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Commercial Restrictions on Critical Operational Commodities in Gaza How Fuel, Lubricants and Spare Parts Have Become a Bottleneck for Humanitarian Response, Economic Recovery and Essential Services

Gaza is not only running out of goods; it is running out of the ability to function. Behind every closed factory, inactive water pump, delayed ambulance, and stalled humanitarian operation is a missing piece of the operational lifeline that keeps society alive. Fuel, spare parts, and maintenance supplies are not luxuries—they are the invisible tools that sustain life itself. Restoring their access is not about restarting an economy alone; it is about restoring the systems that allow people to survive with dignity.



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Executive Summary

More than thirty-three months into the ongoing war, one of the least visible yet most economically devastating constraints facing the Gaza Strip is the near-total disruption in the flow of critical operational commodities. Unlike food, medicines, or shelter materials, these commodities receive comparatively little humanitarian attention despite constituting the operational backbone of every essential civilian service. This report examines a category of commodities that has gradually become a systemic bottleneck for humanitarian response and economic recovery. These include:

- Commercial fuel (diesel and benzene).
- Cooking gas.
- Industrial lubricants.
- Vehicle spare parts.
- Tyres.
- Automotive glass.
- Water desalination spare parts.
- Maintenance supplies for wastewater facilities.
- Operational maintenance inputs for electricity generators.

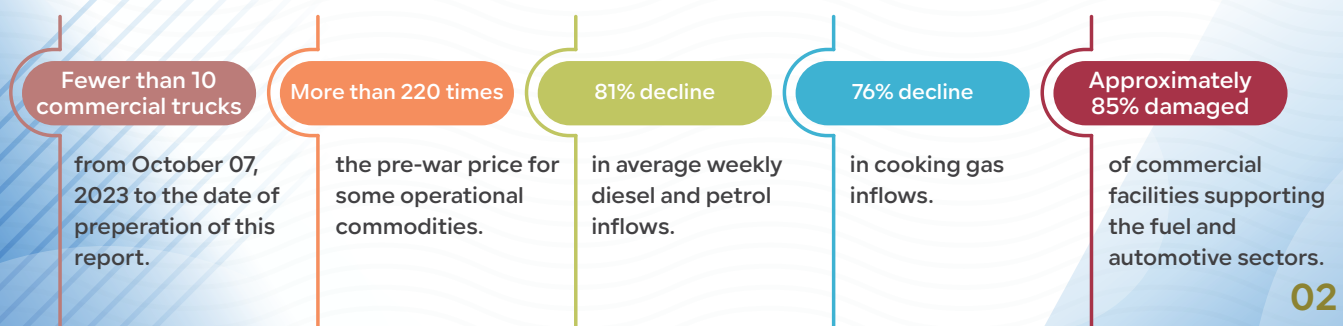
Although these commodities are frequently categorized under dual-use restrictions, their actual function inside Gaza is pure civilian. They sustain hospitals, water utilities, municipal sanitation services, humanitarian logistics, transportation, food production, telecommunications, and virtually every productive economic activity.

The collapse in commercial inflows has generated cascading impacts extending far beyond the transport sector. The absence of operational fuel and maintenance supplies has significantly reduced the capacity of both public institutions and private enterprises to deliver essential services, while simultaneously increasing production costs, disrupting supply chains, accelerating inflation, and weakening household resilience.

Evidence presented in this report demonstrates that current restrictions have transformed what was originally a humanitarian crisis into a systemic operational crisis, where even available humanitarian assistance struggles to function because the infrastructure required to deliver services can no longer be maintained.

The report therefore argues that these commodities should no longer be viewed solely through a security lens, but rather recognized as Critical Civilian Operational Commodities indispensable for humanitarian operations, economic stabilization, and early recovery.

Gaza's Operational Crisis at a Glance



1. Background

Prior to October 2023, Gaza maintained a fragile but functioning commercial ecosystem supported by continuous imports of operational commodities. Every week, commercial fuel, lubricants, vehicle spare parts, tyres, industrial maintenance equipment and related inputs entered Gaza through regulated commercial channels.

Although these commodities represented a relatively small proportion of total imports by volume, they generated disproportionately high economic value because they enabled virtually every productive sector to operate.

Following the outbreak of the war, however, commercial inflows of these goods have almost completely ceased. Unlike food commodities—which continue to enter, albeit insufficiently—operational commodities have been almost entirely excluded from regular commercial access. This distinction is critically important.

Food sustains people.

Operational commodities sustain the systems that keep people alive.

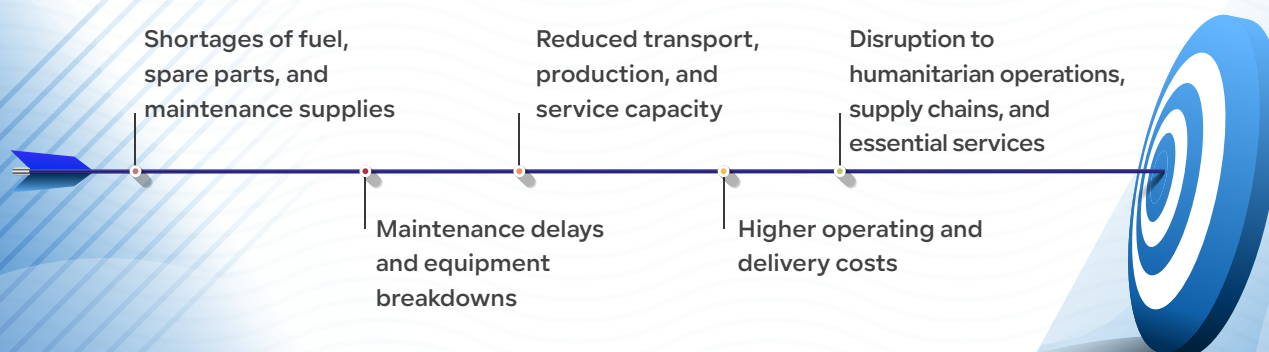
2. Critical Operational Commodities Are Economic Multipliers

From an economic perspective, lubricants, fuel and spare parts should not be viewed as ordinary consumer goods. They constitute intermediate production inputs. Unlike finished consumer products, intermediate goods multiply economic output because they enable other sectors to produce. A single liter of engine oil may support:

- food transportation.
- hospital electricity generation.
- municipal solid waste collection.
- water pumping.
- sewage treatment.
- humanitarian logistics.
- agricultural irrigation.
- industrial machinery.

Consequently, restricting these commodities creates multiplier effects throughout the economy. Instead of reducing activity in one market, it simultaneously suppresses production across dozens of interconnected sectors. This phenomenon has transformed the current crisis from a commodity shortage into a system-wide productivity shock.

Economic Transmission Mechanism of Operational Restrictions



3. Collapse of Commercial Inflows

Before the war, commercial imports included regular shipments of:

Table (1): Commercial Truck Entries of Essential Automotive and Industrial Commodities into Gaza (2022–August 2023)

#	Commodity	Number of entered Trucks	
		2022	Jan-Aug 2023
1	Mineral lubricants	128	81
2	New spare parts	143	60
3	Used spare parts	101	43
4	Vehicle tyres	177	67
5	Automotive glass	—	7

Although these commodities historically entered Gaza on a regular basis to sustain critical sectors—including transportation, electricity generation, water desalination, wastewater management, healthcare services, municipal operations, and productive economic activities—their commercial inflow has virtually ceased since October 2023. Between the outbreak of the war and the date of this report, fewer than 10 commercial trucks carrying all of these essential commodities combined have entered the Gaza Strip. These limited shipments were facilitated exclusively through exceptional arrangements involving unofficial coordination fees estimated at approximately USD 3 million per truck, dramatically inflating import costs and effectively restricting market access. As a result, market availability has collapsed, while prices have reached unprecedented levels, with some commodities increasing by more than 220-fold (22,400%) compared to pre-war prices. This situation has transformed essential civilian inputs into inaccessible commodities, severely undermining the operation of critical infrastructure, disrupting economic activity, and deepening the humanitarian crisis across the Gaza Strip.

4. Fuel Shortages Have Become a Systemic Constraint

Fuel availability has become one of the most critical constraints on Gaza's economic survival. Since the outbreak of the war, commercial imports of diesel and benzene have been completely suspended, with fuel entering the Gaza Strip exclusively for humanitarian operations under highly restricted allocation mechanisms. However, only limited quantities leak into local markets through informal channels and are subsequently traded on the black market at extraordinary prices, making them inaccessible to most productive sectors and households.

As a result, economic activities are no longer operating below capacity—they are, in many cases, almost entirely paralyzed. The absence of commercial fuel, combined with severe shortages of electricity, raw materials, spare parts, and maintenance supplies, has brought large segments of Gaza's economy to a standstill. Manufacturing facilities, transport services, municipal operations, water and wastewater systems, construction activities, and thousands of small and medium-sized enterprises have either suspended operations completely or are functioning only in exceptional circumstances, undermining livelihoods, disrupting essential services, and further deepening the humanitarian and economic crisis.

5. Market Distortions and Hyperinflation

The disappearance of normal commercial supply has generated extraordinary market distortions. Rather than reflecting normal market dynamics, current prices incorporate:

- extreme scarcity.
- unofficial coordination costs.
- logistical risks.
- monopolistic market behavior.

Selected examples include:

Table (2): Pre-War and Current Prices of Essential Fuel and Vehicle-Related Commodities

#	Commodity	Unit	Unit Price (ILS)		% Increase
			Pre-war	Current	
1	Lubricants	Liter	12	2,700	22,400%
2	Vehicle tyres	No.	150	2,000	1,233%
3	Automotive glass	No.	600	10,000	1,567%
4	Benzene	Liter	7	95	1,257%
5	Diesel	Liter	6.5	35	438%

Such increases are not merely inflationary. They represent a near-complete collapse in market accessibility.

6. Fuel Supply Crisis: Quantitative Assessment of Commercial Fuel Availability

Despite a slight improvement in humanitarian fuel allocations during 2026 compared with 2025, current fuel inflows remain dramatically below pre-war levels. Average weekly imports of diesel and benzene have declined by approximately 81%, while cooking gas imports remain around 76% below historical averages.

It is important to emphasize that virtually all fuel currently entering Gaza is allocated exclusively to humanitarian operations. The productive private sector has no regular commercial access to diesel or benzene. Only limited quantities leak into informal markets, where they are sold at prices several times higher than official market values.

As a result, fuel shortages have evolved from a supply issue into a systemic economic constraint, severely limiting transportation, manufacturing, water production, municipal services, healthcare operations, and commercial activities across virtually every productive sector.

Table (3): Pre-War and Current Fuel Supply Levels in Gaza

#	Commodity	Pre-war Average	2025 Average	2026 Average	Change Compared to Pre-war
1	Diesel & Benzene (Trucks/week)	110.6	19.5	20.7	-81%
2	Diesel & Benzene (Liters/week)	4,424,000	780,000	828,000	-81%
3	Cooking Gas (Trucks/week)	50	6	12.2	-76%
4	Cooking Gas (Tons/week)	1,100	132	268	-76%

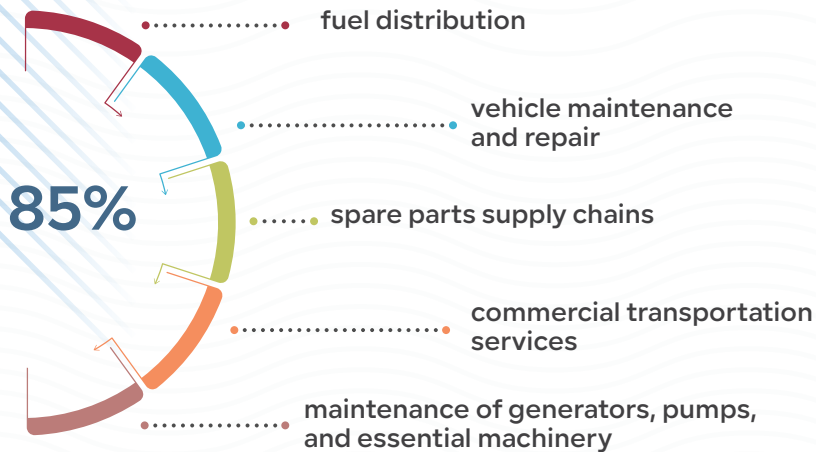
7. Damage to Fuel and Automotive Service Infrastructure

Table 5. Commercial Infrastructure Supporting the Fuel and Automotive Sector (Pre-war)

Table (4): Pre-War Fuel and Automotive Service Businesses in Gaza

#	Business Category	2022	Up to Aug. 2023
1	Vehicle Showrooms	331	153
2	Automotive Spare Parts Shops	1,101	286
3	Fuel Stations	—	37
4	Vehicle Repair Workshops	217	40

Damage to Gaza's Fuel and Automotive Service Infrastructure



Consequently, even if fuel and spare-parts supplies were restored, the capacity to distribute, install, maintain, and use these commodities would remain severely constrained by the loss of supporting commercial infrastructure.

Available estimations indicate that approximately 85% of these commercial facilities have been either completely or partially destroyed as a direct consequence of the war. The destruction extends well beyond physical infrastructure. It has dismantled an integrated commercial ecosystem responsible for:

- fuel distribution.
- vehicle maintenance and repair.
- spare parts supply chains.
- commercial transportation services.
- maintenance of generators, pumps, and essential machinery.

Consequently, even if fuel supplies were immediately restored, the capacity to distribute, service, and utilize these commodities remains severely constrained due to the widespread destruction of the supporting private sector infrastructure.

The combined impact of fuel shortages, absence of spare parts, and physical destruction of service facilities have effectively paralyzed large segments of Gaza's transport and maintenance economy, further increasing recovery costs and prolonging the interruption of essential public services.

8. Macroeconomic Implications

Transportation costs continue rising while delivery reliability declines.

Declining private investment

Businesses postpone investment because operational continuity cannot be guaranteed.

Capital depreciation

Existing machinery deteriorates due to lack of maintenance.

Employment losses

Reduced production translates directly into fewer employment opportunities.

Lower economic resilience

The economy becomes increasingly dependent on humanitarian aid while productive activities continue shrinking.

9. Humanitarian Consequences

The shortage of operational commodities directly affects humanitarian service delivery. Among the most affected sectors are:

- hospitals.
- primary healthcare centers.
- water desalination plants.
- wastewater pumping stations.
- municipal solid waste management.
- humanitarian logistics.
- emergency response services.

Without fuel, lubricants and spare parts, humanitarian infrastructure itself gradually becomes non-functional. Consequently, humanitarian assistance alone cannot compensate for the absence of operational inputs.

10. Environmental Consequences

Environmental impacts continue to intensify as restrictions on fuel, lubricants, and operational maintenance supplies undermine the ability of municipalities and service providers to manage essential environmental services. Key consequences include:

- **accumulation of municipal solid waste:**

The shortage of fuel and vehicle spare parts has severely disrupted waste collection operations, resulting in the accumulation of thousands of tons of solid waste in residential neighborhoods and public spaces. This increases the risk of disease transmission, attracts pests, and degrades urban living conditions.

- **increasing wastewater discharge:**

Insufficient fuel and maintenance supplies have reduced the operational capacity of wastewater pumping stations and treatment facilities. Consequently, untreated sewage is increasingly discharged into the environment, posing significant health and ecological risks.

- **groundwater contamination risks:**

The continued discharge of untreated wastewater, combined with damaged sanitation infrastructure, increases the likelihood of contaminants infiltrating Gaza's already vulnerable coastal aquifer, threatening one of the territory's primary freshwater resources.

- **widespread use of improvised plastic-derived fuels:**

The absence of conventional diesel and lubricants has forced many users to rely on low-quality fuels produced through the uncontrolled recycling and burning of plastic waste. These fuels are highly inefficient, damage machinery, and generate hazardous pollutants.

- **toxic air emissions:**

The combustion of improvised fuels and poorly maintained generators releases high concentrations of toxic gases and particulate matter into the atmosphere. This contributes to deteriorating air quality and increases the prevalence of respiratory and cardiovascular illnesses.

- **deterioration of urban environmental health:**

The combined effects of waste accumulation, untreated wastewater, fuel pollution, and reduced municipal services have significantly weakened environmental health conditions across Gaza, creating additional pressures on already overstretched public health systems.

Overall, these environmental consequences are not only immediate public health concerns but also represent long-term environmental liabilities that will substantially increase the cost and complexity of future recovery and reconstruction efforts.

11. Key Advocacy Messages

The findings of this report point to five policy messages that should guide humanitarian planning, trade facilitation, and early-recovery interventions in Gaza.

- **Critical operational commodities are civilian necessities**

Fuel, lubricants, spare parts, tyres, pumps, filters, and maintenance supplies are essential to the operation of hospitals, water and sanitation facilities, municipal services, transport networks, humanitarian logistics, and productive businesses. Their practical function is therefore civilian and operational, rather than discretionary or commercial.

- **Humanitarian delivery depends on functioning operational systems**

Humanitarian assistance cannot be delivered effectively without working vehicles, generators, pumps, storage facilities, and maintenance services. Restrictions on the inputs needed to operate these systems reduce service coverage, increase delivery costs, and weaken the sustainability of humanitarian operations.

- **Informal markets are a symptom of restricted supply**

The emergence of black-market fuel and informal supply channels reflects the absence of predictable commercial access. These markets provide insufficient quantities at prohibitive prices, exclude most productive businesses, and contribute to price distortions and weak market transparency.

- **Dual-use controls should be proportionate and risk-based**

Many restricted commodities have clear civilian applications in transport, water services, healthcare, municipal operations, and productive sectors. Approval procedures should distinguish between items presenting substantiated security concerns and essential maintenance materials required to keep civilian infrastructure operational.

- **Commercial access and repair capacity are prerequisites for recovery**

Humanitarian allocations remain necessary for emergency interventions, but they cannot replace functioning commercial markets. Early recovery requires both predictable access to operational commodities and the rehabilitation of the businesses and service networks responsible for distributing, installing, and maintaining them.

12. Recommendations

Based on the findings of this assessment, the proposed measures should be implemented according to three timeframes: immediate priorities, short-term priorities, and early-recovery priorities.

Phased Roadmap for Restoring Operational Capacity



12.1. Immediate Priorities

- **Recognize fuel, lubricants, and maintenance supplies as Critical Civilian Operational Commodities**

Fuel, lubricants, automotive spare parts, industrial oils, filters, tires, pumps, and maintenance materials should be formally recognized as essential civilian operational commodities rather than ordinary commercial goods. Their availability is indispensable for sustaining healthcare, water production, sanitation, transportation, electricity generation, municipal services, humanitarian logistics, and private sector recovery.

- **Review and revise the current dual-use classification**

The current application of dual-use restrictions should be comprehensively reviewed to distinguish between items with legitimate civilian applications and those presenting genuine security concerns. Civilian maintenance materials that are indispensable for operating public infrastructure and productive sectors should be removed from restrictive lists to facilitate their timely entry into Gaza.

- **Restore regular commercial imports through transparent and predictable mechanisms**

Commercial imports of diesel, benzene, lubricants, automotive spare parts, industrial maintenance equipment, and water system components should resume under transparent, accountable, and monitored mechanisms. Predictable commercial supply chains are essential to stabilize markets, reduce shortages, and restore normal economic activity.

- **Facilitate uninterrupted imports for critical infrastructure operations**

Priority should be given to uninterrupted imports of spare parts, maintenance equipment, lubricants, and operational supplies required for water desalination plants, wastewater treatment facilities, electricity generators, hospitals, ambulances, municipal fleets, solid waste collection systems, and other essential public services. Maintaining these systems is a prerequisite for protecting public health and preventing further humanitarian deterioration.

12.2. Short-Term Priorities

- **Guarantee equitable commercial access for the private sector**

The private sector should be granted regular and non-discriminatory access to essential operational commodities instead of relying solely on limited humanitarian allocations or exceptional entry arrangements. Sustainable recovery requires functioning markets, where licensed businesses can import, distribute, and supply essential goods under clear regulatory procedures.

- **Eliminate unofficial coordination mechanisms and associated financial exploitation**

The international community should support the establishment of transparent import procedures that eliminate unofficial coordination fees, illicit brokerage mechanisms, and market distortions. Preventing excessive informal costs will significantly reduce commodity prices, improve market competition, and strengthen accountability throughout the supply chain.

- **Strengthen coordination between humanitarian actors and the private sector**

Humanitarian agencies, development partners, and the private sector should establish coordinated mechanisms that integrate commercial market capacities into humanitarian response planning. Supporting local suppliers and commercial service providers enhances supply chain resilience, improves operational efficiency, and contributes to long-term economic recovery while reducing dependence on emergency aid.

- **Recognize operational supply chains as humanitarian infrastructure**

The restoration of commercial supply chains for fuel, maintenance materials, and operational equipment should be recognized as a humanitarian priority, not merely an economic intervention. Without functioning operational supply chains, humanitarian assistance itself becomes increasingly difficult, expensive, and unsustainable, while essential public services remain unable to function effectively.

12.3. Early Recovery Priorities

- **Prioritize rehabilitation of the transport and maintenance economy**

Recovery programmes should prioritize rebuilding the ecosystem that supports transportation and technical maintenance, including fuel stations, vehicle repair workshops, spare parts suppliers, maintenance service providers, and logistics companies. Restoring these sectors is fundamental for reconnecting markets, facilitating humanitarian operations, and enabling productive economic activities.

- **Integrate operational commodities into early recovery and resilience programmes**

International recovery frameworks should explicitly include fuel systems, maintenance supply chains, transport services, and industrial operational inputs as core components of early recovery and resilience strategies. Investment in these sectors generates substantial multiplier effects by restoring business activity, safeguarding livelihoods, improving service delivery, and accelerating Gaza's transition from humanitarian dependence toward sustainable economic recovery.

13. Conclusion

The evidence presented in this report shows that Gaza is facing not only a shortage of goods, but a sustained loss of operational capacity. Restricted access to fuel, lubricants, spare parts, and maintenance supplies has reduced the ability of essential services, humanitarian organizations, and productive businesses to operate reliably.

Restoring access to these commodities should not be treated as a stand-alone trade measure. It is necessary to maintain civilian services, improve humanitarian delivery, preserve productive assets, and limit further increases in operating and recovery costs.

The required response is sequential: immediate measures should protect critical services and establish transparent entry procedures; short-term measures should restore regular commercial supply and private-sector access; and early-recovery programmes should rebuild transport, maintenance, and operational supply networks. Without progress across these three areas, Gaza's dependence on emergency assistance will deepen and the eventual cost of recovery will continue to rise.