



Construction Material Tracking for Gaza

July 2016

This document presents an analysis on the import of ‘dual use items’ particularly cement and reinforcement bars as aggregate was removed from the list of dual use materials in October 2016 and started to enter Gaza under the private sector with no special coordination. 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/>

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Key Facts



Total BC Materials (tons)
entered Gaza since Oct 2014

Private Sector	Humanitarian Projects ¹	Qatari Projects ²
937,141	149,528	43,450

Based on needs in the housing sector and on the quantity of BC materials coordinated for private sector through the GRM only.³

	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	58.6%	49.1%	14.6%
# Additional years required to rebuild Gaza based on average import rate	1.3 years	1.9 years	10.7 years

¹ Humanitarian Projects represent projects implemented by International Organisations who are coordinating the import of materials directly with COGAT (a mechanism which was used before the 2014 conflict and still used by UNRWA and UNDP) or directly through the GRM.

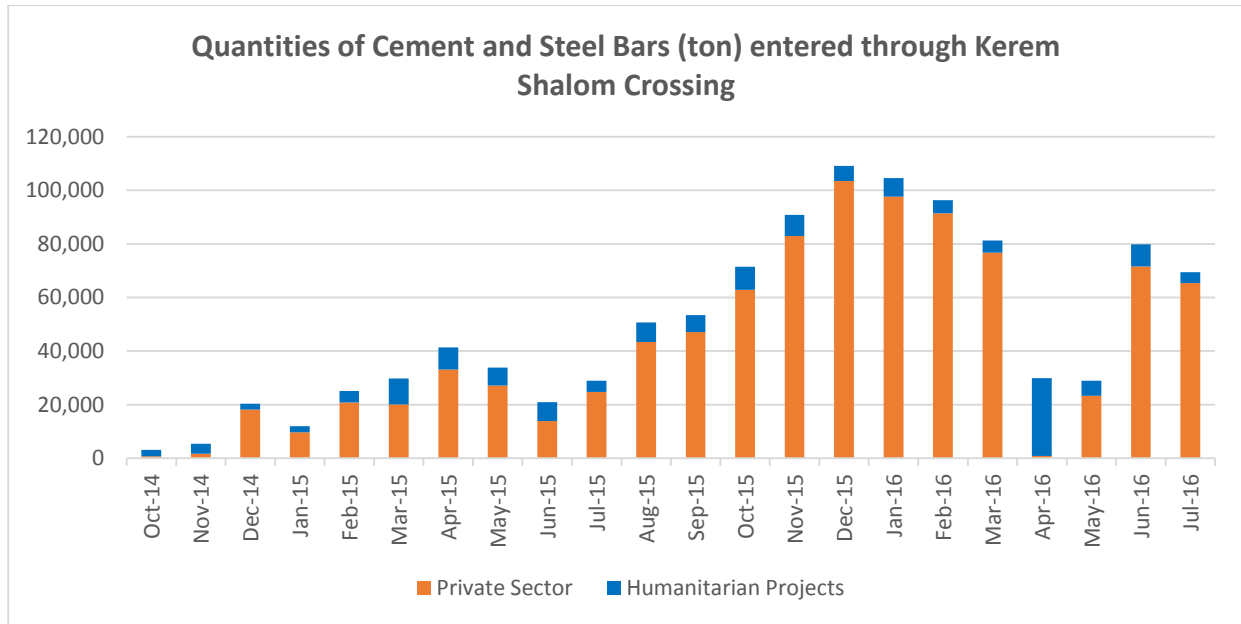
² Qatari Projects here represents materials entering for road infrastructure and housing projects funded by Qatar. The materials imported started with “base course aggregates and bitumen” for road construction, however they include cement and rebar as well. The coordination is done through GRM, and the materials are using the same crossings as the Humanitarian projects and Private Sector.

³ The materials entering through the Humanitarian projects are for public buildings, infrastructure, as well as big housing projects.



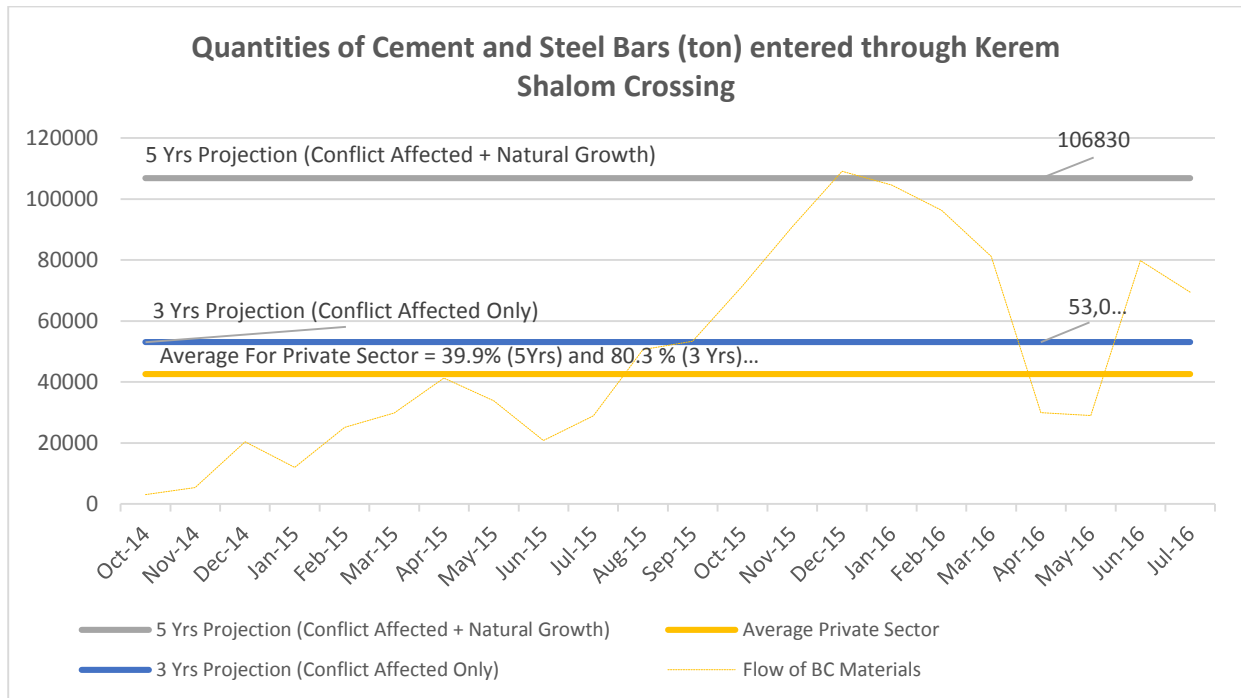
Quantities of BC materials in (Ton) since October 2014

The graph below shows the quantity of cement and steel bars entering Gaza since October 2014 until end of July 2016, disaggregated by use for the private sector or Humanitarian Projects.



It can be noticed in the graph that BC materials entry for the private sector under GRM has been resumed in May 2016 after lifting the ban on cement imports which was imposed from April 3rd - May 23rd 2016. The entered quantity in July continued to be slightly less than the quantities entered in March and still below the average quantities allowed since December 2015.

The following graph shows the overall average of BC materials quantities 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).



The 5 year projection line represents the estimated monthly required BC materials for housing repair and reconstruction of Gaza on a 5 year projection including the caseload from the 2014 conflict as well as previous



conflicts and an estimated number of additional housing units⁴ required for the natural growth of Gaza. The average material entering through the GRM for private sector along the whole period represents 39.9% of the required amount.

Similarly, the 3 year projection line represents the estimated monthly required BC materials for housing repair and reconstruction on a 3 year projection and includes the caseload from 2014 and previous conflicts only. The average material entering through the GRM for private sector across the whole period represents 80.3% of this required amount.

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

Month	Private Sector (GRM)		Private Sector (Aggregate)		Humanitarian Projects (GRM+COGAT)		Qatari (GRM)		Total (Tons)
	Quantity	%	Quantity	%	Quantity	%	Quantity	%	
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
Feb-16	91,485	22%	261,480	63%	4,840	1%	57,120	14%	414,925
Mar-16	76,735	21%	262,680	71%	4,498	1%	28,640	8%	372,553
Apr-16	870	0.5%	57,880	32%	20,250	11%	104,195	57%	183,195
May-16	23,315	9%	154,440	57%	5,660	2%	89,460	33%	272,875
Jun-16	71,580	22.7%	233,640	74.1%	8,235	2.6%	1,760	0.6%	315,215
Jul-16	65,450	22.9%	214,840	75.3%	3,955	1.4%	960	0.3%	285,205

Total numbers and % of trucks entering Gaza since Jan 2015

Month	Private Sector (GRM)		Private Sector (Aggregate)		Humanitarian Projects (GRM+COGAT)		Qatari (GRM)		Total (Trucks)
	Quantity	%	Quantity	%	Quantity	%	Quantity	%	
January	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	2,456	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

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



Jan-16	2,573	36%	3,701	52%	182	3%	710	10%	7,166
Feb-16	2,407	34%	3,748	53%	130	2%	826	12%	7,111
Mar-16	2,072	33%	3,753	59%	119	2%	420	7%	6,364
Apr-16	29	1%	828	27%	368	12%	1,805	60%	3,030
May-16	596	13%	2,210	50%	148	3%	1,472	33%	4,426
Jun-16	1,860	32.8%	3,556	62.8%	223	3.9%	25	0.4%	5,664
Jul-16	1,708	34.9%	3,066	62.7%	105	2.1%	14	0.3%	4,893

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), it can be noted that there has been a 10.6% increase in the percentage of aggregate with almost the same percentage decrease in the cement entered compared to when aggregate was restricted.

GRM Allocations of ABC materials

There are 4 streams in the GRM. The Finishing Stream was temporarily suspended but has reportedly been reopened to new applications, although no further applications or procurement has occurred.

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 3rd of Aug 2016.

Quantities of Allocated Materials (ton)

	Shelter Stream	Residential Stream	Project Stream	Finishing Stream
Cement	124,775	921,467	172,854	Not available
Aggregate	0	0	242,685	Not available
Re-bar	8,167	177,002	5,609	Not available
	132,942	1,098,469	421,148	Not available

of beneficiaries participating in the GRM

	Shelter Stream	Residential Stream	Finishing Stream
Approved: material can be purchased	127,189	12,926	7,336
Pending: Not processed or requiring review	3,506	908	4,233
# individuals who purchased materials: full or partial	101,572	9,077	3,709

% Purchased Materials

	Shelter Stream	Residential Stream
Cement	92.3%	51.4%
Steel Bars	67.2%	50.4%
Weighted Average	90.7%	51.2%
	55.5%	



of projects in the GRM

	Residential	Infrastructure	Commercial	Industrial	Total
Completed	34	105	4	1	144
Active	244	212	13	10	479
Fully Confirmed	71	95	9	5	180
Approved in Principle	22	9	0	2	33
Under Consideration	90	20	4	1	115
Uploading of information underway	8	10	0	0	18
Total	469	451	30	19	969

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. As of 3rd Aug, 8,787 (63.5%) of the 13,834 participants in the Residential Stream are for new construction. Despite the reported commencement, no new applications were made to the Finishing Stream yet.

Outstanding GRM Allocations of Cement

In the following table, statistics extracted from GRM.report on 3rd Aug for shelter and residential streams show that **55,806** beneficiaries participating in GRM are still requiring the allocated BC materials to complete the repair/ construction works they initiated or still unable to initiate due to the cement crisis. The overall BC materials needed for these participants according to the difference between the allocated and procured quantities is **457,554** tons of cement and **90,492** tons of rebar.

	Participating # of Beneficiaries (HH)			Cement			Rebar		
	Newly Processed	Some Materials Purchased	Still Requiring Materials	Allocated	Purchased	Still Required	Allocated	Purchased	Still Required
Shelter Stream	25,617	20,164	45,781	124,775	115,120	9,655	8,167	5,490	2,677
Residential Stream									
Reconstruction	903	2,922	3,825	921,467	473,568	447,899	177,002	89,187	87,815
New Constructions	2,946	3,254	6,200						
Total	29,466	26,340	55,806	1,046,242	588,688	457,554	185,169	94,677	90,492

According to the current required quantity of cement (457,554 tons) and current amount of cement entering (average 3,500 tons daily), it would take 6.5 months for this to enter, despite the average amount of time required for construction being 3 months.

ABC materials entering Gaza from Rafah Crossing

Rafah crossing was opened exceptionally for 3 days in July during which 6,265 tons (157 trucks) of cement, and 3 trucks of wood.

The total quantity of construction materials entered through Rafah since January 2015 was 63,604 tons out of which 55,607 tons are cement.