

Reconstruction as a Lever for Political Change: How reconstruction tools can strengthen Palestinian governance in Gaza and serve as a positive model for the West Bank

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The reconstruction process of the Gaza Strip, whose cost is estimated at approximately \$70 billion, is not limited to a purely humanitarian response but constitutes a strategic decision point for building a governing alternative to Hamas, which may reshape the entire Palestinian arena. At the center of this move stands the technocratic committee (NCAG), operating under the authority of the “Board of Peace” defined in the 20-Point Plan and approved by UN Security Council Resolution 2803, whose purpose is to stabilize governance in Gaza while creating a horizon for a future transfer of authority to a reformed Palestinian Authority and connecting the West Bank and the Gaza Strip. While the committee’s potential success may positively affect the entire Palestinian arena and regional dynamics, at the geopolitical level the committee is expected to face a range of challenges, including:

- Tension with the Palestinian Authority, which is in a “strategic trap” – the committee’s success may highlight Ramallah’s lack of relevance, while its failure will prevent the Authority’s future return to Gaza;
- Israeli control over crossings and the security space (the “yellow line”) creates territorial ambiguity that complicates the establishment of independent Palestinian sovereignty and delays the flow of international resources;
- Hamas will seek to replicate the “Hezbollah model,” in which it maintains its military strength under the cover of civilian calm.

The reconstruction process should serve as a tool to weaken Hamas’s power centers by creating economic and diplomatic dependence of the population on the West and Gulf states, while attempting to transform Gaza from a “resistance enclave” that threatens Israel into a functioning political entity integrated into the vision of regional stability. This document analyzes the expected scenarios in the Gaza Strip and the anticipated challenges for the technocratic committee’s activity and proposes principles for action and concrete and immediate recommendations for the technocratic committee and the international community.

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A. Introduction

The reconstruction process of the Gaza Strip is not limited to the humanitarian aspect alone but constitutes a political decision point and a critical opportunity to build an alternative governing model to Hamas that can influence, positively or negatively, the Palestinian Authority and the entire Palestinian arena. Reconstruction on the expected scale in the Gaza Strip, which according to a UN report from October is expected to cost approximately \$70 billion, contains a range of governance, economic, and political challenges and opportunities – from fundraising and managing relations with donor states, to planning and implementing programs for building neighborhoods and institutions in a way that will affect the social fabric, to mobilizing and managing the business sector and civil society, and building an appropriate regulatory and financial framework. Such a move, if executed well, will place significant control in the hands of the reconstructing body over how Gaza will look in future generations, and will also give it significant tools, including access to billions of dollars.

The technocratic committee (NCAG), as the Palestinian body that is supposed to manage life in Gaza and lead the reconstruction, was established under Article 9 of the 20-Point Plan and received a two-year mandate, with an option for extension, under UN Security Council Resolution 2803. The vision according to these two documents is an orderly transfer of control over Gaza to the Palestinian Authority, contingent on the implementation of reforms within the Authority itself. Hence, the future of the committee in the Gaza Strip is closely tied to processes occurring in the West Bank and the Palestinian Authority, which is currently challenged by the Israeli government and does not receive sufficient support from the international community.

The appointment of the technocratic committee in the Gaza Strip under the “Board of Peace” is in tension with the Palestinian Authority, which aspired to formally integrate into the management of the Strip and to be the sole political actor, but in practice is excluded from it and influences mainly through actors identified with it within the technocratic committee .

The subordination of the Gaza Strip to central Palestinian rule and its connection to the West Bank is not merely a formal matter but a required step in advancing a path toward the establishment of a Palestinian state, as determined in Article 19 of President Trump’s 20-Point Plan. From the perspective of the Palestinian Authority, it is in a ‘Catch-22’ since the committee’s success in a completely disconnected manner will highlight its lack of relevance and “prove” the Israeli claim regarding its incompetence, but its return to Gaza depends on the committee’s success in advancing the reconstruction process, as well as on the implementation of reforms within the Authority itself.

Therefore, the political challenge inherent in the reconstruction of Gaza by the technocratic committee is a balanced connection to the Palestinian Authority in a way that will enable its gradual entry under favorable conditions, after the initial reconstruction has begun and stabilization of the security and social situation has

occurred. In this way, the Authority can gain an opportunity to carry out a more orderly and successful transfer of authority rather than risk another coup against it, in a way that would negatively reflect on it in the international arena and the West Bank. At the same time, the technocratic committee must maintain distance and independence so that it is not negatively affected by events in the West Bank and does not replicate the mistakes and deficiencies of the Palestinian Authority, but rather builds a mechanism tailored to the needs of Gaza in a way that will help promote efficient reconstruction – while pushing Hamas out of centers of power – without creating competition and negative projection on the Palestinian Authority. At the same time, there are institutions and organizations within the Authority that can assist with knowledge, experience, and deep socio-cultural understanding, in a way unmatched by any other actor.

This document will examine the challenges facing the technocratic committee and identify principles for its activity in a manner that promotes the reconstruction of the Gaza Strip but also the long-term vision of the Palestinian arena and its political objectives, as agreed upon by the “Board of Peace.”

B. Main Scenarios in the Gaza Strip and their Impact on the Palestinian Arena

- **Implementation of the 20-Point Plan:** An optimistic scenario, also reflected in President Trump’s 20-Point Plan vision, is that Gaza will serve as a focal point for positive broad change in the Palestinian arena, and will eventually be transferred to a reformed and stable Palestinian Authority. This process will lead to the implementation of a two-state solution.
- **Renewal of fighting in Gaza:** A pessimistic scenario of erosion or annulment of the 20-Point Plan, leading to renewal of fighting by Israel due to Hamas’s lack of agreement to disarm, with a claim that it violated the agreement. Given the current composition of the Israeli government or a similar composition, and given the absence of American pressure, Israel is not expected to express willingness to withdraw from the Strip and will even deepen its control. This situation will constitute a basis for the re-establishment of military rule in the Strip and even the construction of settlements and will strengthen the narrative echoed by Minister Smotrich among the Israeli public regarding the elimination of the Palestinian state.

Intermediate scenarios:

- **Stagnation:** Under this alternative we will see the continuation of “conflict management” both in the Gaza Strip and in the West Bank. Under these conditions, Hamas will be unwilling to meet the Board of Peace’s conditions for disarmament while President Trump will insist on preserving the framework of the agreement and preventing Israel from renewing the fighting. In practice, Israel will continue partial control in the Gaza Strip while the technocratic committee

fails to establish its authority on the ground, and there is significant Hamas control, both civilian and military. In this scenario, the Board of Peace, even if it exists on paper, fails to bring about change on the ground and there is danger of additional deterioration without a response to the humanitarian and reconstruction needs of Gaza residents.

- **“Hezbollah model”**: Under this scenario Hamas will express agreement on paper to the Board of Peace’s conditions but in practice will use its intricate knowledge and network of connections with Gaza’s population and institutions to entrench itself within the emerging alternative governance and assimilate into it, even at the cost of temporary agreement to disarm, likely while concealing some of its weaponry from the eyes of mediators. In this way Hamas will become a legitimate political movement but in practice will maintain military power that will serve it for future use and to impose its agenda on the Palestinian arena, similar to Hezbollah’s modus operandi in Lebanon.

C. Central Challenges to Advancing Reconstruction in the Gaza Strip

- **Two “Gazas”**: Despite international and regional understanding that the technocratic committee is expected to operate throughout the Gaza Strip, in practice there is ambiguity regarding its deployment mechanism and ability to function in areas currently under Hamas control. As long as the International Stabilization Force (ISF) is not deployed on the ground, and Hamas does not disarm, the IDF is not obligated to withdraw. Even when the ISF is deployed, IDF withdrawal is not expected to be complete but according to the conditions defined in the 20-Point Plan. In practice, there is ambiguity regarding the territorial scope in which the committee will operate. This issue raises sub-challenges: even if the current yellow line separating the green and red zones changes, the division of Gaza will continue in the short to medium term; the committee will operate only partially in the Strip and in practice two legal and governance systems will be created as well as two security systems and a need to build a regulated mechanism for the movement of people and goods between them.
- **The legitimacy trap of “collaborators”**: The technocratic committee may be perceived on the Gazan street as a “puppet government” under Israeli/U.S. auspices. If reconstruction is not accompanied by a strong internal Palestinian narrative, without opposition from the Palestinian Authority, Hamas will succeed in branding every achievement of the committee as an attempt to “buy the people with money” (political bribery discourse). In addition, a question arises regarding the representation of the local population in the committee – a component that will greatly affect the legitimacy and trust the committee receives. Currently, there is no clarity regarding the mechanisms for public participation, including the mechanisms for integrating Gazan locals as a central principle of the committee.

- **Municipal anarchy:** In Gaza there are municipalities and local infrastructure systems and they are expected to serve as the basis for the committee's activity, but Hamas has taken control of them for nearly two decades and embedded its people there at senior and junior levels. The challenge is not only to establish a top committee that will manage Gaza and rebuild institutions and municipalities, but to prevent a bureaucratic slowdown or sabotage by lower-level operational ranks who are still loyal to the movement and currently have no replacement. In addition, bureaucratic chaos prevails in Gaza, also exacerbated by the destruction of parts of the municipal infrastructure – both physical infrastructure (buildings and management systems) and loss of organizational knowledge. This situation directly affects the individual (for example, in the absence of a population registry system and inability to issue death and birth certificates) and the community-local framework, which constituted a significant layer in daily life before the war. While the population tries to continue functioning within a community framework even in tent cities, they suffer from the absence of an appropriate management system and the dismantling of the local social fabric .
- **Inflation and cost of living in reconstruction:** The injection of billions of dollars into a small and devastated area may create crushing inflation. If food and housing prices rise due to reconstruction activity, the average resident may blame the committee for the deterioration of their relative economic situation.
- **The “dual-use” bottleneck:** The immediate practical obstacle to reconstruction is Israel's bureaucratic control over the entry of materials categorized as “dual-use.” These materials are essential for reconstruction and include materials such as concrete, piping, fertilizers for agriculture, and more. As long as Israel controls this list and restricts the entry of materials, the committee cannot implement development plans. The IDF estimates that in the coming years there is a need for the entry of 700 trucks per day to meet reconstruction goals – 300 trucks of humanitarian aid and another 400 trucks of goods, including reconstruction materials. This is a very large quantity of equipment that must undergo an approval process, comprehensive inspection at the border crossing, and supervision to ensure it does not reach Hamas hands. Without a solution to the bottleneck that addresses Israeli security needs, the technocratic committee will struggle to advance reconstruction.
- **Israeli control of the Rafah crossing:** Similarly to the control of other crossings, Israel has a technological presence at the Rafah crossing as well as influence over decisions regarding how many people enter and exit the crossing and their approval. This means that the technocratic committee cannot establish sovereignty when it constitutes a secondary actor to Israel, and currently it has no ability to send new policing forces for training in Egypt or Jordan, or to bring in Palestinian Authority policing forces.
- **Israeli military presence:** Currently, and until full deployment of ISF forces on the ground, Israel maintains a military presence in approximately 54 percent of the territory. This situation makes it difficult for the technocratic committee

to establish its status as sovereign when there is a military it considers hostile within the territory it is responsible for, and in practice it has no freedom of action or monopoly on the use of force there. On the other hand, to the extent that the IDF and the committee share similar goals of reconstruction of the demilitarized areas, there is a possibility for coordinated activity and increasing the committee's authority in these areas (for example, establishing a city in Rafah), to the extent that the IDF is willing to reduce its footprint in areas under the committee's auspices and allow it to operate there freely.

- **Hamis presence and dominance:** While the committee is challenged by the IDF in the eastern area of the Gaza Strip, in the western area it is at the mercy of an armed Hamas that still controls the territory, and its decision whether to allow it to operate in areas where most Palestinians live. As long as there is no arrangement with Hamas that includes disarmament and transfer of the monopoly on force to the technocratic committee, and allows the committee to establish policing and enforcement bodies in accordance with Board of Peace conditions, and enables deployment of ISF forces without significant threat, the committee cannot begin operating in these areas. In such a situation reconstruction will not begin and the technocratic committee will become irrelevant and without governance capability.
- **Financing:** The issue of reconstruction financing is a significant obstacle for the committee and reconstruction – mainly in light of Hamas's presence. Without Hamas disarmament and removal from decision-making centers, funding actors are not expected to transfer the budgetary requirements needed to finance reconstruction and Gaza will remain dependent solely on humanitarian aid. It should be noted that after Operation "Protective Edge" in 2014, donor states pledged \$5.4 billion at the Cairo conference, but in practice no more than 60 percent of the commitments were transferred. This indicates attrition among the donor countries, after having transferred contributions to reconstruction after previous operations, and emphasizing that this time, without a fundamental change that would prevent a recurrence of the events, they will not donate again. To this issue must be added the question of allocation of funds and prioritization of programs, which will likely be done directly by the Board of Peace to prevent diversion of funds to Hamas – a practice that may be in tension with local needs.
- **Absence of a monopoly on policing:** In addition to the challenge posed by Hamas, even if it agrees to disarm or freeze its weapons, without a significant policing and preventive security force, the Gaza Strip may be dragged into a model of armed militias operating unlawfully. Unlike Hamas, which has aspirations for international legitimacy, militias are focused on preserving narrow interests, particularly control over smuggling routes and operation of a black market. This situation will make it difficult to implement reconstruction programs as looting of equipment and collection of transit taxes are expected.
- **Attention is drawn to Iran:** The involvement of the Trump administration is crucial in leading the Board of Peace. The U.S. initiative to act militarily against Iran diverts attention and leads to paralysis in the implementation process of

the plan and gives Hamas time to strengthen – by reestablishing governing institutions, collecting taxes, and recruiting operatives.

- **Crisis of the Palestinian Authority:** The leadership of the Palestinian Authority in its current state constitutes an additional challenge. It seeks to maintain its involvement in the Gaza Strip and acts to prevent the technocratic committee from operating in a manner inconsistent with its leaders' objectives. This is while it suffers from low public legitimacy and is committed under the 20-Point Plan to carry out comprehensive reforms – which have not yet been formally defined in the Board of Peace. Without implementation of reforms it will not be able to become in the future the governing actor in Gaza as expected by Trump's plan and the international community. The current Israeli government opposes the Authority's involvement in managing Gaza, even after reforms, and in practice works to collapse it in the West Bank.

D. Principles for Action: Building Legitimacy by Providing Civilian Response and Removing Hamas from Centers of Power

To serve as a catalyst for change, the committee must act to promote reconstruction of living areas, commerce and industry, and Palestinian institutions in the Gaza Strip, while relying on the Authority for legitimacy and creating linkage between the two bodies, also leveraging the services sector:

- **“Islands of reconstruction” model:** Instead of trying to control the entire Gaza Strip at once, it is advisable to define priorities/initial areas (for example, neighborhoods in the Rafah area). In these areas a model of “full governance” will operate: ISF security, international medical services (possibly with Palestinian Authority support), abundant food distribution, and an expansive Israeli civilian policy for entry of goods and materials. Visible success in one “island” will create public pressure from residents in other areas to accept the committee's authority and be part of the new space.
- **Digitization of governance:** To bypass Hamas's bribery and looting mechanisms, a biometric or digital identification system must be established for distribution of stipends and aid. This measure will neutralize local intermediaries and build a direct connection between the public and the technocratic committee.
- **Conditioning reconstruction on “community calm”:** Creating a contract with clan leaders and mukhtars – a community that allows sabotage activity against security forces or allows looting will see immediate freezing of reconstruction budgets in that area. In this way the community – at the most basic level of belonging – becomes an interested gatekeeper.
- **Principle of local representation:** The action plan must anchor the aspiration for local representation (clan leaders, mukhtars, and mayors) and public participation mechanisms as part of the technocratic committee's master plan.

This is to create trust in the new reconstruction mechanisms and refine the response to residents in a way that serves long-term stability. This move will help address the legitimacy trap of “collaborators”.

- **Reconstruction supporting DDR:** The issue of disarmament of Hamas and other armed militias is critical for the committee’s ability to advance comprehensive and long-term reconstruction. The presence of armed militias can harm not only the sense of security and personal safety but also corrupt the entire system. To enable reasonable activity, the committee, in cooperation with the ISF and support of the Board of Peace, must promote the criteria and mechanisms for advancing DDR, and integrate armed individuals and former Hamas members into the new institutions it will build. The reconstruction process must provide incentives for armed individuals to disarm and tools for their integration into society, and for this the entire Palestinian economy must demonstrate vitality.
- **Implementation of “one law, one weapon”:** Establishment of an effective civilian police force that will protect residents and provide personal security is essential, as is reliance on a recognized, accepted, and clear legal system for residents. Use of the Authority’s legal code is not only a symbolic step but provides the committee with practical tools for managing daily life.
- **Services as a basis for trust:** Reconstruction of public institutions (hospitals, universities, water and electricity services) and equitable distribution of aid are the basis for building legitimacy and a sense of security among residents. Economic reconstruction and job creation for youth are an integral part of security stabilization.
- **Relationship with the Palestinian Authority:** The committee must use the Authority’s infrastructure and professional institutions where needed (for example for law and order, judiciary services, health system) but simultaneously create complete separation from the Authority’s current political leadership. The committee’s success in Gaza should project legitimacy and effectiveness to encourage reforms in the West Bank, without being dependent on them.
- **ISF as a bypass channel for the dual-use policy:** Entry of the ISF should be promoted not only for security stability but as an agreed, secure, and supervised channel for entry of construction materials and dual-use equipment, including monitoring and supervision of materials entering Gaza. At the same time, as an immediate step, modular structures should be introduced to provide housing solutions without the need for complex dual-use materials.
- **Rigid and immediate work plan:** Formulation of a timeline of complex short-term (comprehensive) actions in the fields of security, economy, and aid, which does not wait for final political solutions.

E. Immediate Recommendations: Transfer of Authority to the Technocratic Committee While Implementing Measures to Weaken Hamas in the International Arena

- **Strengthening community aspects:** To serve as an alternative to Hamas and prevent a crisis of trust that will harm the legitimacy of the process, it is recommended to create **local representation mechanisms that will be in direct contact with the committee and influence decision-making in a way that will permeate to the public.** This can be done by empowering local councils and appointing an official on behalf of the committee to manage relations with mukhtars and clan leaders. It is important that this relationship be translated into community budgeting – under supervision of the technocratic committee and reporting to the Board of Peace, integration of locals in planning and allocation processes, and establishment of an agreed mechanism for regulating reconstruction rights and prioritization of tasks.
- **Establishment of a “Gaza Reconstruction Bank”:** An independent financial body under international supervision that will manage the funds. The bank will issue designated credit cards to residents for purchasing building materials (from suppliers approved by the committee), thereby preventing leakage of cash to Hamas and enabling tight monitoring of dual-use materials. The recommendation is not to rely at this stage on Palestinian banks that have not undergone real international regulation and cannot distinguish themselves from Hamas.
- **Employment-based reconstruction:** Instead of bringing only foreign contracting companies, employment of Gazan youth in infrastructure projects (after Israeli approval) should be required. If youth are economically dependent on the technocratic committee, the recruitment potential of Hamas and militias will decrease.
- **“Green track” for moderate religious and educational institutions:** Hamas built its power through the “da’wah.” The committee must establish an alternative mechanism of support for mosques and community centers not identified with the organization, while providing educational content focused on development rather than armed resistance. The design of activity in this field, and its implementation, must include moderate Muslim states with experience in combating religious extremism and strengthening pragmatic Islam, such as the UAE, Saudi Arabia, Morocco, and Indonesia.
- **Securing supply chains:** Stopping the looting of aid depends on two components: establishment of the ISF and armed escort of aid convoys to their destination; and activation of a non-Hamas police force that will take custody of the convoys and ensure their delivery. In addition, a judicial and law enforcement system must be activated that can hold accountable actors who divert or loot goods.
- **Leading a DDR program by the technocratic committee:** A tailored DDR program, managed and implemented by the committee, should provide grants

and incentives for disarmament and operate professional training programs and psychological support for former fighters, while using a Palestinian national ethos of reconstruction and social healing. However, given the possibility that Hamas will not agree to the conditions of the 20-Point Plan to disarm and the possibility that the IDF will return to fighting Hamas in the red zone, **it is important that the Board of Peace prepare a “contingency plan” for reconstruction under fire** that will differentiate between areas under Hamas control and preserve the committee’s achievements.

- **Economic strategy to dry up Hamas funding sources²**
 - **Targeting shell companies and real estate:** applying pressure and sanctions on banks and states enabling activity of shell companies managing Hamas’s investment portfolio.
 - **Blocking crypto channels:** close intelligence cooperation with crypto exchanges to block digital wallets used for fundraising and money laundering.
 - **Oversight of NGOs (“da’wah”):** closing foreign shell NGOs and establishing a transparent international clearing mechanism for Gaza reconstruction, under Board of Peace supervision, that will be the only legitimate channel for donations.
 - **Blocking state funding:** increasing pressure on Iranian funding channels and blocking physical smuggling routes.

² For further discussion of economic measures that can be taken to weaken Hamas and strengthen the technocratic committee, see: Yitzhak Gal, “Economic Measures to Weaken Hamas in Gaza,” Mitvim, May 2026.