-based social allowances, in a move towards a categorical life-cycle approach. As a result, around 17,000 older persons and 14,000 persons with disabilities received income support in 2024–25, expanding rights-based coverage. This work has been underpinned by the National Social Protection Strategy 2025–2027.
88. Decree-Law No. 4/2025, adopted in January 2025, introduced significant changes to the social assistance framework, including the discontinuation of the payment system associated with the “Martyrs Fund” and a shift towards poverty-based targeting relying on proxy means testing and multidimensional poverty criteria. The decree also transferred responsibility for social protection cash assistance to the Palestinian National Economic Empowerment Institution (Tamkeen). This reallocation of roles and systems introduced uncertainties regarding governance and oversight. Pending further clarity on the new institutional set-up, key international partners paused their financial contributions as of April 2025. Due to this suspension and the ongoing fiscal constraints, only five payments were made in 2025 and none in 2026 as of March.

Labour inspection

89. Labour inspection services remained constrained by movement restrictions, limited financial resources and insufficient transport capacity. Currently, 85 inspectors are responsible for the inspection of approximately 155,000 workplaces in the West Bank. Informal work further limits the reach of labour inspection. In 2025, 13 occupational deaths were recorded in the West Bank, mostly in the construction sector;⁹² however, the number is likely to be under-reported, given the limited effectiveness of enforcement and reporting mechanisms

⁹¹ UNICEF, “Protecting Children in Gaza Strip”, updated as of October 2025.

⁹² Palestine Polytechnic University, “Annual Report on Fatal Work Accidents in the West Bank for 2025” [in Arabic].

► Chapter 5. Workers of the occupied Syrian Golan

- 90.** Occupied since 1967, the Syrian Golan was annexed by Israel in 1981.⁹³ Complex economic and social realities, shaped by the occupation and regional instability and conflict, continue to affect livelihoods and employment opportunities for the Syrian workers of the occupied Syrian Golan, who remain concentrated in construction, services and agriculture.⁹⁴ Mission interlocutors highlighted long-standing concerns regarding unequal access to land, water and markets, as well as limited access to sectors requiring higher skills.
- 91.** Agricultural activities for Syrians in the occupied Syrian Golan reportedly remain constrained by limited water allocations and access restrictions affecting farmland. Increasingly dry climatic conditions have further accentuated these hardships. Since October 2023, Palestinian workers from the West Bank have not been permitted to work in the area, and enforcement measures against workers without permits and their employers have reportedly intensified. In this context, full reliance on local labour has increased production costs, making agricultural products of Syrian farmers less competitive compared with the products of nearby settlements.
- 92.** The tourism sector has struggled amid broader regional instability since 2023. The hostilities in the region have further clouded prospects for recovery. Access to employment in emerging sectors, including technology and knowledge-based industries, remains limited locally, particularly for younger generations seeking new economic opportunities. Israeli citizenship is a requirement for accessing certain jobs.
- 93.** Announced investments in public infrastructure – including schools and sports facilities under development – and planned investments in the promotion of agrotourism in the village of Ein Quniya reportedly offered promising job and income-generation opportunities.⁹⁵ Interlocutors also indicated that access to Israeli social protection and health services available to Syrians of the occupied Syrian Golan mitigated some disparities in economic opportunities.
- 94.** While the number of Israeli settlements has not increased from 34 in recent years, existing settlements are reportedly expanding. The stated aim is to increase the number of Israeli residents in the area, which currently stands at around 28,000 – almost on par with the number of Golani Syrians. These developments may have implications for land use and economic opportunities in surrounding areas. A final judicial decision is expected in 2027 concerning wind turbine construction projects that have been denounced by local communities for their potential to further restrict any future expansion of Syrian villages.
- 95.** Following the fall of the Syrian Government on 8 December 2024, Israeli army units entered and began operating within the previously demilitarized area of separation (“buffer zone”) between Israel and the Syrian Arab Republic in Quneitra Governorate. Mission interlocutors reported that the presence of Israeli forces in and around the former buffer zone has contributed to an environment of uncertainty affecting economic activity in nearby communities. Parts of the area adjacent to the 1967 ceasefire line were reportedly closed off, affecting farmers’ ability to cultivate

⁹³ UN Security Council resolution 497 (1981) declared Israel’s imposition of its laws, jurisdiction and administration in the territory null and void and without international legal effect. The resolution has been reaffirmed by subsequent UN General Assembly resolutions.

⁹⁴ Israeli Central Bureau of Statistics (CBS), Labour Force Survey data on the Golan, as communicated by the CBS via email to the mission on 23 March 2025.

⁹⁵ “Ein Quniya, Village of the Springs”, presentation transmitted to the mission by the mayor of Ein Quniya.

land. The reported spraying of chemicals along sections of the ceasefire line to clear vegetation for security purposes has raised concerns about potential impacts on crops, livestock and water sources.⁹⁶

96. Interlocutors also reported that security concerns and economic uncertainty have influenced the aspirations of many Syrians of the occupied Syrian Golan, particularly among younger generations. Applications for Israeli citizenship have increased, especially following serious security incidents affecting Druze communities in Suwayda Governorate in the south of the Syrian Arab Republic in mid-2025.⁹⁷ Israeli citizenship is increasingly seen as offering greater security, access to employment opportunities, and wages significantly higher than those in the Syrian Arab Republic and other countries in the region.
97. In early 2026, talks between Israeli officials and the new Syrian Government took place to address security concerns, with some reports suggesting that economic and trade-related aspects were also discussed.⁹⁸

⁹⁶ Arab Human Rights Center in Golan Heights (Al-Marsad), [“Al-Marsad Has Called on the Israeli Occupation Authorities to Immediately Halt the Aerial Spraying of Chemical Pesticides Using Agricultural Aircraft over Syrian Lands Within the Disengagement Zone”](#), 10 February 2026.

⁹⁷ Armed attacks in and around Sweida Governorate beginning on 13 July 2025 led to the killing of at least 1,000 people, abductions, looting and destruction of property, and violence against women and girls. OHCHR, [“Syria: UN Experts Alarmed by Attacks on Druze Communities, Including Sexual Violence Against Women and Girls”](#), 21 August 2025.

⁹⁸ United States Department of State, [“Joint Statement on the Trilateral Meeting Between the Governments of the United States of America, the State of Israel, and the Syrian Arab Republic”](#), 6 January 2026.

► Chapter 6. Advancing a jobs-centred recovery

98. Palestinian workers are facing unprecedented hardship. Without a political solution, as stated in Chapter 1, and implementation in its entirety of the Comprehensive Plan to End the Gaza Conflict, as called for by the UN Security Council, much of it cannot be addressed. Yet, even in this context, inaction is not an option. Promoting social justice cannot be deferred to a later stage. Decisive measures are needed to support the Palestinian labour market, so that vulnerabilities do not become further entrenched. Efforts aimed at maximizing employment opportunities, strengthening social protection and upholding workers' rights must form the central pillars of current recovery and reconstruction plans in order to help protect livelihoods, restore opportunities and dignity, and reinforce institutional resilience.
99. The following ten priority actions should guide these efforts. Advancing them will require the cooperation of all parties. The ILO stands ready to provide support through policy advice, technical cooperation and resource mobilization, also guided by the Decent Work and Recovery Programme for the Occupied Palestinian Territory (2026–2027).
100. **Allow freedom of movement and access to livelihoods:** Free movement between and within the West Bank and Gaza is essential to connect or reconnect workers with employment, stabilize incomes and prevent further labour market detachment. Access to land, water, electricity and markets is an essential condition for investment and job creation. Lifting restrictions on fishing and farming areas is particularly important for food security and for absorbing workers who have lost employment in Israel or have been internally displaced.
101. **Restart trade between Gaza and the West Bank:** Economic recovery requires the resumption of trade flows between Gaza and the West Bank, which are currently fully stopped. Measures should include: revisiting, subject to reasonable security considerations, restrictions affecting key productive inputs, such as seeds, fuel, solar equipment and generators; lifting all impediments currently preventing Palestinian traders from operating; and allowing the entry of goods produced in the West Bank into Gaza. Reviving productive sectors in Gaza – particularly agriculture, fisheries and small manufacturing – will be essential to start restoring employment and economic activity.
102. **Expand employment-intensive public works and recovery initiatives:** Employment-intensive public works programmes can generate immediate income opportunities for women and men while rebuilding essential infrastructure, especially in Gaza. Activities such as waste management, renewable energy development and recycling – already being undertaken out of necessity – could be scaled up into structured employment programmes contributing to economic recovery. These programmes should rely on social and environmental standards, appropriate oversight and social partners' involvement.
103. **Promote economic activities less constrained by physical barriers:** Pending the necessary lifting of movement restrictions, ICT-enabled remote work arrangements can offer valuable jobs and income opportunities, particularly for women, persons with disabilities and other groups at risk of labour market exclusion. This will require investment in digital infrastructure, reliable electricity supply, workspaces and skills development. In conditions of scarcity, cooperatives and other social and solidarity economy models can play an important role in sustaining these efforts.
104. **Boosting women's employment and investing in the care economy:** Palestinian women are the main caregivers, and are increasingly the primary breadwinners. While many of them are

highly skilled, they continue to face multiple barriers to employment and the protection of their rights. Investment in the care economy, including strengthening the education system, ensuring decent work for care workers and providing accessible and affordable care services, is key to increasing women's participation in the labour market. It is also essential for addressing the profound humanitarian crisis that is affecting the physical and psychological well-being of Palestinians, including children, older persons and persons with disabilities.

- 105. Support enterprise recovery and local economic activity:** Supporting enterprises in restarting operations and retaining workers, including through facilitating access to finance, is essential for labour market recovery. National and international partners should prioritize assistance to MSMEs and cooperatives, through measures such as wage-supported employment schemes, workforce reactivation programmes, technical and vocational education and training, apprenticeships and work-based learning opportunities for graduates. Targeted support to women-led enterprises is essential. Employment support schemes, such as those rolled out by the Palestinian Employment Fund and the Palestine Monetary Authority, have demonstrated their potential in this area.
- 106. Expand social protection:** Strengthening non-contributory social protection schemes, such as cash transfers, remains essential to protect vulnerable households and support labour market recovery. Together with employment programmes, they can help alleviate poverty and stimulate local demand. In conditions of shrinking fiscal space, adequate budget support by donors is needed to run them. A centralized cash transfer system must become operational again. At the same time, reform efforts should include establishing a comprehensive contributory system to address the current lack of social security for private sector workers, covering, among others, unemployment, sickness, disability and old age.
- 107. Ensure a rights-based recovery:** Formal employment and decent work for Palestinian workers in both the State of Palestine and Israel, anchored in international labour standards, must be prioritized. Establishing safeguards against exploitative practices, including the use of permit brokers, and ensuring decent working conditions guaranteeing the health and safety of workers must be prioritized. Short-term employment schemes – such as cash-for-work schemes – should include safeguards to prevent the expansion of precarious work arrangements and provide pathways to more stable employment. Child labour, which is reportedly prevalent in Gaza, should be documented, closely monitored and eliminated as a matter of priority, alongside efforts to reopen schools.
- 108. Reinforce labour market governance institutions:** Functioning labour market institutions are essential for economic and social stability. Strengthening labour administration, including labour inspection, labour market data collection and analysis, and social dialogue can help ensure that recovery takes place within a framework of respect for labour rights and fair working conditions. Enforcement of the minimum wage will be a critical first step towards preventing growing precarity. Sound labour governance and the effective design of recovery and reconstruction plans require the involvement of employers' and workers' organizations.
- 109. Restore dialogue and coordination on Palestinian employment in Israel:** Increased access for Palestinian workers to employment in Israel could yield tangible benefits for both sides. While the trauma of the current conflict runs deep, economic realities remain evident: Palestinian workers require access to income, and Israeli enterprises face skills and labour shortages. Restoring dialogue on these issues could contribute towards stabilizing livelihoods and economic activity, while also helping to rebuild trust between the two peoples.

► Annex: List of interlocutors

Government of the State of Palestine and other public institutions

Ministry of Labour

Enas Attari Dahadha, Minister
Samer Salameh, Deputy Minister
Rami Mehdawi, Assistant Deputy Minister, International Cooperation
Abdel Kareem Mardawi, Director-General, External Employment
Walid ElBayed, Director General, Labour Relations
Lama Awwad, Head, Gender Unit
Hani Shanti, Head, International Relations
Dana Ismail, Adviser to the Minister
Dana Hasan, Adviser to the Minister

Ministry of Finance and Planning and International Cooperation

Estephan Salameh, Minister
Mahmoud Attaia, Deputy Minister
Daoud Al Deek, Adviser to the Minister
Yasser Shalabi, Adviser to the Minister

Ministry of Foreign Affairs

Omar Awadallah, Ambassador, Multilateral Affairs, Head of United Nations and its Specialized Agencies Department

Ministry of Social Development

Samah Hamad, Minister
Mahdi Hamdan, Adviser to the Minister
Hanadi Barahma, Director General for Poverty Alleviation
Sonya Helou, Director General for Planning and Projects

Ministry of Women's Affairs

Mona AlKhalili, Minister
Hanna Nakhleh, Special Adviser to the Minister

Palestine Monetary Authority

Yahya Shunnar, Governor
Maram Sahlieh, Governors Consultant for International Affairs

Palestinian Central Bureau of Statistics

Mohammed Qalalwa, Director General of Economic Statistics Department
Suha Kana'an, Director of Labour Statistics Department

Economic Empowerment Agency (Tamkeen)

Ahmad Majdalani, Head, Member of Palestinian Liberation Organization Executive Committee and Secretary-General of the Palestinian Popular Struggle Front

Palestinian Employment Fund

Mohamad Abu Zeiter, Deputy Director – Gaza

Palestinian workers' and employers' organizations**Palestine General Federation of Trade Unions*****Nablus***

Shaher Sae'd, Secretary-General
Aysha Hmouda, Member of General Secretariat
Saher Sarsour, Member of General Secretariat
Abdelkarim Dweikat, Member of General Secretariat
Waseem Kalbouneh, Member of General Secretariat

Dura

Somaya Nammoura, Secretary

Central Hebron

Samir Jabari, Secretary

Halhoul

Nafeth Jaradat, Secretary

Yatta

Samir Hriezat, Secretary

Bethlehem

Mona Jubran, Secretary

Tulkarem

Adnan Asi, Secretary

Qalqilya

Tamam Abdelhafith, Secretary

Jerusalem

Fawzi Shaaban, Secretary

Jericho and Jodan Valley

Imad Awajneh, Secretary

Tubas

Hosni Bani Odeh, Secretary

Jenin

Mohamed Said Kmail, Secretary

Salfit

Alaa Younis, Secretary

Gaza Section

Tariq Al Hindi, Member of General Secretariat, Head of General Union for Agriculture

Abdul Raouf Elayyan, Member of General Secretariat

Wael Khalaf, Member of General Secretariat, Deputy Head of Public Sector Employees Union

Eatimad Abu Jalalh, Women's Committee Chairperson, Textile union, Head of Gender Unit

Federation of Palestinian Chambers of Commerce, Industry and Agriculture, Ramallah

Abdo Idrees, Chairman of the Board of Directors, Chairman of Hebron Chamber

Jamal Jawabreh, Secretary-General

Nazih Merdawi, Director of Information and Technical Support Unit

Moussa Salameh, Director of Gender Unit

Ramallah Chamber

Salah Hussein, Director

Jerusalem Chamber

Luai Al Hussein, Director

Bethlehem Chamber

Samir Hazboun, Chairman

Jenin Chamber

Ammar Abu Baker, Chairman

Nablus Chamber

Samih Al Masri, Chairman

Qalqilya Chamber

Mohamad Qatqat, Director

Tulkarem Chamber

Mais Fahmawi, Director

Tubas Chamber

Maan Sawaftah, Director

Gaza Chamber

Ayed Abu Ramadan, Chairman and Vice-Chairman of FPCCIA Board of Directors
Tariq Alsaqa, Board of Directors
Maher AlTaba, Director General
Hussam AlHweiti, Deputy Secretary
Riyad AlSawafiri, Deputy Secretary

North Gaza Chamber

Mohammad Abu Wardeh, Chairman
Bahaa Al Amawi, Secretary
Aziz Meqtat, Board of Directors

Deir AlBalah Chamber

Mohammad AlTalbini, Chairman

Palestinian civil society organizations and other stakeholders**Palestinian Research Center**

Mohammad Shtayeh, Chairman, member of the Central Committee of "Fateh"

Palestinian Medical Relief Society

Mustafa Barghouthi, President of the Palestinian Medical Relief Society and Secretary-General of Palestine National Initiative

Al Mezan Center for Human Rights – Gaza

Sameer Zaqout, Deputy Director

Al-Haq, Ramallah

Shawan Jabarin, General Director
Tahseen Elayyan, Programme Director
Murad Jadallah, Head of Information and Documentation Department

Palestinian NGO Network

Amjad Al Shawa, Executive Director

Women's Affairs' Center – Gaza

Amal Syam, Director

University College of Applied Sciences Technology Incubator, Gaza

Mohammed Mushtaha, Deputy Chairman for External Relations

Workers ¹

Workers from the West Bank

M. S., Pastry Worker
W. S., Construction Worker
Y. AS., Construction Worker
K. AS., Construction Worker
B. K., Aluminium Worker
O. N., Construction Worker
A. D., Construction Worker
N. S., Worker
S. H., Worker

Youth from Gaza

Hussein Murtaja, Executive Director, Gaza Cultural and Development Group
Mohammed Ghattas, Project Coordinator, Gaza Cultural and Development Group
Hala Abu Hamad, Orphans Project Coordinator, Gaza Cultural and Development Group
Mushera Abu Msalam, Administrative Assistant, Gaza Cultural and Development Group
Rahma Obaid, Volunteer
Ihsan Abu AlOun, Lawyer
Maryam Hussein, Journalist
Abdullah AlBitar, Civil Engineer
Noura Zaqout, Project Coordinator, Palestinian American Medical Association

Government of Israel

Written inputs received from:

Yehudit Galili Metzer, Director of the Department for UN Agencies, Division for UN & International Organizations, Ministry of Foreign Affairs
Waleed Gabdan, Political Counselor, Permanent Mission of Israel to the United Nations in Geneva

Israeli workers' and employers' organizations

Histadrut – General Federation of Labour in Israel

Peter Lerner, Director-General of International Relations Division
Avital Shapira-Shabirow, Director of International Relations

Manufacturers' Association of Israel

Isaac Gurvich, Vice President for Manpower, Economics and Taxation, Israeli Builders Association
Ishai Pollack, Chief Executive Officer at Farmers Federation of Israel

¹ The mission was provided with the full names of all workers with whom it met but some chose to include only their initials in the list of interlocutors.

MAAN – Workers Association

Assaf Adiv, Executive Director
 Roni Ben Efrat, Resource Manager
 Eden Lichtner, Vice Coordinator in Jerusalem Branch
 Abeer Joubran, Lawyer in Jerusalem Branch
 Erez Wagner, Jerusalem Branch Secretary

Israeli civil society organizations and other stakeholders**MachsomWatch – Women against the Occupation and for Human Rights**

Hanna Barag, Volunteer

Gisha

Stav Salpeter, Director of International Relations

International organizations and diplomatic missions**League Of Arab States**

Faed Mustafa, Assistant Secretary-General, Head of the Sector of Palestine and Arab Occupied Territories
 Moatassem Al Shawa, General Secretariat, Sector of Palestine and Occupied Arab Territories
 Mohammed Fathi Shaqoura, Head of the Section of Development and Reconstruction, Sector of Palestine and Arab Occupied Territories

Arab Labour Organization

Fayez Al-Mutairi, Director-General
 Marwan Rais, Office of the Director-General

Office of the United Nations Special Coordinator for the Middle East Peace Process

Ramiz Alakbarov, Deputy Special Coordinator for the Middle East Peace Process, Resident/Humanitarian Coordinator
 Dinksew Teye, Head of UN Resident Coordinator's Office/Chief of Coordination Unit a.i.

United Nations Office for the Coordination of Humanitarian Affairs, Occupied Palestinian Territory

Andrea Noyes, Deputy Head of Office
 Sofia Hasan, Humanitarian Affairs Analyst

United Nations Relief and Works Agency for Palestine Refugees in the Near East

Roland Friedrich, Director of UNRWA Operations, West Bank
 Sam Rose, Senior Deputy Director of UNRWA Affairs, Gaza

United Nations Development Programme, Programme of Assistance to the Palestinian People

Jaco Cilliers, Special Representative of the Administrator
 Margunn Indreboe, Deputy Special Representative of the Administrator

United Nations Children's Fund

Jonathan Veitch, Resident Special Representative
Ettie Higgins, Deputy Resident Special Representative

Office of the United Nations High Commissioner for Human Rights

Ajith Sunghay, Head of Office
Rana Al Kaisy, Head of Sub office, Gaza
Karim Ahmad, Human Rights Officer

World Food Programme

Jane Waite, Head of Programme
Salah Lahham, VAM Officer

Food and Agriculture Organization of the United Nations

Ciro Fiorillo, Head of Office
Azzam Saleh, Head of Programme

World Bank

Stefan Emblad, Country Director
Zackaria Sabella, Private Sector Specialist

International Monetary Fund

Tobias Roy, Resident Representative
Hania Qassis, Local Economist
Yazan Abuajamieh, Local Economist

European Union

James Rizzo, Acting EU Representative
Johan Fredborn Larsson, Head of Political, Press and Information Section
Frederikke Bruhn Jacobsen, Political Affairs Officer
Mitia Gorguinpour, Programme Officer, Economic Development, Infrastructure, Area C, Agriculture & Gaza

United States Embassy, Jerusalem

David Medalia, Foreign Service Officer
Nathan Eckstein, Labour Officer

Occupied Syrian Golan

Ein Qiniyye Village Council

Wael Mughrabi, Head

Al-Marsad Arab Human Rights Center in Golan Heights

Karama Abu Saleh, Lawyer
Wesam Sharaf, Lawyer

Al Maghariq Association

Taiseer Maray, President

Other meetings

Government of the Syrian Arab Republic

Ministry of Social Affairs and Labour

Hind Kabawat, Minister of Social Affairs and Labour
Raghda Zidan, Deputy Minister
Ahmed Dalati, Governor of Quneitra
Louay El Aranji, Deputy Manager, International Cooperation Unit
Khalil Abdo Awad, Director, Labour Organization Unit
Mayssah El Ajlouni, Director, Quneitra Unit
Laila Mohamed Adour, Member, General Commission for Palestinian Refugees
Gamil Iyad Al Othman, Director, Labour Market Repository
Hamad Barkal, Labour Inspector
Monzer Salem, Head of Office of the Deputy Minister

Chamber of Industry of Damascus and Rural Damascus

Mohamed Moulaye, Head
Karim Al Khajja, Board Member
Rafic El Sebin, Board Member

General Federation of Trade Unions

Georges Daoud, Member of the Executive Bureau

Office of the United Nations Special Envoy for Syria

Tareq Talahma, Head of Office

National Committee for the Administration of Gaza

Ali Shaath, Chief Commissioner
Ayd Abu-Ramadan, Commissioner for Economy, Industry and Trade
Bashir Rayyes, Commissioner for Finance
Hanaa Tarazi, Commissioner for Social Security
Sami Nasman, Commissioner for Interior Affairs