EAST JERUSALEM
Housing Review

2013

International Peace and Cooperation Center

This publication has been produced with the support of Friedrich Ebert Stiftung. The views expressed in this publication do not necessarily reflect the view of Friedrich Ebert Stiftung.

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Acronyms

ICBS	Israel Central Bureau of Statistics
IPCC	International Peace and Cooperation Center
JIIS	Jerusalem Institute for Israeli Studies
UN OCHA	UN Office for the Coordination of Humanitarian Affairs
PCBS	Palestinian Central Bureau of Statistics

Executive Summary

The *East Jerusalem Housing Review 2013* provides a critical examination of East Jerusalem's housing sector. It attempts to draw attention to the city's worsening housing crisis and its influence on wider demographic trends. In addition, it seeks to clarify the detrimental role of Israeli policies in obstructing Palestinian housing development and outline strategies that could overcome the current impediments.

House construction is severely stifled by deficiencies in the planning and, to a lesser extent, delivery systems, both of which have been derailed by Israeli policy makers. Building legally, by obtaining a permit through the planning system, is impossible within the majority of land in East Jerusalem. The permit system rigidly maintains requirements that cannot be met as a result of planning and infrastructural deficiencies. These include; insufficient Outline and Detailed Master Plans, inappropriate zoning of urban areas as low density or 'green' land, insufficient physical infrastructure, including road, sewage and water networks and the near total absence of registered land.

Development is further stifled by institutional shortcomings in the financial and delivery systems. These include; the unavailability of suitable housing loans, insufficient capacity or willingness of the private sector to plan and deliver large housing projects, the limited amount of suitable development land for sale and its extraordinary cost.

Housing and demographic data reveal four trends in housing supply:

1. The majority of new construction is unpermitted; it constituted 70% of new construction between 2001-2010. Informal dwellings are now estimated to constitute between 42-52% of total housing stock.

2. Prices have increased rapidly in recent years. East Jerusalem's income to house price ratio is nearly five times higher than what is deemed affordable. The absence of adequate housing finance products, and the inability of East Jerusalem households to obtain adequate credit, compounds the problem.

3. Dwelling densities and household sizes have increased in recent years, in contrast to neighbouring Palestinian cities where both have fallen. Average room density in East Jerusalem is 1.9 persons per room according to official figures. This would make it 27% higher than averages for Palestinian urban centres in Israel or the West Bank and 90% higher than West Jerusalem.

4. Palestinian Jerusalemites are increasingly relocating to areas beyond the Separation Wall or outside the city altogether. The latest ICBS data available suggests populations beyond the Wall grew by 10.3% between 2010-2011. Generally, population figures for the city are becoming increasingly blurred as growing proportion of the population lives dual lives in and out of the city, in order to maintain their residency permits.

Without a dramatic improvement to the sector, housing shortages will increase. Comparing totals for households and housing units suggests a present shortfall of between 7,300-9,500 units. Population growth and shrinking household size will increase the need for new housing. Accounting for the latent need, growth estimates and standard vacancy and replacement rates, around 80,000 new units will be required by 2030. This will necessitate average annual construction of over 4000 units, around a ten-fold increase in the number of permitted housing units.

Considering the present situation and urgent and growing need for new housing a four track strategy is proposed that addresses the underlying obstacles to house constructing in the city:

Community Planning: Develop the required statutory plans with communities in order to resolve land-use allocations in a manner that provides adequate housing public infrastructure opportunities, formalises existing buildings and garners the approval the communities involved.

Collective Development: Encourage and facilitate collective development whereby multiple households build together. Such larger scale development offers financing and cost benefits and has the potential to provide public infrastructure and services.

Social Investment: Develop alternative financing arrangements with local and international institutions that can provide housing financing products suitable for the East Jerusalem market.

International Lobbying: Mobilise international lobbying efforts in support of the plans. Pressure at the highest levels of the Israeli Government is required in order to authorise the plans through the District Planning and Building Committee.

The health of the housing sector is central to the city's success or decline. Increasing supply of Palestinian housing is integral to addressing the East Jerusalem's social, economic and political challenges.

Introduction

This review aims to provide accurate information on the housing situation in East Jerusalem and suggest solutions towards its improvement. It is the first report of its kind, and has been developed in order to draw attention to the issue of housing and its importance to the prosperity of Palestinian society in East Jerusalem.

The location, size and quality of housing determines, to a large extent, a household's quality of life. Moreover, housing is a key consideration for a household's choice of location, and its supply is therefore a key determinant of population migrations. House construction and financing plays an integral role in the urban economy; the health of the housing market is strongly linked with economic prosperity. The housing sector is therefore relevant to political, economic and humanitarian issues and deserves careful monitoring.

Assessment of the housing sector in East Jerusalem is hindered by the absence of reliable data. The Jerusalem Statistical Yearbooks published by the Jerusalem Institute for Israel Studies (JIIS) provide thorough information on the city overall but often do not distinguish between East and West Jerusalem. When particular information on East Jerusalem is available it typically has disproportionately low sample sizes, that render any trends inconclusive. The majority of original data is collected by the Israeli Central Bureau of Statistics' (ICBS) which do not necessarily have the ability to access East Jerusalem's largely informal economy and housing sector. As such detailed, targeted, independent studies, beyond the scope of this review, are required to obtain a more accurate picture of current trends. In addition, more rigorous methods of combining and assessing data from smaller studies and surveys need to be established. By culminating the information currently available, this review makes a first step towards a more focused monitoring of the housing sector from which further studies can be launched.

The review is divided into five sections. The first four are assessments of the housing situation. This begins with an overview of legal, bureaucratic and financial obstacles to house development from planning to delivery stages. The second section assesses the housing stock and supply in terms of its location, affordability, legality, density and access to public services and infrastructure. The third section assesses demographic trends; dwelling locations, growth, migrations and their relationship with housing trends. The fourth combines demographic and housing indicators to estimate a present and future housing need. The fifth section proposes a strategy to increase the supply of housing with recommendations for overcoming the obstacles that currently limit supply.

1

Obstacles to Housing Development

A litany of procedural, legal, institutional obstacles make building housing in the majority of East Jerusalem either difficult or impossible. The obstacles arise either directly or indirectly as result of land, planning and housing policies enacted by the Israeli Government and the Jerusalem Municipality. As this section will try to demonstrate, the obstacles are unique to Palestinians in East Jerusalem; despite existing under the same laws, such severe complications are not found in West Jerusalem. East Jerusalem's case is also unique within Palestinian localities in both Palestine and Israel. The obstacles beset all stages of housing development from obtaining building permits through the planning system to the management and financing of implementation. At every stage, building in East Jerusalem faces unique and unnecessary impediments. The culmination of these hurdles are largely responsible for the current housing crisis.

Stage One: *Planning*

Obtaining a building permit, as is required by Israeli law for any construction in East Jerusalem, is the primary challenge facing the housing sector and the overarching impediment to construction in the city. Permits are issued by the Local Planning and Building Committee subject to the proposed construction conforming to planning guidelines set by a hierarchy of master plans. In East Jerusalem, it is often impossible to conform these guidelines. The first and foremost reason for this is because of large deficiencies in the Municipal master plans for Palestinians neighbourhoods.

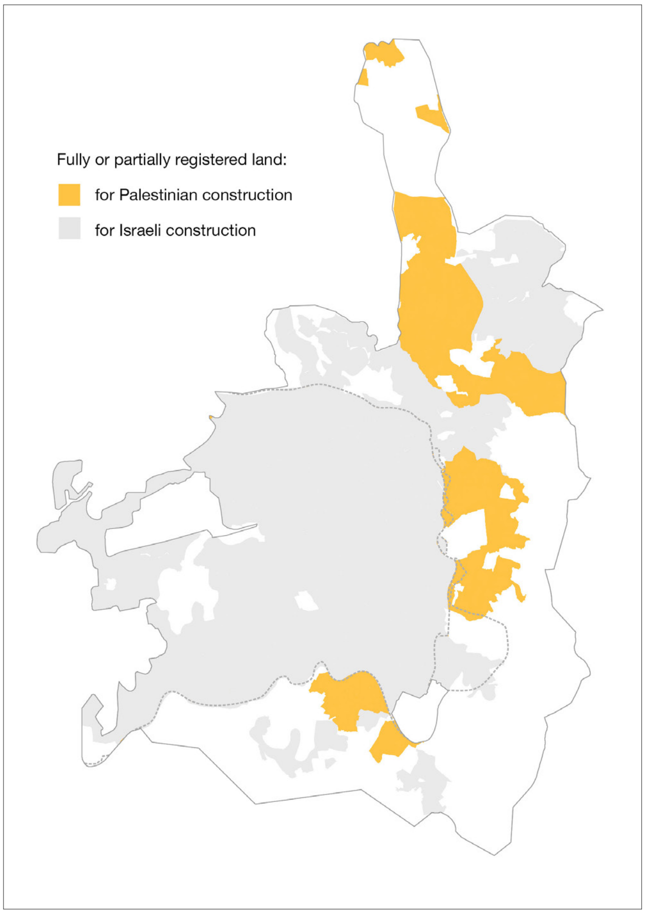
Zoning

The land-use zoning and building densities for a site are determined by a hierarchy of Outline Plans operating at the neighbourhood and city levels. At the neighbourhood level, East Jerusalem is planned as a series of small isolated low-density suburbs surrounded by swathes of green space. In total, around 54% (25,300 dunums) of East Jerusalem, not including Israeli Settlement land, does not have an approved Outline plan or is planned as open green space.[1] Only around 21% (9,750 dunums) is zoned for housing.[2] The building densities allocated by the plans typically range between 25-75%, rate usually reserved for rural areas. As a result, the total capacity of these areas is estimated to be around 55,000 housing units, which is approximately the current number of Palestinian Jerusalemite households and evidently not adequate to guide future development.[3]

The majority of neighbourhood Outline Plans for East Jerusalem were developed by the Jerusalem Municipality in the 1980s and early 1990s. Even at the time of their development the plans made little consideration for the need's of the residents, in some cases allocating less development than what was there already. Today the plans bear little resemblance to the existing built environment let alone provide the required nuanced guidance demanded of East Jerusalem's complex urban fabric.

A final flaw the Municipality plans was their lack of detailing which has required subsequent detailed plans to be produced in order to obtain a building permit. Producing detailed plans is particularly complicated in East Jerusalem because it requires consideration of land ownership parcels. In most cases, Palestinian land requires additional procedures to be aligned to the zoning allocations of Detailed Plans.

Around 54% (25,300 dunums) of East Jerusalem, excluding Israeli Settlement areas, does not have an approved plan or is planned as open green space.



Map showing areas of fully or partially registered land within Jerusalem's Municipal boundary. While nearly all of West Jerusalem and Israeli Settlement areas have registered parcels, large areas of Palestinian neighbourhoods have no form of land registration. Those that do typically have only partial registration. Only a few central Palestinian neighbourhoods such as Sheikh Jarrrah and Wadi Joz contain land that is fully registered.

Land Parcellation

Palestinian land in East Jerusalem is almost entirely privately owned. In order to accommodate public infrastructure an process termed reparcellation is required in order to share the burden evenly across different owners. Typically this requires landowners to donate 40% of their land for public purposes and is as such a sensitive and slow process. The Municipality have only initiated the process in two neighbourhoods, Beit Hanina and Shu'fat, and despite starting in 2000 many plans have yet to be approved.

The small size of East Jerusalem's parcels, typically less than one dunum, are now a cause of further planning difficulties. In order to reduce the number of plans to be processed, the District Committee introduced a minimum size for Detailed plans of 10 dunum. This has made households reliant on the willingness and financial capability of other households to develop joint planning proposals.

Land Registration

The vast majority (92%) of East Jerusalem's land is unregistered. Since the freezing of the Jordanian land registration process in 1967, it has been impossible for Palestinians to fully register the land. This affects both the approval of detailed plans and the issuance of building permits.

Proceeding with detailed planning on unregistered land can lead to its confiscation. Since 2009, the opening of a detailed plan file requires a file to be opened with the Land Registrar and accompanying approval by the Custodian of Absentee Property. This process can result in the discovery of 'absentee landlords' and the subsequent reclassification of land as state owned. This creates considerable risk for families to even engage with the planning system

Even if the detailed plan is approved, the Municipality will frequently issue only temporary permits because the land is unregistered. These allow the holder to build but will delay issuance of a full permit for up to 20 years, pending other claims to the land. Temporary permits, affect the ability to develop the plot, especially if the holder wishes to sale part of the development.

Infrastructure

Inadequacies and deficiencies in the existing public infrastructure create further difficulties to obtaining permits. Requirements such as minimum car parking space and building lines are typically difficult to meet in East Jerusalem's dense neighbourhoods. This is particularly problematic when trying to obtaining retroactive permits for existing buildings.

The inability to legalise existing buildings impedes growth and densification opportunities.

Some areas lack the basic infrastructure, such as road, sewage and water networks, that is required by law in order to inhabit a property. In these situations the Municipality offers permits for construction but not for habitation, requiring housing to be left vacant until the Municipality implements the necessary infrastructure. The implementation of infrastructure is itself delayed by either the total absence of plans or the lack of suitable plans that correspond to the existing situation.

Costs

Both detailed planning and obtainment of building permits entail significant costs. Legal and planning costs disproportionately affect Palestinian areas because of their lower-densities. Similarly the taxes applied for obtaining a building permit are calculated according to the building and plot area, which work out disproportionately high for low-density construction. In some cases the permit costs can be higher than the construction costs. These costs are compounded by the lower incomes of Palestinian households, the inability to access Government grants and difficulties accessing private loans.

Political Obstruction

Communities and landowners have only been able to develop their own plans since 1995. Until then only the Municipality was permitted to develop plans. Despite this loosening of regulations, the planning authorities have implemented subsequent policies to limit the ability of small landowners to develop plans. These include the adoption of the 10 dunum minimum size restriction for submitted plans, the requirement that new residential areas are located next to existing ones, and the recently introduced requirement for detailed plans to be submitted with an accompanying Outline Plan.[4]

Viable alternatives to the existing plans have been produced but not been adopted by the planning authorities. In attempt to provide adequate zoning for Palestinian neighbourhoods, civil society organisations, in particular IPCC, have worked with local communities to develop alternative neighbourhood Outline Plans that respond to communities' needs and interests. These represent the first real attempt to provide appropriate zoning for Palestinian neighbourhoods based on exhaustive studies, interviews, surveys, workshops with communities and stakeholders. The plans resolve the formalisation of existing housing and enable future development in-line with expected population growth rates. Moreover, the plans enjoy the strong support of the communities. Nonetheless, the Israeli planning authorities have yet to authorise any of these community initiatives and in some cases frozen their progression through the authorisation process. As well as failing to produce adequate and usable plans for Palestinian neighbourhoods the planning authorities have largely ignored ,and in some cases stalled, attempts of communities and civil society to rectify the situation.

The Municipality's neglect of planning in East Jerusalem as evidenced by the absence of adequate Outline, Detailed and Re-parcellation plans, lack of land registration, emanate from a political agenda to limit Palestinian development. Rather than planning for the common good, the central drive behind the Municipality's planning strategy is to 'maintain a solid Jewish majority in the city', as is stated as the first social policy challenge in the *Jerusalem 2000 Outline Plan.*[5] Until there is a policy shift away from demographic control, Palestinian's will continue to face unnecessary obstacles obtaining buildings through the Israeli planning system.

Stage Two: *Delivery*

While the planning system is the largest impediment to housing development, punitive, financial and institutional issues restrict the delivery of housing and further reduce supply.

Punitive Measures

While East Jerusalem's planning procedure to obtain permits remains in disarray, punitive measures against unpermitted construction are pursued with vigilance by the Municipality and Ministry of Interior in the form of fines, demolition and, in rare cases, imprisonment. Enforcement is particularly focused in East Jerusalem neighbourhoods within the Separation Wall. The severity of measures applied has increased in recent years. Since 2000, the Municipality has started levying repeated fines against households who have previously paid but not managed to legalise their property.[6] Approximately 100 demolitions are conducted each year either by the Municipality, Ministry of Interior or the owners themselves.[7] In rare cases courts have ordered imprisonment of house builders, with standard terms of between 3-6 months. This is usually enacted when the homeowner cannot afford the fine, and therefore disproportionately affects poorer households. Punitive measures enacted by the planning authorities continue to be the main deterrent against building without a permit and have generally limited construction to the most necessary of additions.

Currently, the highest loan a household can obtain is US$150,000, approximately half the average house price.

Housing Finance

East Jerusalem's housing finance system does not respond to the realities of the situation or the needs of the population. Currently, the highest loan a household can obtain is US$150,000, approximately half the average house price.[8] Such loans cannot be accessed for construction of new property, have high annual interest rates of between 5-7% and are typically offered on short terms of up to 9 years. While, for construction, smaller loans of US$30,000 can be obtained at lower interest rates, these cover only a fraction of the development cost these can only be obtained in situations where building permits have already been obtained.

The inadequacies of the housing finance system are a consequence of the unregistered status of land in East Jerusalem, against which standard mortgages cannot be offered. The finance sector has yet to offer an alternative housing loan that can capitalise on unregistered land at an affordable interest rate. The absence of such products forces homeowners to finance the purchase and construction of housing with only minimal loans, ruling out either purchase or construction of new housing for majority of families. The extremely high prices of property in East Jerusalem, and inability to access housing financial are encouraging households to relocate outside the city, before even attempting to buy or build in East Jerusalem.

Private Sector Capacity

The limited development potential allocated within the planning system have warded off property developers from investing in East Jerusalem. The majority of development is conducted by individual households, typically on family owned plots. The few property developers that are working in East Jerusalem are also operating at scales too small to accrue substantial economies of scale. The absence of specialist housing developers limits both the quantity and affordability of housing.

The shortage of property developers is understandable given the arduous controls imposed on construction and the limited availability of undeveloped sites. No large sites have been allocated for Palestinian housing development, thereby limiting development to small plots, which are only sporadically available. Such conditions continue to undermine the viability of the private sector in housing development.

Conclusion

The hindrances to housing development in East Jerusalem exist at every stage of the process, from obtaining building permits to house construction. Together the laws, planning regulations and Municipal policies, restrict Palestinian construction in East Jerusalem to the bare minimum.

Many of these obstacles are the result of deficiencies in the planning and construction apparatus that inhibit the system from functioning effectively. These include; absence of plans, insufficient infrastructure and inadequate financial frameworks. These deficiencies are largely a result of negligence and under-investment by the Jerusalem Municipality and Israeli government, which rather than address the systematic flaws hindering development have used them to as excuses to deny Palestinian residents the right to build. The Israeli government has effectively hijacked the planning system to support the maintenance of a Jewish majority in the city.

Enabling an adequate level of housing development requires the ‘structural flaws’ to be addressed within both the planning and delivery systems. Irrelevant of the Israeli planning system requirements, East Jerusalem needs proper zoning and planning as a basis for new development. The private land-ownership structures of Palestinian neighbourhoods require that planning be conducted with exhaustive community and stakeholder input. Building consensus at the community level will also facilitate implementation of projects. Collective development can provide new housing at substantial scales in addition to public infrastructure. It also opens new possibilities in terms for financing arrangements.

Housing Stock

Supply

Housing supply has continued to fall far below that required to meet either demand or need. Population estimates suggest an increase of 16,200 households between 2001-2010.[9] Meeting this growth would require a minimum construction of over 16,875 units, assuming a functional level of vacancy.[10] Municipality collections data records only 13,064 new housing units constructed in that period, suggesting a shortfall of over 3,800 units.[11] These are likely to have been absorbed through less than ideal vacancy ratios and unofficial migration to neighbourhoods outside the city.

In addition to supply to being too small, it is predominantly unpermitted. The number of units permitted for construction between 2001-2010 was only 3,823, representing just 30% of new construction.[12] This would suggest that the total proportion of unpermitted housing in the city is increasing. The Jerusalem 2000 Outline Plan estimated 15,000 unpermitted units at the time of its writing, in the early 2000s. With new growth unpermitted housing must now total somewhere between 20-25,000 units, or 42-52% of housing stock in East Jerusalem.

Selective enforcement of building and planning laws is strongly influencing the location and type of unpermitted construction. Since the construction of the Separation Wall, the Israeli Authorities have stopped all enforcement of building laws in areas beyond the wall. This has greatly increased the supply of housing in these areas. Municipality data shows that between 2006-10 Kafr 'Aqab alone accounted for 20% of residential construction in East Jerusalem.[13] New buildings average at heights of 8-10 stories; a scale previously unknown to Palestinian neighbourhoods of East Jerusalem. This form of high-rise development may generate new technical issues in meeting the health and safety standards necessary to formalise housing.

Affordability

As a result of the housing shortage, property prices in East Jerusalem have risen starkly in recent years. The average price in 2011 was US$290,000, while the median gross household income was just $1,722.[14] By international standards this price is unaffordable in comparison to average salaries.

According to the World Bank, an ideal ratio of property price to annual income is three; that the value of property should be equivalent to three times a household's annual income.[14] In many European and North American cities the average has risen to five, a figure deemed 'seriously unaffordable'. ICBS data for 2011, suggests that in Israel the ratio is closer to 8.0 and in East Jerusalem, 14.6.[15]

Such disproportionate costs are the result of rapid house price rises. ICBS data suggests prices grew 192% between 2007-2011, in the same period incomes grew just 12.5%.[16]

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The unavailability of adequate mortgages compounds the problem. To purchase an average property, with the maximum loan currently available (US$150,000), a buyer will be expected to make a down payment of almost 50%.

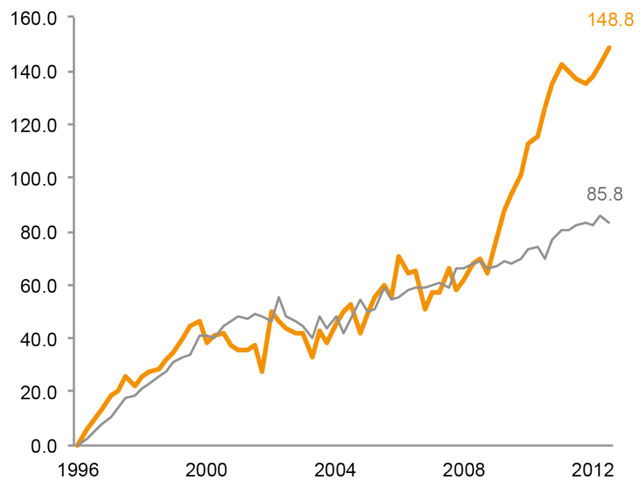
A large price differential exists between neighbourhoods on either side of the Separation Wall. The lower cost of housing beyond the wall is fuelling demand for the new housing developments. Within the wall prices can be summarized into three location-based ranges: central, northern and southern. In the central neighbourhoods, such as Sheikh Jarrah and Wadi Joz average prices range between US$450-500 thousand, northern neighbourhoods such as Beit Hanina and Shu'fat range between US$300-400 thousand and southern neighbourhoods such as Jabal Mukabber and Sur Bahir range between US$200-250 thousand.

Only neighbourhoods behind the Wall, such as Kafr 'Aqab and 'Anata have affordable prices of between US$50-120,000. Such prices are largely possible because of the high-density construction. These densities are not legally possible within the planning regulations imposed on East Jerusalem. They are only feasible in Kafr 'Aqab because the Municipality rarely applies home demolition policy in areas beyond the Wall.

For a similar price to Kafr 'Aqab, households can live in Ramallah with better access to employment, commercial, social and leisure facilities. In Ramallah households can also obtain significantly larger loans to purchase housing. However, Jerusalemite households who relocate risk losing their Israeli residency permits as a result of the 'centre of life' policy.[17]

Irsaeli Houseprices vs Wages 1996-2012

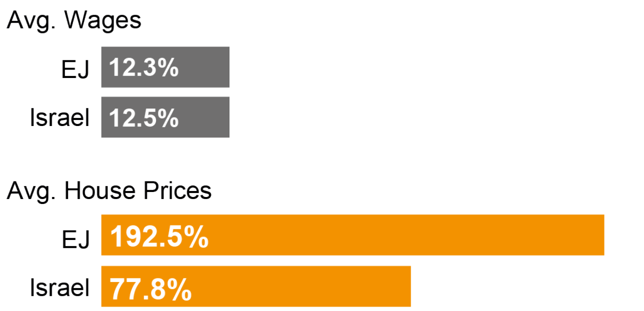
Percentage Increase



Source: Data from ICBS, *Time Series Data Bank*, URL: http://www1.cbs.gov.il/ts/databank/databank_main_func_e.html

Comparison with East Jerusalem 2007-2012

Percentage Change, Israel vs East Jerusalem



Source: Raw data requested from ICBS by IPCC, see Statistical Annex p.21

Dwelling Densities

The cost of housing has inevitably decreased dwelling space per capita. East Jerusalem's average room density of 1.9 persons per room, is higher than all Palestinian cities in Israel and Palestine, which average at 1.5. The difference is even starker in comparison to West Jerusalem where the average room density is almost half, 1.0 person per room.[18]

East Jerusalem's room density is above average even when household size is factored; at 5.2 persons per household, densities of 1.3 and 1.5 persons per room would be expected in Jewish and Arab localities in Israel.[19]

East Jerusalem's average room density of 1.9 persons per room, is higher than all Palestinian cities in Israel and Palestine

Internationally these room densities rank among the highest in the world; 13.2% of East Jerusalem's households live with more than 3 persons per room.[20] Density of this level is one of UN-Habitat's five indicators of slum housing.[21]

Services and Infrastructure

East Jerusalem's public areas - roads, sidewalks, playgrounds and parks - are dilapidated and overburdened. Comparison between the public spaces and facilities of East and West Jerusalem neighbourhoods highlights the extent of neglect. West Jerusalem has over 16 times the area of parkland per person, four times the amount of sidewalks and three times the amount of roads.[22] The severity of dilapidation varies somewhat across East Jerusalem; nonetheless, even expensive neighbourhoods have severe infrastructural deficiencies. A 2010 survey by the Jerusalem Municipality, estimated that East Jerusalem needs NIS1.9 billion (US$531 million) to upgrade infrastructure to adequate levels.[23] It is likely that significantly more investment is required to match standards enjoyed in West Jerusalem.

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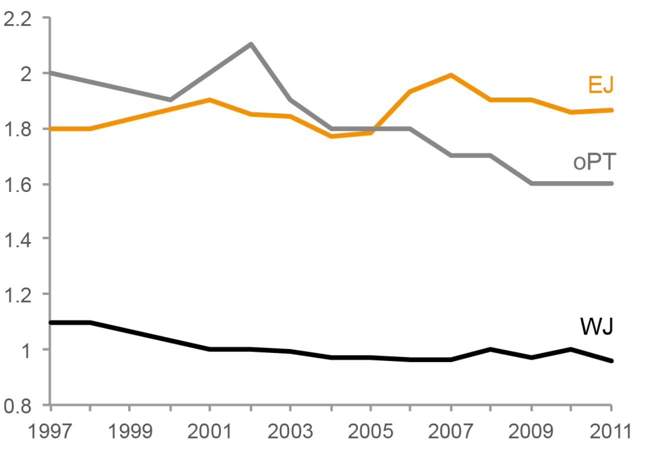
The cause of such disparities is both under investment and inadequate planning. Multiple studies of Municipal spending have suggested that under the Israeli occupation Palestinian neighbourhoods have received a maximum of 12% of the Municipality's budget.[24]

Average Persons Per Room 1997-2011

Palestinian Territories - East Jerusalem - West Jerusalem



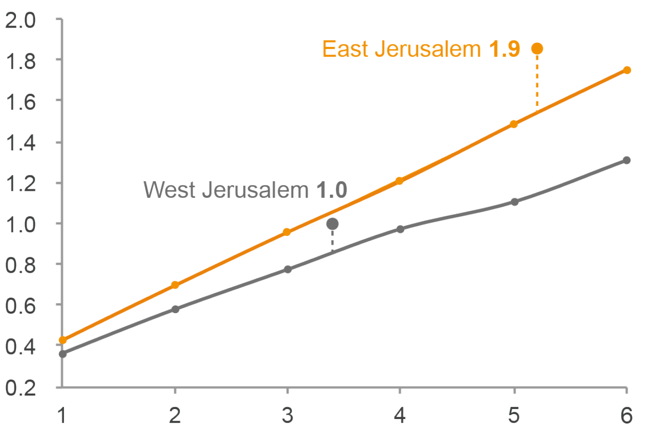
Sources:

East & West Jerusalem: JIIS, *Jerusalem Statistical Yearbook*, years 2005, 2007, 2008, 2009, 2011. Tables VI/ 21-23

oPT: PCBS, *Percentage Distribution of Households in Palestine by Housing Density* URL:http://www.pcbs.gov.ps/Portals/_Rainbow/Documents/AN-Hous-2012-E-4.htm

Room density vs Household Size 2010

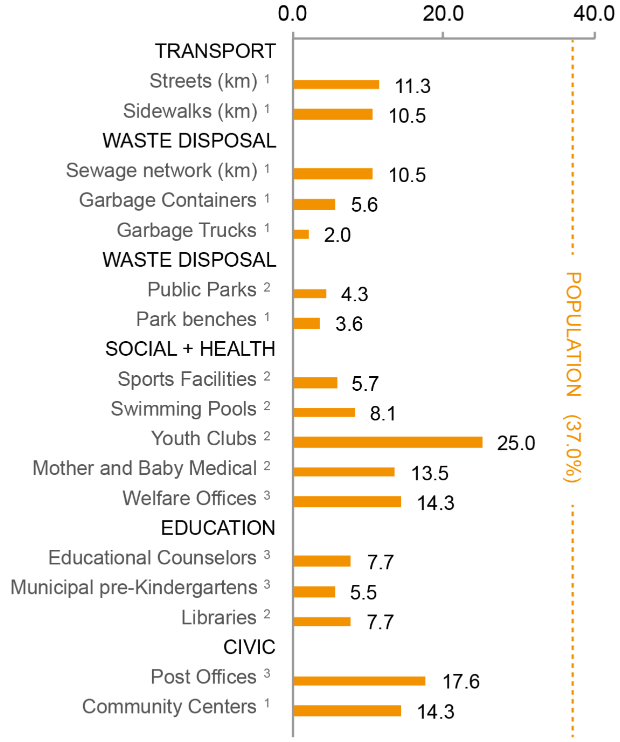
Israeli National Averages: Arab / Jewish



Source: Data from ICBS, *Households, Economic Characteristics and Housing Density*, 2009, Table 7.

Infrastructure and Services in East Jerusalem

As a percentage of city total



Sources

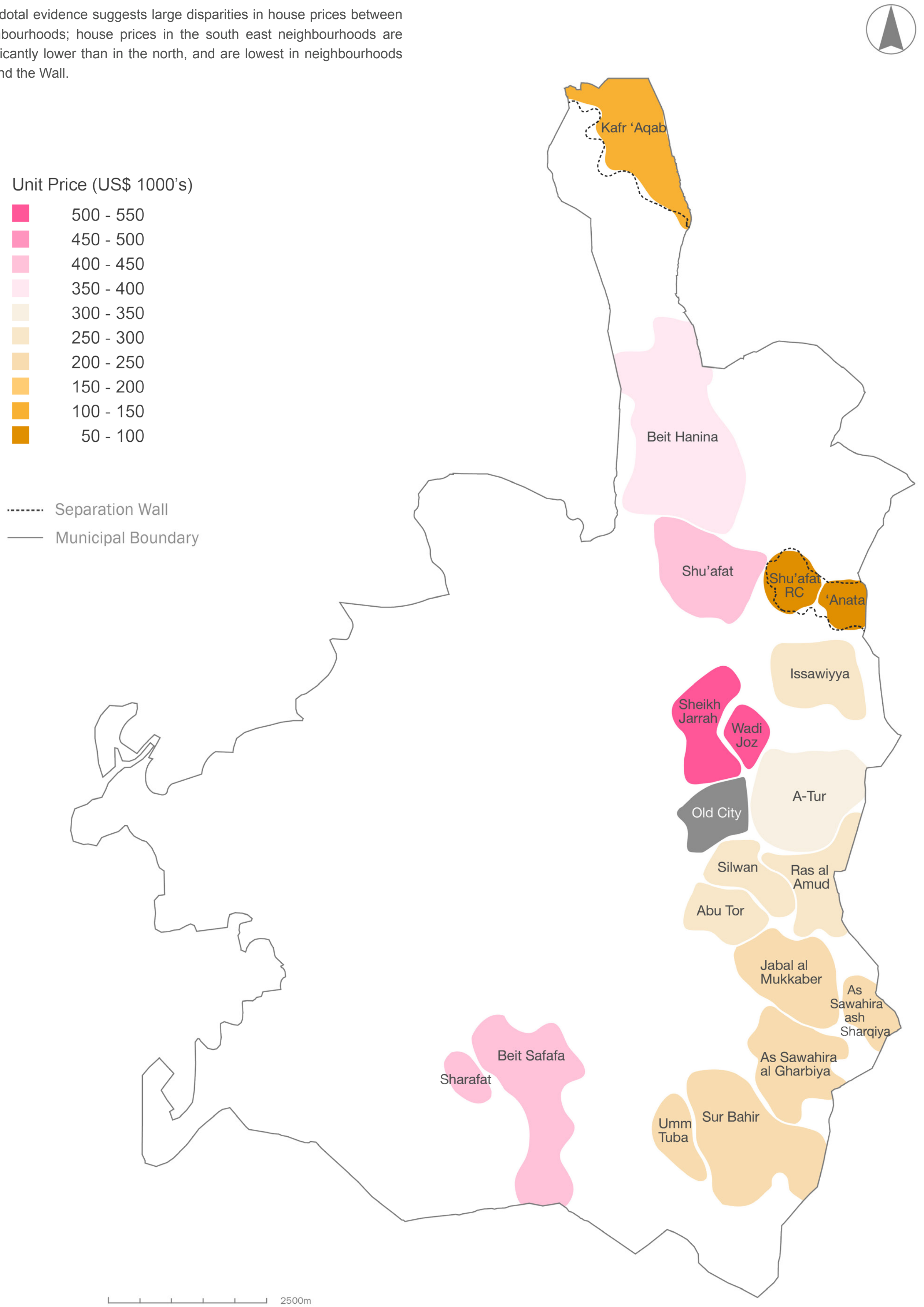
1. M. Margalit, Discrimination in the Heart of the Holy City, 2006
2. Btselem, URL: http://www.btselem.org/jerusalem/infrastructure_and_services
3. ACRI, URL: http://www.acri.org.il/en/2013/05/07/ej-figures/

The condition of East Jerusalem's infrastructure will likely degrade further as the proportion of unpermitted housing increases. Such 'informal' development tends to assign all land for private use, thereby reducing available space for public services and infrastructure and increasing the load on existing services. The longer Palestinian areas remain unplanned, the harder it will be to rectify public infrastructure.

Neighbourhoods behind the wall face the most challenging infrastructural problems. The Municipality effectively stopped providing services to these areas after the construction of the Separation Wall. At the same time, unlicensed building dramatically increased, placing further burden on what infrastructure there was. The worsening infrastructural situation in these neighbourhoods, will disproportionately affect poorer households who are forced to live in these more affordable areas.

House Prices Ranges by Neighbourhood

Anecdotal evidence suggests large disparities in house prices between neighbourhoods; house prices in the south east neighbourhoods are significantly lower than in the north, and are lowest in neighbourhoods beyond the Wall.



Source: IPCC estimates from interviews with local estate agents and property developers.

3

Demographic Trends

Background

As a result of Israeli policies East Jerusalem has witness large population movements since the 1980s. Attracted by lower property prices and restricted to build within the city, large numbers of Palestinian Jerusalemites migrated outside the Israeli defined Municipal borders to neighbouring towns such as Ar Ram and Abu Dis. This flow was reversed in 1996 following the enactment of the Centre of Life policy, whereby Palestinian's were required to prove that they lived within Municipal borders in order to maintain their residency permits. The return to the city hastened with the construction of Separation Wall in 2003, which increased households' fear of losing access to the city. The panicked return resulted in a swell of unpermitted house construction within the city and left the neighbourhoods outside it largely deserted.

Following the wave of unpermitted construction the Israeli Authorities increased efforts to restrict it, including the introduction of stronger punitive measures and tighter controls on construction materials. As a result three new phenomena have arisen for accommodating growth; migration to neighbourhoods beyond the Separation Wall, unofficial migration to other West Bank localities and increasing household sizes within the city.

Migration Beyond the Wall

The fastest growing neighbourhoods in the city are those 'excluded' on the West Bank side of the Separation Wall. Little to no enforcement of planning laws by the Municipality has enabled a proliferation of unpermitted construction and with it attracted large migrations of families seeking an affordable house within Municipal Boundaries. The neighbourhoods are also the only place a family with Jerusalem and West Bank ID holders can live together while maintaining their 'centre of life' in Jerusalem.

According to JIIS, the population living beyond the Wall grew by 10.3% in 2010.[25] In addition, neighbourhoods beyond the wall attracted 30% of inter and intra city migration between 2010-2012.[26] The total population of these areas is unknown. JIIS estimated 2011 population to total around 36,000 while OCHA's latest 2012 estimate was 55,000.[27]

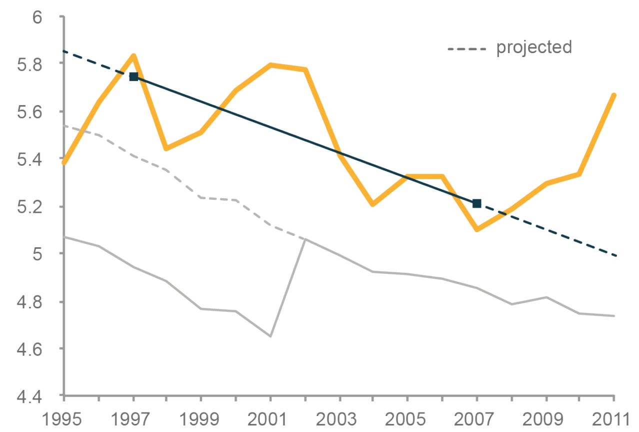
IPCC aerial photo analysis of construction growth in areas beyond the wall suggests that their actual population maybe higher than either estimate (See, *Case Study: Analysis of Building Growth in Neighbourhoods beyond the Wall*, p.22). The absence of reliable population figures is testament to the neighborhood's unplanned and informal nature.

According to JIIS, the population living beyond the Wall grew by 10.3% in 2010.

The continued expansion of neighbourhoods beyond the Wall is unstable. There is a strong possibility that the Israeli Government will relinquish Municipal control of these neighbourhoods which will put all inhabitants' residency permits at risk of revocation. The news of one Kafr 'Aqab resident losing their residency status could trigger the temporary return of thousands of households back to inside the Wall. The continued growth of these neighbourhoods locates an increasing number of residents in areas with little to no municipal services and with less than ideal security against permit revocation.

Avg. Household Sizes 1980-2011

East Jerusalem - West Bank Cities - Israel Arab Cities



Sources:

West Bank Cities: Data from PCBS, *Population, Housing and Establishments,* years 1997, 2007.

East Jerusalem + Israeli Arab Cities: Data from ICBS, *Statistical Abstract of Israel*, Table 5.2, for all years between 1996 - 2012.

Migration Beyond the City

Another increasingly common form of migration is to outside the city altogether. Households are moving to West Bank localities such as Ramallah, whilst registering at a family or 'alibi' household in Jerusalem. This 'unofficial' migration will not appear in ICBS migration figures, although the trend is alluded to in the Jerusalem Statistical Yearbooks. There is no available data on the scale of this migration although the numbers are thought to be large. In 2006, the number of Palestinians who had left the city was estimated to be close to 100,000.[28] This form of 'dual living' between East Jerusalem and other West Bank localities is highly insecure. The Ministry of Interior monitors households and checks are conducted on Palestinian Jerusalemite dwellings which migrated family members should attend in order to confirm their residence. If it is discovered that a family has been living outside the city their residency permits may be revoked. Maintaining an 'alibi' household will become even harder for families as they grow larger. It is therefore a highly undesirable situation for families, especially those who are only living outside the city for more affordable housing.

In 2006, the number of Palestinians who had left the city was estimated to be close to 100,000.

It is believed that this form of migration has increased in recent years as neighbourhoods beyond the Wall have become less desirable as a result of high densities and lack of public services. In addition, poorer households have been forced by rising inner city rents to relocate back to property in East Jerusalem's peripheral neighbourhoods such as Ar Ram. Without significant new housing development, this trend can be expected to grow.

Rising Household Size

While Palestinian household sizes in the West Bank, Gaza Strip and Israel have all been steadily decreasing, East Jerusalem's have fluctuated and possibly risen. ICBS figures show that household size has grown between 2007-2011 from 5.1 to 5.7.[29] This is significantly larger than estimates for West Bank cities which had fallen to 5.2 by 2007 and by PCBS projections should now be less than 5.0.[30] Likewise the size had fallen to 4.7 in Palestinian urban localities in Israel by 2011. The counter trend taking place in East Jerusalem indicates that Jerusalemite families are altering their living arrangements to accommodate the housing crisis. In addition, some of the growth is likely a result of the increased usage of 'alibi households' and therefore indicative of outward migration from the city. Both phenomena are highlight the extremity of the East Jerusalem's housing crisis and affect on resident's living arrangements.

The Figures

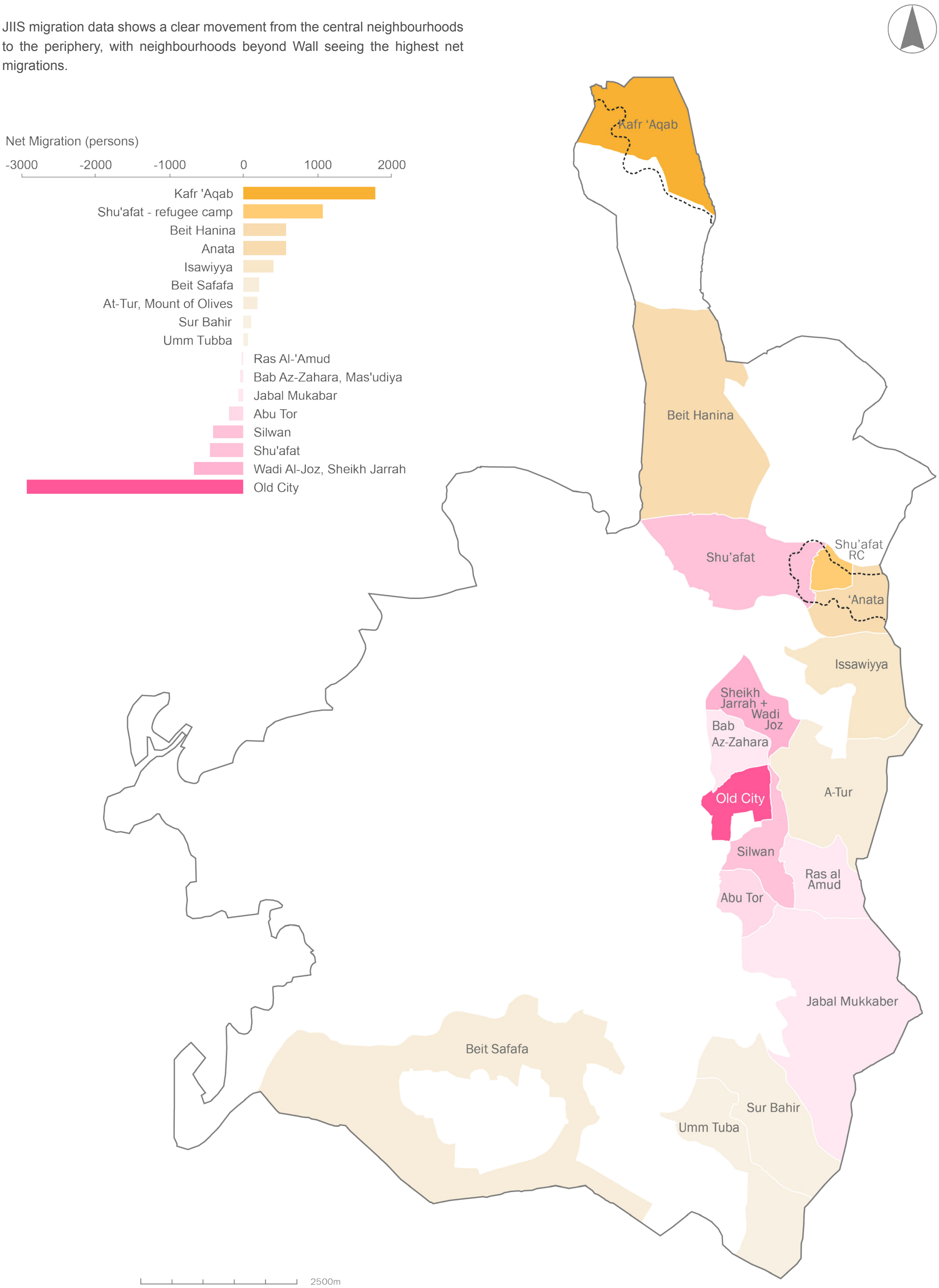
The total Palestinian population registered as living in Jerusalem is 360,000 according to 2012 Israeli Ministry of Interior figures.[31] It is likely that the actual number living in the city , the number actually permanently living within the city is considerably less. ICBS estimates based on census data suggest the 2012 population was approximately 300,000.[32] Establishing an accurate figure is nearly impossible with such a high proportion of the population forced for housing, employment and family reasons to live an increasingly dual lifestyle between East Jerusalem and other West Bank localities.

The severe shortage of housing is fuelling the negative migration from the city. It is likely that if it were not for the risk of residency revocation, the extent of emigration would be greater still. Moreover, the extent of outward migration can be expected to grow if current housing trends within the city continue.

That said, East Jerusalem's migration flows are highly changeable. The news of one Kafr 'Aqab resident losing their residency status could trigger the temporary return of thousands of households back to inside the Wall. Palestinian migrations from East Jerusalem are not comparable to standard flows witnessed through a city's borders. First, the majority of Palestinian's living in Israel and Palestine cannot access the city as a result of Israel's 'Closure Policy'.[33] Second Palestinian's leaving East Jerusalem risk permanently losing their residency permits and access to the city. Such negative migrations threaten to undermine the development of the city and its Palestinian character. Reversing them can only begin with renewed house construction.

Internal Migration 2010-2012
Persons by Neighbourhood

JIIS migration data shows a clear movement from the central neighbourhoods to the periphery, with neighbourhoods beyond Wall seeing the highest net migrations.



Source: Data from JIIS, Jerusalem Statistical Yearbooks 2012, 2013, Table V/15

4

Housing Need

East Jerusalem's faces a large and growing housing shortage is a widely acknowledged and often stated fact. However, its actual scale is rarely discussed. Obtaining an accurate picture of housing need requires considerably more housing and demographic data that is currently unavailable. However using the latest and most reliable figures available it is possible to obtain an approximate estimate of its overall scale, and how this will grow in future years.

Latent Need

It is possible to calculate an approximate figure for the current housing shortage by comparing total occupied housing units with the number of households. The following caculations ares based on 2010 data:

Existing Units: the official number of housing units registered with the Municipality in 2010 was 48,452.[34] This is a credible total of all licensed and unlicensed dwellings in East Jerusalem, because residents require a registered address in order to claim services and welfare from the Ministry of Interior.

Existing Households: ICBS estimated the 2010 Palestinian population residing in the city to be 283,900 divided into 53,265 households with an average size of 5.33.[35] This represents the lower estimate of total households as actual household size was likely slightly lower than this and unnaturally inflated as a result of unofficial migration to the West Bank. It is reasonable to assume an upper estimate for households of 55,667 with an average household size of 5.1.

Vacancy Rate: Vacancy rates for East Jerusalem are not available however typically accepted rates are 1.5% for owned dwellings and 7.0% for rented. ICBS data, suggests 55% of East Jerusalem's dwellings are owned and 45% rented, which would suggest an ideal vacancy of 4.0%.[36]

Estimates for Latent Need

	Lower	Upper
Existing Units	48,452	48,452
Population	283,900	283,900
Household Size	5.3	5.1
Households	53,566	55,667
Vacancy Rate	4	4
Units Required	55,798	57,986
Latent Need	**7,346**	**9,534**

Combining these figures gives a difference in required and existing units for the year 2010 as between 7,400 to 9,500, depending on household size. It is likely that these households, have been accommodated with lower vacancy rates and by living unofficially outside the city in other West Bank localities.

Future Need

Future housing need is the estimated total construction required to accommodate the current shortage, future household growth and repair and replacement of exiting stock.

Population Growth: According to ICBS data, annual population growth rates have fluctuated between 2.4-3.7% since 1975, averaging at 3.1% per year.[37] A slight decline in growth is expected over the next 20 years in line with trends witnessed in the West Bank. The model assumes current annual growth of 3.0% which will decline by 0.018% per year to 2.64% by 2030. This estimates a population of 378,000 by 2020 and 494,000 by 2030, which correlate approximately with ICBS's 2020 population prediction of 371,000.[38]

Household Size: Household sizes will likely decrease over the next 20 years, which will increase demand for housing. Sizes decreased in West Bank cities by 0.053% per year between 1997-2007 and by 0.036% per year in Palestinian urban localities in Israel. For this projection, a decrease of 0.04 per year has been assumed for East Jerusalem starting at 5.2 in 2010 and falling to 4.5 by 2030.

Replacement Rate: An annual replacement rate of 1% has been used. This assumes the average life span of a building to be 100 years.

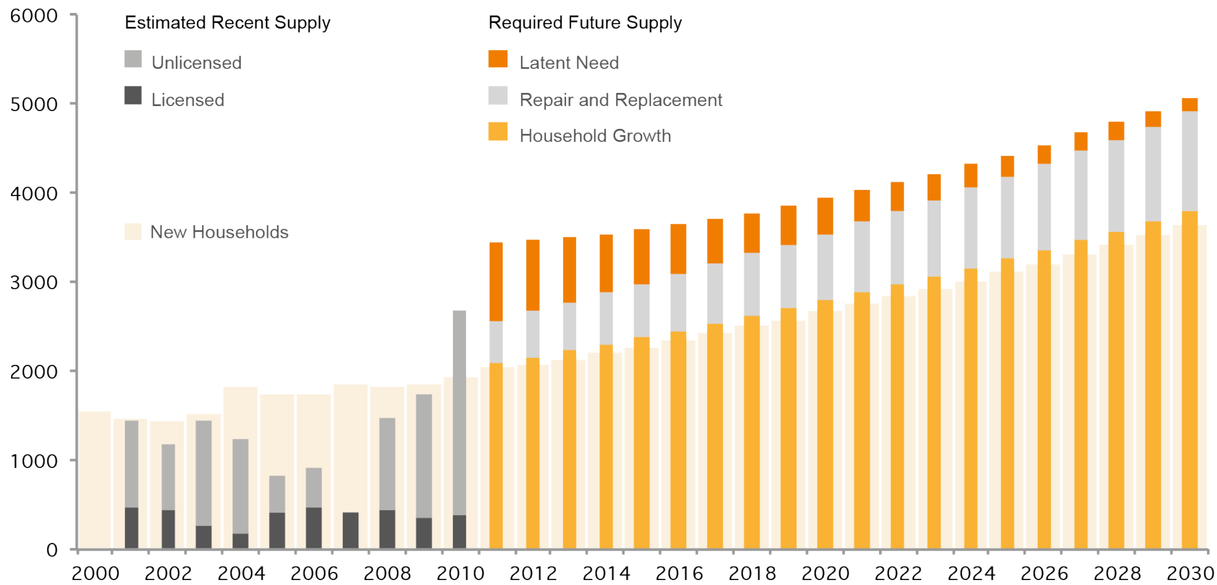
The above factors have been combined with a vacancy rate of 4% and a latent need of 8,000 units. The assumptions suggest a need of just over 80,000 new housing units by the year 2030. This will require an average annual construction of over 4000 units.[39] Considering that in 2009 only 351 licensed units were permitted, a ten fold increase in licensed development is required. The model estimates that latent demand overflowing from the current shortage will be met through annual construction starting at almost 880 units, which will gradually decrease as the shortage is met.

The model assumes continued Israeli occupation of East Jerusalem and controls on migration. Were East Jerusalem to be incorporated into a Palestinian State with control of its own borders, vast Palestinian immigration to the city would be feasible and much larger growth could be expected.

The results offer some general guidance for future house construction. More research is required in order to calculate variances in housing need within different household income groups and household sizes.

Housing Requirements 2011-2030

Housing Units by Year



Year	Population Increase	Household Size	Household Increase	Repair and Replacement	Latent Demand	Housing Units Required	Avg. Annual Requirement
2011-2015	44,356	5.17 - 5.03	10,728	2,719	3,692	17,586	3,517
2016-2020	49,630	4.99 - 4.85	12,590	3,471	2,350	18,935	3,787
2021-2025	55,234	4.82 - 4.68	14,731	4,269	1,495	21,110	4,222
2026-2030	61,137	4.64 - 4.50	17,189	5,149	952	24,006	4,801
TOTAL	**210,357**		**55,239**	**15,609**	**8,489**	**81,638**	**4,082**

Way Forward

Implementing new housing at the scale suggested requires a cohesive long-term strategy that addresses current hindrances to construction at both the planning and implementation stages of housing development. The suggested approach is designed to preserve the Palestinian rights and national interest to the city within the current political realities. They are not meant in any way to cooperate or accommodate the Israeli occupation.

1. Community Planning

Considerable planning work is required to rehabilitate and formalise the existing built fabric and enable future development. Outline and Detailed plans need to be developed in parallel in order to align outline level land-use zoning with reparcellation of land ownership boundaries at detailed level. In addition to enabling new housing development opportunities, neighbourhood level planning is required to rehabilitate existing urban developments and improve their functionality. This includes increasing access to public spaces, facilities and infrastructure, improving pedestrian and vehicular transport networks and generating commercial and employment opportunities.

Planning can only provide solutions through close cooperation with the existing communities. This is particularly important in East Jerusalem where absence of publicly owned land is restricting new development and the functionality of public services and infrastructure. Creating sufficient public land will require a certain redistribution of ownership from private to public. This process has proved particularly difficult in East Jerusalem where the requirement for public ownership is a relatively new concept and more associated with confiscation by the Israeli government for Settlement construction. It is necessary therefore, in parallel to providing technical solutions, to work closely with communities to build awareness of, and trust in, the planning process.

2. Collective Development

Collective development whereby groups of households build on a single site together offers solutions for both affordable housing and provision of public land. Group purchase is already widely used in Israel to supply housing at reduced rates. Tax breaks, economies of scale and the minimization of developer fees can reduce housing costs by up to 25% lower than market rates. The model could have additional benefits for financing construction by offering 'group security' against on housing loans. The potential increased security for banks could reduce interest rates and increase the allowable limit and decrease down payment requirements. In addition to financial benefits, collective development overcomes sovereignty issues of public land by enabling the community to maintain ownership. Such development has been successfully implemented in the Physicians Housing project in Beit Hanina. While relatively successful, this model has yet to be offered to a wider public. Specialist agencies should be formed in order to coordinate such development.

3. Social Investment

Alternative financing arrangements need to be developed that enable larger housing loans to be offered at affordable rates. This will likely require integrating, or at least coordinating, financing and construction activities within new housing development agencies. While active and growing, the Palestinian housing finance sector is relatively small and will likely require additional capital investments to fund large-scale new housing in East Jerusalem. This requires the establishment of social investment funds dedicated to housing development. Such funds will have the added capability to fund public infrastructure as part of large housing developments.

4. International Support

Authorisation of community developed plans is required in order to maximise impact of good planning and provide long term security for unpermitted housing. This requires the approval of the District Planning and Building Committee, which has until now withheld approval of community initiated Outline Plans, and generally opposed Palestinian development. In order to secure its approval the absence of Palestinian representation in the committee must be compensated by international pressure.

In parallel, wider consensus should be generated in support of the plans with Israeli practitioners within planning and political circles. The plans' potential wider positive impact, including on West Jerusalem and in the region generally should be established. Likewise the negative impacts of current policies restricting Palestinian growth can be more widely dispersed especially in Israeli media.

International support is also required to facilitate the formation of financial models that are better suited to East Jerusalem's housing market, and new agencies that can oversee the planning, financing and delivery of more larger scale housing development.

Increasing housing supply will have multiple benefits for East Jerusalem in addition to resolving the housing crisis. A functioning housing market is integral to a healthy urban economy. Increased construction will create employment and new licensed housing will improve access to credit. Substantially sized housing projects have the potential to supply new infrastructure and services and commercial areas. Moreover, good quality, well serviced, housing will attract middle and upper income families back to the city. It will catalyse the new communities, enterprises and organisations, necessary to reverse East Jerusalem's decline.

Statistical Annex

Palestinian Jerusalemite Population and Housing by Location

As recorded in the Jerusalem Statistical Yearbooks (JIIS)

Location	Population		Growth	Housing	Built Area	Built Area - Housing	Built Area - Other
	2011	2010	2010-2011	2011	2011	2011	2011
	Persons	Persons	(%)	Units	1000 sq.m	1000 sq.m	1000 sq.m
East Jerusalem							
Northern Neighbourhoods	**56,376**	**56,343**	**0.06**	**10,159**	**1,278.4**	**941.8**	**336.6**
1. Beit Hanina	33,617	33,240	1.13	6,415	917.2	632.8	284.4
2. Shu'afat	22,759	23,103	-1.49	3,744	361.2	309.0	52.2
Central Neighbourhoods	**147,703**	**144,244**	**2.40**	**22,101**	**2,136.0**	**1,502.1**	**633.9**
3. Old City [I]	36,536	37,502	-2.58	5,266	473.7	233.2	240.5
4. Issawiyya	13,730	13,269	3.47	1,790	136.2	126.5	9.7
5. At-Tur + As Sawana	22,977	21,123	8.78	4,075	413.0	322.5	90.4
6. Wadi al Joz + Sheikh Jarrah	19,451	19,888	-2.20	3,014	460.5	236.1	224.4
7. Abu Tur	12,751	13,122	-2.83	1,929	87.0	73.5	13.5
8. Silwan	18,932	17,870	5.94	2,779	182.9	168.3	14.6
9. Ras al Amud + Wadi Qadum	23,326	21,470	8.64	3,248	382.7	342.0	40.7
Southern Neighbourhoods	**50,464**	**48,125**	**4.86**	**9,123**	**854.8**	**754.9**	**99.9**
10. Jabal Mukabber + As Sawahra	21,127	21,003	0.59	4,257	369.7	344.7	25.0
11. Sur Bahir + Umm Tuba	18,137	16,876	7.47	2,463	225.2	203.9	21.3
12. Beit Safafa + Sharafat	11,200	10,246	9.31	2,403	259.9	206.3	53.6
Neighbourhoods Beyond the Wall	**33,913**	**30,749**	**10.29**	**7,854**	**1,017.8**	**468.6**	**549.3**
13. Kafr ‘Aqab	14,366	12,625	13.79	3,882	888.0	352.4	535.7
14. Shu'afat Refugee Camp	13,968	12,973	7.67	2,686	3.3	3.3	-
15. Anata	5,579	5,151	8.31	1,286	126.6	112.9	13.6
Settlements [II]	**1,896**	**1,581**	**19.92**	**-**	**-**	**-**	**-**
West Jerusalem	**2,647**	**2,831**	**-6.50**	**-**	**-**	**-**	**-**
Totals	**292,999**	**283,873**	**3.21**	**49,237**	**5,287.1**	**3,667.4**	**1,619.6**

Sources

Population Data: JIIS, *Jerusalem Statistical Yearbook*, 2011, 2012, 2013, Tables III/1, III/8, III/10

Construction Data: JIIS, *Jerusalem Statistical Yearbook*, 2012, Tables X/16, X/18

I. Not including the Jewish Quarter

II. Calculated as the remainder from 292,999 after Palestinian’s living in East Jerusalem neighbourhoods and West Jerusalem had been deducted.

Home Ownership and Income Data

Year	Jerusalem (Palestinian)	Jerusalem	Israel (Palestinian)	Israel
Housing Data				
Average House Prices in NIS (thousands)				
2007	368.6	941.5	519.8	796.4
2008	700.1	1174.2	827.3	964.2
2009	798.7	1261.9	904.1	1061.0
2010	1052.9	1377.9	659.1	1236.6
2011	1078.0	1727.2	960.5	1415.7
Home Ownership (%)				
2007	46.8	58.3	82.0	69.3
2008	52.1	57.4	84.8	68.8
2009	43.6	53.1	81.3	69.0
2010	60.5	62.7	86.5	69.2
2011	63.7	60.4	82.1	68.8
Sample Sizes				
2007	108	506	778	6,173
2008	109	486	698	5,971
2009	106	532	743	6,270
2010	97	470	739	6,168
2011	43	432	695	6,051
Income Data				
Net Average Monthly Household Income in NIS (thousands)				
2007	4,964	8,486	6,929	10,463
2008	5,968	9,135	7,206	10,965
2009	5,728	9,300	7,217	11,354
2010	5,566	9,329	7,744	12,010
2011	5,623	10,182	7,823	12,345
Gross Average Monthly Household Income in NIS (thousands)				
2007	5,474	10,041	8,023	12,935
2008	6,674	10,756	8,151	13,339
2009	6,300	10,809	8,109	13,578
2010	6,012	10,774	8,716	14,385
2011	6,149	11,832	8,678	14,629
Average Number of Earners in Household				
2007	0.90	0.98	1.07	1.25
2008	0.97	1.01	1.11	1.26
2009	0.99	1.05	1.09	1.26
2010	0.91	1.05	1.14	1.30
2011	1.08	1.11	1.17	1.31
Sample Sizes				
2007	225	1,228	1,849	14,147
2008	251	1,195	1,802	14,167
2009	245	1,253	1,908	15,114
2010	206	1,170	1,913	15,171
2011	171	1,154	1,920	14,996

Source: Data obtained by IPCC from ICBS upon request

Case Study

Analysis of Building Growth in Neighbourhoods Beyond the Wall

There has been little research conducted on recent construction growth in neighbourhoods beyond the Wall. The pace and informality of the new construction cast doubt on the reliability of official figures. As a result the number of households and size of population in these areas is uncertain.

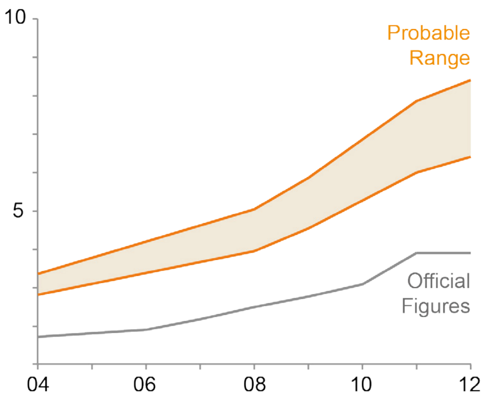
In order to better understand the new growth, IPCC mapped new buildings from detailed aerial photographs at five stages between 2004-2012.

The results suggest there is considerably more built-up area than is recorded by official figures. Making assumptions for buildings heights, proportion of area that is residential or unusable, and typical house size, the aerial analysis concluded that the number of housing units in Kafr 'Aqab (2012) is between 8500-6400. Approximately double the registered number of units recorded in official Municipality records (3885). These results support the claim by Kafr 'Aqab's local council that the population of the neighbourhood in 2011 was around 35,000, as opposed to 14,366 estimated by official data.[41]

These results are by no means conclusive and more detailed surveying is required to provide more reliable information.

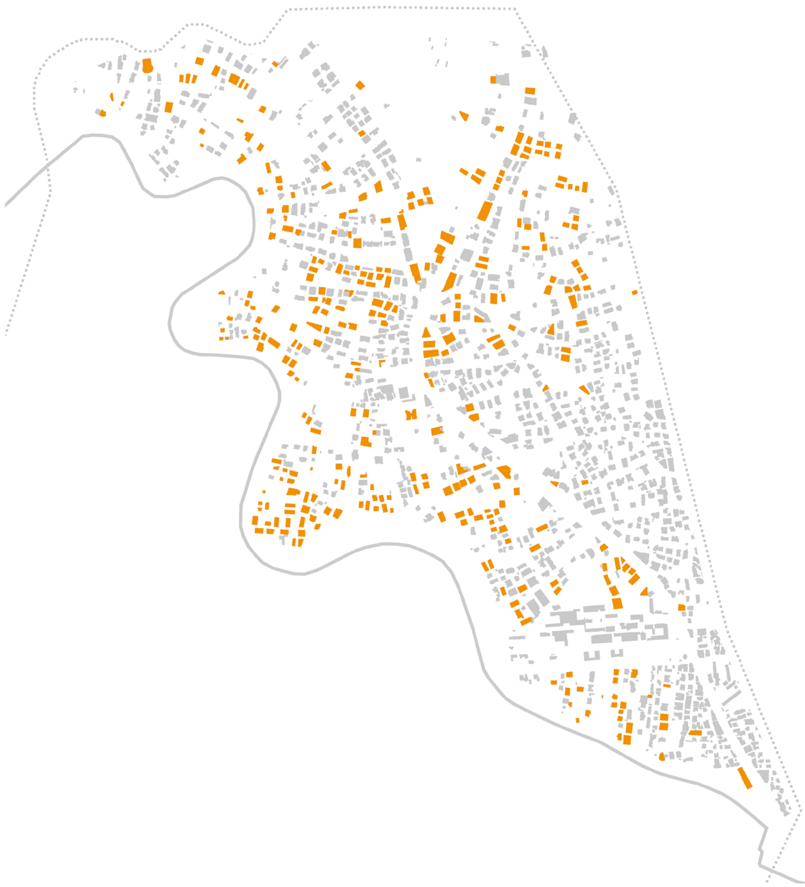
Housing Units in Kafr 'Aqab (1000's)

Aerial Photo Analysis Estimates - Official Figures

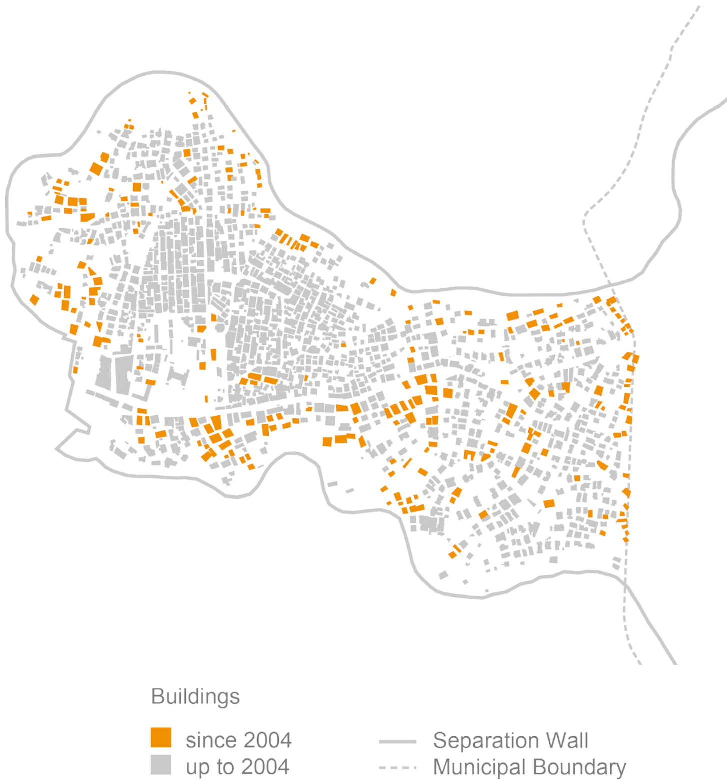


Source: Official data from JIIS, *Jerusalem Statistical Yearbook,* years 2004-2013, Tables X/16 & X/18.

Kafr 'Aqab



Shu'fat Refugee Camp and Anata



End Notes

1. ACRI, BIMKOM, Petition to the Jerusalem Administrative Court, April 2013, p. 14. The English translation of the petition can be found here: http://www.acri.org.il/en/2013/04/21/jerusalem-2000-petition/

2. Ibid, p. 14.

3. An unofficial English translation of the original planning report, with a detailed breakdown of construction capacities by neighbourhood, can be found here: http://pcc-jer.org/arabic/Publication/jerusalem_master_plan/jerusalemplan_eng.html

4. ACRI, BIMKOM 2013, pp. 22-23.

5. In the unofficial English translation, the central demographic challenges can be found in section 7 of the Introduction, entitled 'Population and Society'. URL: http://pcc-jer.org/arabic/Publication/jerusalem_master_plan/engchapt/Intro.pdf

6. The average fine is around US$300 per sq.m. see M. Margalit, *No Place Like Home: House Demolitions in East Jerusalem*, Israeli Committee Against House Demolitions, March 2007, pp. 10-11

7. The 100 demolitions each year include extensions and other structures see Margalit 2013. According to B'tselem between 22-72 housing units have been demolished each year since 2004. URL: http://www.btselem.org/planning_and_building/east_jerusalem_statistics

8. For a typical, non-mortgage, housing loan offer in East Jerusalem see Arab Bank, URL: http://www.arabbank.ps/en/readyproperty.aspx?CSRT=9548902960392160029.

9. Between 2001-2010 the number of households increased by 16,200 from 36,600 to 52,800. Data from ICBS, *Statistical Abstract of Israel,* 2002, 2011, Table 5.2.

10. It is assumed that a vacancy rate of 4% is ideal for the city considering the ratio of owned to rented dwellings. For a more detailed explanation of this figure see Housing Need section, p. 18.

11. M. Margalit, *The Israeli Demolition of Houses in East Jerusalem*, IPCC, forthcoming, expected late 2013.

12. Ibid.

13. An additional 559,151,000sq.m. were constructed in Palestinian neighbourhoods between 2006-2010. Of this 114,993,000sq.m. was built in Kafr 'Aqab, accounting for 20.6% of recorded construction. Data from JIIS, *Jerusalem Statistical Yearbook*, 2011, Table X/14.

14. Raw data obtained by IPCC from ICBS, see Statistical Annex, p. 21.

15. For more information on indicators of affordable housing see, Demographia, *9th Annual Demographia Housing Affordability Survey: 2013, Ratings for Metropolitan Markets*, 2013.

16. Raw data obtained by IPCC from ICBS, see Statistical Annex, p. 21.

17. Ibid.

18. Since 1995, the Israeli Ministry of Interior has enacted what is refered to as the 'Centre of Life' policy. It requires all permanemt residency holders to prove their continuous residence in East Jerusalem through extensive documentary evidence, or risk losing their residency permits and access to the city. For more information see, *Al Haq, The Jerusalem Trap,* 2010 p. 13.

19. East & West Jerusalem room density data taken from: JIIS, Jerusalem Statistical Yearbook, 2011, Tables VI/23. For Palestine data see, PCBS, *Percentage Distribution of Households in Palestine by Housing Density,* URL: http://www.pcbs.gov.ps/Portals/_Rainbow/Documents/AN-Hous-2012-E-4.htm

20. Data from ICBS, *Households, Economic Characteristics and Housing Density*, 2009, Table 7.

21. JIIS, *Jerusalem Statistical Yearbook*, 2013, Table VI/22, URL: http://www.jiis.org.il/.upload/yearbook2013/shnaton_F2213.pdf

22. Density of more than three persons per room is one of five indicators of slum housing. If more than three indicators are met the housing is considered 'slum'. See, UN-Habitat, *State of the Worlds Cities*, 2011, p. 33.

23. M. Margalit, *Discrimination in the Heart of the Holy City*, 2006, pp. 119-124.

24. Jerusalem Municipality and the Jerusalem Development Authority, *Infrastructure Survey in East Jerusalem*, 2010

25. For detailed breakdown of Municipality spending see Margalit 2006, pp. 101-139.

26. Data from JIIS, Jerusalem Statistical Yearbook 2013, Table III/14

27. Data from JIIS, Jerusalem Statistical Yearbooks 2012 and 2013, Table V/15

28. OCHA, *East Jerusalem Key Humanitarian Concerns Update,*

December 2012

29. Estimates for the total Palestinian population who had left the city reached a figure close to 100,000 according to a JIIS report in 2006. Their own survey corroborated this, finding that around 40% of inhabitants of East Jerusalem's peripheral towns held Jerusalem ID. This would place the total number of Jerusalem ID holders just living in Jerusalem's peripheral towns at 40,000 according to PCBS 2007 population estimates. See, JIIS, *The Security Fence Around Jerusalem: Implications for the City and its Residents*, 2006, p. 36.

30. ICBS, *Statistical Abstract of Israel*, 2007 & 2011, Table 5.2.

31. The figure was obtained by comparing household sizes of all 11 West Bank cities between 1997-2007. For individual governorates see, PCBS, *Population, Housing and Establishments,* for years 1997 and 2007.

32. The population figure of 360,000 is based on Israeli Ministry of Interior figures for the end of 2012. The original data records 371,844 'non Jewish' registered residents of Jerusalem. This group is divided in other data between 'Arabs' and 'others'. ICBS data records 9,200 persons in the 'others' category for the year 2011, leaving approximately 360,000 in the 'Arab' category. See ICBS, *Statistical Abstract of Israel*, 2011, Table 2.11

33. ICBS has not published a figure for 2012, however its estimate for 2011 was 293,000. Assuming 2.8% annual growth , the 2012 population should equal approximately 301,000. For 2011 figures see, ICBS, *Statistical Abstract of Israel,* 2012, Table 2.5.

34. The closure policy enacted in 1993, bars all Palestinians without either Israeli Citizenship or 'permanent residency' from entering the Municipal boundaries without special permission from the Israeli Government. It has been only fully enforced since 2003 with the construction of the Separation Wall. Since then migration and daily commuting from other West Bank localities has been severely reduced.

35. Data was obtained directly from the Municipality collections department, see Margalit, (forthcoming 2013).

36. ICBS, *Statistical Yearbook of Israel,* 2011, Tables 2.5 & 5.2.

37. Ownership percentages from ICBS data see *Home Ownership and Income Data*, Statistical Annex p. 21.

38. JIIS, Statistical Yearbook of Jerusalem 2012, URL: http://www.jiis.org.il/.upload/yearbook2012/shnaton_C0312.pdf.

39. Ibid, Table III/5 URL: http://www.jiis.org.il/.upload/yearbook2013/shnaton_C0513.pdf.

40. The 3680 units is the annual average required from 2010. Each year following 2010 in which this target is not met will increase the amount required.

41. The discrepancy between the official and actual populations is discussed here; BMU & ARIJ, *Barrier Impacts on Waste Management,* 2012, p.2. URL: http://unispal.un.org/pdfs/unrwabarrierwastefs.pdf

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