

Factsheet on:

The Role of the Ministry of National Economy and Consumer Protection in the Gaza Strip during the Genocidal War on the Strip

2024



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Summary

This paper aims to highlight the effectiveness of the role of the Ministry of National Economy in Gaza, especially the General Directorate of Consumer Protection, in monitoring markets, controlling prices, and preventing monopoly of goods, and the role of the relevant authorities with which they cooperate, and how to coordinate the monitoring of markets and protect consumers from exploitation in the current genocidal war on the Strip.

The research paper covers two phases, each of which saw a different policy and approach by the Ministry of Economy. The first phase is the first five months, in which the occupation limited the entry of commercial trucks to two per day. During this period the Ministry of National Economy in Gaza tightened its grip on the goods and merchandise that entered Gaza through the Rafah land crossing. The second phase starts at sixth month and beyond, which saw an increase in the number of commercial trucks entering Gaza to 15-20 trucks per day, and where the ministry took its hands off the goods that were brought through the crossing, thus allowing the market to float.

The study reached a set of conclusions, the most important of which is that the Ministry's employees are always at great risk with the hazards they face moving to and from the workplace, which literally poses a threat to their lives because of the unremitting Israeli shelling; and that the Ministry's lack of prior knowledge of what merchandise was to enter daily from the Egyptian side complicates the planning and organization of incoming goods before they arrive.

In light of the genocidal war, the Ministry of National Economy in the Gaza Strip played a pivotal role in regulating the import, entry and pricing of goods, and regulating the relationship between importers and traders. But this role was not as effective in monitoring the performance of distributors, points of sale and the black market so it could ensure consumer protection. The government in Gaza did not charge any customs or taxes on imported basic commercial goods throughout the war. However, the high cost and the lengthy time of transportation, the long waiting period for inspections by the Israelis and the high profit margin granted to importers contributed to the increase in the prices of goods and products in the local market.

Furthermore, with the increase in the number of commercial trucks entering the Gaza Strip after 5 months of Israeli restrictions, the Ministry of Economy loosened its grip on imported goods, which increased the quantity obtainable in the market, thus causing a drop in prices on the black market and enabling citizens to buy what they need without having to stand in long humiliating queues.

The Ministry formed 3 main emergency committees from the Ministry's employees in the three southern governorates, whose duties are to supervise the process of receiving and storing the main goods of local merchants, and then organizing the distribution process at the main points of sale. However, the Ministry has no part in the Gaza and northern Gaza Strip governorates because of the isolation policy enforced by the occupation on these

governorates. The Ministry of National Economy issued written instructions to points of sale through social media channels and through the ministry's observers to regulate sales operations and is still regularly publishing for citizens lists, prices, places, and quantities of goods distribution through social media platforms 24 hours in advance.

The supervisory role of the Consumer Protection Department in monitoring the markets was not as effective as required considering the state of disarray in the markets, the limited quantity of goods available at points of sale, especially with the small number of teams affiliated with the ministry working in the field of consumer protection in the current genocidal war. The Ministry of National Economy worked with a mere 10% of its cadres and crews. As a result, cases of manipulation by distributors were detected, in which they hid part of the goods either for selling them at much higher prices in the black market, or distributing them to relatives and friends, with no deterring action taken against violators.

The Ministry of National Economy in Gaza does not provide complaint boxes, not at its headquarters for emergency committees, at points of sale, or at the Rafah crossing, nor does it provide consumers with a toll-free number, which prevents them from contacting the Ministry with complaints. There are also clear instructions from the Ministry prohibiting the employees from taking any gifts in kind or cash from importers, traders or distributors. However, a few cases of wrongdoing committed by some Ministry staff members were uncovered and dealt with, where these individuals were suspended, which in fact was not a sufficient deterrent.

A set of recommendations resulted from study, the most important of which are: the need to oblige importers to obtain prior import permits to ensure that imported goods are essential, and to control prices; that there is a need to open the door to competition for commercial transport companies, which would reduce transportation costs and thus reducing prices as well as continue the policy of customs exemption for imported basic commercial goods; strengthening the work of the emergency committees in the southern governorates, and applying pressure on the occupation through media to bring more commercial goods into the governorates of Gaza and the northern Gaza Strip to somewhat moderate its policy of starvation. Other recommendations are strengthening the teams and employees of the Consumer Protection Department in order to control markets, to increase awareness of the ministry's role in the field of consumer protection and reporting cases of corruption, providing a toll-free number and complaint boxes for citizens at points of sale and the workplaces of the ministry's emergency committees, as well as issuing clear and written instructions to prohibit workers from receiving gifts in kind or in cash from importers, traders or distributors.

Introduction

Since the Israeli occupation began its aggression on the Gaza Strip on October 7, 2023, and with its destruction of infrastructure and various governmental institutions, and the dispersion of officials in institutional departments, there came dozens of complaints, disorder and disruption of oversight. As a result, the prices of basic goods and services have increased, which have become scarce in the Gaza Strip, and citizens have become prey to the greed of some traders and their monopoly on these materials and their sale on the black market. The Ministry of National Economy does issue statements and advertisements specifying multiple points of sale for some goods at normal prices, specifically in the southern governorates of the Gaza Strip, even though it has no role there, given the tight siege and starvation policy enforced by the Israeli occupation in those governorates.

The General Directorate of Consumer Protection at the Ministry of National Economy, in accordance with the Consumer Protection Law No. 21 of 2005, is entrusted with the task of controlling prices, preventing monopoly and exploitation of citizens, ensuring that they are not exposed to health risks. It is also charged with making sure they obtain goods and services in accordance with procedural instructions as well as preventing the circulation of counterfeit, corrupt, expired or non-conforming goods, ensuring the safety of any transaction between the trader and the consumer. The Directorate is also responsible for regulating and monitoring markets, and providing adequate information to citizens about their economic rights as consumers by distributing leaflets and documents that enhance the dissemination of a culture of consumer protection. All that while, taking into account the difficult situation in the Gaza Strip resulting from the continuation of the war of extermination by the occupation and the difficulty of performing the tasks entrusted to the General Department of Consumer Protection in the current situation and its inability to apply the law, abide by it or effectively punish its violators¹.

The main objective of the study

The objective of this study is to highlight the effectiveness of the role of the Ministry of National Economy in Gaza, especially the General Directorate of Consumer Protection, in monitoring markets, controlling prices and preventing the monopolization of goods. It also examines the role of the relevant authorities that cooperate with them, and how the markets are coordinated and monitored. The study also aims to show how the Ministry of National Economy, specifically the General Directorate of Consumer Protection and the Emergency Committees in the governorates of the Gaza Strip, exercise their supervisory role over markets, control prices and protect consumers from exploitation in view of the genocidal war on the Gaza Strip.

¹ Consumer Protection Law No. 21 of 2005.

Sub-objectives of the study

- Monitoring the actions of other relevant authorities such as municipalities, supply investigators, chambers of commerce and local committees for consumer protection.
- Identifying and attempting to address the problems and challenges that hinder the process of supervision and control of goods in order to protect consumers during the current situation in Gaza.

First: Challenges facing the work of the Ministry of National Economy in Gaza taking into consideration the war of extermination on the Gaza Strip²

The Ministry of National Economy in Gaza is facing many challenges that hinder the performance of its tasks in light of the raging war of extermination targeting the Gaza Strip since October 7, 2023. The biggest challenge facing the Ministry is the shortage of human resources. It is operating with 10% of its cadres and crews for various reasons, including the security situation, risk, and geographical separation between the governorates of the northern and southern Gaza Strip, which is further complicated by the fact that employees are not receiving their salaries during this war.

The second challenge is the risk element in the work environment, especially the difficulties of moving to and from the workplace, which poses a threat to the lives of the ministry's staff because of the continuous unrelenting Israeli bombing.

The third challenge lies in the Ministry's lack of prior knowledge of the kind of goods that will enter daily until they arrive from the Egyptian side to the Palestinian side, which makes the planning for and organizing the processing of incoming goods before they arrive difficult to carry out. Also, some merchants do not provide the ministry with purchase invoices, which complicates the pricing process and makes it take longer.

The fourth challenge is the limited quantities and types of goods entering the Gaza Strip. The Strip suffers from a scarcity of essential goods entering through the Rafah crossing. The number of commercial trucks that entered through the Rafah crossing during the first five months of the war was less than 10 per day, amounting to 1-2% of the commercial needs of the Gaza Strip under normal circumstances, while the increase in the number of trucks, which reached 15-20 truck per day in March 2024, covers only 15-20% of the sector's needs of supplies³.

The fifth challenge concerns the high cost of transporting goods and the long waiting periods for trucks to enter because of the Israeli protracted inspections, which significantly impact the cost of commercial supplies entering the Strip.

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² Interview with Dr. Osama Nofal, Assistant Undersecretary at the Ministry of National Economy in the Gaza Strip, on 3/21/2024 AD.

³ Interview with Dr. Osama Nofal; op. cit.

Second: Mechanisms for the entry and transport of basic commercial goods and supplies between the Governorates of the Gaza Strip

Mechanisms for submitting import applications in light of the genocidal war on the Gaza Strip

As a result of the genocidal war in the Gaza Strip, the Ministry of National Economy in Gaza dispensed with some previously recognized import conditions, such as tax-registered commercial companies and obtaining a tax register. It permitting the entry of basic commercial goods by allowing traders to import without condition or restriction. To ensure a greater flow of the most needed basic commodities, the Ministry has introduced a decision to prevent the import of non-essential luxury merchandise such as candy, juices and the like, and to oblige carriers to report the goods they intend to import since non-essential goods hinder the entry of vital basic supplies for citizens⁴.

However, there were complaints from importers that the Ministry negotiated with violators to either confiscate non-core goods, or for the importer to relinquish one third of the goods in exchange for the release of two thirds⁵. This procedure generates a legal uncertainty, in particular the fact that the importer does not submit any relevant documents and causes an economic imbalance because the importer is obliged to raise the price of these goods to compensate for losses resulting from the confiscation of one third of the goods.

The role of the Ministry of Economy in facilitating and controlling the import of commercial goods into the Gaza Strip in the context of the war of extermination on the Strip

The role of the Ministry of National Economy in the Gaza Strip during the current war of extermination is central to regulating the import and entry of goods, regulating the relationship between importers and traders and monitoring the performance of traders and distributors to ensure consumer protection. In addition, the Ministry is responsible for the pricing process and has set up a committee that regulates the prices of products and goods. After the arrival of goods at the crossing point, they are inspected and counted by the Ministry and the relevant authorities. These goods are then moved to the pricing stage for distribution to the various governorates⁶.

The pricing committee faces many problems in the course of its work, including the absence of invoices for many of the goods because they come in informal ways. They are bought and sold several times before they reach the person responsible for the receipts. The pricing committee negotiates with traders on a daily basis, track the course of the goods and the cost incurred by the trader, and then set a profit margin of up to 30% of the cost of the imported goods because of the high risk to the importer of possible damage to certain

⁴ Interview with Dr. Osama Nofal; op. cit.

⁵ Telephone interview with importer Nour El-Din Musa, dated 4/12/2024.

⁶ Interview with Dr. Osama Nofal; op. cit.

goods during transport, or the Israeli occupation's refusal to allow entry of goods, and other risks during transport.

Traders believe that the actions of the Ministry of Economy during the first five months of the war have hampered the arrival of goods, particularly their delivery from the importer to the local dealer, noting that the commodity flotation policy recently adopted by the Ministry has become more effective⁷.

Import cost and tax procedures and their impact on the prices of commercial goods during the current war of extermination on the Gaza Strip

Importers confirmed that the Government has not charged them any customs duties or taxes on commercial goods entering the Gaza Strip, and that the Ministry's role was coordination and monitoring⁸. The Ministry indicated that the Government in Gaza has not charged any customs or taxes on commercial commodities imported since the beginning of the war in order to give citizens financial relief⁹.

On the other hand, several factors have led to higher prices for imported goods, the most important of which are the high cost of transport, the lengthy duration of their transport, the long waiting period for inspections, and the high profit margin granted to importers to compensate them for the risk losses they incur¹⁰. In addition, lifting import restrictions has caused many problems in the pricing of products, especially since many importers have not provided the Ministry with purchase invoices, causing confusion for the pricing committee and making it difficult to determine their profit margin¹¹.

One main the reason for the high prices is the fact that it takes trucks to arrive at the Rafah crossing approximately 35 days for frozen goods and meat, and approximately 80 days for other goods because of the Israeli inspection procedures. This costs the importer no small amount of money – over \$20,000 is paid to the Abna' Sina Trading and Contracting Company alone, and sometimes the importer is obliged to pay another \$20 to \$30,000 to speed up transport. In addition, it costs the importer approximately \$100 a day to insurance companies to secure the goods while waiting at the crossing. This is a significant difference from the previous times prior to the war, when the full cost of transportation was US\$3000- 4000^{12} .

Mechanisms for the protection, distribution and transport of goods to the governorates of the Gaza Strip

During the first five months of the war of genocide on Gaza, the Ministry of Economy in the Strip identified five local traders nominated from chambers of commerce in the

⁷ Interview with Mr. Ibrahim Afaneh, importer of foodstuffs from Khaled Afaneh's Sons Company for Trade and Import, on 3/25/2024 AD.

⁸ Interview with Mr. Ibrahim Afaneh, op. cit.

⁹ Interview with Dr. Osama Nofal, op. cit.

¹⁰ Interview with Mr. Ibrahim Afana, op. cit.

¹¹ Interview with Mr. Hossam Azzam, Director of the Trade Department at the Ministry of Economy, on 3/25/2024.

¹² Interview with Mr. Ibrahim Afana, op. cit.

southern provinces. The nominated local dealer is required to transport the goods and secure them from the Rafah road crossing to his own governorate. According to the ratios established by the Ministry for each governorate, based on the density of the population of these governorates, the Rafah governorate takes the largest share, then the central governorate, and finally Khan Yunis governorate. Unfortunately, there is no commercial transfer to the governorates of Gaza and the northern Gaza Strip owing to the policy of isolation of these two governorates enforced by the Israeli occupation. The Ministry has assigned three officials to the functions of district delegate, who, each in turn, oversees the receipt and delivery process between the importer and the local trader. The Ministry has also mobilized the models for delivery it has adopted in order to guarantee the rights of all parties. The Ministry also grants the importer his own home share to distribute as he wishes to parents, relatives, acquaintances and friends¹³.

Third: The role of the Consumer Protection Service of the Ministry of National Economy of Gaza with regard to market control and consumer protection in the context of the war of genocide on the Gaza Strip

Teams working with the Consumer Protection Service and coordination with relevant actors in the context of the war of genocide on the Gaza Strip

The Ministry of National Economy operates in the context of the genocide war with about 10% of its cadres and crews. Their roles are to work on the Rafah crossing point committees or on the emergency committees in the three governorates of Gaza (Rafah, Khan Yunis and Central Gaza) without any oversight by the Ministry or Consumer Protection Service in the Gaza and northern Gaza Strip governorates¹⁴.

After 160 days of the genocidal war, and in the light of the increasing flow and entry of the daily number of transportation trucks to some 15-20 commercial trucks per day instead of one or two, the Ministry took a new approach to overcoming the challenges and disadvantages of selling through the points of sale. This new approach is based on the policy of floating goods in the market and abolishing the sales point system. The importer obtains his goods directly from the crossing point after they are accounted for and priced, and is responsible for transporting them to the market without the need for the local dealer¹⁵. This procedure has significantly reduced prices on the black market, enabling citizens to buy what they need without standing in long degrading lines, and has also accelerated the process of getting goods out of the crossing. However, according to the Ministry of National Economy, this approach will become ineffective if the number of commercial trucks entering the Gaza Strip is reduced.

¹³ Interview with Dr. Osama Nofal, op. cit.

¹⁴ Interview with Mr. Muhammad Khaled "Abu Saif", Chairman of the Nuseirat Emergency Committee, on 3/26/2024 AD.

¹⁵ Interview with Dr. Osama Nofal, op.cip.

Fairness of adopting points of sale

During the first five months of this war of annihilation, the Ministry of National Economy in Gaza opened the way for applications for approval of sales points to duly licensed businesses with licenses for trading shelf or frozen goods issued by their municipalities. The owner of this permit is required to be a legitimate owner of a supplies trading license to be able to secure the goods upon arrival and to make sure that there are no cases of commercial fraud against the trader. A large number of applications, which were screened according to population density, were received, and the shop's capacity and clean record (not having committed commercial fraud and deception, or convicted for fraudulent practices) were grouped by geographical area. Goods were supplied to the groups according to the classification of each of these shops ¹⁶. These criteria are internal evaluation standards, details of which have not been published for applicants for sales points approval.

Instructions on the organization of the work of sales points

The Ministry of National Economy has issued instructions for sales points, which have been circulated through social media and transmitted directly to them through Ministry monitors. The instructions distributed provided for the obligation to sell the quantities supplied to them at the point of sale, not to monopolize them, or send them to the black market, and not to sell to children. It had been established that black market traders used children to buy goods from the points of sale for the purpose of selling them on the black market. This, in addition to the requisite of adhering to the Ministry's approved prices, not to sell by the integrated package system, selling on dates set by the Ministry and not to sell except in the presence of a Ministry observer¹⁷.

Control of spoiled, fraudulent and non-compliant goods and the role of the Ministry's Consumer Protection Service in those areas

Consumer Protection Service teams have dealt with numerous cases of sale of major non-standardized, expired goods, and goods offered at a price higher than that established by the Ministry of Economy. However, the role of the Consumer Protection Service has not been as effective as required because of the disorganized situation in the markets and the limited number of Ministry staff working in the area of consumer protection during the war¹⁸. The Ministry does not have any relevant statistics since these cases are dealt with in the field by the Supply Bureau and the Consumer Protection Service personnel.

Effectiveness of regulatory procedures, instructions and regulations to ensure consumer protection, fair sale and price control in the context of the war of genocide against the Gaza Strip

¹⁶ Interview with Mr. Muhammad Khaled "Abu Saif", op. cit.

¹⁷ Interview with Mr. Muhammad Khaled "Abu Saif", op. cit.

¹⁸ Interview with Mr. Muhammad Khaled "Abu Saif", op. cit.

The staff and employees of the Ministry of Economy fulfill minimum control over sales at designated points of sale with the participation of the Supply Bureau and the district and municipal committees. The Ministry has also set up three major emergency committees of its staff in the three southern governorates, which, in turn, supervise the receipt and storage of major goods by the local dealer, thus regulating distribution to the main points of sale¹⁹.

There are lists of volunteers from outside the Ministry, recruited from neighborhood committees and district solidarity committees, who have been used by the emergency committees to control points of sale in each region. The Ministry does not deny that there have been abuses of this control. Some sales points have used areas of weak control to smuggle goods to the black market, or to violate the terms of the sale, such as requiring the consumer to buy certain goods or increase the prices approved by the Ministry. Based on observers' reports and citizens' complaints, some sales points have been excluded and denied access to food commodities²⁰.

However, according to citizens, the sales point policy was not as effective as it was supposed to be. Citizens were humiliated in long waiting lines for the purchase of goods, were not given the right to choose what they wished to buy, were obliged to purchase items that might not have been what they need and were forced to buy fixed pre-packed bundles. People also complained that some sales points did not offer all the items supplied to them by the Ministry²¹. The distributors attribute this to the inability of businesses to receive large numbers of people, the difficulty of giving people sufficient time to shop, their extreme need, the large gap between the prices of goods at points of sale and those on the black market, the chaos caused the people's shoving and pushing, the inability of neighborhoods committees to control them and the limited quantities available to them in a situation of great need²².

Publication of names of distributors and goods to be made available to them sufficiently in advance

The Ministry has always published a list of the prices, places and quantities of goods distributed through social communication platforms 24 hours prior to their availability. It has adopted more than 300 distribution points in the three southern Gaza Strip governorates. Despite all these efforts, the Ministry receives complaints from citizens on daily basis about the failure of sales points to comply with the standards it has set for them²³. Cases of manipulation were identified wherein distributors hid part of the goods either for distribution at higher prices by offering them on the black market, or to distribute them to relatives and friends. The Ministry also receives complaints about distributers who do not comply to the prices stipulated by the Ministry. In response, the Ministry simply

¹⁹ Interview with Dr. Osama Nofal, op.cip.

²⁰ Interview with Mr. Muhammad Khaled "Abu Saif", op. cit.

²¹ Interview with Mr. Muhammad al-Nakhalah, a displaced citizen from the north of the Gaza Strip to its south, on 3/26/2024 AD.

²² Interview with Mr. Nidal Al-Shashniya, authorized distributor for the Ministry of Economy in the Central Governorate, on 3/26/2024 AD.

²³ Interview with Mr. Muhammad Khaled "Abu Saif", op. cit.

cancelled the accreditation of sales points for some offenders at ad hoc shops, but there were many other cases in which no action was taken.

Fourth: Effectiveness of the complaints and reporting system, and reducing and combating corruption in the context of the genocide war in the Gaza Strip

Effectiveness of the complaints system during the genocide war in the Gaza Strip

Citizens, distributors and traders complain about the lack of complaint boxes, whether at the headquarters of the ministry's emergency committees, or at points of sale, and also complain about the lack of a toll-free number to communicate with the Ministry, which obstructs the complaints process, so it mostly receives complaints transmitted informally²⁴. At any rate, complaints are not necessarily well received, as happened in the case of merchant Nour Eddine Moussa, where the Rafah crossing administration prevented him from entering the land crossing because of his public objection on social media networks to a decision obliging him to give up one third of his non-luxury goods to the Ministry of Social Development in exchange for the release of two-thirds of the goods²⁵.

Effectiveness of instructions and control procedures to ensure the integrity of Ministry personnel

There are clear instructions from the Ministry prohibiting an employee from taking any gifts in kind or in cash from importers, traders or distributors. But, with no salaries being paid to the employees, or additional allowances for their work during the genocide war period, and with their generally meager pay, the Ministry gives written approvals to employees working at the crossing or emergency committees to obtain a home share at the the trader's fixed price. It also gives distributors the opportunity to obtain a home share of the goods distributed²⁶. Nevertheless, irregularities and cases of gifts received by a few employees, especially on emergency committees, were discovered and the offenders were dealt with by being suspended²⁷, a measure that was not sufficiently deterrent, but was justified by the Ministry that work was now voluntary rather than mandatory and that there was a legal and administrative vacuum that did not allow for action to be taken in accordance with the established rules of procedure of the State Staff's Office.

Conclusions

²⁴ Interview with Mr. Muhammad Khaled "Abu Saif", op. cit.

²⁵ Telephone interview with importer Nourredine Moussa, op. cit.

²⁶ Interview with Dr. Osama Nofal, op.cip.

²⁷ Interview with Dr. Osama Nofal, op.cip.

I. Conclusions on the challenges to the work of the Ministry of National Economy of Gaza in the context of the war of genocide against the Gaza Strip

- 1. The work of the Ministry's staff is fraught with risks related to the working environment, with difficulties moving to and from the workplace, posing a threat to their lives under the relentless Israeli targeted bombing.
- 2. The Ministry has no prior knowledge of the kind of goods that are brought in daily from the Egyptian side, which complicates the planning and organization of the goods received prior to their arrival.
- 3. The Ministry of National Economy operates in the context of the genocide war with about 10% of its cadres and crews. Their roles are to work on the Rafah crossing committees or on emergency committees in the three governorates of Gaza (Rafah, Khan Yunis and Central Gaza.)
- 4. There is no role for the Ministry of National Economy in the provinces of Gaza and the northern Gaza Strip because of the policy of isolation that the occupation is enforcing in these two governorates.

II. Conclusions regarding the mechanisms of proposals for investment during the genocide war on Gaza

- 5. The Ministry of National Economy in Gaza has gone above previously recognized import requirements to allow for a greater flow of basic commercial goods.
- 6. The role of the Ministry of National Economy in the Gaza Strip is to regulate the import and entry of goods and to regulate the relationship between importers and traders.
- 7. The Ministry of National Economy is responsible for pricing with a special committee set up for this purpose during the time of war on Gaza.
- 8. Since the beginning of the genocide war, the Government has not been charging any customs or taxes on essential commercial imported goods in order to give some financial relief to the citizens.
- 9. There are several factors that have caused the excessive rise in prices of imported goods, the most important of which are the high cost and lengthy time of transport, the long waiting period for Israeli inspections and the high profit margin granted to importers.
- 10. The number of supply trucks arriving through the Rafah crossing on daily basis is 15-20 trucks, this after five months of the Israeli occupation's strict restrictions on the entry of commercial goods.
- 11. The Ministry has set up three major emergency committees of Ministry staff in the three southern governorates, which, in turn, supervise the receipt and storage of major goods by local dealers, thus regulating distribution to the main points of sale.
- 12. The local trader approved by the Ministry of National Economy in Gaza is responsible for transporting and securing goods from the crossing point to his

designated governorate. The quantity is determined in proportion to the population density of these governorates.

III. Conclusions on the role of the Consumer Protection Service of the Ministry of National Economy of Gaza with regard to market control and consumer protection in the context of the war of genocide against the Gaza Strip

- 13. More recently, the Ministry has adopted a policy of floating goods in the market to overcome the challenges and disadvantages of selling through sales points, particularly with citizens complaining that they have been humiliated waiting in long lines for the purchase of goods, and that they are not given the freedom to choose what they want to buy.
- 14. The new approach has lowered the prices of goods on the black market, enabling citizens to buy what they needed without standing in degrading long lines as well as speeding up the process of getting goods out of the crossing.
- 15. The Ministry of National Economy of Gaza has opened the way for applications of approved sales points for duly licensed businesses that have a license for trading shelf or frozen goods from their relevant municipalities.
- 16. The Ministry publishes a list of prices, places and quantities of goods distributed through social media platforms.
- 17. The Ministry of National Economy has issued written instructions for sales points, which have been circulated to distributors through social media and transmitted directly to them through Ministry monitors.
- 18. The oversight role of the Consumer Protection Service in market control has not been as effective as required in light of the disorderly situation in the markets and the small numbers of consumer protection workers.
- 19. The staff of the Ministry of National Economy has minimum control at the points of sale even with the participation of the Supply Bureau, neighborhood and municipal committees.
- 20. There are irregularities at some points of sale, namely, non-compliance with the sale of the entire amount received from the Ministry or non-compliance with the prescribed prices, and the actions taken against them have not been a deterrent.

IV. Conclusions on the effectiveness of the complaints reporting system, and reducing and combating corruption in the context of the genocide war in the Gaza Strip

- 21. The Ministry of National Economy in Gaza does not provide complaint boxes either at the Ministry's emergency committee headquarters or at the sales points, nor does the Ministry provide a free contact number, which undermines the effectiveness of receiving complaints that are now mostly transmitted to the Ministry only informally.
- 22. There are clear instructions from the Ministry prohibiting employees from taking any gifts in kind or in cash from importers, traders or distributors.

23. Some irregularities were detected by the Ministry's employees and volunteers and were dealt by suspension.

Recommendations

- 1. Requiring importers to obtain prior import authorizations to ensure that imported goods are essential, to control prices and to regulate the domestic market.
- 2. Rescinding the decision on the waiver of one third of the goods by the importer of non-core goods in exchange for the release of two thirds of the goods, and creating more effective legal and economic mechanisms and procedures to punish offenders.
- 3. Opening up competition for commercial carriers in order to reduce transport costs and thus lowering prices.
- 4. Continuing the policy of floating goods in the market with greater price controls.
- 5. Continuing the policy of customs exemption for imported basic commercial goods in order to relieve citizens of the high cost.
- 6. Strengthening the work of emergency committees in the southern governorates and lobbying through media to pressure the Israeli occupation into bringing more goods into Gaza and the northern Gaza Strip to somewhat counteract its policy of starvation.
- 7. Empowering and motivating staff working in the Ministry, especially the staff of the Consumer Protection Service.
- 8. Protecting corruption complainants (whistleblowers) and increasing the Ministry's awareness-raising role in the area of consumer protection in reporting of complaints and cases of corruption.
- 9. Providing complaints boxes to citizens at the points of sale and the premises of the Ministry's emergency committees.
- 10. Issuing clear and written instructions from the Ministry that prohibit its staff and various employees from taking any gifts in kind or in cash from importers, traders or distributors.
- 11. Advancing the control of emergency committees and the Consumer Protection Service over commercial markets to ensure price control and to prevent monopolization.
- 12. Continuing to evaluate and develop import procedures in accordance based on national interest to ensure a decent living for the Palestinian citizen in the Gaza Strip.

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- 4. Interview with Mr. Ibrahim Afana, importer of food items from the Khaled Afana Trading and Import Company, 25 March 2024.
- 5. Interview with Mr. Mohammed Al-Nakhaleh, a national displaced from the northern Gaza Strip to the southern Gaza Strip, 26 March-2024.
- 6. Interview with Mr. Nidal Al-Shashniyah, Director, Ministry of Economy, Central Province, 26 March-2024.
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