

BACKGROUND

Longstanding restrictions on the movement of people and goods to and from Gaza have undermined the living conditions of 1.8 million Palestinians in that area. Many of the current restrictions, originally imposed by Israel in the early 1990s, were intensified after June 2007, following the Hamas takeover of Gaza and the imposition of a blockade. Though there has been a welcome increase in the movement of people and goods from Gaza, these restrictions continue to reduce access to livelihoods, essential services and housing, disrupt family life, and undermine people's hopes for a secure and prosperous future. The situation has been compounded by the restrictions imposed since June 2013 by the Egyptian authorities at Rafah Crossing, which had become the main crossing point used by Palestinian passengers in the Gaza Strip, given the above restrictions on the Israeli-controlled crossings.



MOVEMENT AND ACCESS OF PEOPLE*

EREZ CROSSING

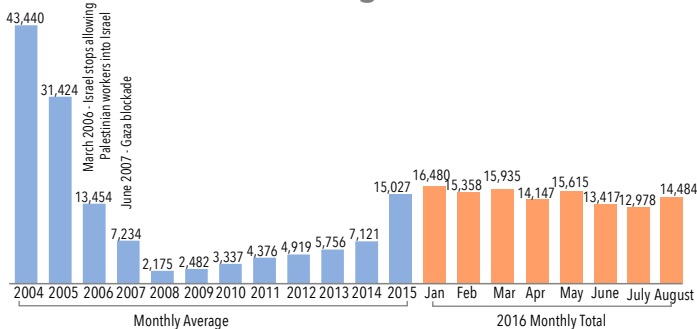
- Opened on all of the 27 scheduled days.
- The overall number of crossings this month was similar to the monthly average recorded since the beginning of 2016.
- Since March 2016, some 1,545 out of an estimated 3,200 to 3,500 businesspeople have had their permits cancelled or not renewed.
- Since March, some 150 out of an estimated 450 BMG (Business Man Gaza) have had their permits cancelled or not renewed.
- The crossing is accessible only to Israeli-issued permit holders, primarily medical and other humanitarian cases, merchants, and aid workers.

BMG holders are senior businesspeople, and offered easier access compared to the normal permits.

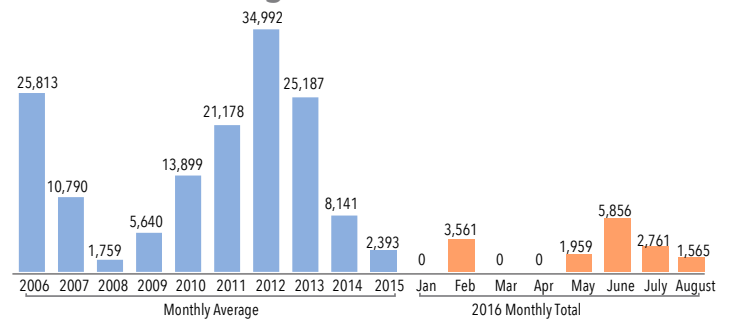
RAFAH CROSSING

- Exceptionally opened on two days for pilgrims exiting to Mecca for the Hajj. Remained open on the first days of September.
- Since October 2014, the crossing has been closed on all but 55 days.
- At least 27,000 people are registered to leave Gaza via Rafah, including approximately 5,200 medical cases and 3,300 students, according to the local authorities.
- Prior to the closure of the crossing in 2014, a monthly average of 4,000 people crossed Rafah for health-related reasons.

EREZ: Crossings into Israel



RAFAH: Crossings in both directions

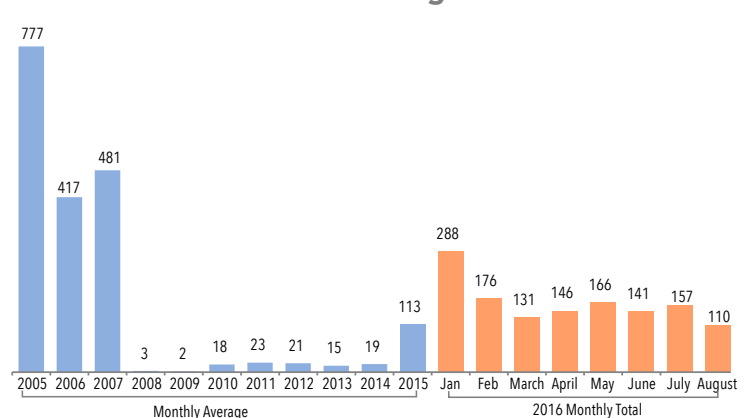


MOVEMENT OF GOODS FROM AND INTO GAZA

EXIT OF GOODS

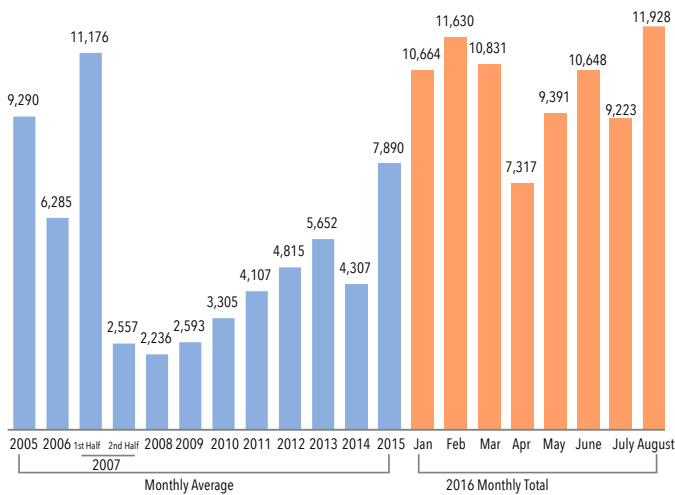
- The Kerem Shalom crossing operated for exiting goods on 21 out of 27 scheduled days, for daytime hours only.
- 110 truckloads of goods exited Gaza, a 36% decrease compared to the monthly average since the beginning of 2016. Trucks exited to the following destinations:
 - 58 truckloads of agricultural products, furniture and clothing to the West Bank;
 - 52 truckloads of agricultural products and scrap metal/aluminum to Israel.

Truckloads exiting Gaza



* The figures reflect the number of times people crossed, but not the actual number of people crossing.

Truckloads entering Gaza

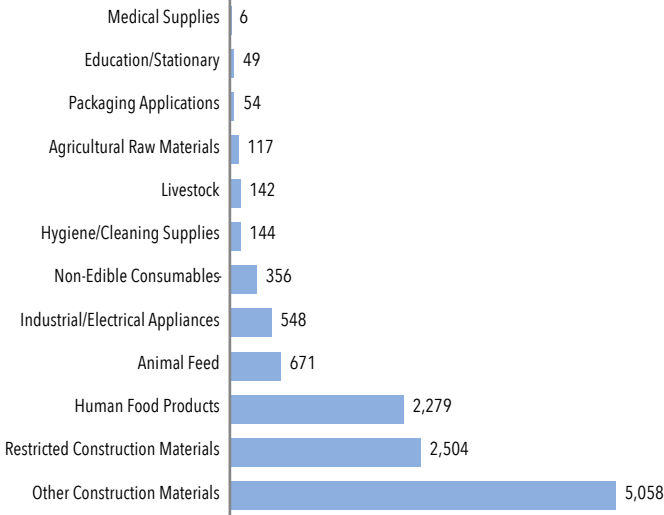


ENTRY OF GOODS

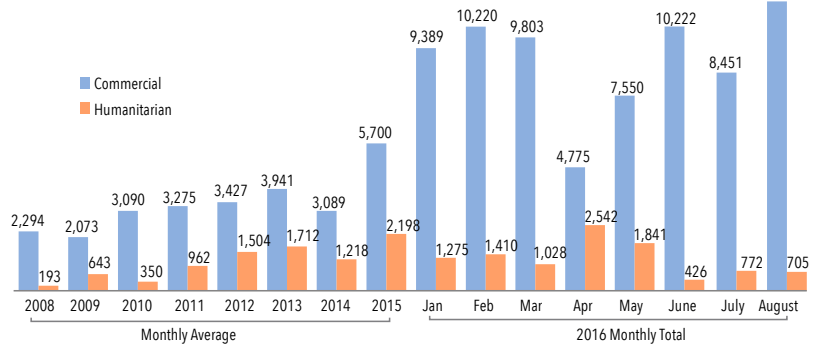
- Kerem Shalom operated on the 23 out of 27* scheduled days.
- The volume of imports this month increased for all categories of items by 20%, compared to the monthly average since the beginning of 2016.
- Rafah commercial crossing opened on two days, allowing 49 truckloads of construction materials to enter Gaza.
- 5% of the truckloads that entered in August were designated for humanitarian aid agencies.
- 7,562 of the truckloads carried construction materials, constituting the largest category of imports (58%). These include 2,290 truckloads of materials defined by Israel as 'dual use' items, which entered via the Gaza Reconstruction Mechanism (GRM).
- Karni, Sufa and Nahal Oz crossings with Israel remained close.

* Kerem Shalom crossing is open Sunday - Friday.

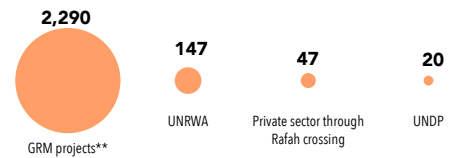
Goods imported in August 2016 (in truckloads)



Humanitarian vs. commercial imports (in truckloads)

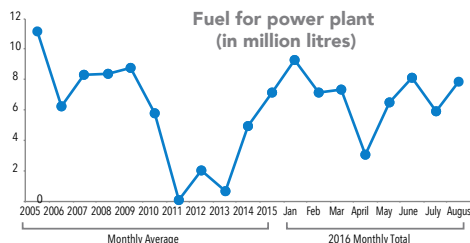
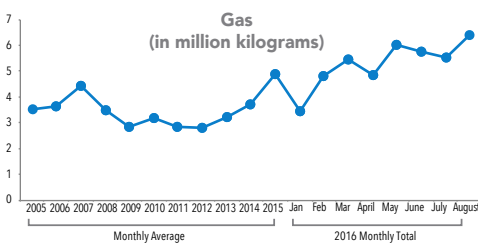
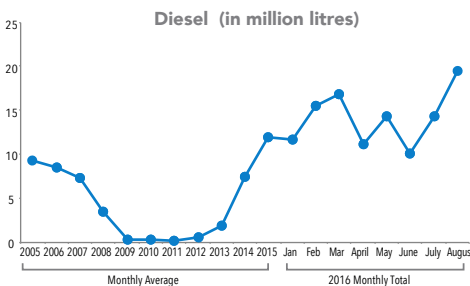
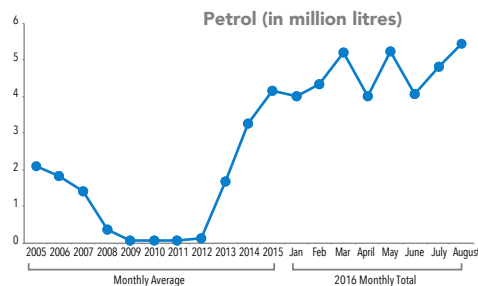


Entry of restricted basic construction materials in August per sector (in truckloads)*



* Primarily includes cement and steel bars; aggregates were removed from the "dual use" list in 2015.
 ** The GRM is a temporary agreement between the Government of Palestine and the Government of Israel, brokered by the United Nations in September 2014, to allow the entry of items defined by Israel as having a "dual" civilian/military use. These include building materials for repairs and reconstruction of private housing and infrastructure damaged or destroyed during hostilities, as well as new projects not related to hostilities.

FUEL IMPORTS INTO GAZA



FUEL IMPORTS

Kerem Shalom remained the only crossing available for the import of fuel, allowing the entry of:

- 25 million litres of petrol and diesel;
- 7.8 million litres of industrial fuel for the Gaza Power Plant; and
- 6,390 tons of cooking gas, which represents around 85% of the estimated needs (7,500 tons), according to the Gas Station Owners' Association (June 2016 estimate).