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## The impact of Gaza War and the Closure of Main Crossings on the Stone and Marble Sector in Bethlehem Governorate After 78 Days Since the Start of the War

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 December 1<sup>st</sup>, 2023, and December 15<sup>th</sup>, 2023, specifically focuses on evaluating the impact on the stone and marble sector. The sample included 38 establishments, representing 35% of the total study community comprising 108 establishments from BCCI General Assembly members at various locations in the governorate.

### ➤ Summary of Results and Recommendations:

#### 1. Average Sales Volume Decreased by 75%:

After 78 days of the war and the closure of main crossings, the results shows a decrease in the total sales volume by approximately 75%. This is due to the suspension of many stone quarries and factories' operations because of the current conditions. There is also an increase in operating costs within the stone and marble sector due to a significant decrease in orders and difficulty in delivering goods due to road and crossing closures, leading to decreased productivity to avoid excessive storage. Some surveyed establishments have completely ceased production due to limited resources or disruptions in supplies and deliveries.

#### 2. Average Workforce Reduction by 95%:

Results indicated that some establishments reduced their workforce by at least 80% due to the impact of the aggression to adapt with decreased demand. This serves as a strong indicator of labor market challenges within this sector, and these results are linked to reducing production levels or even a halt of operations in some cases for the surveyed establishments.

#### 3. 70% to 90% Decrease in Production and Consumption:

There has been a sharp decline in the production and consumption of stone and marble due to the war and closure of crossings. This decrease is estimated at approximately 70% to 90% based on the surveyed opinions. The closure of crossings causes difficulties in transporting raw materials, affecting the supply chain and consequently leading to a significant decrease in production and consumption. Due to these conditions, there has been a significant drop in local demand for stone and marble products, resulting in a decline in sales and revenues. Additionally, establishments faced challenges in exporting their products due to shipping disruptions caused by the current situation.

### Conclusion:

The information and data presented in this report indicate that the aggression on the Gaza Strip has had a significant impact on the stone and marble sector in Bethlehem Governorate. This results in major challenges in terms of work volume, workforce size, and production levels, leading to a significant decline in the sector's operations, reduced production, and an increase in unemployment rates.