



## Construction Material Tracking for Gaza

January 2016

*This document presents an analysis on the import of 'dual use items' particularly cement and reinforcement bars. In October 2015, aggregate was removed from the list of dual use materials and from 20<sup>th</sup> October started to enter Gaza under the private sector. Aggregate is no longer classed as a restricted material, therefore this analysis assumes there are sufficient stocks available in the market.*

*The information has been retrieved from UNSCO mailing list reporting on the crossing information, truckloads through Kerem Shalom, and Rafah crossings.*

*The website produced by UNOPS providing real time information on the numbers of projects approved and homeowners who have been cleared to purchase ABC materials can be accessed on <http://grm.report/>*

### Shelter Cluster Contact Details

Iyad Abu Hamam, [coord.gaza@sheltercluster.org](mailto:coord.gaza@sheltercluster.org)

## Key Facts



Total BC Materials (tons)  
entered Gaza since Oct 2014

GRM	Humanitarian Projects <sup>1</sup>	Qatari Projects <sup>2</sup>
607,706	93,215	5,280

*Based on needs in the housing sector and on the quantity of BC materials coordinated through the GRM only.<sup>3</sup>*

	Caseload from 2014 conflict	Caseload from 2014 & from previous conflicts	Caseload from all past conflicts & natural growth
Total BC Material (tons) required	1,600,000	1,910,000	6,410,000
% of BC materials that has entered	<b>38.0%</b>	<b>31.8%</b>	<b>9.5%</b>
# Additional years required to rebuild Gaza based on average import rate	<b>2.2 years</b>	<b>2.9 years</b>	<b>12.7 years</b>

<sup>1</sup> Humanitarian Projects represent projects implemented by international organisations who are coordinating the import of materials directly with COGAT. This mechanism was used before the 2014 war and some organisations are still using this system.

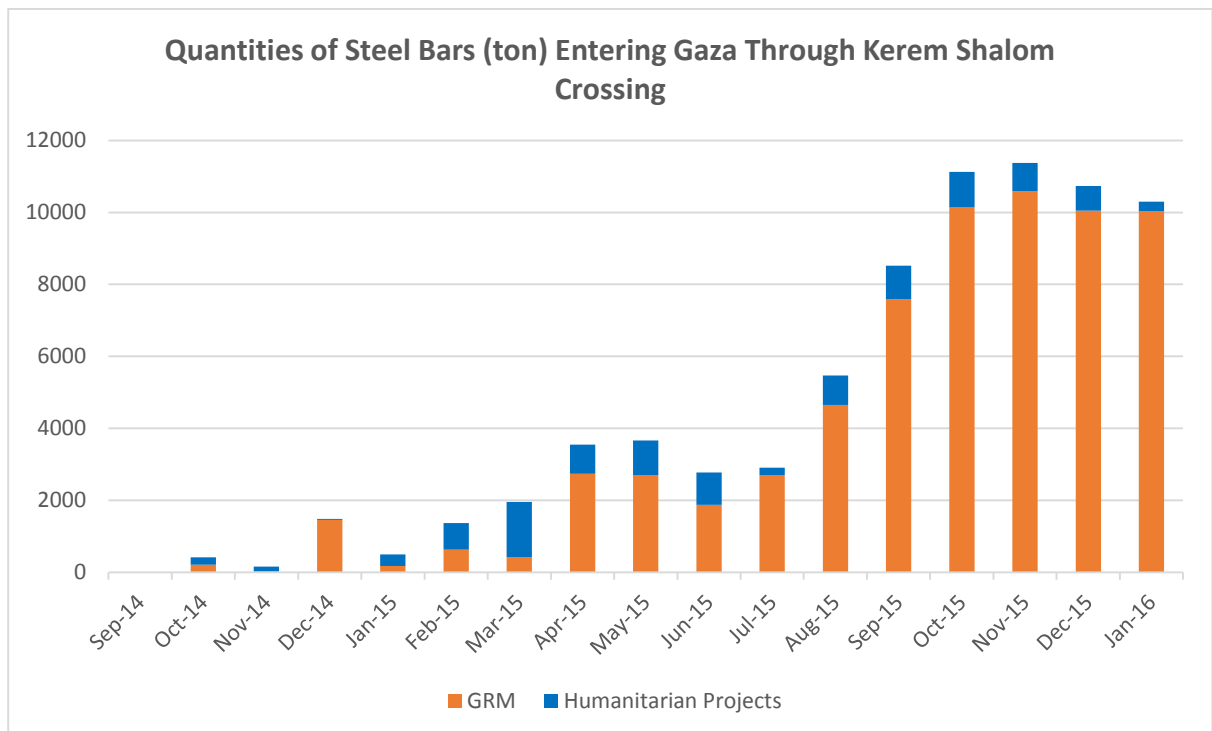
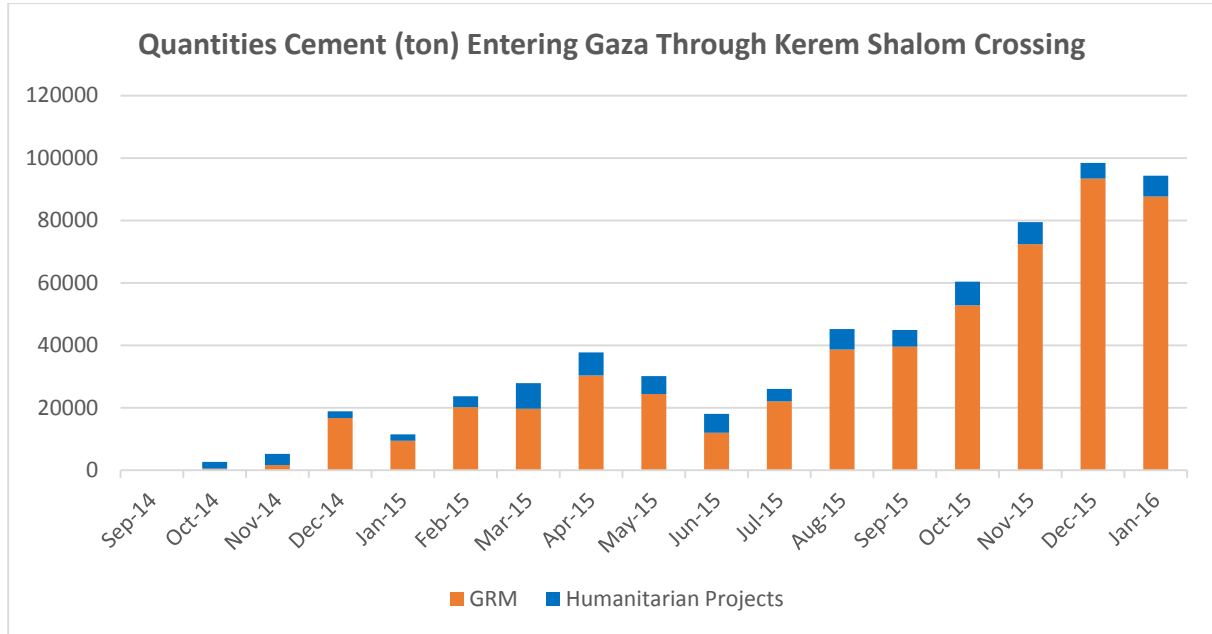
<sup>2</sup> Qatari Projects here represents materials entering for road infrastructure and housing projects funded by Qatar. The materials imported are mainly "base course aggregates and bitumen" for road construction, however they include cement as well. These are using the same crossings as the Humanitarian projects and GRM. Some Qatari infrastructure projects are also entering materials through the GRM.

<sup>3</sup> The materials entering through the Humanitarian project are for public buildings, infrastructure, as well as big housing projects.



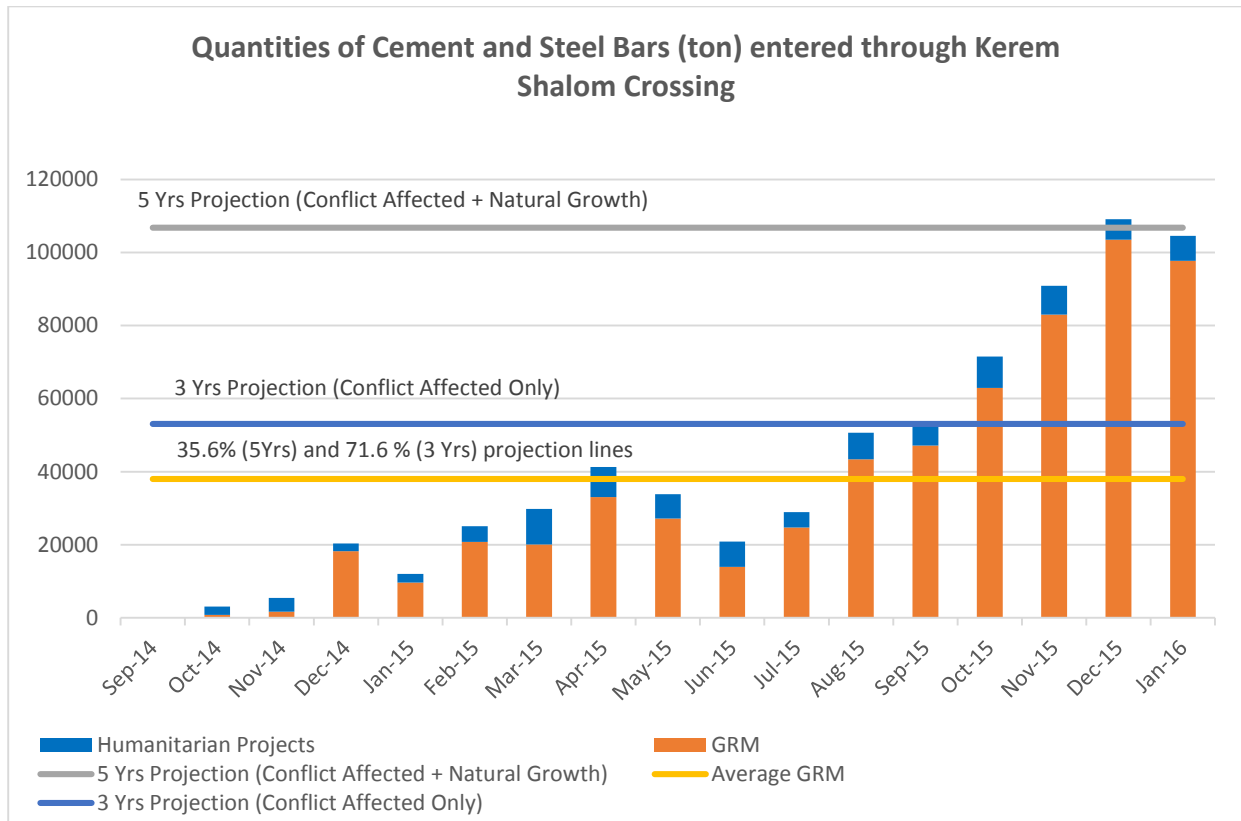
## Quantities of BC materials in (Ton) since October 2014

The graphs below show the quantity of cement and steel bars entering Gaza since October 2014 until December 2015, disaggregated by use for the GRM or Humanitarian Projects.



The following graph shows the quantity of BC materials entering Gaza in comparison to a 5 year projected line for the reconstruction of Gaza (conflict affected houses and requirement for natural growth) and 3 year projected line (for conflict affected housing only).

Note that the Humanitarian Projects materials represented in the graph below mainly includes construction materials which are used for public buildings and infrastructure projects and not for housing.



The 5 year projection line represents the required BC materials for housing repair and reconstruction of Gaza on a 5 year plan including the caseload from the 2014 conflict as well as previous conflicts and an estimated number of additional housing units<sup>4</sup> required for the natural growth of Gaza. The average material entering through the GRM represents 31.8% of the required amount.

The 3 year projection line represents the required BC materials for housing repair and reconstruction on a 3 year plan and includes the caseload from the 2014 and previous conflicts only. The average material entering through the GRM represents 64.1% of this required amount.

#### Total quantities and % of all construction material entering Gaza since Jan 2015

Month	GRM		Private Sector		Humanitarian Projects		Qatari		Total (Tons)
January	15,535	14%			16,499	15%	75,837	70%	107,871
February	23,318	15%			35,010	22%	102,920	64%	161,248
March	32,208	16%			64,815	32%	107,240	53%	204,263
April	67,900	30%			55,080	24%	104,280	46%	227,260
May	65,380	30%			34,250	16%	119,320	54%	218,950
June	33,478	17%			39,416	20%	121,240	62%	194,134
July	53,580	31%			15,066	9%	101,600	60%	170,246
August	135,336	46%			32,756	11%	123,170	42%	291,262
September	149,157	59%			42,074	17%	59,680	24%	250,911
October	172,420	51%	67,889	20%	53,460	16%	45,080	13%	338,849
November	83,015	19%	273,424	61%	9,430	2%	79,940	18%	445,809
December	103,495	22%	303,440	65%	6,720	1%	54,190	12%	467,845
Jan-16	97,690	24%	258,120	63%	6,895	2%	49,360	12%	412,065

<sup>4</sup> The estimate number represents 75,000 housing unit and is based on a study from 2012 looking at overcrowding in Gaza.



## Total numbers and % of trucks entering Gaza since Jan 2015

Month	GRM		Private Sector		Humanitarian Projects		Qatari		Total (Trucks)
	Count	%	Count	%	Count	%	Count	%	
January 2015	317	19%			262	16%	1,085	65%	1,664
February	536	21%			551	22%	1,468	57%	2,555
March	692	21%			1040	32%	1,534	47%	3,266
April	1,348	36%			886	24%	1,513	40%	3,747
May	1,250	35%			576	16%	1,726	49%	3,552
June	642	21%			655	22%	1,746	57%	3,043
July	1,062	38%			269	10%	1,456	52%	2,787
August	2456	51%			567	12%	1,764	37%	4,787
September	2,727	64%			690	16%	857	20%	4,274
October	3,237	56%	981	17%	923	16%	655	11%	5,796
November	2,204	29%	3,926	52%	234	3%	1,154	15%	7,518
December	2,717	34%	4,345	54%	169	2%	808	10%	8,039
January 2016	2,573	36%	3,701	52%	182	3%	710	10%	7,166

In October 2015, as a result of the lifting of the restrictions on the entry of aggregate, the Private Sector has started to import aggregate without need for special coordination. Based on statistical analysis of the quantities of ABC materials entered until September 2015 (inclusive), the following average percentages of various components are found:

Material	Oct 2014 – Sept 2015				Oct-15 to Jan-16
	Average	Standard Deviation	Range		Average
Aggregate	65.7%	5.6%	60.2%	71.3%	73.9%
Cement	31.1%	5.9%	25.2%	37.0%	23.0%
Steel Bars	3.1%	1.0%	2.1%	4.2%	3.1%

In October 2015 to January 2016, 73.9% of the imported materials was aggregate, 23.0% cement and 3.1% steel bars. It can be noted that there is approximately 8.2% increase in the percentage of aggregate and 8.1% decrease in the cement entered compared to the previous averages. This change could be considered a result of lifting the restrictions on aggregate. This result is almost consistent (on monthly basis) during the four months after lifting of the restriction on aggregate. Additionally it was reported that the price of aggregate in the local market has increased slightly, that has affected ongoing construction contracts in Gaza.

## GRM Allocations of ABC materials

There are 4 streams in the GRM, however, the Finishing Stream has reportedly been closed pending investigations of misuse.

**Shelter Stream** – for conflict-affected applicants whose property is included in the Damage Assessment

**Project stream** – for construction and infrastructure projects which require dual-use materials.

**Residential stream** – for the construction of full residential properties, both new construction and reconstruction of totally destroyed homes.

**Finishing Stream** – for the completion of undamaged residential units started but not completed before the 2014 conflict.



The following is a breakdown of allocated materials and Participating numbers of individuals and projects as per the GRM.report on 2<sup>nd</sup> of Feb 2016.

### Quantities of Allocated Materials (ton)

	Shelter Stream	Residential Stream	Project Stream	Finishing Stream
Aggregate	124,580	540,892	172854	Not available
Re-bar	386,447	2,068,211	242685	Not available
Cement	8,154	104,821	5609	Not available
	<b>519,181</b>	<b>2,713,924</b>	<b>421148</b>	<b>Not available</b>

### # of beneficiaries participating in the GRM

	Shelter Stream	Residential Stream	Finishing Stream
Approved: material can be purchased	127141	7143	7331
Pending: Not processed or requiring review	3527	2669	4233
# individuals who purchased materials: full or partial	99501	4331	3704

### % Purchased Materials

	Shelter Stream	Residential Stream
Cement	90.2%	48.3%
Steel Bars	63.3%	40.9%
Weighted Average	88.5%	47.1%
	54.2%	

### # of projects in the GRM

	Residential	Infrastructure	Commercial	Industrial	Total
Completed	5	53	2	1	61
Active	161	151	8	6	326
Fully Confirmed	45	93	10	9	157
Approved in Principle	25	22	2	0	49
Under Consideration	75	11	3	0	89
Uploading of information underway	4	17	0	0	21
<b>Total</b>	<b>315</b>	<b>347</b>	<b>25</b>	<b>16</b>	<b>703</b>

### ABC materials entering Gaza from Rafah Crossing

**In January 2016, No construction materials entered to Gaza through Rafah crossing.**

Since Jan 2015, Rafah crossing has been closed. On four occasions limited amounts of materials have been permitted to enter, in June, August, October, and December. The total quantity of materials entered through Rafah in 2015 was **33,969 tons (804 trucks)**.

Since the opening of the Residential and Finishing Streams in the GRM, Israeli cement can also be requested for non-conflict related construction through the Ministry of Public Works and Housing in Gaza, and Ministry of Civil Affairs in the WB. 5,462 (56%) of the 9,812 participants in the Residential Stream are for new construction. Because of the reported closure, no new applications were made to the Finishing Stream.