



Inter-Agency Task Force on Israeli Arab Issues

GR-922: Outlook for 2021 and the Next Multiyear Plan

August 2020¹

In 2020, Government Resolution 922 (GR-922 or “the Plan”),² the unprecedented [five year development plan approved in December 2015](#), entered its fifth and final year of implementation. Since 2015, GR-922 has been closely monitored by government and civil society organizations to support its progress, identify barriers, and articulate insights for future efforts. (See the [Task Force summary of the GR-922 fourth year progress report](#).)

The question of what will follow GR-922 has been made more complicated by the series of general elections spanning 2019 and early 2020, and by the Coronavirus pandemic. General elections meant government was suspended in Israel and no new budgets could be advanced. The pandemic on top of being an unprecedented public health emergency, ignited an economic crisis that is still unfolding and whose impact on national budgets is yet to be seen. The emergency unity government inaugurated in May has yet to pass a national budget due to [internal disagreements primarily over its length](#)—short-term or multiyear, meaning budgets for any new plans remain stalled.

If a national budget isn’t passed by August 25, Israel will automatically go into another round of elections, furthering budgeting delays and deepening uncertainty.

One-Year Extension

Over the course of GR-922’s fourth and fifth years, both government officials in relevant ministries and civil society organizations coordinated by the National Council of Arab Mayors (NCAM) have been preparing proposals in a range of areas for a follow-up multiyear economic development plan. Given the complexity of quickly and accurately adapting existing proposals to new and developing economic uncertainties, the NCAM is now advocating for GR-922 to be extended by one year regardless of which budget is passed, and the Authority of Economic Development of the Minorities Sector (which developed the original GR-922 with the Ministry of Finance) is preparing for this possibility.

A one-year extension would preserve existing unused budgets and changes in budgeting mechanisms that increase the proportion of various annual budgets going to Arab society while enabling planning for the next multiyear plan to continue in a thoughtful and adaptive manner. It also allows for priority adjustments and additions on such issues as industrial zones, crime and violence and local authorities.

¹ Thank you to the Budgets Department at the Ministry of Finance, the National Council of Arab Majors, Sikkuy, Tsofen, INJAZ, the Abraham Initiatives, the Arab Center for Alternative Planning (ACAP), and the Israeli Democracy Institute who shared data and insights with us. Special thanks to Aiman Saif and Alaa Ghantous at the National Council of Arab Mayors.

² GR-922, the most comprehensive government economic development effort for Israel’s Arab minority to date, budgeted NIS 12-15 billion to address a wide spectrum of socio-economic gaps. Due to the scale and breadth of socio-economic gaps facing Israel’s Arab society, even at its most optimal GR-922 would only be able to narrow gaps while improving conditions for future economic development efforts.

A proposal for a one-year extension has been submitted by the Authority for Economic Development to the Ministry of Finance and is under review. Its approval also depends on passage of a national budget.

Next Five-Year Plan

Preparations for the next multiyear economic development plan for Arab society are taking place on two parallel and coordinated tracks. The Budgets Division at the Ministry of Finance and the Authority for the Economic Development of the Minorities Sector have been leading, along with relevant government ministries, monitoring and evaluation of GR-922 implementation. Insights into implementation barriers and challenges along with assessments of measurable outcomes are being gathered to inform goals and processes for the next government plan.

In parallel, the National Council of Arab Mayors, which sits on the GR-922 Steering Committee and also tracks and accompanies plan implementation, has asked leading civil society organizations to prepare proposals for future budgets according to their areas of expertise. The Council coordinates subcommittees led by Arab and Jewish-Arab NGOs to support and report on implementation in their respective areas of expertise. Most of the proposals and recommendations under the NCAM are led by these subcommittees, though some, like the Masterplan on Employment, are broader partnerships. The proposals are submitted to the government for discussion and review, if not coordinated throughout their development. This effort ensures that insights from the field are integrated into government planning processes for the next plan, and that gains made in deepening cooperation and transparency between local Arab leadership and central government bodies are leveraged and retained.

The remainder of this update briefly summarizes the civil society proposals in development.

Civil Society Proposals and Recommendations in Development

- **Masterplan on Employment**

Developed by [Israel Democracy Institute](#) and Portland Trust in close coordination with Ministry of Labor and Welfare and the GR-922 Steering Committee and related civil society organizations.

The proposal was developed by Nasreen Hadad Haj'Yahya (IDI), Aiman Saif (Portland Trust) and economist Nitsa Katsir under the guidance of a joint steering committee with representatives from the Ministries of Economy, Education and Finance, the Authority for Economic Development, and civil society representatives from Sikkuy, The Abraham Initiatives, Co-Impact and Al Fanar. Initially intended to be a masterplan on employment with a focus on Arab women, it has since been expanded to include men. The plan includes an in-depth mapping of employment realities, trends and barriers by gender, geography, education level, vocations and other parameters informs a robust proposal with workplans to boost employment via: (1) the education system: early childhood, formal and informal education; (2) higher education; (3) vocational training; (5) tourism as an underdeveloped employment opportunity in Arab society; (6) relevant job creation in and near Arab localities; and (7) welfare programs related to enhancing employment and inter-generational mobility.

- **Industrial Zones and Business Development**

Led by the Mossawa Center and NCAM in cooperation the Ministry of Economy and Ministry of Finance

In part because of the workplan for industrial zones in GR-922 relied mostly on prior budgets and did not resolve various planning and construction barriers, funds were ultimately inadequate and available budgets underutilized. A preliminary proposal developed by the Mossawa Center aimed to restructure budgets and identify regulatory changes needed to create

industrial areas in Arab localities. However, the Ministry of Finance responded with a preference for a regional approach, and an alternative plan is currently being developed to promote joint industrial zones for groups of 4-5 neighboring Arab. Another issue being addressed is the development of small and medium businesses. The NCAM is working on a plan to secure access to credit and its equivalents, tools to enter into new markets, and access of Arab businesses to government.

- **High Tech Integration and Entrepreneurship**

Led by [Tsofen](#)

Tsofen contracted Deloitte and convened a committee of government, high-tech, academia, and civic leaders to steer the development of a comprehensive five-year workplan for enhancing high-tech integration, entrepreneurship and expansion in Arab society. The proposal, now complete, includes recommendations on the establishment of economic infrastructure (high-tech parks, innovation centers, accelerators, R&D, technology incubators, financial funds, tools to encourage entrepreneurship in the field); employment integration into existing high-tech companies; encouragement of existing high-tech companies to operate in or near Arab cities and villages; promotion of high-tech entrepreneurship and establishment of accelerators; and the encouragement of Arab-owned businesses engaged in the field. The completed proposal was presented to the government as policy recommendations and received positive feedback. This issue was notably absent from GR-922, except for a small budget for subsidies to high tech employers. However, it has been developing as an area of government investment in a follow up government resolution (no. 3780), which added a budget of NIS 25 million to build two high tech parks in Arab cities, as well as via the Innovation Authority's work.

- **Combatting Violence**

Led by the [Galilee Society](#) in cooperation with NGOs like [The Abraham Initiatives](#), [Sikkuy](#), [Women Against Violence](#), and the [Aman Center for Safe Society](#).

This proposal will be based on a policy-paper in development by the NCAM's newly hired Violence Reduction Coordinator and coordinated with the work of an inter-ministerial government Task Force currently meeting on this issue. The goal is to establish a national program to fight violence and crime in Arab localities with the aim of increasing government accountability and awareness. GR-922 was predominantly focused on the policing aspect, and this plan seeks to broaden the scope and involve multiple stakeholders across government and Arab society. Given the urgency of this issue, the NCAM has included it in its proposal for a one-year extension of GR-922 and will work to advance it regardless of progress in advancing post-922 plan.

- **Health**

Led by the Galilee Society

Over 2018-2019, the Ministry of Health created a professional team, in coordination with the Authority for Economic Development for the Minorities Sector, the NCAM, and the [Galilee Society](#), to formulate for the first time a masterplan on enhancing health services and closing service gaps in Arab society. The issue of health was not included in GR-922, except for a clause that called for the unification of hospitals in Nazareth, which has not been promoted. The Committee acknowledged that overall health in Arab society is low due in large part to socio-economic factors such as poverty levels, access to open spaces, and infrastructure gaps. They developed a plan with hospitals and medical clinics emphasizing a few central areas: early

childhood, diabetes and obesity, smoking, and women's health. The NCAM is recommending that the government adopt and fund this plan within the framework of a post-922 plan.

- **Planning and Construction**

Led by the [Arab Center for Alternative Planning](#) and [Sikkuy](#)

This NCAM subcommittee on planning and construction is working on recommendations for the next level of intervention in terms of policies and budgets based on a wide-scope mapping of Arab localities identifying remaining need for any planning or improved planning. NCAM also aims to use insights learned during the past four years – regarding issues such as planning barriers, marketing houses on state and on private lands, mortgages, etc., to suggest modifications in a number of urban planning and land reforms initiated under GR-922, demand additional budgets and propose new policies that would help overcome current barriers to urban development. Under GR-922, the housing section is the most detailed, providing over NIS 1.2 billion.

- **Transportation**

Led by [Sikkuy](#)

The NCAM subcommittee on transportation has been monitoring GR-922 implementation and is now formulating follow up plans and budgets. Current priorities include mapping needs and building a national plan with clear criteria for funding urban roads inside and between Arab communities, enhancing public transportation, promoting representation of Arab society in the Railway Authority, and building a national plan to prevent car accidents in the Arab community. One of the concerns related to GR-922 transportation budgets is that they were not structured correctly. [Netivey Ayalon](#), a government company leading large-scale transportation projects, was recently contracted to develop and implement a pilot in four Arab localities that would further refine criteria for transportation funding and serve as a basis for developing a wide-scope workplan for all Arab localities.

- **Education**

The education subcommittee at the NCAM is led by the Follow-Up Committee on Arab Education (part of the national Follow Up Committee for Arab Citizens of Israel) in cooperation with [INJAZ](#). In its work on recommendations for the next five-year plan, two spheres are being promoted:

Informal Education – the “Etgarim” program: According to the experience and insights gained by the subcommittee monitoring and supporting adaption of the informal education plan for Arab realities, needs for the next five year plan include: (a) retaining unused budgets accumulated over GR-922 for the next development plan, as opposed to only retaining a commitment to proportional budgeting; (b) further adapting the Etgarim plan to realities on the ground (for example, by including transportation costs into activities to compensate for the lack of informal education infrastructure in Arab localities) and by recognizing major cultural events such as Ramadan as informal education opportunities; (c) increasing funds for infrastructure development, as only basic funds are currently available for renovating existing structures and providing covers for open sports courts. Funds should likewise cover costs of equipment and operational expenses for informal education facilities such as sports halls, community centers etc. now that they see substantial activities; and (d) enhancing capacity building support for the Youth departments in Arab localities, to further enhance their development and institutionalization, after most were first established under the first plan.

Formal Education: Recommendations here include extending differential budgeting to all Arab high schools (only elementary and junior high were included in GR-922), investing in construction

of classrooms and in better training for Arab teachers, and continuing to invest in access to higher education, especially for Arab men who are severely underrepresented in this sphere. Formal education – except for higher education - was also not originally included in the core GR-922 budget and has gradually been added since. Efforts in this area are led by the Follow-Up Committee on Arab Education, and a workplan for including it in a post-922 framework is currently being discussed with the relevant ministries.

- **Poverty:** With high rates of poverty in the Arab community and poverty an underlying cause of violence, the NCAM is pursuing a national multidisciplinary masterplan to tackle the issue. Not included in GR-922, the NCAM is working to ensure the issue is incorporated in the next government plan on its own and as part of welfare and intergenerational mobility in the employment masterplan referenced above. The poverty plan is currently in development and is expected to be complete and discussed with the relevant ministries in the coming months.
- **Capacities of Arab localities:**
Led by [INJAZ](#).

This subcommittee is recommendations include changes to various financing mechanisms currently employed by the Ministry of Interior, including balancing grants, development budgets allocated under GR-922, and the Local Tax Fund established in December 2017 to redistribute tax revenues from major governmental complexes to weaker localities in Israel so that conditions better match Arab communities realities and more funds can be made accessible. An additional issue is extending existing programs launched within GR-922, such as the [Excelling Municipalities Program](#), which the NCAM seeks to expand to 15 additional Arab localities. Recommendations also include human capital and organizational development of Arab localities. This includes making municipal engineering departments competitive with the private sector for talent, supporting and improving the integration processes of specialized positions created to enhance local capacities (i.e. Mawared Integrators, local government cadets) and enhancing the economic and financial viability of the local authorities, including by establishing economic corporations, local administrations that assist small businesses etc.