



تأسست سنة ١٩٥٢

November 11th, 2023

The impact of Gaza War and the Closure of Main Crossings on the Textile Sector in Bethlehem Governorate

Bethlehem Chamber of Commerce and Industry is preparing reports that analyze the repercussions of the Gaza War and the closure of main crossings on various economic activities in Bethlehem Governorate. This report, prepared during the period between November 8 to November 11, 2023, specifically focuses on evaluating the impact on the textile sector. The comprehensive non-regular purposive sample included 12 establishments, representing 60% of the study community, comprising 20 establishments from BCCI General Assembly members at various locations in the governorate.

➤ Summary of Results and Recommendations:

1. Average Reduction in Production by 82%:

Results indicated that 75% of the surveyed sample experienced a production decrease ranging between 80% and 100%, while the remaining 25% of the sample experienced a production decrease ranging between 50% to 79%.

2. Average Workforce Reduction by 34.5%

Results showed that 41.66% of the surveyed sample maintained their workforce level both before and after the war, among them, one establishment adopting a rotation system among workers. Additionally, 41.66% of the sample reduced their workforce by more than 50%, while 16.68% reported a complete workforce reduction of 100%.

3. Dependency on Domestic Manufacturing and Supply by 58%

The study showed that 58% of the surveyed sample provides services to companies operating in the 1948 territories, especially in the areas of cutting and/or sewing. This contributes to the observed 82% reduction in production within the textile sector. Additionally, 42% of the surveyed sample are involved in the manufacturing and sale of products, either through their own retail stores or distribution channels in the local market and the 48 territories.

➤ Key Challenges Impacting the Textile Sector Productivity:

1. The current conditions have notably and further worsened the vulnerability of the textile sector in Bethlehem Governorate.



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2. Intense competition from ready-made imports originated from China, Turkey, India, Jordan, and Egypt.
3. The Sector faces substantial competition from companies in Egypt and Jordan contracting directly with companies operating in the 1948 territories.
4. The Suspension of work and orders due to road closures and challenges in delivering goods to the 1948 territories.
5. An Increase in imports costs and raw materials prices.

Note: Bethlehem Chamber of Commerce and Industry retains detailed responses from the sample included in the study.