



Palestine Economic Policy Research Institute (MAS)

Background Paper

Roundtable (2)

**Economic Interventions of the Israeli Civil
Administration in the West Bank**

2021

Economic Interventions of the Israeli Civil Administration in the West Bank

Prepared by: Palestine Economic Policy Research Institute (MAS)

Based on a contribution by Walid Habbas: PhD. Candidate at Hebrew University - Jerusalem

This Background paper is funded by



This document has been produced with the support of the Heinrich-Böll-Stiftung. The views expressed herein are those of the author(s) and therefore not necessarily reflect the opinion of the Hinerich-Böll-Stiftung.

Introduction

In recent years, the Israeli Civil Administration has been trying, unilaterally, to disavow the provisions of the Oslo Agreement and its annexes, gradually imposing itself as an alternative to the institutions and ministries of the Palestinian National Authority. According to some observers, the Civil Administration is preparing for the scenario of the complete disintegration of the Palestinian Authority, or its forced transformation into a mere self-government apparatus, under the tutelage of the occupation authorities (Abu Samra, 2017). Accordingly, the activities of the Civil Administration, in recent years, depend on direct communication with all segments of the Palestinian people in the West Bank. By virtue of the Israeli occupation's control over the permit and movement systems, borders and crossing points, agricultural lands in Area C, import and export mechanisms, and sources of energy (electricity and water), it is trying to position itself as an indispensable key-actor for the operationalization of the Palestinian economy. This new posture is better understood as part of the continuous colonial role of the Civil Administration, which aims at undermining the independency of the Palestinian economy and preserving its dependency on Israel. Therefore, this roundtable highlights the new attempts of the Civil Administration in imposing a new formula in which it communicates directly with Palestinian economic actors.

The Palestine Economic Policy Research Institute (MAS) monitors new economic trends that arise at different stages, irrespective of whether these trends are official or economic, assessing their repercussions on economic realities. The Institute holds periodic roundtable sessions to collect expert opinion, through the open discussion of various points of view, in an effort to formulate policy recommendations for the benefit of Palestinian, economic decision-makers. This research paper, presented at the second roundtable session of 2021, outlines the most important interventions that the Civil Administration undertakes in the fields of agriculture, industry and trade, as well as employment of Palestinians in Israeli workplaces. Questions are raised concerning the implications of the Israeli approach on the opportunities for building national economic institutions for a Palestinian state that exercises complete sovereignty over its economic policies.

Establishing the Civil Administration, its Structure and Functions

On June 7, 1967, the Israeli commander of the Central Command issued Military Order No. 1, according to which he became the ruler of the occupied territories and its inhabitants. Accordingly, the Military Administration was established in the West Bank (headed by the commander of the Central Command), and in Gaza (headed by the commander of the Southern Command). The commander of the region was considered the supreme military ruler of the occupied territory, with absolute legislative and executive powers. Within every military administration, there were two branches: a military branch (imposing security according to Israeli considerations, carrying out raids and moving armed forces), and a civilian branch (concerned with the economy and services such as education, health, etc.).

According to this structure, the Israeli army was responsible for all civil affairs and military officers dealt directly with the Palestinians. This hierarchy came to an end in 1981 when the Israeli Cabinet issued a resolution to establish the "Civil Administration in Judea and Samaria", which is still in charge today. Two reasons motivated this decision: firstly, after the peace agreement between Israel and Egypt, Israel found itself obliged, albeit indirectly, to recognize the Palestinians' right in managing their own lives. This meant that the occupation would remain in place, until a peace agreement with the Palestinians was reached. Accordingly, the military officers and governors of the cities were replaced by "civilian" employees, responsible for managing the lives of Palestinian residents in these cities. The "superficial" withdrawal of the Israeli army from managing the affairs of the occupied Palestinians was intended to allow them, gradually, to participate in managing their lives, as a preparatory step towards the establishment of a self-governing authority, in accordance with the Camp David Accords. The second reason is a colonial motive *par excellence*, according to which Israel started to legally separate the administration occupied population from the administration of occupied territories. Thus, the Israeli

army retained absolute sovereignty over the land, exercising its unique policy of planning, confiscation and exploitation of natural resources (Gordon, 2008).

However, the separation between military and civil affairs, or between population administration and territory administration, was a cosmetic one. The military order No. 947/1981 that established the Civil Administration stated that the Civil Administration itself will stay under the command of Israeli army command (specifically the Chief of Staff). However, the novelty of this decision is that it assigned representatives from various Israeli ministries to head key departments within the Civil Administration. Accordingly, the Civil Administration turned into a quasi-“government”, specialized in the affairs of the occupied territories, a bureaucratic apparatus that appoints specialists with powers similar to those of ministers. These specialists, metaphorically named “officers” (or in Hebrew, “Kammat”), are in fact civilians appointed by various Israeli ministries and authorities, but who work under the authority of the Israeli army within the Civil Administration (Comptroller, 2020). Each “specialist” hold a specific portfolio and manages a specific realm of intervention while being occupationally subject to two parties: the Director General of the relevant Israeli Ministry that has delegated him/her to represent it in the occupied territories (he receives his salary from an Israeli Ministry), and the head of the Civil Administration (who is a Brigadier General) (Kanonich, 2017). In the event of conflict of interests between the parent ministry and the army leadership (head of the Civil Administration), the “Coordinator”¹ usually favors the Israeli ministries (Comptroller, 2020).

Since 1981, the Civil Administration has undergone fundamental changes affecting its powers, size, and agendas. The most important are summarized below:

1. Restructuring the Civil Administration in 1995: Following the signing of the Oslo Accords, many of the powers of the Civil Administration were transferred to the Palestinian National Authority and its various ministries (Anabtawi, 2018). The Israeli employees was downsized, and responsibilities of thousands of Palestinian employees were transferred to the newborn Palestinian National Authority (see Table 1). The transformation process lasted for few years, and a large part of it was completed with the expansion of the Palestinian Authority both geographically and administratively. At the same time, the tasks of the Civil Administration were amended in its regulations to become: implementing Israeli government policy in the West Bank, making progress in civilian areas in cooperation with the Israeli army and the security apparatuses. Moreover, it forms the executive party responsible for infrastructure, planning and construction in Area C (Comptroller, 2020), because about 60% of the West Bank’s territory remained under full Israeli control. There are no clear explanations (at least published) concerning the arbitrary interventions of the Civil Administration in the Palestinian affairs within the territories of the Palestinian Authority.

Table 1: Changes in the Civil Administration after the signing of the Oslo Accords

	1990	2000	2019
Israeli employees in the Civil Administration	445	166	202
Palestinian employees in the Civil Administration	14,000	137	112
Estimated Annual Budget (NIS millions)	650	375	375

2. During the Palestinian second Intifada, two fundamental changes took place, which highlighted the growing intention of the Israeli government to intervene directly in Palestinian affairs in Areas A and B. Initially, Israel unilaterally abolished one of the provisions of the Oslo

¹ The “Coordinator of Government Activities in the Territories” (COGAT) is a unit within the Israeli army that manages all the affairs of the occupied territory (the West Bank and the Gaza Strip). The Civil Administration is considered only one of many departments and apparatuses under the responsibility of COGAT. In general, the COGAT is responsible for the relationships between the Palestinians and the international community wishing to operate in Area C, as well as the Departments of Coordination and other things. In many cases it is difficult to distinguish between the areas of intervention of the Civil Administration and the areas of intervention of the COGAT which is in fact responsible for the Civil Administration. The COGAT is headed by an officer with the rank of Major-General and reports directly to the Israeli Minister of Defence.

Agreement that prohibited it from carrying out military operations inside the territory of the Palestinian Authority. It allowed the Israeli army to enter Areas A and B at any time and carry out military missions (arrests, raids, demolitions, etc.). The second fundamental change took place in 2003, when the Coordination and Liaison Offices (DCOs) were transferred from Israeli army command, and merged into the COGAT (Comptroller, 2005), under the remit of the Civil Administration.

3. Since the early years of Oslo, the influence of settlers in the Civil Administration has grown. At each ceremony to welcome a new head of the Civil Administration, settler leaders and their regional councils were present. The first speech of the Head of the Civil Administration during the latest inauguration ceremony was directed at the settlers, outlining ways to serve them and forward their interests (Berda, 2017). The growing presence of the settlers, especially in influential positions within the Civil Administration, has affected the ways in which this administration controls natural resources, confiscates and registers land, and intervenes in matters that affect the Palestinian economy.

The role of the Civil Administration has not diminished, as was planned in the early days of Oslo Accords. Currently, the Civil Administration is working to “lead and implement” Israeli civilian policies in the West Bank, while serving as “a liaison and coordination body for the work of the Palestinian Authority and delegates of the international community”. Moreover, it is the only authority that oversees land and infrastructure in Area C. The office of the “Coordinator” defines the functions of the Civil Administration as an organization that “initiates and conducts civil operations that will change the face of the region, **based on Israeli interests**” (The bolding is ours). However, this misleading definition of the functions of the Civil Administration, published under the Freedom of Information Act, classifies the actions of the Civil Administration as being limited to two aspects: 1) Communications and liaison with the Palestinian Authority; and 2) Implementing Israeli government policy in Area C. This description does not reflect the fundamental changes that agenda of the Civil Administration underwent since the second intifada, according to which it began to directly target all Palestinians in the West Bank in order to cement the economic dependency on Israel. The following is a review of the Civil Administration’s interventions in the Palestinian economy², which can be classified according to three levels:

The first level: The claim to represent the interests of the Palestinians before donors and international organizations. The Civil Administration presents itself as the supreme ruler of the West Bank and Gaza Strip before the international community, through its “diplomatic” and “civil” departments that are affiliated with the COGAT. Although the Palestinian Authority maintains relations with the international community, with regard to Area C, at least, or the passage from Areas A and B to Israel or the outside world (which is an unavoidable passage), the Civil Administration imposes itself as a basic reference point. Hence, many of the projects submitted by international organizations to improve export mechanisms and speed up the logistics of moving across the Wall are under the supervision of the Civil Administration, or subject to its interventions and official approval.

The Civil Administration has negotiated with the Palestinian Authority regarding the establishment of industrial zones in Area C, and the development of infrastructure for commercial crossings, etc. However, in recent years, the actions of the Civil Administration have been based on excluding the Palestinian Authority, and unilaterally representing the interests of “the Palestinian population” in front of the international community. For example, in the first quarter of 2019, the “coordinator” Kamil Abu Rokan visited Japan to discuss the economic projects that the Japanese International Cooperation Agency (JICA), and Japanese businessmen, are carrying out in the West Bank, especially in the industrial zone near Jericho, despite the fact that it is not located in Area C. As evidenced by the reports of the International Quartet, the US Agency for International Development and the World Bank, officers from the Civil Administration are constantly opening direct channels with Palestinian businessmen, to

² The article below is based on interviews conducted by the researcher with Palestinian businessmen in different West Bank cities, during 2018-2020, and with Palestinian workers during 2019-2020, in addition to internal reports of the Civil Administration and the Israeli Government Business Coordination Unit, obtained by the researcher through the Israeli Economic Support Fund. In addition, the researcher reviewed Civil Administration bulletins and reports published under the “Freedom of Information” law.

discuss economic plans and implement the projects of international organizations (COGAT, 2019; USAID, 2015), regardless of the location of the project or the role of the Palestinian Authority in these areas.

The second level: is the official coordination with the Palestinian Authority in accordance with Oslo Accords. It should be noted that the Oslo Accords and their annexes clearly indicated the necessity of dismantling the Civil Administration following negotiations on the final status (Anabtawi, 2018). However, the Civil Administration has imposed itself as an observer and supervisor of the performance of the Palestinian Authority under the pretext that it is an indispensable mediating body regarding the Authority's relationship with its external surroundings (the international community) or with the Israeli government. The Civil Administration has imposed its interference into the economic affairs and livelihoods of the Palestinian population, by exercising numerous roles as summarized in the Table 2.

Table 2: Some of the Roles of the Civil Administration in coordinating economic affairs with the Palestinian Authority (COGAT, 2020)

Departments within the Civil Administration	Responsibilities
The Civil Department in the COGAT	Leading civil coordination bilaterally with the Palestinian Authority's ministries.
	Writing periodic reports on the Palestinian economic situation in the West Bank, including the performance of banks, industry, agriculture, employment, and other sectors.
	Approving the entry of international donations and grants provided by the international community to the Palestinian Authority in the West Bank and Gaza Strip.
Agricultural Officer	Promoting agriculture in Area C with a focus on addressing issues such as animal diseases, soil sampling, as well as holding seminars, conferences and training for Palestinian farmers.
Labor and Employment Officer	Issuing permits to Palestinian workers in Israel and the settlements.
Industry and Trade Officer	Processing thousands of requests to import into the Palestinian Authority, encouraging economic projects and issuing permits for mining and quarrying activities.
Economics Officer	Clearing goods from the port and border crossings with Jordan.
	Developing Palestinian industrial zones.

In addition to the tasks outlined in Table 2, the Civil Administration directly interferes in Palestinian infrastructure, especially in the areas of water, electricity and telecommunications. In many instances, the Civil Administration imposes itself as a mediator through which the Palestinian Authority should refer in dealing with Israeli companies that provide energy and telecommunications services.

To conclude, the Civil Administration controls three of the most vital pillars of the Palestinian economy in West Bank: 1) employment (work permits and crossings); 2) trade (import and export licenses, crossings and ports) and 3) energy sources. While the Palestinian Civil Affairs Authority is the official Palestinian body authorized to deal with the Civil Administration, the officers (Kammat) open direct communication channels with parallel departments in different Palestinian ministries, such as agriculture, economy and water, as well as with chambers of commerce.

The third level: Direct communications between the Civil Administration and Palestinian citizens in various economic fields, which is a clear violation of the Oslo Agreement and the Paris Trade Protocols. The next section outlines the most important, direct interventions of the Civil Administration in the economic life of the Palestinians.

The Civil Administration's Interventions in Palestinian Economic Affairs

First: Agriculture

The Civil Administration undertakes agricultural projects on Palestinian lands in the West Bank, by manipulating the supply of material, knowledge-based and marketing requirements. The Civil Administration is also working on the introduction of new types of crops, that are not customarily planted in the soil of Palestine, and do not constitute one of the basic needs of the Palestinian market. Rather, it is performed under the guidance and direction of Israeli private capital, which sees this form of agriculture as profitable. Since 2015, the Civil Administration accelerated what can be termed as agricultural “subcontracting”, in which Israeli factories and companies benefit from the control of the Civil Administration over West Bank lands to contract, indirectly, Palestinian farmers to supply the Israeli market with certain agricultural products. In this field, Israeli capital cooperates with the Civil Administration, in addition to the Economic Cooperation Foundation (ECF),³ to ensure the continuity of “subcontracting”. Unlike subcontracting in the industry sector, agricultural production needs long-term contracts that guarantee financial returns on agricultural produce that may take several seasons to materialize (such as dates and pineapples).

Below, we shed light on three axes of the direct relationship between the Civil Administration and Palestinian farmers, which have intensified and expanded in recent years.

- **Exploiting agricultural lands with new crops**

1. **Pineapple:** In 2016, the Civil Administration started cultivating 2 dunums of land in Jayyus village with pineapple saplings. In 2018, it published a tender in Hebrew and Arabic, to purchase large quantities of pineapple saplings⁴. At the beginning of 2020, the number of seedlings reached about 60,000, distributed between Tulkarm and the Jordan Valley. This tropical plant needs special technology to germinate in places that are not its natural environment. The Civil Administration exploits its dominating position to provide this technology (such as special heaters and devices that maintain a certain degree of humidity and temperature), supervise the soil fertility and fertilization processes, and provides intensive technical support and supervision.
2. **Cucumber:** It is one of the most prominent projects presented by Samir Ma'adi, Agricultural Officer at the Civil Administration. In 2020, cucumber cultivation expanded to include two types. The first is the “spring cucumber”: the lands adopted and financed by the Civil Administration reach about 3,000 dunums, achieving an annual production of 25,000 tons, with a sales revenue of about NIS 90-100 million annually. The second type is the “baby cucumber” which is grown over an area of about 3,500 dunums, and its sales' revenues reach NIS 80 million annually. The Civil Administration provides seedlings, fertilizers and marketing. More than 90% of cucumber products are bought by Israeli pickles and canning factories.
3. **Strawberry:** The Civil Administration targets lands adjacent to the Wall, especially the lands of the Jayyus village, in conducting the strawberry projects. As of the end of 2020, there were about 200 dunums strawberry. This project is still in its early stages, and the Civil Administration plans to expand it in the coming years.
4. **Fish:** This is a new project that the Civil Administration introduced in 2019 in the Tulkarem area. It provided a pond with capacity of more than 30 cubic meters of water, supporting 500 kg of fish. Representatives of the Israeli Ministry of Agriculture, and Israeli marketing and

³ The Economic Cooperation Foundation, headquartered in Tel Aviv, is a fund established by Yael Hirschfeld, one of the architects of the Oslo Accords. The Fund's work is currently focused on supporting the civil administration's agricultural projects in the West Bank. Among the members of the fund's board is Dov Sadiq, the former head of the Civil Administration (1998-2002).

⁴ See the Webpage of the Israeli governmental procurement administration, <https://mr.gov.il/ilgstorefront/en/p/626562>.

production companies, arrived to Al-Jiftlik and Al-Auja as well as Tulkarem to supervise the expansion of this project. During January and February of 2021, six additional ponds were constructed, at the behest of the Civil Administration, with a capacity of about 15,000 fish.

- **Networking and agricultural cooperation**

The Civil Administration communicates (in various ways) with Palestinian farmers from different regions and lures them to attend study days, conferences and exhibitions. For example:

1. Courses and lectures: In February 2019, about 25 farmers from Gaza and 40 farmers from the West Bank received special permits to participate in an educational day in Netanya, with the participation of international and Israeli institutions, focusing on the cultivation of strawberries and dates. The main objective of this day was to promote networking between Palestinian farmers and Israeli companies, by teaching Palestinians modern methods of storage and cooling in order to prolong the lifespan of harvested fruits.
2. Ain Hasifia Exhibition: In February 2020, 250 Palestinian farmers, agricultural engineers and businessmen from the West Bank were invited to participate in an agricultural exhibition in Ain Hasifia. The exhibition was attended by hundreds of Israeli companies, that networked with Palestinian farmers, presenting their latest equipment and experiences in the field of agriculture, in exchange for agricultural cooperation on West Bank lands.

- **Agricultural pesticides**

About 60% of Palestinian agricultural output is exported to Israel (PCBS, 2020). The Israeli Ministry of Agriculture took advantage of this heavy dependency and started controlling the quality of agricultural crops in the West Bank as a precondition issuing quality certificates that match export standards in Israel. These exporting conditions compelled the farmers to cooperate more with the Civil Administration in order to fulfill such standards. For example, several years ago, the Israeli Ministry of Agriculture obstructed the export operations of fruit products, under the pretext of a high level of toxic residues left by pesticides. Resultantly, the Civil Administration's Agricultural Branch launched an "initiative", through which it invited specialists from the Israeli Ministry of Agriculture, to visit Palestinian agricultural lands and take samples, as a precondition for issuing the certificates required for export. At a later stage, the Civil Administration and Israeli companies proposed the use of certain types of pesticides, under the supervision of Israeli companies, as a necessary condition to obtain the required quality certificates. For this purpose, the Civil Administration employs Palestinian coordinators who visit agricultural lands and regulate the work of Israeli pesticide companies.

Secondly: Industry and trade

Palestinian industry is one of the most important elements in Palestinian economic dependence on Israel, as nearly 90% of Palestinian industrial products are exported to Israel (PCBS, 2020). The Civil Administration is trying to carry out various projects, through which it seeks to exclude specific Palestinian factories from the separation system imposed on the West Bank, attempting to further integrate these factories with the Israeli economy. In this context, some Palestinian factories are granted special privileges enabling them to be treated almost as Israeli factories. The main privileges are:

- **Door to Door Project**

Under this mechanism, the export of Palestinian products to Israel does not pass through the regular commercial crossings, but rather through special lanes near the crossings. Palestinian factories participating in the Door-to-Door program are not subject to security checks, and thus are able to shorten the shipping time from 3 hours (per truck), to about 10 minutes. This arrangement was the result of lengthy meetings between the Civil Administration and Palestinian businessmen, under the supervision of international organizations such as the Quartet. Israel has stipulated that Palestinian factories build a wall around their facilities, linking the production process with surveillance cameras operated by the

Civil Administration. The factories are obliged to participate in security-inspection course held by the Civil Administration and army officers to train on how to check the freights on the departure dock. The project began in 2018 with 11 factories in the Hebron area, then expanded in 2019 to include 4 other factories in Hebron and 4 in the Nablus area. It is now trying to expand to Jenin, Tulkarem and Jericho. Although the Palestinian Authority and the Chambers of Commerce were invited by the Quartet to be part of the new agreement, in reality the project is a platform for cementing the direct relationship between Palestinian businessmen and the Civil Administration. On the one hand, the Door-to-Door Project increased the sales of participating Palestinian factories, enabling them to significantly expand their production lines. On the other hand, it also increased the dependence of major Palestinian factories on facilities granted by the Civil Administration.

- **Israeli specifications and standards in the West Bank**

On November 25, 2020, Gilad Golub, the CEO of the Standards Institution of Israel, sent a letter to the “residents of the West Bank”, encouraging them to obtain an Israeli standards certificate, so that their products would be eligible to enter the Israeli market (despite the fact that the Paris Protocol specified free trade between the two parties). He asked all businessmen concerned with exporting to Israel to approach the Civil Administration in order to coordinate a visit by the Standards Institution of Israel, which expressed its willingness to even visit facilities in Area A. Obtaining this certificate means that not only final products should be examined, but also the entire production process; this might provide the Civil Administration with the possibility to intervene in the internal affairs of Palestinian industrial companies.

- **The Israeli invoice system**

When exporting Palestinian products to the Israeli market through commercial crossings, the Palestinian exporter must visit the Palestinian tax office, in order to obtain, fill out, and submit a clearance form. The form is then attached to the official Palestinian invoice, which includes details of the total tax value, and the value-added tax rate that the Palestinian Authority collects and transfers to Israel during the monthly clearance session. Palestinian merchants suffer from slowness of procedures at Palestinian tax offices, and occasional lack of clearance applications which hinders from time to time the exporting process. Many merchants went directly to the Civil Administration to search for an alternative. The latter coordinated with the Israeli tax authority and granted major Palestinian exporters access to the Israeli tax system, such that their invoices became clearance forms in themselves. Therefore, these merchants do not need to visit the Palestinian tax office for every export operation, since the Israeli tax authority, present at the commercial crossings, now recognizes the invoices of these factories considering them to be (as) Israeli factories.

These direct interventions in the Palestinian industrial sector can be described as administrative and economic annexation of factories located in areas A, B and C. On the other hand, and more importantly, it has played a fundamental role in promoting competition within the Palestinian economy. This form of annexation enjoys tremendous “privileges” by bestowing the “annexed” factories with competing credits. However, these are obliged to rely more and more on direct relationships with the Civil Administration in order to preserve their “privileges”.

Thirdly: Palestinian labor

The Civil Administration is authorized by the Israeli government to issue permits for work in Israeli locations according to an annual quota determined by Israel. This may range from 80-90 thousand permits for work in Israel, in addition to 20-30 thousand permits for work in settlements in the West Bank⁵. Until the end of 2020, Palestinian workers and Israeli employers used to meet in the labor

⁵ The Civil Administration do not use all the available quotas, but rather issues work permits which constitute about 90% of the total quota (Comptroller, 2020). According to the Palestinian Central Bureau of Statistics (PCBS, 2020a), the number of Palestinians holding work permits reached about 95,000 in 2019, which means about 71% of the quota for permits to Israel. We used data for 2019, and not 2020, due to the exceptional health conditions that affected the labor market in 2020.

market, and the role of the Civil Administration was limited to controlling the percentage of permits granted, and the criteria for issuing or denying them. This system became a fertile ground for the emergence of permit brokers, playing a pivotal role in contracting workers with employers on the one hand, and issuing and renewing permits on the other hand (this topic was discussed in detail in a roundtable session in 2020⁶. However, since 2016, Israeli decided to change this mechanism in a way that the Civil Administration has started to operate as a Ministry of Labor and Employment, ignoring the role of Palestinian ministries and the provisions of the Paris Economic Protocols. Here, we present the most prominent interventions by the Civil Administration in the field of Palestinian labor in Israel:

- **Amendments to the system of entry of workers to Israeli workplaces**

Starting from December 6, 2020, a new mechanism was launched to regulate the entry of workers into Israel, through an electronic platform affiliated with the COGAT. The workers, starting from the construction sector specifically, register on this platform and enter all their data. The Civil Administration then distributes the quota to individual workers, meaning that every worker with a personal quota is entitled to maintain a work permit, provided that he does not leave his work for 60 consecutive days. Whereas, in the past, workers needed permit brokers to obtain a work permit, in return for a monthly brokerage fee, they now need the Civil Administration as the only body controlling the distribution of the quota— a prerequisite for obtaining a permit. In theory, the Civil Administration has turned into a human resource agency that has a live database on Palestinian workers, and absolute control over the distribution of permits to them. This has led to a sharp increase in Palestinian workers directly approaching the Civil Administration, to register and obtain a share of the quota.

In February 2021, a similar project was proposed for industrial and agricultural workers. This will gradually link the equivalent of 15-16% of the Palestinian workforce directly to the Civil Administration, through an electronic employment platform.

- **“Al-Munaseq”⁷ application**

The Coordinator of the Government of Israel’s activities, Yoav Mordechai (2014-2018), created this electronic application as a platform through which the COGAT can communicate with all Palestinians in the West Bank and Gaza Strip, directly and personally. Gradually, and especially in 2020 when the Palestinian Authority froze its security and civil coordination with the occupation authorities, the “Al-Munaseq” application became the only platform to conduct vital transactions that were, in the past, conducted either through Palestinian liaison offices, or by a personal visit to the headquarters of the Civil Administration. In addition to requests to lift the security ban, all types of permits can be issued through the application, which gradually started to negate the role of the Palestinian Ministry of Civil Affairs, given its previous role as the main mediator. With regard to workers, they need to use the application on an almost daily basis, especially since work permits are now issued electronically through the application. This way, Palestinian workers and indeed any Palestinian citizen who needs to visit Israel should communicate directly with members of the Civil Administration.

- **Orientation courses**

The Civil Administration provides vocational training courses for some Palestinian workers, in line with their potential and the conditions of the Israeli labor market. For example, the Civil Administration coordinates with the Israeli Histadrut to hold courses for Palestinian workers, with the aim of informing them on the conditions of the labor market in Israel. Palestinian workers are required to obtain certificates in escalated work, scaffolding, health and safety and so on. Most importantly, all workers who attend these courses are instructed not to resort to the Israeli judiciary in the event of a work dispute with an Israeli employer. On the other hand, a special court has been set up in Tel Aviv bringing together representatives from the Histadrut and the Israeli Contractors Association, with lawyers representing

⁶ See RoundTable No. 9 for 2020: “Palestinian workers in the Israeli labor market: brokerage mechanisms related to the issuance of work permits” (MAS, 2020).

⁷ “al-Munaseq” is the Arabic translation of the “coordinator” of the government activities in the territories- COGAT.

the worker and/or employer, in order to decide any disputes (in the form of a “tribal reconciliation!”). This prevents the case from reaching the Israeli formal court system. The court is located in the same building with the Israel Builders Association-IBA (the body responsible for most construction operators). Its vice president of IBA is Yitzhak Gorbitz, a former head of the economic branch in the Civil Administration.

Conclusion

During recent years, the Civil Administration has expanded “services” provided directly to Palestinian citizens under the banner of improving their economic realities. This covers numerous fields: agriculture, industry and employment inside Israel. The Civil Administration also took advantage of the Corona pandemic, and the crisis that stopped security coordination with the Palestinian Authority during 2020, to move ahead with its plans and gradually marginalizing the role of Palestinian liaison offices and the Ministry of Civil Affairs. It is clear from the above that communications between the Civil Administration and Palestinian citizens are expanding. In some cases, the Civil Administration provides economic incentives that motivate the Palestinians to approach it voluntarily. On other occasions, the Palestinians are forced to cooperate with the Civil Administration precisely because of its control over the pillars of economic life in the West Bank. In recent months, the Civil Administration has opened a hotline service, and employed fluent (female) Arabic speakers to answer calls and requests from the Palestinian “public”.

After 25 years of the establishment of the Palestinian National Authority, and after 10 years of intensive efforts to establish the State of Palestine in international arenas (even in the absence of actual sovereignty over the territory), the Israeli Civil Administration is behaving as the first and last controller of the fate of the Palestinian people. The expansion of the mechanisms and channels of Israeli colonial control over all aspects of Palestinian life is alarming. It completely ignores the functions of the Palestinian National Authority according the signed agreements and accords and undermines Palestinian policies to disengage from the Israeli economy. Palestine has officially and popularly rejected the Israeli and American idea of “economic peace”, in both its old and new forms. However, this “economic peace” is promoted and de facto applied by the Civil Administration.

Today, we enter a new political phase that demands that Palestine respond carefully to initiatives advanced by friends and foes and aims at attracting the Palestinian private sector to participate in joint projects under the pretext of “partnership for peace” or “demonstrating good intentions”, or other forms of soft pressure. This is especially sensitive while Palestine calls on Arab countries not to normalize relations with Israel and calls on the international community not to legitimize trade with, or investment in, Israeli colonies. The continuous encroachment of the military and civilian occupation authorities, and their interference in Palestinian development, requires a clear Palestinian position, consistent with aspirations for independence that exposes the actual colonial goals of these mechanisms. Such a position needs to seek new Palestinian regulations, mechanisms and services that allow the PNA to counter the policy of “creating irreversible facts on the ground” created by the Israeli authorities at the administrative and economic levels.

Discussion Points

1. Why additional workers, merchants’ businessmen and farmers are “responding” to the Civil Administration interventions despite their implications on cementing the Palestinian economic dependency on Israel?
2. Are the Civil Administration's interventions in the interests of the Palestinian economy, or do they deepen the dependence of the Palestinian economy on the Israeli economy?
3. What are Israel’s goals in seeking to increase its interference in the Palestinian economy through the Civil Administration?
4. To what extent can the Palestinian National Authority limit the Civil Administration’s interference in the Palestinian economy?

5. Can Palestinians be dissuaded from working directly with the Civil Administration, by providing them with an alternative, or by pursuing them if necessary?
6. Numerous international donor organizations coordinate their Palestinian economic projects with the Civil Administration, dealing with it as a party that cannot be overlooked, in terms of working in the West Bank. Is this considered an admission of the legitimacy of the Civil Administration, and its hegemony over all areas of the West Bank? How can these organizations be discouraged from dealing directly with the Civil Administration?

References

- Abu Samra, Q (2017). *The Israeli 'Civil Administration' withdraws the powers of the Palestinian Authority*. (Arabic). Available at: <https://www.aa.com.tr/ar/-السلطة-صلاحيات-السحب-الإسرائيلية-المدنية-الإدارة-العربية-الدول-الفلسطينية-750620/>.
- Habas, W (2020). *Palestinian Workers in the Israeli Labor Market: Brokerage Mechanisms Associated with the Issuance of Work Permits*. Round table (9), background paper. Ramallah: The Palestine Economic Policy Research Institute (MAS). Available at: <https://www.mas.ps/files/server/2020/RoundTable9English-ed.pdf>.
- Anabtawi, K (2018). *Transformations of Military Government in the West Bank*. (Arabic) Ramallah: The Palestinian Center for Israeli Studies, MADAR.
- COGAT (2020). *Report of the Coordinator of Government Activities in the Territories for 2019 – based on the Freedom of Publication Law*. (Hebrew) Beit El: Coordinator of Government Activities in the Territories.
- Berda Y (2017) *Living Emergency: Israel's Permit Regime in the Occupied West Bank*. Stanford, California: Stanford University Press.
- COGAT (2019) *The Civil Administration Expands the Door to Door Project in the Hebron District*. Available at: http://www.cogat.mod.gov.il/en/Our_Activities/Pages/Door-to-Door-Hebron.aspx (accessed 20 June 2019).
- Comptroller (2005) *The Activities of the Civil Administration in Judea and Samaria*. Annual report 56a. Jerusalem: comptroller Office. Available at: https://www.mevaker.gov.il/he/Reports/Report_571/7fc5299f-7f87-4042-9fdb-6a4560a33e27/2005-56a-132-Ayosh-Minhal%20Ezrachi.pdf.
- Comptroller (2020) *Annual audit report 70c*. Staff officers in the Civil Administration in the Judea and Samaria area. Jerusalem: State Comptroller's Office. Available at: <https://www.mevaker.gov.il/sites/DigitalLibrary/Pages/Reports/3602-7.aspx>.
- Gordon N (2008) *Israel's Occupation*. Berkeley: University of California Press.
- Kanonich Y (2017) *Through the Lens of Israel's Interests: The Civil Administration in the West Bank*. position paper. Jerusalem: Yesh Din. Available at: <https://s3-eu-west-1.amazonaws.com/files.yesh-din.org/Minhal+Ezrahi/YeshDin+-+Haminhal+-+English.pdf>.
- PCBS (2020) *Statistics on the registered foreign trade*. Ramallah: Palestinian Central Bureau of Statistics.
- USAID (2015) *Strengthening the Palestinian Private Sector through Reducing Trade Transaction Costs: A Comprehensive Research and Advocacy Program*. Final Report. Jerusalem: United States Aid Agency.

i