

# Return to the Two State Track

## How to Block Annexation and Safeguard Israel's Security

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Novenber 2026

The joint Peace and Security Unit
of the Mitvim institute and Berl Katznelson Foundation

**The joint peace and security Unit** of the Berl Katznelson Foundation, in collaboration with the Mitvim Institute, advances "The Israeli Initiative" - a strategic paradigm designed to ensure sustainable Israeli security and to promote a resolution to the Israeli-Palestinian conflict.

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# Abstract

The annexation project being energetically promoted by the 37th Government is a real danger to the security of Israel. It undermines Israel's identity and image as a Jewish and democratic state, and isolates it in the regional and international arena. Once it is complete, there will be a single isolated, weak and violent state, embroiled in conflict, between the Jordan River and the Mediterranean Sea. Annexation has proceeded by leaps and bounds since the present government took office (December 2022), and even more vigorously since October 7, 2023. The moves towards annexation are part of an orderly right wing-radical agenda, expressed in Smotrich's "Decisive Plan" (2017), and implemented in practice with the full approval and encouragement of Prime Minister Benjamin Netanyahu.

Annexation includes taking structural and institutional control of all civilian powers that were the responsibility of the IDF, unbridled acceleration of building in the settlements, the unprecedented declaration that huge areas of land are 'state land', and illegal takeover of extensive parts of Area C (mainly by setting up outposts and farms). These steps are accompanied by institutional terror - militias of young men operating from the outposts, with government funding and assistance, ignored and sometimes even backed by the Police and the IDF - against innocent Palestinians. The terror is designed to make the Palestinians' lives miserable and drive them out of their land (while perpetuating a situation of 'despair instead of hope', as Smotrich puts it). The promotion of annexation includes clear sectorial preference, and the diversion of huge budgets from the Treasury to the settlements (headed by Minister Smotrich). The annexation is accompanied by deliberate weakening of the Palestinian Authority (the 'enemy' of the right) hoping it will collapse and deliver a fatal blow to the Palestinian economy, in order to smash the Palestinian collective. Annexation is also the main ideological source behind the ongoing moves towards an anti-democratic coup. All these factors come together in a belligerent, unrestrained, anti-peace agenda that believes in the use of military force as a panacea, but is actually weakening Israel and leading it to security disasters on every front.

Notwithstanding the seriousness of the threat of annexation and the fact that it constitutes an illegal policy executed at the price of Israel's security, is not supported by the Israeli public, and arouses anger against Israel in the regional and international arena - all countermeasures taken so far have been meager and ineffective. At the political level, only the members of the Democratic Faction, the Arab parties Hadash-Ta'al and Ra'am, and some civil society organizations and activists have unambiguously condemned annexation. At international level there have been threats and sanctions with only marginal impact. Preventive moves have not only failed to stop annexation, they have even spurred the government to accelerate the pace and make the situation on the ground even worse.

**Even so, in spite of the rapidity and the extraordinary effectiveness of the moves towards annexation, they are still reversible and can be "turned back' and utterly stopped. Legislation and government resolutions can be cancelled at one stroke; construction and changes on the ground can also be halted: they are still very far from implementation. Most importantly - the Israeli public is not rushing to move to the territories, which are rightly seen as controversial and a real security risk. Moreover, negative migration from the settlements is continuing, and the Israeli public are not 'buying' the illusions that the heads of the failing settlement project are trying to 'sell' them.**

A proper response to the threat of annexation can only be achieved when the rightwing radical government is replaced. In order to save Israel from the disaster of annexation- the one state solution and the destruction of the Zionist vision, and to ensure Israel's security, a new government will have to abandon the idea of 'managing the conflict', as well as the mendacious 'military decision' approach, and bring about a political settlement. **The response to the systemic problem posed by annexation must itself be systemic and broad. In other words, together with the necessary steps to 'roll back' annexation, restoring the focus on security considerations and eliminating the disastrous 'one state' situation, it is important to promote practical steps to bring about thorough change in the area and prepare the ground for a new arrangement and agreed disengagement.**

This document describes the historical development of annexation and analyses the practices adopted under annexation policy over the years. It includes a historical survey, starting from the capture of the West Bank, with the emphasis on the gradual transition (under Netanyahu governments) from 'creeping annexation' to 'accelerated annexation', during the term of the 37th Government. The document also specifies the destructive consequences of annexation for Israel's security, its political status, its economy and its identity. The last section gives details of the required response to the annexation threat. In this chapter we present steps designed to block the decline and stabilize the territory, in a combination of moves intended to return Israel to the stable route towards a settlement. These moves will gradually bring Israel closer to long term security by means of a stable regional arrangement based on the two state vision. The next government cannot tread water and must present **a new political paradigm, based on the vision of an arrangement that will lead gradually to disengagement and implementation of the two state solution.**

The response proposed in this document includes the following steps:

**Cancel the structural and legislative changes designed to adapt state systems to annexation**. This includes abolishing the 'Settlement Administration', reframing section 33 of the order establishing the Civil Administration (Order 2195), and as a consequence, abolishing the position of deputy head of the Civil Administration and removing its subordination to the Settlement Administration. In addition, Government Resolution 687 to amend Law 150 (which puts constraints on building in the settlements) will be rescinded, the whole system of enforcement in the West Bank will be thoroughly overhauled, and legal consultation will facilitate genuine judicial review of what is happening in the territories. Discriminatory laws and those that encourage annexation will also be repealed, including: the Property Tax Fund Law, the Municipalities Order Law, and Amendment (Clause 7) to the Disengagement Law.

- **Stop the settlements and evacuate the outposts and farms that were deliberately established deep inside the territory, creating a disciplinary**

**burden for the IDF, and are intended to prevent Palestinian territorial continuity.** In this framework, it is necessary to distinguish between settlements adjacent to the separation fence and the Green Line (in order to facilitate a future settlement with the Palestinians) and those located deep inside the territory. The proposed moves will include halting the process of retroactive authorization of outposts and buildings, promoting a mechanism for strong enforcement against illegal construction, evacuation of outposts and farms, with the emphasis on those used as bases for Jewish terror, cutting budgets for settlements, cancelling the land settlement procedure (rescinding the cabinet resolution of May 2025), exposing the activities of the 'settlement division' and subjecting it to controls, stemming the use of archaeology and Jewish tourism as the pretext for increased Israeli control, stopping excess budgets for settlements and enacting an evacuate-compensate and absorption law to encourage the evacuation of outposts and settlements deep inside the territory to within Israel's borders or to settlement blocs.

- **Stopping Jewish crime and terror against Palestinians.** Promote an explicit government resolution charging the security and enforcement authorities with the formulation of comprehensive and effective plans, and ensuring provision of the necessary resources. There must be better tracking and continuous monitoring of terror activity, and inter-organizational cooperation for active enforcement (including reinstatement of arrest warrants and use of restraining orders) to ensure the activity is stopped. In the second stage, in order to uproot this phenomenon, educational and welfare programs will be set up to deal with young people in circles prone to trouble-making, and to work jointly with moderate elements within the leadership of the settlers and with leading rabbis for this purpose.
- **Creation of a stable routine for Palestinians, by means of security moves to allow normal life, particularly in Area C and in East Jerusalem.** This is partly to prepare for separation from the Palestinians and a political settlement. In this framework, the Palestinian economy will be stabilized,

employment and movement between towns will be revived, the banking system will be stabilized and the taxation system upgraded. In addition, there will be a process of family reunification and registering addresses in the West Bank and the Gaza Strip. Palestinian communities will be returned to their homes and water and electricity infrastructures will be renewed. House demolitions in East Jerusalem and Area C will be halted. The Palestinian Authority will be reformed, with the promotion of joint projects involving the Palestinian Authority with assistance from countries in the region on matters of infrastructure, employment, and the establishment of industrial zones. All this will provide the basis for an ongoing process to promote Palestinian statehood in the framework of a settlement, instead of violent annexation and eternal war between the peoples.

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# Chapter A: Development of the threat of annexation and one state

For decades Israeli governments have actively and passively allowed the promotion of moves towards creeping annexation, changing the situation in the West Bank by means of construction in settlements and outposts that are even considered illegal under Israeli law. This is accompanied by the (violent) displacement of Palestinian communities from their land, in order to establish Jewish rule over most of the territory. In most cases these actions were promoted 'bottom up', with variable political backing 'from above'. At the same time, due to the political stalemate and lack of a political decision in Israel, support for the two-state solution and a political settlement with the Palestinians has become weaker.

In recent years there has been a dramatic change, which during the term of the 37th Government has become an actual revolution. After years of failure to decide, the Israeli government has for the first time defined the annexation of the West Bank to the State of Israel as a declared objective. This policy is expressed in a variety of actions and by the allocation of huge resources, with the aim of expanding the Israeli hold on the territory at the expense of the Palestinian population, bypassing both international and Israeli law, to a larger extent than ever before. This, together with structural changes, government resolutions, amendments to legislation and allocation of huge budgets, in the attempt to change the status of the territory. Thus without any public debate, Israel has moved from a policy of no-decision to an official policy of annexation - although it arouses strong international opposition, and does not have much support from the Israeli public.

## 1. From no-decision to a declared policy of permanent presence

The main trends comprising the present annexation process, and the practices used by the government and the settlement movement to establish a one state situation, began back in the first years following the capture of the territories. While the government policy dictated 'from above' was influenced by the changing political reality and geostrategic circumstances, the settlement movement worked constantly to change the situation 'from the bottom up'. The development of these trends over the years gradually led to the transition from a political no-decision to the official annexation policy now being promoted.

### Setting facts on the ground in a changing political situation (1967-2011)

After the Six Day War, the National Unity Government (the largest in Israel's history, led by Levi Eshkol) avoided any decision over the future of the territories in general, and the West Bank in particular. In spite of calls by some ministers during government debates against annexation (which was likened to psoriasis, as the two words have the same Hebrew root) and for controlled return of the land, military rule was imposed on the conquered territories, in accordance with international laws on territory captured in war, which allow for temporary military control until a peace agreement is reached. But meanwhile the first moves began to create facts on the ground, to extend military and civilian control, and to blur the conceptual distinction between the territories and the sovereign state of Israel.[1] The government ordered the application of Israeli law to large areas of land around Jerusalem;[2] the Ministerial Committee on Security Matters

**1** The lack of any decision regarding the territories, and particularly the West Bank, derived from a combination of euphoria in Israel after The Six Day War, internal pressures not to yield 'a single inch', the lack of significant international pressure, and the Arab intransigence expressed at the Khartoum Conference (the three noes). For more details, see Zanany, Omer, 2023: "What should we do with all this property?'. Levi Eshkol Museum.

**2** Government & Law Ordinance (No. 1), 5727-1967

passed a resolution to define the Jordan Valley as the eastern border of Israel (August 1967); and subsequently decided that the Green Line would be deleted from Israel's official maps (November 1967). In addition, on the instructions of Defense Minister Moshe Dayan, Israel began to establish its presence on the ground - setting up military bases to begin with, followed by civilian settlements shortly thereafter.[3]

The logic behind this was military-security based. The settlements were established on land seized by military order, in areas defined as vital to security, mainly around Jerusalem, on the western seam and in the Jordan Valley, according to the Allon Plan. This plan advocated a permanent presence in key areas, while allowing for the possibility of a reduced Palestinian entity in the remaining territory. During the 1970s the Allon Plan also provided the basis for the failed dialogue on a settlement with King Hussain of Jordan. However, the idea of separation and the Allon Plan never became the official position of Israeli governments.

With the formation of Gush Emunim in 1974, the Israeli approach acquired a messianic-religious logic. The Gush Emunim faithful drew their inspiration and justification for the establishment of settlements all over the West Bank from their religious belief in Israel's right to the whole of the Land of Israel. They adopted a strategy of severing Arab territorial continuity in order to prevent the establishment of any Palestinian political entity. In 1979, Gush Emunim established the settlement of Alon Moreh in the heart of the area around the town of Nablus, on privately owned Palestinian land. There was no security justification for the expropriation of private land, and this led to a judgement that prevented the expropriation. The ruling limited the security claim to regularization of the settlement on the ground, and thus became a turning point in the organizing logic of such regularization and also in the scope of the settlement enterprise.

**3** At that time Moshe Dayan supported the concept of promoting 'integration' between the territories and Israel proper. Dayan's approach guided the activity of the IDF in the West Bank and the Gaza Strip. By contrast, Yigal Allon supported separation between Israel and the Palestinians, but also supported setting up settlements in key areas, based on the Allon Plan.

The Begin government supported extensive settlement of the territories for ideological reasons. In order to bypass the High Court judgement and allow more settlements, the component of land ownership came into play. About a month after the ruling, the government passed a resolution calling for "expansion of the settlements in Judea, Samaria, the Jordan Valley, the Gaza Strip and the Golan Heights, by increasing the population of existing settlements and setting up new settlements on land owned by the state."[4] In order to implement this resolution, Israel began a process of changing the status of the land by defining large areas as 'state owned', which meant that they could be allocated for the construction of settlements. As a result, in the period 1979-1992, some 908,000 dunams were declared 'state land'. For purposes of comparison, in the period 1967-1973 only about 31,000 dunams were seized for military purposes.[5] Since then, the practice of declaring land to be state-owned and allocating it for the construction of settlements has become a central tactic for changing facts on the ground, intensifying the Israeli hold, and making the possibility of partition more remote.

At the same time, led by the Coordinator of Actions in the Territories, since the 1980s Israeli governments have worked to stop the expansion of Palestinian villages and to demarcate the areas where Palestinians can live, by marking only the built-up areas and imposing planning and other difficulties on their actual development.[6] The idea behind these moves was twofold - permit massive settlement by Jews all over the West Bank, and drive out the Palestinian population while establishing Jewish control of the whole region.

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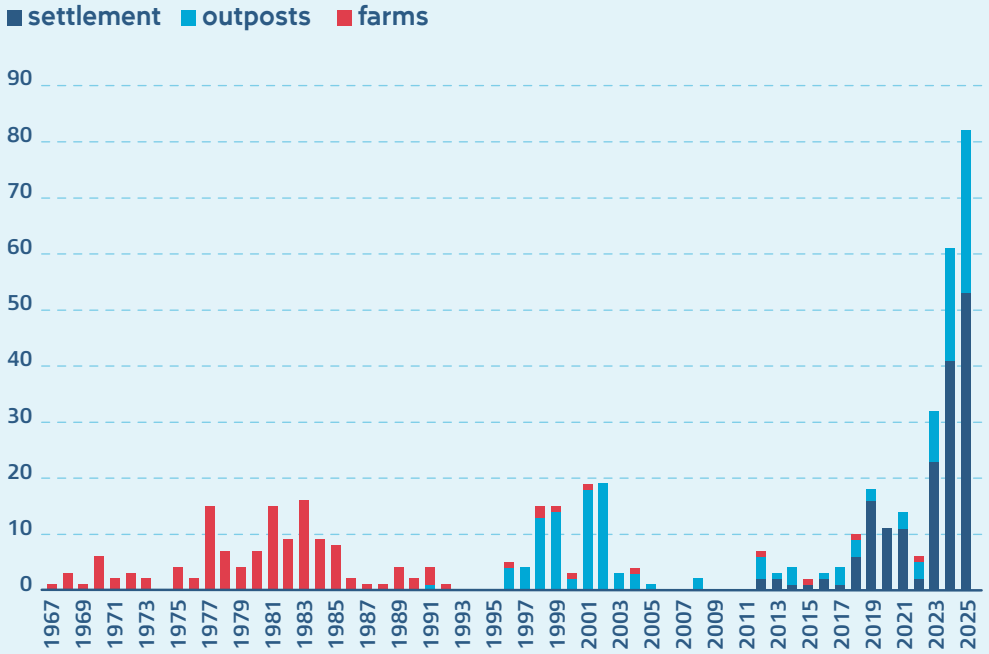
**4** Government Resolution no. 145, 11.11.1979.

**5** See: 2012. "Under the guise of legality: Declarations of state land in the West Bank", Betselem Report

**6** Zanany, Omer, 2023. 'Area C: From a region of conflict to a space for creeping peace", Mitvim Institute

## Fig. 1: Establishment of settlements, outposts and farms (by year), 1967-2025

List of Outposts & Settlements, Peace Now




The chart shows the heightened rate of establishing settlements under the Begin government, and the increased establishment of outposts from the 1990s onwards. Halfway through the first decade of the new millennium this trend was almost stopped, and it returned over the past decade - particularly in the shape of farms. The chart also shows the sharp rise in the pace of establishing outposts and farms under the 37th Government.

The Rabin government that served from 1992 brought with it a new message. The Oslo Process strove to end Israeli control of large parts of the West Bank and the Gaza Strip, which would gradually be handed over to the Palestinian Authority, in the framework of a political settlement. The West Bank was divided under interim agreements (August 1995) into three areas, to be gradually transferred to the control of the Palestinian Authority. At that time Israel stopped declaring land to be state owned and froze construction in the settlements (although building in existing

places was not completely stopped).[7] In 1996, under international and particularly American pressure, the government passed Resolution 150, which defined significant restrictions on the planning and construction of new settlements, which would require the support of the whole government.[8] In response to the withdrawal of government support, the settlement movement took steps to expand its control of the land in a new way, that enabled it to bypass Resolution 150: it began to set up 'unauthorized' outposts (illegal according to government decisions and Israeli law). Such outposts were also set up in areas far from the 'settlement bloc' and the Green Line, close to Palestinian population centers. In many cases, the outposts were built on private Palestinian land or land whose legal status had not been determined ('land under investigation'). The pace of setting up outposts changed over the years, and was strongly influenced by the political climate and international pressure (see Figure 1). It gained renewed momentum when Netanyahu came into power in 1996, and was blocked in 2005 in view of international criticism and Prime Minister Ariel Sharon's undertakings in the framework of the 'Road Map to Peace' agreements.[9] In 2012, under Netanyahu's leadership, outpost creation took on renewed momentum, which continues to this day with a significant conceptual difference: abandonment of the political process and establishing a permanent Israeli presence in the West Bank, by means of creeping annexation.

**7** Government Resolution no. 369 of 22.11.1992.

**8** Government Resolution no. 150 of 2.8.1996.

**9** The Road Map to Peace (2003) included a demand for Israel to freeze settlement construction and evacuate all the unauthorized outposts set up since Sharon became prime minister. The Israeli government approved the plan in Government Resolution 292 of 25.5.2003. This resolution included 14 reservations and comments. Israel did not keep to its commitments and the outposts were not evacuated. However, from 2005 to 2012 there were no new outposts.

## The political stalemate and transition to permanent presence under Netanyahu's governments (2011-2022)

As the rightwing took steps to change the territory and maintain the political stalemate following the failure of the Annapolis process and Netanyahu's return to government, a process of changing policy and thinking on the status of Area C was taking shape.[10] The interim agreements of the Oslo process were not revoked, but the land division they proposed changed, from a temporary means towards reaching a permanent arrangement, to the basis of an ideological change in attitudes to the territory's status. Israeli-controlled Area C (60% of the West Bank), most of which was originally intended to be controlled by the Palestinian Authority, became land that was perceived as 'sovereign' Israeli territory. The ideological change was given practical expression, in the establishment of a permanent Israeli presence in Area C, and in the struggle for a Palestinian presence there.

At that time the Palestinian Authority began to promote its own plans for the development and establishment of Area C, with the support and backing of the European Union.[11] The move began with the Fyyad plan (2009),[12] and the main focus was on a concentrated effort starting in 2015, known as 'the campaign for Area C'.[13] Among other things, it promoted infrastructure projects supported by international aid, such as

**10** Zanany, Omer. 2023. Area C: From conflict zone to space for creeping peace. Mitvim Institute

**11** In 2012 the European Parliament passed a resolution to support Palestinian development in Area C, for humanitarian and economic reasons, and as a tool for promoting a political settlement. The resolution was passed in view of unilateral moves by Israel to establish its hold of Area C by means of extending settlements. See: European Parliament resolution of 5 July 2012 "EU policy on the West Bank and East Jerusalem" (2012/2694(RSP))

**12** Fyyad, Salam. 2009. Ending the Occupation, Establishing the State: Program of the Thirteenth Government. https://www.un.org/unispal/document/auto-insert-209255

**13** The struggle against the Palestinian plan was initially led mainly by Regavim, an organization set up and run by Bezalel Smotrich. The position was later adopted by the Israeli government. See: Government Report, 2021: 'The Palestinian campaign for Area C: Shaping the security situation in the territory'. Ministry of Information, Research Division. chrome-extension://efaidnbmnnnibpcajpcglclefindmkaj/https://fs.knesset.gov.il/24/Committees/24_cs_bg_616988.pdf

sewage purification plants and laying water pipes. In addition, more than a hundred outline plans for Palestinian villages in Area C were prepared and submitted to the civil administration. While the USA and the UN continued to put pressure on Israel to approve the plans, some actually moved forward on the ground with European assistance before being approved.

But there were two sides to the campaign for Area C, The Israeli side was characterized not only by the 'bottom up' push to expand Israeli control (also with government support) but also by the 'top down' change in policy, in the legal situation and in the position regarding the future of the territory.

The 34th Government, installed in 2015 and led by Netanyahu, was relatively homogenous politically and allowed the change in the direction of Israeli policy in the West Bank. Netanyahu led a different approach of 'conflict management', based on denying the temporary nature of the occupation as a situation that would end with a political settlement. At this stage, annexation of the West Bank had not yet emerged as an objective, but in the absence of the intention to find a solution to the conflict, there was no real ideological or practical opposition to measures intended to make a 'reversal' of the Israeli civilian presence in the West Bank more difficult.

At the same time, Netanyahu led a policy of undermining the Palestinian Authority by means of constant delegitimization of its leader Abu Mazen. He fought against its actions in Area C, intensified the separation between Gaza and the West Bank, and supported the Hamas rule of terror in Gaza with money and legitimacy. He prevented any moves to strengthen the Palestinian Authority as recommended by the security system, and he even allowed actions designed to weaken it publicly and politically. The Freeze of Palestinian Authority Funds Law,[14] which entered the Book of Laws in 2018, was intended to stop the transfer of money to prisoners and their families with links to terror. In fact the law made it possible to freeze hundreds of millions of shekels each year (equivalent to the

**14** See: Freeze on money paid by the Palestinian Authority with links to terror out of funding it receives from the government of Israel Law, 5778-2018

payments to prisoners) out of the clearance funds - tax money collected by Israel for the Palestinian Authority according to the Paris Protocol - and thereby weaken the Authority economically. The political process with the Palestinians was cut short, and stronger Israeli control of the West Bank became the vision that guided decisions. Thus the way was opened for systemic support of the changes on the ground that the far right had been pushing for many long years, paving the way for the current promotion of accelerated annexation.

At the territorial level, the settlement campaign for Area C encountered a demographic obstacle.[15] The masses did not rush to the settlements, partly due to concerns over their safety. Most settlers lived in the larger settlement blocs close to the Green Line. In these circumstances emphasis was placed on maximizing the hold on land with a minimum of ideological settlers. The main practice in the war for Area C was developed during those years: the establishment of 'sheep-herding farms' which allowed a tiny number of settlers from the 'hilltop youth' to take control of large swathes of land: by early 2025, the farms represented control of 786,000 dunams, about 14% of the West Bank.[16] The land grab was accompanied by severe and systematic violence against nearby Palestinian communities, with the aim of driving them out.[17]

Meanwhile, there was an intensive campaign against the rule of law, focusing on the removal of legal obstacles to taking control of land in the West Bank, and ending in clashes with the legal system. In 2011 the state changed the attitude of the High Court towards outposts, from a policy of evacuation to a policy of attempting to reach a settlement in cases

**15** The figures from Tamrur-Politography show an ongoing decline in the annual rate of increase in the numbers of Israelis living beyond the Green Line, and the Jewish villages are showing negative or zero growth. See: Greenwald, Hanan. 2025. "Because of the security situation: Fewer Israelis are moving to live in Judea & Samaria", Yisrael Hayom. Kerem Navot, Peace Now

**16** 2025. "The Bad Samaritan: The West Bank land grab by settlers by herding sheep and cattle".

**17** In June 2022 a whole Palestinian community was uprooted from its home, for the first time, as a result of violent attacks. Since then the phenomenon has become a daily routine.

where the outposts were established on state land.[18] This was not just a theoretical declaration: since 2011 the government had been working to extend its control of the West Bank by retroactively authorizing dozens of outposts that were set up illegally.[19] The legal tool was also used in the war against Palestinian construction in Area C, to take control of their land. In 2018, Justice Minister Ayelet Shaked led a move designed to make it harder for Palestinians to access the courts in Israel,[20] thus restricting their ability to appeal against the actions of the military administration. The Regulation Law of 2017 was designed to remove the main remaining obstacle to taking control of the West Bank - by regularizing outposts built on private Palestinian land. This was an important symbolic and declarative milestone: for the first time, the Israeli Knesset passed a law that applied directly to the West Bank territory. This was the opening shot in the battle of creeping legal annexation. The law was annulled by the High Court, which was another important milestone along the road leading to the attempts to achieve judicial change since January 2023.

Meanwhile, the idea of annexation has spread through Israeli discourse over the last decade and a half. In 2012, before entering political life, the head of the Judea & Samaria Council at the time, Naftali Bennett,

**18** Until 2011 the official position was that the unauthorized outposts must be evacuated. In 2011 the state notified the High Court that it had changed its policy, so that only buildings erected on private land would be evacuated - and in all other cases, the possibility of retroactive authorization would be examined. Although even before that outposts were rarely evacuated, this notice contained a clear message that even though an outpost had been set up with no authorization, this was not sufficient reason to evacuate it, and in fact as far as the state was concerned, there was nothing to prevent the establishment of outposts.

**19** 2015. "Under the radar: The quiet policy of approving unauthorized outposts and turning them into approved settlements". Yesh Din.

**20** On the initiative of MK Bezalel Smotrich and led by the then Justic Minister Ayelet Shaked, in 2018 the Knesset approved a law which deprived the High Court of the authority to hear Palestinian petitions, and referred them to the Court of Administrative Matters. Apart from the fact that this law applied to the territories and therefore constituted a move towards annexation, it was intended to make it hard for Palestinians to oppose the takeover of their land, and referred them to a more 'convenient' legal forum. At the same time, Minister Shaked made sure to stack the regional court in Jerusalem with judges with a rightwing-settlement orientation, including Judge Haya Sandberg who was the head of the Outpost Regulation Committee.

presented his 'pacification plan' for annexing Area C to Israel.[21] At that time, Bennett described the Palestinians as a 'thorn in the backside'. Bennett's plan was not widely published or actively promoted. In 2017 the new MK Bezalel Smotrich published a far more radical plan, which he called 'the decisive plan'. The plan strove to bring about a solution to the conflict by resolving Palestinian national aspirations through a combination of a 'military decision' and a 'settlement decision', including full annexation of the West Bank, as well as determining facts on the ground through Jewish settlement and the construction of infrastructures connecting the West Bank to Israel; encouraging migration and pushing Palestinians out of 'Greater Israel'; and adapting Israeli democracy as the basis for depriving Palestinians who remained under Israeli rule of their rights, leaving them without citizenship and without the right to vote and stand for election.

Annexation of parts of the West Bank came up again and again in promises from right-wing politicians in the frequent election campaigns. In early 2020, while promoting President Trump's 'deal of the century', the Israeli government began to prepare for formal annexation of parts of Area C. However, the Abraham Accords, promoted by President Trump in anticipation of the US presidential elections, took the Israeli plans for formal annexation and the application of Israeli law to parts of the West Bank off the agenda, at least for the time being.

The Greater Israel ideology, which underpins the 'decisive plan', remains the leading ideology among the far right, whose political power has increased. The movement seeks to inherit the whole of the land, with a two-pronged effort: Jewish settlement, and driving out the Palestinian population.[22] In the Messianic approach the land is Jewish land by virtue

**21** See: Bennett, Naftali. 2012. "The Pacification Plan: a practical outline for managing the Israeli Palestinian conflict". Institute for National Security Studies. chrome-extension://efaidnbmnnnibpcajpcglclefindmkaj/https://www.inss.org.il/he/wp-content/uploads/sites/2/2019/01/%D7%AA%D7%9B%D7%A0%D7%99%D7%AA-%D7%94%D7%94%D7%A8%D7%92%D7%A2%D7%94-%D7%A0%D7%A4%D7%AA%D7%9C%D7%99-%D7%91%D7%A0%D7%98.pdf

**22** The settlement approach rests on Rashi's interpretation of the verse: "And you inherited the land and settled it", implying that Jews must take steps to drive foreigners out of the land.

of the Divine promise, and the Palestinians have no legitimate claim to it, even in the case of houses or land registered in their names.[23] For many years this concept has been behind the phenomenon of the Jewish underground, Jewish terror and the activities of the extreme right against the Palestinian population in the territory. It includes systematic violence against Palestinian communities, with the aim of expelling them and taking over their land. The decisive plan is derived from this position, and seeks to translate these efforts, which were initially mostly 'bottom up', into an established national effort.

The decisive plan challenges the 'conflict management' approach. Netanyahu's approach, although characterized by perpetuating Israeli presence in the territories and thereby intensifying the Israeli hold through a creeping takeover process, was not initially aimed at changing the territory's status. However, the decisive plan calls for a resolution of the conflict by imposing a one-state situation, based on the Greater Israel vision. Although at that time the plan was perceived as an extreme road map from a relatively minor member of the Knesset, with the formation of the 37th Government its principles became the formative element guiding the government's moves in the West Bank and Gaza, particularly after October 7, 2023.

**23** See: Rabbi Zvi Judah Kook, the spiritual leader of Gush Emunim, after the War of Liberation: "This country is ours, there are no Arab territories or Arab lands here, only Israeli lands, the eternal legacy of our forefathers, and within all its Biblical borders it belongs to Israeli rule." https://yesodot.org.il/uncategorized/%D7%94%D7%90%D7%A8%D7%A5-%D7%94%D7%A7%D7%93%D7%95%D7%A9%D7%94-%D7%90%D7%95-%D7%94%D7%90%D7%A8%D7%A5-%D7%A9%D7%A0%D7%99%D7%AA%D7%A0%-D7%94-%D7%9C%D7%91%D7%A0%D7%99-%D7%90%D7%93%D7%9D

## 2. From 'creeping annexation' to accelerated annexation: steps taken by the 37th Government to perpetuate the one-state situation (2023-today)

While the settlement movement made Greater Israel its goal from the start of its activity in the territory, the changing political situation and rounds of talks kept the two state option alive to some extent, although it was eroded over the years. The inauguration of the 37th Government was a turning point. The political power gained by the far right in the elections in the framework of a bloc set up by Netanyahu with the ultra-Orthodox Haredim and the settlers, enabled him to form a right-wing nationalist Haredi coalition ("full on right wing"), allowing the government to decide on the most sensitive issues for Israel's security and the future of the Zionist enterprise. There was no public debate or political preparation of any kind. Bezalel Smotrich, the father of the decisive plan and chairman of the Religious Zionism party, made sure that the coalition agreement of December 2022 enshrined annexation as a binding principle for the government: *"The Prime Minister will lead the formation and promotion of a policy in which sovereignty will be applied in Judea & Samaria*".[24] That agreement already specified many aspects of the moves towards annexation that were later implemented by the government and the Knesset.

Representatives of the far right in the government were appointed to key positions at various junctions affecting government policy in the West Bank, and held control of many fields of civilian life in the territory. By means of legislation and decrees, structural changes, government decisions and budget allocations, they worked intensively to change priorities, leading to a material change in the character of state systems, particularly the legal systems. The chairman of the Otzma Yehudit party was appointed Minister for National Security, and took steps to intervene

**24** See: Clause 18, The Coalition Agreement between the Likud and Religious Zionism establishing the 37th Government.
chrome-extension://efaidnbmnnnibpcajpcglclefindmkaj/https:/www.idi.org.il/media/18950/הציונות-הדתית.pdf

in the decision-making processes of the Police. People in the legal and security systems claim that this intervention enabled him to bend law enforcement in favor of Jews in the West Bank. In addition, the converging interests of coalition members with respect to the legal system led to the promotion of the government's flagship project, "governance reform", the regime change presented by Justice Minister Levin less than a week after the government was sworn in. Such reform was essential in order to remove the legal obstacles to taking control of West Bank territory and to promote the 'one state' reality, while applying full Israeli sovereignty and depriving the Palestinians of civil rights.

The strategic project is being promoted with a 'pincer movement'. First, there is a rapid move to increase Israeli control and hold of West Bank territory, by means of institutional annexation and setting up settlements and outposts. Secondly, the Palestinian population is driven out, by means of violence, destabilizing their daily lives and removing all their hopes of achieving freedom and national independence.

So this is not a case of intensifying and expanding existing trends, or supporting the establishment of facts, but a systemic revolutionary, deliberate and rapid 'top-down' move, designed to make the territories an integral part of the State of Israel. The definition of annexation as a declared objective and enlisting the whole system in favor of perpetuating Israel control of the West Bank is intended to make the Israeli presence permanent, and prevent Israel from returning to the path of settlement. This is a real revolution, affecting the whole image of Israel's future.

### 1. Structural and legislative changes to create institutional annexation

The main change led by the 37th Government is its intervention in the actual military 'mechanism' of the occupation. No one is any longer talking about sporadic attempts to 'civilianize' specific powers. It's a matter of a deep structural change in the Ministry of Defense and the IDF, led by Minister Smotrich and intended to give a push to the settlement enterprise, to 'blur' the distinction between sovereign Israel and the West Bank, to 'civilianize' the military occupation. This is in addition to the legislative

initiatives applied directly to the West Bank, thus constituting annexation in practice. After the attempt to impose full sovereignty at one stroke was blocked (in 2020), these moves amount to the imposition of sovereignty on the occupied territory by the 'salami method', one slice at a time, at a very rapid pace.

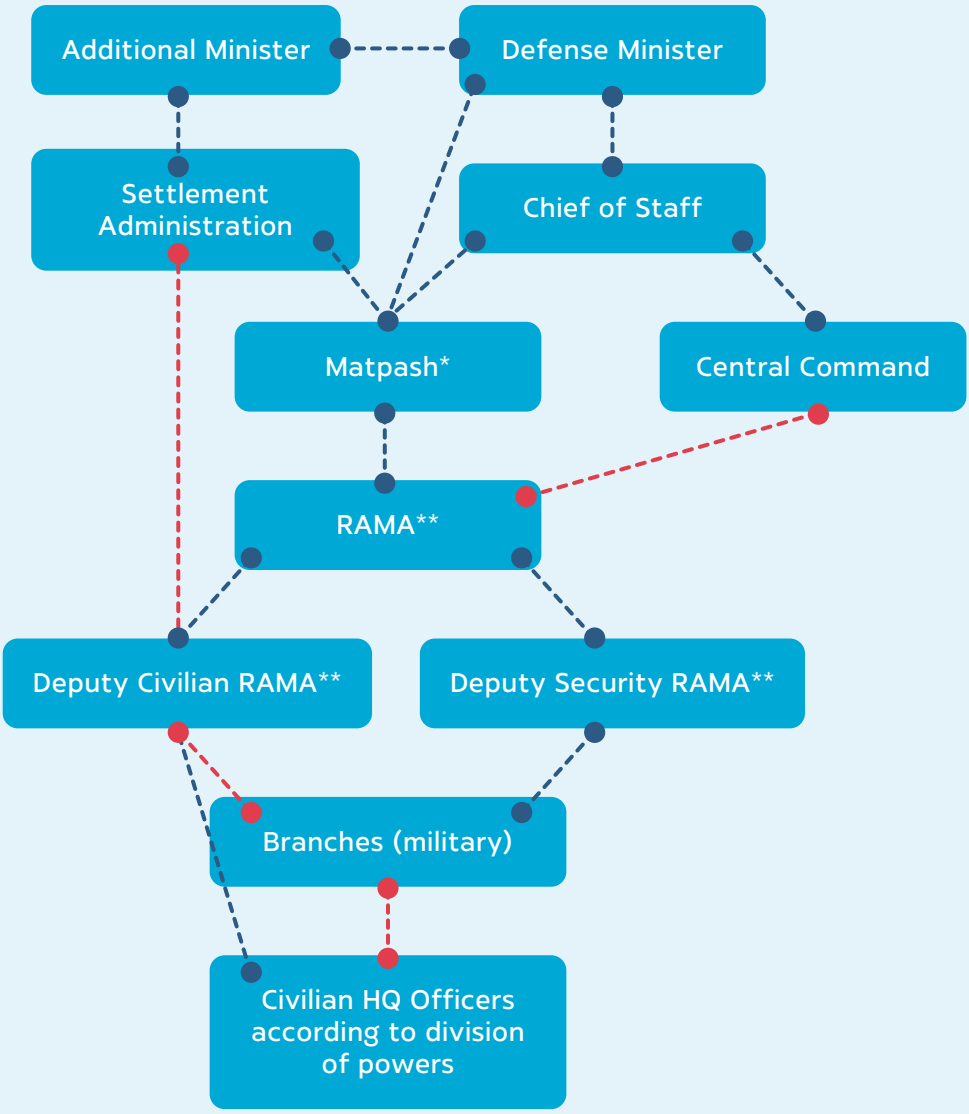
When the new government took office, Bezalel Smotrich was appointed an 'additional' minister in the Defense Ministry, according to the coalition agreement which stated that he would receive all the civilian powers in the West Bank. The division of the minister's powers was regularized in the 'document of understandings' signed in February 2023, between Smotrich and Defense Minister Galant. The understandings included agreement over the structural change in the civil administration (see figure 2), a move that was completed in May 2024 with Amendment no. 33 to the Civil Administration Order (Order 2195 of 1981). The amendment added a new position to the Administration: Deputy Head of the Civil Administration for Civilian Matters, which was granted hundreds of administrative powers on all aspects of civilian administration in the occupied territory.[25] The person appointed to this position was Hillel Roth, a civilian ally of Smotrich. Although the new deputy is subordinate to the head of the Civil Administration on command terms, professionally he is subordinate to the "Settlement Administration" which is a civilian body set up in the Defense Ministry under Minister Smotrich, in accordance with the undertaking in

**25** See: Order Establishing a Civil Administration (Amendment 33) (Judea & Samaria) (no. 2195) 5784

the coalition agreement.[26] The legal advice system was also fundamentally changed, since the same amendment states that the new deputy, in all areas under his responsibility, will be judicially subordinate to the legal counsel of the security system, and not to the office of the military attorney.

**26** The 'Document of Understandings' states that the deputy head of the Civil Administration will be professionally subordinate to the head of the Settlement Administration. The role of this administration will be "to manage and direct the activity of the Coordinator of Government Actions in the Territories and the Civil Administration on matters under the responsibility of the Additional Minister". The procedure of work between the settlement administration and the civil administrator makes his subordinacy to the head of the Civil Administration devoid of content. According to the procedure, the head of the Administration is very limited in his ability to intervene or change decisions made by the civil deputy, and he is required to use a complex notification mechanism in which he has no power to intervene. See: Working procedure between the Settlement Administration in the Ministry of Defense and the Civil Administration, of 29.05.2024. Page 90 in the Attachments to the Yesh Din Petition against the Amendment to the Civil Administration Order. For further details see: "Petition to the High Court of Justice: To cancel the transfer of powers to the deputy head of the Civil Administration, which signifies annexation of the West Bank". Yesh Din. https://s3.eu-west-1.amazonaws.com/files.yesh-din.org/Annexation_petition_2024/Annexes+69755.pdf

## Figure 2: Appendix A of the Document of Understandings: the organizational structure of units of the Matpash* and the Civil Administration




*Coordinator of Government Actions in the Territories

**Head of Civil Administration

The series of moves created a profound change in the Ministry of Defense. The delegation of powers to the deputy head of the Civil Administration, together with his legal and professional subordination to a new mechanism

set up in the ministry, constituted in effect a transfer of powers from one authority (the IDF, via the Civil Administration) to another (a civilian-political deputy subordinate to a minister in the Ministry of Defense). In this way military administration was effectively moved from military management, according to the laws of the occupation, to a separate civilian governing system subordinate to Minister Smotrich, which was openly driven by political aspirations to perpetuate and intensify Israeli presence in the territory. Not surprisingly, these actions were used by the International Court of Justice (ICJ) to determine back in July 2024 that Israel's presence in the West Bank had become illegal, because it was seeking to hold on to the territory permanently, contrary to the laws of occupation and international law. The Court explicitly mentioned the establishment of the 'settlement administration' within the Ministry of Defense, and the appointment of an additional minister in the Ministry of Defense, as unambiguous indications of annexation.

The profound structural change was intended to adjust the systems to the accelerating rates of actual annexation. In this way representatives of the settlers were operating within the government to facilitate significant changes in the West Bank. As part of the structural change that was designed to enable changes on the ground, in June 2023 the government passed resolution 657, that 'corrected' resolution 150 from 1996.[27] This decision gave Smotrich the powers to approve planning and construction processes in the West Bank, and removed many of the junctions where political approval was required for the most politically sensitive matter of the construction of settlements and illegal outposts. In order to allow a further leap forward, in May 2025 the political-security cabinet passed resolution 187/b: 'Starting a process of land arrangement in Area C'.[28] The move includes clarifying ownership and final registration of land in the land register, in an almost irreversible manner. Land registration began under British and Jordanian rule, and was frozen on the instructions of the IDF

**27** Government Resolution no. 657 of 18.06.2023.

**28** Resolution of Ministerial Committee for National Security Affairs, no. 187/b, of 11.05.2025

legal counsel immediately after the territory was captured in 1967, since it undermined the principle of the 'temporary' nature of the occupation, and constituted a clear move towards annexation. Minister Smotrich clarified the intentions behind the move: *"For the first time the State of Israel is taking responsibility for the territory as permanent sovereign territory... the land arrangement will create legal certainty, permit the allocation of land reserves to develop settlement, and prevent the efforts of the Palestinian Authority to take control of open areas".*[29] The possibility of registering Israeli ownership of land in the West Bank, together with the potential for considerable expansion of land that would be transferred to state control (due to the significant obstacles faced by Palestinians to prove their ownership in this procedure) was also intended to add more legal difficulties to the partition of the territory in the framework of a political settlement.

Alongside the moves in the Ministry of Defense, the legislative trend that began with the Arrangement Law of 2017 continued. Right-wing Knesset members promoted laws that applied directly to the West Bank, amounting to official annexation. For example, in April 2024, Amendment 157 to the Municipalities Ordinance entered the Book of Laws; this amendment extended the application of the clause permitting the distribution of revenues between local authorities so that it would apply in the West Bank.[30] Proposed bills to extend the powers of the Antiquities Authority to the areas of the West Bank,[31] and to give Israelis the possibility of purchasing land in the West Bank[32] are in the legislative process. Before that, in March 2023, the Knesset passed an amendment to the Law of Disengagement, which abolished the ban on Jews staying in northern Samaria, in a region that was evacuated as part of the disengagement. The law removed the legal obstacles against the return to 4 settlements that had been

**29** Smotrich, Bezalel. 2025. Facebook page.

**30** The Law to amend the Municipalities Ordinance, no. 157, 5784-2024.

**31** The Antiquities Authority Bill (Amendment - powers of the Antiquities Authority in Judea & Samaria, 5783-2023).

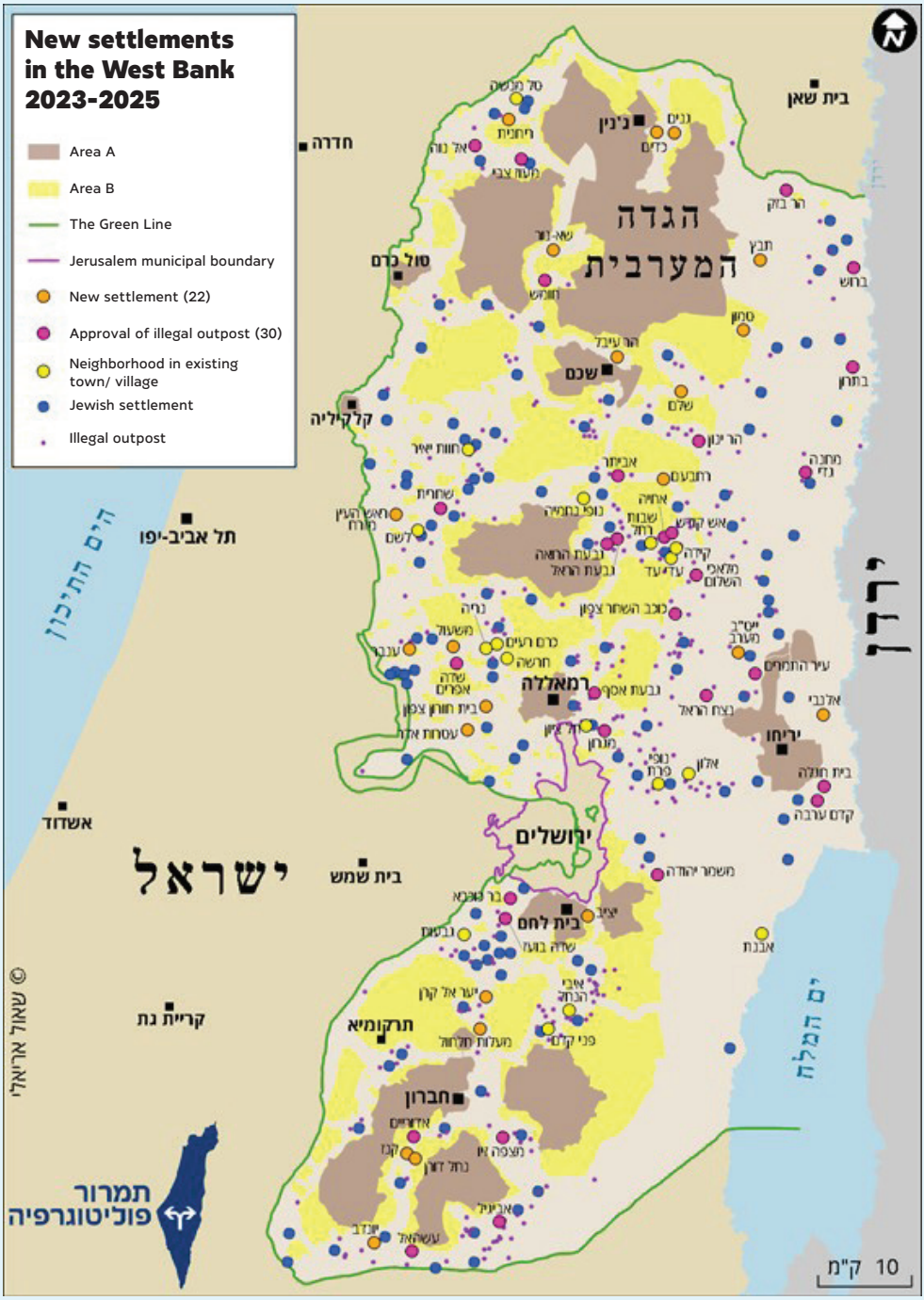
**32** The Bill to abolish discrimination in the purchase of land in Judea & Samaria, 5783-2023.

evacuated and regularization of the Homesh outpost. The Property Tax Fund Law that was passed as part of the 2023 Arrangements Law and promoted by Smotrich as Treasury Minister, included an arrangement whereby it would be possible to transfer money from the Property Tax Fund to settlements - which in addition to amounting to annexation also provides a channel for the transfer of money for political considerations.

**2. Government commitment to the expansion of control and settlement in the territory**

The powers transferred to the ministers of Otzmat Yehudit and Religious Zionism enabled them to enlist state systems for their project of extending the Israeli hold on the territory. The control of state resources by far right ministers, in the Treasury and in the Ministry of National Missions, enabled them to allocate huge budgets to planning, development and construction all over the West Bank, in order to intensify the Israeli grip. Thus, in a multifaceted process comprising numerous actions in local authorities and various ministries, carried out in conjunction with settlers working to change the territory 'from the bottom up', annexation and the one state enterprise are moving forward.

## Map 1: New settlements set up in the West Bank during the 37th Government




Tamrur-Politography

Minister Smotrich now holds powers covering land, planning and construction, regularization of outposts, road and infrastructure plans, declaration of nature reserves and more. Processes of approval and regularization have been shortened, facilitating the efficient advancement of rapid construction in the settlements,[33] regularization of outposts, and the establishment of new places. Since the government took office, the cabinet has decided to establish 102 new settlements, some of them entirely new and others added to existing outposts or settlements which until now were recognized as 'neighborhoods' of existing places, and have now been recognized as separate places (we will need an updated map).[34]

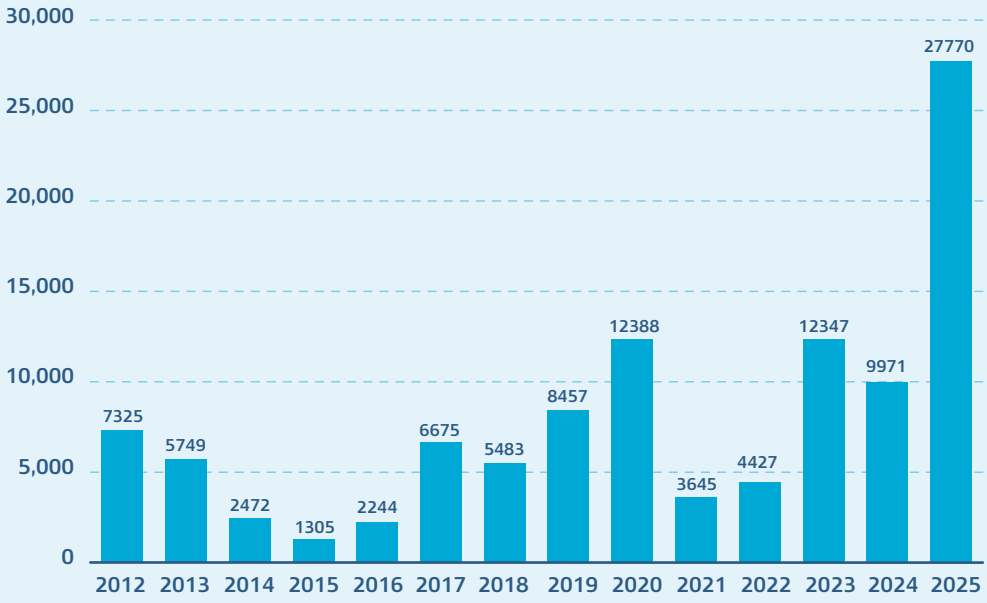
Whatever the case, the declaration amounts to a change in Israel's official policy of not establishing new settlements, a policy that has been followed since the Oslo era. Moreover, Smotrich ordered the Civil Administration to recognize some 30 outposts as 'destined for regularization' and to refrain from enforcement against them. He subsequently sent an instruction to other government ministries to recognize them as 'sites in the process of regularization' and to provide them with services and budgets. In this way, Smotrich in effect gave these outposts the same status as authorized settlements.[35] Many of the outposts concerned were set up deep inside the territory, in the midst of Palestinian populations, built on private land, and are a focus for violence against Palestinians.

**33** See Figure 3 - Promotion of construction in settlements, Peace Now.

**34** Based on data from Tamrur-Politography.

**35** 2024. The Quiet Revolution: Changing the character of Israeli control of the West Bank. The Association for Civil Rights in Israel, Ofek, Breaking the Silence, Yesh Din. chrome-extension://efaidnbmnnnibpcajpcglclefindmkaj/https://s3.eu-west-1.amazonaws.com/files.yesh-din.org/Hafiha_24/Hafiha_HEB.pdf

## Figure 3: Promotion of construction plans in settlements by year (number of housing units that have passed one of the planning stages)

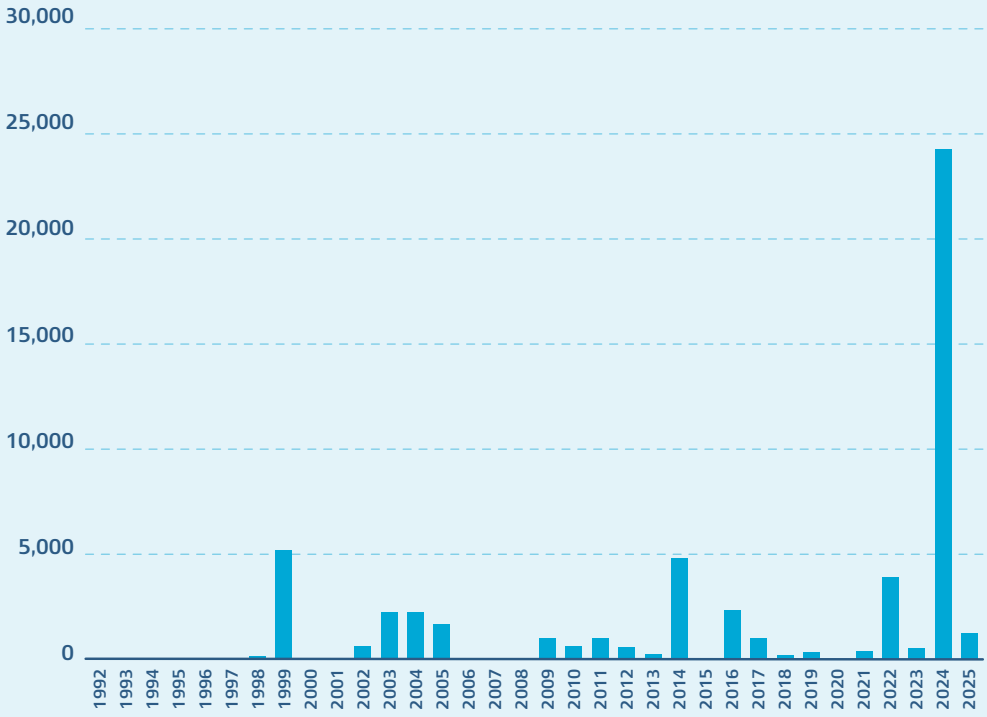



Peace Now data

The head of the Settlement Administration Yehuda Eliyahu, an ally of Smotrich, led an unprecedented number of declarations of 'state land' - required for the allocation of land to settlement construction. This was in spite of the warning from the security services that the action would cause unrest in the area. As of June 2025, since the 37th Government took office, 25,960 dunams have been declared state land. This is almost as much as the total area declared state land in the previous 25 years (see Figure 4). Other areas were declared 'nature reserves' or 'special security areas', in a way intended to drive the Palestinians away from these areas.[36]

**36** 2024. The Quiet Revolution: Changing the character of Israeli control of the West Bank. The Association for Civil Rights in Israel, Ofek, Breaking the Silence, Yesh Din. chrome-extension://efaidnbmnnnibpcajpcglclefindmkaj/https://s3.eu-west-1.amazonaws.com/files.yesh-din.org/Hafiha_24/Hafiha_HEB.pdf

## Figure 4: Declarations of State-Owned Land (dunams), 1992-2025



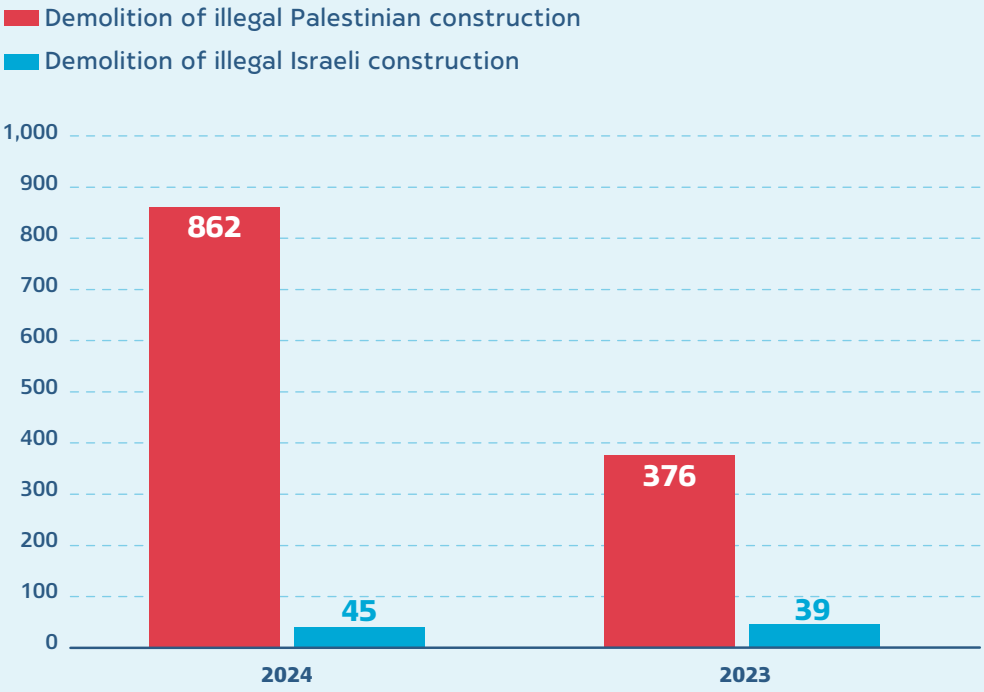

Peace Now data

The Settlement Administration has become responsible for enforcement, thus distorting the policy of enforcement against illegal construction. The former commander of Central Command, General Yehuda Fuchs, referred to this and warned at the time that the distortion was damaging to Israeli security.[37] He said: "Since March 2023, the enforcement plan approved by the Command requires confirmation from the Settlement Administration. Since then, and especially in the last quarter, the Administration has prevented the approval of enforcement moves against illegal Israeli construction. At the same time, it regularly approves enforcement against

**37** Summary by Central Command Commander Yehuda Fuchs of a discussion on "The absence of enforcement against illegal construction in Judea & Samaria", of 20.03.2024. chrome-extension://efaidnbmnnnibpcajpcglclefindmkaj/https://ynet-pic1.yit.co.il/picserver5/wcm_upload_files/2024/05/16/ByGJ8vQ7C/_____.pdf

illegal Palestinian construction. This is contrary to the declarations and undertakings of the State... **This situation of 'no law and no judge' is leading to a rise in incidents involving a significant element of damage to security in the region**" (see Figure 5).[38]

## Figure 5: Demolitions of illegal Israeli and Palestinian construction since the start of the 37th Government




Source: Mitvim, Coordinator of Government Actions in the Territories
(Data from Tamrur Politography

The Ministry of Settlement & National Infrastructures, whose appointed minister is Orit Strook from the Religious Zionism party, is also utilized to remove obstacles and help to take control of the West Bank. The ministry has received numerous powers, units, divisions and budgets connected to

**38** The difference in enforcement against illegal Palestinian construction and illegal Israeli construction existed in the years prior to the present government, but it has increased enormously in the last two years. According to figures from December 2025: there were 1,100 demolition orders against Palestinian buildings. Data from Tamrur-Politography.

settlements. Orit Strook took over the department that integrates the government's work with the Settlement Division, and with resolution 1628 she managed to increase the Division's budget and remove mechanisms that oversaw its activity.[39] The Ministry uses its powers to direct huge budgets to settlements and outposts. Among others, in June 2024, Strook and the Settlement Division announced the allocation of ILS 75 million to set up and establish dozens of 'agricultural farms' in the West Bank, the majority of them illegal outposts. Farms are often used as a tool to forcefully drive the Palestinian population away from the land.[40] Backing from above, allocation of resources, and above all non-enforcement led by the Settlement Administration, all these have contributed significantly to the establishment of a record number of illegal outposts. As of December 2025, in the West Bank there were 328 outposts - 175 of them set up under the present government.[41] In this framework, illegal outposts were for the first time set up in Area B, which is under the civil authority of the Palestinian Authority according to the interim agreements.[42]

In addition, under the current government hundreds of millions of shekels have been allocated as part of special grants, coalition funds and government decisions, that channeled budgets to various projects in settlements and to surplus budgeting of West Bank local authorities.[43] Certain projects are promoted due to strategic thinking about increasing the number of settlers and connectivity between Israel proper and the territories. 20 percent of the Transport Ministry's budget for road development in 2023-2024 was allocated to roads in settlements. The development of transport infrastructures, with the emphasis on bypass

**39** Government Resolution no. 1628 of 31.03.2024.

**40** Glazer, Hilo & Shizaf, Hagar. 2024. 'The Netanyahu government is not simply allowing Jewish terror in the West Bank. It is funding it. Investigation". Ha'aretz

**41** 2025. List of settlements and outposts: Peace Now.

**42** 2024. "At least 7 outposts have been set up in Area B under Palestinian control", Peace Now.

**43** 2024. "They're cutting everyone's budgets and the settlements are blossoming", Initial Analysis - Peace Now. chrome-extension://efaidnbmnnnibpcajpcglclefindmkaj/https://peacenow.org.il/wp-content/uploads/2024/02/2024-budget-in-settlements-HEB.pdf

roads and modern roads to reduce traffic jams, are described again and again by the settlers' leadership as an important catalyst for increasing the number of West Bank settlers.[44] As they see it, this work will help to 'suburbanize' the settlements and bring people seeking 'quality of life" and not just ideological settlers. Minister Smotrich referred to this in an interview to Channel 14 in July 2024: "Seven billion shekels for roads over the next five years, that's a revolution. If we want to bring millions of people to Judea & Samaria we need roads".[45] A recently-approved irregular plan is also being used 'to increase connectivity' in a way that could enable the annexation of Ma'ale Adumim to Israel: the cabinet approved the construction of a road only for Palestinians, to divert north to south Palestinian traffic to a designated tunnel. The road creates continuous Israeli territory between Jerusalem and Ma'ale Adumim - without Palestinians, and opens the door to construction in E1 and annexation of the Ma'ale Adumim area to Israel, in a way that bisects the West Bank and thus blocks the possibility of promoting a sustainable Palestinian state.[46] Another plan currently being promoted by the government deals with the erection of Israeli power stations in the West Bank, and the allocation of large areas of land for solar fields, for the sole use of settlers.[47]

### 3. Driving out the Palestinians with Jewish terror

Driving the Palestinian population out of Area C, and sometimes Area B as well, has been the goal of systematic violence for many years. Under the 37th Government, and particularly under cover of the ongoing war, violence has become a central method, with backup and support from above (see Figure 6). Law enforcement against Jewish terror has always

**44** Avi Roeh, former chairman of the Judea & Samaria Council and assistant to the Defense Minister on settlement matters defined traffic jams as the most strategic problem for the whole enterprise. See: 2025. "Meeting and tour, led by the council head Avi Roeh, with representatives of Netivei Yisrael and of the police regarding work being done on Road 5". Sha'ar Shomron Local Council

**45** 2024. Smotrich, Bezalel. Interview, Channel 14.

**46** Shizaf, Hagar & Spiegel, Noa. 2025. "The Cabinet has approved the construction of a separate road for Palestinians, enabling Israel to build in Area E1". Ha'aretz.

**47** Government Resolution no. 2282 of 31.10.2024.

been deficient, partly due to the weakness of the Judea & Samaria regional police, and the fact that IDF forces operating in the area are focused on protecting the settlers - and usually avoid taking action against Jewish terror incidents, even when they are present at the scene. But under the current government it is possible to identify a process of political intervention and harnessing the security services to this non-enforcement and even supporting violent activity on the ground. Defense Minister Katz announced, immediately upon taking office in November 2024, that he was stopping arrest warrants against "Jewish residents of Judea & Samaria", thus removing one of the most important tools against nationalist violence, and legitimizing the intensification of Jewish terror. In the Ministry of National Security, Minister Ben Gvir is suspected of preventing police enforcement against Jewish terror. Among other things, the claim that senior police personnel took steps to prevent the arrest of settlers involved in violence in return for promotion is being investigated.[48] In this context, associates of the minister were investigated on suspicion of trying to influence the investigation of Jewish terrorism activists.[49] It was also reported that the GSS was checking the infiltration of the Israel policy by Kahanist elements.[50]

The systematic violence is a primary tool for taking control of land and realizing the vision of expelling the Palestinians from the territory. The violence includes frequent attacks, barring access to grazing land and water sources, destroying plantations and so on. When measured by results, since 7 October 2023 until the end of 2024, 47 entire Palestinian communities were driven from their homes - about half of them in the first weeks following the murderous Hamas attack (for comparison purposes, from July 2022 when this activity first appeared to October 2023, six

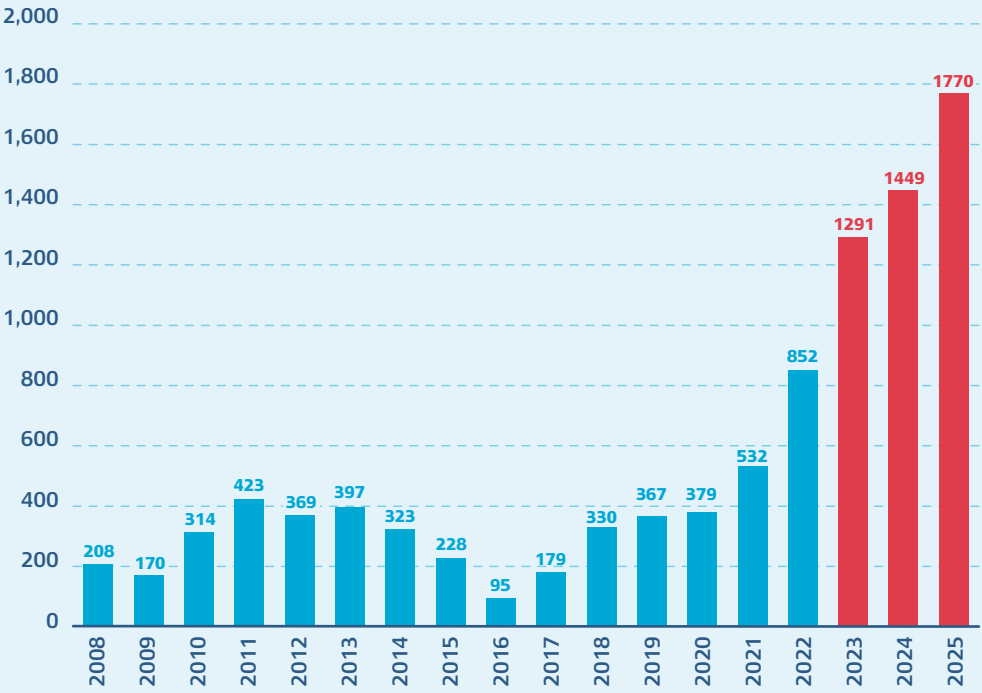
**48** In July 2025 the State Attorney notified the GSS Commissioner that she intended to file an indictment against him for his involvement in the affair.

**49** See: 2025. "Did they deliberately ignore Jewish terrorism? Associates of Ben Gvir are summoned for questioning". Kan 11, The Corporation

**50** Lis, Jonathan. 2024. "Netanyahu attacked the head of the GSS, but admits: he presented to me a claim about the infiltration of the Police by Kahanist elements." Ha'aretz.

Palestinian communities were uprooted).[51] At the time of writing, no less than 15 communities have been driven out from their homes and their land.

## Figure 6: Violent attacks by settlers on Palestinians that ended with injury or damage to property, by year (the 37th Government years are highlighted)




OCHA data

Violence supplements the aim of creating facts on the ground and setting up outposts and farms. Together they make it possible to drive out the Palestinian population and intensify the Israeli hold on the West Bank. Most isolated outposts and farms serve as the bases for systematic violence.[52] The deliberate effort by the farms to take control of the territory, accompanied by severe and systematic violence, receives practical

**51** See Kerem Navot survey: "West Bank shepherd communities expelled in the years 2022-2024."

**52** As of the end of 2021, the map of incidents shows that 63 percent took place close to outposts. See: Peace Now study

encouragement from the government and is presented by Ministers and Knesset members as a strategic effort to protect the open areas and prevent Palestinians taking control.[53]

For example, after the massacre of October 7, thousands of weapons were distributed in the settlements to rapid response squads and soldiers of the regional defense (RD), as protection from terror. Notwithstanding numerous reports documenting the involvement of people bearing IDF weapons in incidents of violence and abuse against Palestinians in the West Bank,[54] and the steep rise in the number of Palestinians killed by settlers in violent incidents, the IDF is not properly monitoring the extent of such incidents and terror involving RD soldiers and members of rapid response squads.[55]

In certain cases it is not just a matter of indirect assistance or failing to deal with the phenomenon, but of direct backing for violent incidents and the rioters themselves. A few months after the government was formed, a new trend appeared: mass riots ('pogroms') in Palestinian villages, involving hundreds of settlers. Participants sometimes even included Knesset members. In this way senior government members express their open support.[56]

**53** In this context we can cite the example of the distribution of 'security items' to farms in the Hebron Hills (April 2025), led by Ministers Smotrich and Strook: Semi-military equipment distributed to farms, although these are illegal farms that are involved in violent clashes with settlers. See: Smotrich, Bezalel on X.

**54** For example, see the Shomrim report dated 19.12.2024 on the involvement of RD soldiers in Jewish terror incidents: "Half a soldier, half a hilltop youth: The IDF has flooded the settlements with thousands of weapons and some are exploiting them to whip up the territory".

**55** According to the IDF response dated 24.04.2025 to a request from the Freedom of Information Movement, on the subject of nationalistic crime.

**56** For example, after the disturbances in Huwara in February 2023, it was reported that MK Limor Son Har-Melech is a member of the WhatsApp group that organized the riots. The next day, MK Zvika Fogel, chairman of the National Security Committee, supported the rioters, saying "This is what I want to see, it's the only way we'll get deterrence". Minister Smotrich clarified that the state itself should erase the village of Huwara.

The sense of political backing and the supporting systemic changes were described in a warning letter from the former head of the GSS, Ronen Bar, in August 2024, in which he described the incompetence of the police amounting to covert backing for settler violence, the loss of the fear of administrative detention, the funding and encouragement received by released prisoners from Knesset members, the use of weapons distributed by the State for acts of terror, the absence of condemnation, and even support and approval from the authorities. According to Ronen Bar, the growing intensity of the phenomenon together with the provocations led by Minister Ben Gvir on the Temple Mount are causing indescribable damage to Israel and endangering its security.

**4. Undermining Palestinian daily life in Area C**

Since the installation of the government, and even more so since the start of the Iron Swords War, the government has been promoting institutional harm to the Palestinian population in Area C. This policy is making daily life so hard that it leads to despair and creates fertile ground for unrest and extremism. Some of the steps are justified in terms of security, but as a whole they lead to the same outcomes: severe damage to the tissue of Palestinian life in the West Bank, weakening of Palestinian society and rule, increased despair and support for terrorism, and reducing the ability for Palestinians to live independently in the territory, as part of the trend towards perpetuating Israeli-Jewish control.

For example, the policy of applying closures and roadblocks, which have greatly increased in number since the start of the Iron Swords War, is used as collective punishment., rather than deriving from any necessity or military-security logic. Closure of the West Bank stopped the entry of Palestinian citizens of Israel, who often visited towns in the West Bank and brought money into the Palestinian economy. Since the start of the war, the entry of Palestinians coming into Israel to work has also stopped almost completely, in spite of recommendations from the security services to allow it. This has wrecked the livelihood of tens of thousands of Palestinians who were previously employed in Israel. In addition, in recent

months a surplus of shekels has developed in the West Bank, due to the restrictions imposed by Israel on the transfer of shekels to the Bank of Israel, preventing the conversion of the surplus shekels. This has put considerable limitations on the import of goods with foreign currency and the ability of Palestinian businesses to deposit their shekels in Palestinian banks.[57]

These moves have bad consequences for the Palestinian economy. In the West Bank, economic activity dropped by 23 percent in the first half of 2024, unemployment rose by 35 percent, and the economic crisis in the Palestinian Authority meant that some of its employees received only part of their salaries, including people in the security mechanisms.[58] The latest shekel crisis is threatening the stability of the whole Palestinian financial system.[59] These moves have direct impact on state security, since it is much easier to turn a desperate population towards terror, which is perceived as justified, in the absence of any other alternative.[60]

Another move is the struggle led by the government against Palestinian attempts to regularize ownership of land, due to a position in principle that the territory will in future be under full Israeli sovereignty, and no part of it will be transferred to Palestinian control. In this framework the government is preventing the Palestinian Authority from trying to clarify and regulate the rights of land owners. In May 2025 the Ministry of Defense, announcing the renewal of the land arrangement in the West Bank, clarified that the aim of the decision was to "block attempts by the

**57** Paskin, Doron. 2025. "The 'mountain of shekels' is paralyzing the Palestinian economy", Calcalist.

**58** See the World Bank Report: Impacts of the Conflict in the Middle East on the Palestinian Economy chrome-extension://efaidnbmnnnibpcajpcglclefindmkaj/https://thedocs.worldbank.org/en/doc/7fa86a3dc815d1b545b1eb0f129e351b-0280012024/original/WorldBank-PalestinianEconomicUpdate-Dec2024-final.pdf

**59** See Warning from the Palestinian Authority, 29.06.2025. "Palestinian Monetary Authority urges international action to address Israeli shekel currency bottleneck in banks." M.E Monitor

**60** From an interview of former Minister Ephraim Sneh in January 2024, during filming of the series "The Age of Annexation" of the Political-Security Unit of Mitvim Institute and Berl Katznelson Foundation and Ogen La'atid.

Palestinian Authority to carry out land regularization arrangements", and that all such attempts would be deemed legally invalid, and the security services were instructed to prevent such efforts by the Palestinian Authority.[61] At the same time, policy on approving construction, allocating land and enforcement against illegal building continues to discriminate, and in effect constitutes a struggle against Palestinian presence in Area C. As mentioned above, the transfer of powers of enforcement to the Settlement Administration has led to a considerable increase in enforcement against Palestinian construction, while enforcement against Jewish illegal construction has almost completely stopped.

Another tool for perpetuating Israeli control of the West Bank is the weakening of the Palestinian Authority. It began with the perception introduced by Netanyahu in the period of 'conflict management', when security coordination with the Palestinian Authority was retained, but there were efforts to keep it weak and illegitimate politically. But since the inception of the present government, in his role as Finance Minister, Smotrich has been leading a process designed not only to weaken the Authority but in fact to bring about its collapse. He leads a regime of sanctions and extensive freezes of funds, and together with the fatal blow to the Palestinian economy dealt by the start of the war, this has brought the Palestinian Authority to the brink of collapse.

The danger here is twofold. Firstly, the economic crisis is severely damaging the Palestinian security mechanisms (non-payment of salaries or reduced salaries) and their ability to fight terrorist organizations and the 'islands' of Iranian control that have emerged in the West Bank.[62] Secondly, these moves together with other unilateral moves by Israel in the West Bank, the continuation of the war in Gaza and the security escalation, are eroding Palestinian faith in the feasibility of a political settlement, reducing

**61** See: Ministry of Defense announcement concerning land regularization, 11.05.2025. chrome-extension://efaidnbmnnnibpcajpcglclefindmkaj/https://peacenow.org.il/wp-content/uploads/2025/05/MOD-press-release-on-cabinet-decision-110525.pdf

**62** Ben Kimon, Elisha, 2024. "The fear: 'Iranian islands' in Judea & Samaria | The strategic warning from the GSS of the collapse of the Palestinian Authority". Ynet.

Palestinian support for the Palestinian Authority, and increasing the support for terror.[63] These actions led the GSS to send serious alerts to the political echelon in July and September 2024, including warnings that the government was contributing to unrest in the West Bank, strengthening terrorist organizations, and preparing the ground for a third intifada.[64]

## 3. The consequences of annexation for the State of Israel and its citizens

### Annexation: a structural, legal and security revolution

The moves towards annexation are not just a 'quantitative' change in the territory but a real revolution that is changing the face and identity of the State of Israel, and perpetuating the one state situation. Structurally, the government is working to eliminate the distinction between Israel and the West Bank. The Religious Zionism ministers talk openly of equalizing the status of the territory by improving services, conditions and the lives of Jews in the West Bank, as a tool for preventing the possibility of partition.[65] Legally, the moves are aimed at 'civilianizing' the occupation and perpetuating it - so that it is no longer 'military' or 'temporary'. As far as international law is concerned, this change is exposing Israel to proceedings in international courts and it has already had an effect on its standing in the world and its economic, academic, diplomatic and cultural

**63** The research of Dr. Khalil Shkaki, which shows how during the Oslo process most of the Palestinian public supported the Palestinian Authority, while only 13% expressed support for terror and Hamas. In recent years, in view of the political stagnation and rejection of the two states solution by Israel, support for Hamas has increased significantly with a concomitant drop in support for the Palestinian Authority. For more details, see: Zanany, Omer: "The Israeli Initiative". Political-Security Unit of Mitvim Institute and Berl Katznelson Foundation.

**64** Ben David, Alon & Dricker, Raviv. 2024. Warning from the security system regarding the situation in Judea & Samaria: "There could be hundreds of deaths". Channel 13.

**65** For example, in September 2024 Smotrich wrote on X: "My life's mission is to build the Land of Israel and thwart the establishment of a Palestinian state... With God's help I will continue to work with all my might so that the half a million settlers who are on the front line and under fire will enjoy the same rights as all Israeli citizens, and to determine facts on the ground to prevent the establishment of a Palestinian terror state."

ties, and more. In terms of security, 'civilianization' decisions are changing the nature of the factors to be considered, from military considerations to political and ideological considerations. They are limiting the regional command's room for maneuver and its ability to take steps to calm the situation on the ground. The outputs being set up deep inside the territory are increasing friction between the two populations and demand considerable manpower for protection, while the rise in displays of Jewish supremacy cause unrest and responses that lead to instability and damage security.

## Significance for Israel's security and economy of choosing the one state solution

Long term security can only be achieved by a combination of a strong army to defend the country's borders, and a political settlement based on a stable status quo and preventing security escalation. The main significance of annexation is that it means renouncing a political solution of the Israeli-Palestinian conflict, and Israel is thereby effectively abandoning the chance for stable and ongoing security in favor of a situation of endless war of varying intensity. Whether Israel is forced to control the population following the collapse of the Palestinian Authority, which has become a real possibility due to the government's actions, or whether as the result of a political decision to annex the territory fully and officially, the outcome will be disastrous. It means direct rule of some five and a half million Palestinians in the West Bank and the Gaza Strip, who are in a state of economic and political despair with no solution in sight. These millions of Palestinians do not want to live under an Israeli regime, "and therefore, in one way or another they will rise up. And to block or contain this uprising, it will be necessary to use force".[66]

The consequences will be a huge security burden on Israel. Research carried out in 2018 estimated that in a scenario of annexation, the IDF would have to double its forces in the West Bank in order to compensate for the end of security coordination with the Palestinian Authority and to deal with

**66** Interview with Ephraim Sneh, January 2024, in "The Age of Annexation" series.

the expected deterioration.[67] This means moving IDF units to policing tasks in the territories, requiring the extensive call-up of reserves to replace them in other defense missions. In a situation of full annexation, as stated above, Israel will have direct responsibility for millions of Palestinians, and will bear the burden of the civil administration of the whole territory. The same study estimated the annual cost of full annexation at 52 billion shekels, including increases to security costs, together with the enormous budgets required to maintain the military administration and provide services to West Bank residents.

But the destructive implications of the current moves in the territory are not limited to the security burden on the IDF. Even now hundreds of settlements and outposts are causing daily friction that attracts terrorist activity from both Jews and Palestinians, due to deliberate Israeli presence in the heart of the Palestinian population.

The spread of settlements increases the motivation for terror and reinforces the dynamic of unrest, leading to frequent violent incidents. It also increases the financial costs as more and more personnel are drawn into the mission, putting greater pressure on an exhausted army. Over the years, the IDF deployment has grown from a single division to seven divisions! This has created a 'trade-off' between the vast resources required to defend this deployment, and the IDF need for preparedness and training.[68] The attrition of combat units on policing missions is harming the IDF's fitness and readiness for war.

The friction between the populations and the escalation in the territory is not due only to the increasing numbers of outposts, but also to deliberate violence against the Palestinians, with backing from above, as part of an ideological trend of driving out the Palestinian population. The structural

**67** 2018. Moves towards annexation in Judea & Samaria - consequences. Commanders for Israel's Security. chrome-extension://efaidnbmnnnibpcajpcglclefindmkaj/https://www.shaularieli.com/wp-content/uploads/2024/06/%D7%9E%D7%97%D7%A7%D7%A8-%D7%94%D7%A9%D7%9C%D7%9B%D7%95%D7%AA-%D7%94%D7%A1%D7%99%D7%A4%D7%95%D7%97.pdf

**68** "The Age of Annexation" TV series.

and institutional changes led by the current government, together with the escalation on the ground, are damaging the ability of Central Command to perform its task of protecting the West Bank population, both Jewish and Palestinian. In Area C the commander acts as the supreme governor, and it is his job to find the balance between civilian considerations of maintaining a normal life for all residents, and security considerations. This is a complex task, resting on 4 'feet': the IDF, the Israeli Police, the civil administration and the GSS. According to Gadi Shamani, former commander of Central Command, the transfer of the civil administration to the control of Smotrich, together with the failure of the police to enforce the law in cases of violence against Palestinians, "has taken away two of the feet", leaving the commander having to deal with a lack of balance in the difficult task of fighting against friction and deliberate unrest.

Moreover, the government's actions are exacerbating the situation by weakening the Palestinian Authority and the Palestinian economy, thereby strengthening terrorist organizations in the West Bank, which the Palestinian Authority is unable to deal with. Driving the Palestinians out of the territories with words and deeds sends them a message that the political track is blocked, and increases their motivation to commit acts of terror.

## The impact of annexation on Israel's legal and international status

The violent annexation and Israeli opposition to any political settlement are leading to Israel's isolation, the imposition of sanctions, and significant damage to Israel's collaborations with countries of the region and the international community. Israel is perceived as a rogue state which poses a threat to the Middle East, and encourages state terror against innocent Palestinians. A continuation of Israeli policy in the West Bank in particular is expected to cause further damage to Israel's status and its image in the world as a democratic and law-abiding country.

Underlying the steps against Israel's moves towards annexation is a decision by the International Court of Justice (ICJ) that Israel has de-facto annexed parts of the West Bank, and therefore its presence there is not legal according to the rules of international law. In July 2024 the Court

published an advisory opinion which determined that Israel's actions to hold on to the territories permanently are forbidden by international law, and therefore countries that have diplomatic relations with Israel must distinguish between Israel proper and the territories, and ensure that their collaborations with Israel do not contribute to its continued hold on the territories.

This opinion is only advisory and not binding, but this normative determination with respect to the legitimacy of Israel's actions has a 'snowball' effect that influences international players. This does not apply only at state level, but also to investment by international corporations, collaborations with academic bodies, and so on.[69] An example of this can be seen in the decisions of the Norwegian Wealth Fund in August 2024, to set new standards for companies helping Israeli activity in the Palestinian territories, partly relying on the ICJ opinion.[70] In December that year it had already sold all its holdings in Bezeq, due to its activity in the settlements.[71]

Apart from the illegal annexation by force in line with the radical 'decisive plan', countries are also changing their policy towards Israel due to its conduct of the war in Gaza, which has been accompanied by enormous destruction, the killing of tens of thousands of uninvolved people, and calls by senior ministers and the Prime Minister himself to expel the Gazans. This irresponsible and unrestrained policy has led to an unprecedented decline in Israel's global standing, bringing sanctions, academic and cultural boycotts, a weapons embargo, and even European preparations to abolish parts of the European Union's treaty of association, Israel's largest trade agreement.[72]

**69** 2025. Hostovsky, Brandes, Tamar. "The Age of Annexation" series

**70** Coverage of the decision of the Ethics Committee of the Norwegian Wealth Fund, Ma'ariv, 04.09.2024, Reuters, 2024: "Smotrich got a shock: the international blow that Norway landed on him", Ma'ariv.

**71** Foreign News. 2024. "Due to its services to settlements: The Norwegian Wealth Fund has sold all its holdings in Bezeq". Calcalist.

**72** Tunik, Tamar. Pilot, Avraham. 2025. "Over 40 billion euros at risk: the European Union will discuss abolishing the partnership agreement with Israel". Calcalist.

Israel's policy also poses a genuine risk to its vital peace relations with Egypt and Jordan. These two countries on Israel's border see the pushing of Palestinians towards their territory as a real threat to their national security. The collapse of the peace treaties with Egypt and Jordan, which are a real security asset, will have extremely negative consequences for Israel. The choice of the track of annexation, war and the absolute rejection of a Palestinian state is damaging Israel's relations with countries in the west, but is also an obstacle to any progress in its relations with moderate countries of the region, as shown clearly in the statements from Saudi Arabia on the issue of normalization with Israel.[73] Israeli commitment to practical advancement of the two state solution is an essential condition for any progress in relations. These alliances are important for Israeli security when taking a broad regional view. They could play an important role in any solution for 'the day after' in Gaza, and they have the ability to open broad channels for economic activity with the potential for huge economic momentum. Choosing annexation will prevent any progress in establishing such relations.

## Influence on the character and identity of Israel

Changing the situation in the territories involves more than the Green Line. In the long run, the current process offers a number of possible alternatives, but the common factor is a profound change in the face of Israel as a safe, Jewish and democratic state, that seeks to be a member of the family of nations. Full annexation of the West Bank while depriving Palestinians of rights will be perceived as apartheid, based in effect on Jewish supremacy. Since Israel cannot expel the Palestinians from the area during annexation, the move will establish 'one state' in which Israel will lose its Jewish majority and Jewish morality in accordance with the spirit of the prophets. The attempt to deal with the problem by depriving Palestinian citizens of their rights means relinquishing equality - the most basic democratic principle. Even the attempt to annex only 'open areas',

**73** Elaishian, Aziz, 2025. "Saudi Arabia is the correct choice for Israel on the way to the two state solution". The Political Security Unit of Mitvim Institute & Berl Katznelson Foundation.

leaving isolated enclaves of Palestinians,[74] will not change the fact that the Israeli regime in the West Bank will be discriminatory and illegal. Thus, with no public debate, the government's policy of annexation is dragging Israel towards the destruction of the whole Zionist enterprise.

**74** MK Avichai Boaron from the Likud has stated that Israel should not be satisfied with annexing only Area B, but that "sovereignty must stretch over all the open territory in Areas A and B".

# Chapter B: Transition from a one state situation to a two state situation

Taking a long term view, the only solution that will provide security and stability is separation, through the establishment of a demilitarized, peace-seeking Palestinian state, as part of a stable regional settlement. The reality on the ground and the distrust between the sides are preventing the progress of any such move in the immediate term. On the other hand, avoiding a decision, continuing the policy of 'conflict management' and waiting for a change in the political situation cannot be the solution. This will only serve the wishes of the most extreme and provide fruitful ground for creating facts that make the prospect of separation more unfeasible. It will also lead inexorably to escalation and extremism in Palestinian society, thus perpetuating the conflict.

Therefore, opposition to annexation demands a comprehensive and urgent response. This response must include not only a halt to moves to take over and annex land, but also a reversal of the trend and an immediate start to creating a more convenient situation for separation. Israel's actions can have enormous impact not only on the situation in the territories but also on the conduct of Palestinians in preparation for a settlement. Of course we cannot dictate the actions of the 'other side', but as the strongest party in the arena, Israel has many tools to help moderate the trend towards extremism and to shape a partner on the Palestinian side. We can promote stabilizing moves: find elements in Palestinian society that we can work with for a future of stability and security, and help to strengthen them. If Israel starts to operate in this way, within a few years the two-state vision could become a reality.

Based on this guiding perception, it is important to face the one state threat and promote a plan to return to the two state track. The plan will include political steps to stop the moves towards annexation together with moves that can put Israelis and Palestinians on track towards a settlement. The response has four dimensions, in the face of four trends

that are leading the decline towards one state. They were presented in the previous section: reversing institutional annexation; reducing Israeli hold on the territory by stopping the settlement and outposts enterprise; enforcing the law to stop Jewish violence and terror; and securing a stable daily life for the Palestinians, preparing the ground for a settlement. The following are concrete policy recommendations for actions to be taken by a government that wishes to reverse the drift towards one state.

## 1. Turn back the moves towards annexation at government-institutional level

Below are the main steps that will eliminate the situation of de-facto annexation led by the 37th Government:

### Restore civil powers to the IDF

The structural changes in the Ministry of Defense, and particularly the transfer of civil powers from the IDF to a civil mechanism subordinate to Minister Smotrich are the central factor in the creation of an annexation situation. These moves were the basis for a fundamental change in the position of Israelis and of Palestinians in the territory. The next government should act as follows:

#### ◎ Abolish the post of deputy head of the Civil Administration

The transfer of the civil administration's powers to a deputy for civil matters, although ostensibly retaining command subordination to the army, in practice enabled the transfer of sensitive issues such as planning, land registration, construction enforcement and more from the IDF to a mechanism controlled by the additional minister. Amendment 33 to the Civil Administration Order regulated the transfer of powers and the deputy's subordination to the Legal Council in the Ministry of Defense, instead of the Military Council of the Attorney for Judea & Samaria (the military attorney). At the same time, the work procedure for these bodies defines the deputy's professional subordination to the Settlement Administration.

Therefore Amendment 33 of the Civil Administration must be rescinded, thereby eliminating the position of deputy. His powers will revert to the Civil Administration and the legal counsel will return to the IDF. Restoring these powers to miliary elements will allow greater weight to be given to security considerations when determining Israeli policy in the West Bank. It will also give Israel the tools to deal with growing international criticism, which rests largely on these moves.

### ◎ Dismantle the Settlement Administration

This administration is a civil body managing the lives of citizens in the West Bank, and its very existence constitutes a move towards 'civilianizing' the occupation and thus towards annexation. It works according to a clearly civilian and settler-based logic, designed to equalize the services to civilians settling in the West Bank with those provided within the Green Line, to regularize Jewish settlement in the territory even if done illegally and without approval, and to 'erase' the Green Line, with all the legal and practical implications that entails.

It is therefore important for the government to decide on an announcement of the end of the temporary mission of the Settlement Administration, according to Resolution 168, which approved the appointment of the Administration's head[75]. In addition, the Minister of Defense should circulate an order cancelling the allocation of posts to the Administration and consequent appointments, and repeal all the administrative changes since its establishment.

### ◎ Restore the requirement for political approval for development and construction in the settlements

By means of Resolution 657, the 36th Government limited the 'junctions' where political approval was required for expanding settlements. The political echelon thus renounced the ability to review and use its discretion on a subject of supreme national importance. Resolution 657 amended Resolution 150 of 1996, which defined the obligation for political approval, and instructed an amendment to Resolution 175/b of

**75** Government Resolution no. 168 of 23.02.2023.

the Ministerial Committee for National Security of 1999. Therefore the following moves are required:

- **Repeal Government Resolution 657 of 18.**06.2023 and reinstate Resolution 150 as it was.
- **Instruct the political/ security cabinet to amend Resolution 175/b.**
- **Charge the Minister of Defense and the Minister of Justice with mapping all the changes made since the date of Resolution 657 that affect the West Bank, at various levels: changes in legislation, in policy, and any administrative changes since the establishment of the Settlement Administration.**
- **Since the process of annexation is currently under way, this instruction makes it possible to map all the actions taken so that they can be eliminated as necessary.**

This change will provide the political echelon with the checks and balances for the policy of annexation, and give a government that wishes to proceed to a stable settlement a legal basis for limiting construction in the settlements.

## ◎ Repeal annexation legislation and freeze legislative initiatives designed to equalize the legal status of Israel and the West Bank

Under the 37th Government there were a number of bills to make Israeli law applicable in the West Bank, step by step, and thus effectively erase the Green Line and treat all of the settlements and outposts, without exception, like places located within Israel. In some cases it involved prioritizing the transfer of money to settlements rather than places within sovereign Israel as another way of channelling funding to the settlements.

All the annexation laws applying to the West Bank must be mapped, and steps taken to repeal or adapt the legislation, and stop bills currently in the legislative process. These include the following:

- **The City Tax Fund Law, which treats places within Israel the same way as the settlements in terms of their ability to benefit from the city tax fund.** This law could also serve as a pipeline for channelling funds for political considerations.
- **Amendment to the Municipalities Order, which applies the clause regulating the distribution of money, thus allowing city tax funds to be transferred to settlements through distributions for industrial and commercial zones.**
- **Amendment to the Disengagement Law, which permits Israeli presence in areas that have been evacuated in norther Samaria, something that was forbidden by the original law in the framework of the disengagement plan.** This is a strategic area where construction will split the Palestinian space and constitute an obstacle to a two state solution. At symbolical level, repeal of the law by the radical right wing was intended to send a message that previous moves towards evacuation by Israel could be reversed, and this damaged belief in the possibility of reaching a settlement with Israel.

## 2. Limit the Israeli hold and prepare the territory for separation as part of a political settlement

The situation in the territory creates unrest and extremism, and is an obstacle to separation. The current practice of expanding settlements, setting up new settlements under the pretence of expanding existing ones, and support for outposts set up with no permits deep inside the territory, is making it very difficult to outline permanent borders. As a realistic estimate, 140,500 people are currently living on land earmarked for evacuation as part of a settlement, including in 162 outposts deep inside territory that Israel is not working to evacuate.[76] Their wide deployment creates friction and constitutes a significant burden for the IDF. The isolated farms and outposts are fertile ground for violence

**76** According to data from Tamrur-Politography, the number of settlements and outposts marked for evacuation as part of a political settlement, based on the borders proposed in the Annapolis Plan. The figures are correct for 2024.

against Palestinian villages and sometimes against the security forces, encouraging escalation. So according to immediate security logic and also when looking to the future, Israel has a clear interest in limiting the number of outposts and settlements deep inside the territory.

In order to achieve this, Israel must change its order of priorities: from a policy of deepening its grip on the territory to one of preparing for separation as part of a settlement. It must act immediately to stabilize the area and prevent escalation by blocking moves to take control, and restore security considerations to the center of focus in its decisions. It must also stop all government moves to incentivize Israeli development and hold on the land, because they are contrary to the desired future outcome and put difficulties in the way of negotiations over Israel's permanent borders. In order to prepare for a settlement, the government must take steps to limit expansion beyond the settlement blocs that will remain under Israeli control in the final agreement. The principle of exchanges of land, whereby Israel will retain some of the settlements along the border, has already been effectively accepted as an agreed guideline in the discussions with the Palestinians (in the permanent talks, and in the letter from President George Bush Jr. to Prime Minister Ariel Sharon (2004)).

## War on illegal construction in the West Bank

### ◎ Abolish the processes of authorizing outposts and buildings

In recent years various mechanisms have been created to retroactively regularize illegal Jewish construction in the West Bank. Abolishing these processes will help to avoid violent outbursts, block an important method of promoting annexation, and prevent the creation of facts on the ground, that are an obstacle to any political solution.

- **The new status created by the 37th Government of 'outpost in the process of regularization' must be abolished, as it protects illegal outposts from enforcement of the law and allows them to receive government funding and be connected to infrastructures.** Dozens of outposts have already been regularized in this way, with no public discussion of the security and economic significance.

- **In addition, there is a need to change regulations that in effect allow illegal construction and the retroactive approval of structures, such as the agricultural construction regulations and the regulations on exemption for works and structures.**

## ◎ Reform of enforcement against illegal construction

The policy of non-enforcement led by the Netanyahu government for many years, has legalized land grabs and created a situation that amounts to a security challenge and an obstacle to a political solution. This phenomenon has become far worse since Central Command's enforcement policy has required the approval of the Settlement Administration.

**The first stage:** in order to stabilize the area, enforcement against illegal Jewish construction must be reinstated immediately, and steps taken against illegal roadblocks that are widespread in the West Bank.

**The second stage:** a systemic change of approach is needed to stop the trend, by setting up suitable mechanisms. For this purpose, the proposal is for a government decision to charge the Minister of Defense with formulating an updated enforcement policy. We also propose the establishment of an independent IDF authority, operating under Central Command, to engage in criminal and administrative investigation and enforcement, similar to the land enforcement authority operating within Israel. This move will regularize enforcement and prevent political control of enforcement policy.

## ◎ Evacuation of outposts and farms

The outposts and farms set up all over the West Bank are the executive arm for the Jewish takeover of Area C. They are widely dispersed, including in extremely sensitive locations for security, and create friction, expand the settlers' hold on the area, and are a strategic obstacle to the promotion of a settlement. They must therefore be evacuated, for reasons of observing the law and enforcement against illegal construction, and also for reasons of security - dealing with one

of the most significant causes of escalation in the area at present. These steps must be taken gradually, preferably with priority given to the evacuation of outposts and farms in the most sensitive locations, that require a disproportionate allocation of IDF forces and make it hard to maintain the security of the area and its residents, and of outposts that are the source of systematic violence that threatens local Palestinians and even IDF forces operating in the area.

## ◎ Stop allocating budgets for illegal settlement activity

Not only does the government refrain from enforcement against illegal actions - it even invests considerable budgets in the expansion of such actions: in a variety of services, equipment and assistance. The main tool for the allocation of resources is the Settlement Division. This is not a government body, but an executive arm operating in the framework of the Zionist Federation, and for that reason it is not subject to the Freedom of Information Law, and most of its activity is hidden from public view. The scant information that has been published shows that over the years the Settlement Division has been involved in illegal activities, including setting up and funding outposts, supporting and reinforcing herding farms (including those that serve as the basis for systematic violence), allocation of land to outposts and farms - including the allocation of private Palestinian land without authority, and more.[77] There must therefore be a government resolution preventing the investment of budgets and resources in illegal farms and outposts by means of the Settlement Division:

- **Stop the allocation of state budgets to outposts and farms.**
- **Limit the activities of the Settlement Division, to ensure it acts in accordance with clear and explicit criteria and with a legal opinion confirming that the budget must be used for lawful activities.**

**77** Settlement Tracking Team, 2024: "The Settlement Division is the executive arm of the Israeli government for suspicious work". Peace Now. chrome-extension://efaidnbmnnnibpcajpcglclefindmkaj/https://peacenow.org.il/wp-content/uploads/2025/09/What-is-the-Settlement-Division-HEB.pdf

- **Make the Settlement Division's budget and its uses known to the public.**
- **Apply the Freedom of Information Law to the Settlement Division.**

## Stopping moves to expropriate land and allocate it to settlements

The current government is making extensive use of various tools to map land in order to expand the area under Israeli control, to push the Palestinian population out and to 'authorize' the allocation of land to settlements through massive declarations of 'state land' and defining areas as 'archaeological sites' or 'nature reserves'. It was also recently decided to renew the process of facilitating the registration of permanent ownership of land - an almost irreversible step that is designed to perpetuate control of the territory. These moves make use of legal tools for regulating the status of land in order to expropriate land and transfer it to Israel control. A number of ways of countering this trend must be promoted:

### ◎ Stop the processes of investigating, declaring and allocating state land to settlements

According to international law, 'state land' is land that belongs to the public. It is managed by the sovereign authority, but the land itself belongs to the local population and not to the occupying force. In effect, 'state land' in the West Bank is used almost exclusively to extend and develop settlements,[78] thus harming efforts to limit Israeli control and prepare for a peace settlement. There is therefore a need to:

- **freeze declarations of new state land and allocation of land to settlements;**
- **stop the process of locating plots of land defined as subject to investigation and their declaration as state land;**

**78** In response to a request for information from Peace Now and the Freedom of Information Movement it was announced that 99.76% of state land allocated for any use in the West Bank was in effect allocated to settlements. See: Settlement Tracking Team, 2018: "State land in the territories is allocated to Jews only", Peace Now.

- **examine areas that have been declared and allocated but not yet actually used (no construction has begun) and cancel any declarations in remote and strategic areas that constitute an obstacle to a peace settlement;**
- **freeze the activity of the state land demarcation team in Judea & Samaria ('the Blue Line Team') and the allocation of resources to mapping the land.**[79]

## ◎ Cancel the process of land regularization

The security cabinet decision of May 2025 to renew the land arrangement in the West Bank is a clear move towards annexation in order to perpetuate Israeli ownership by means of a fixed final registration of land. Its declared aim is to expand the settlements and fight Palestinian attempts to regularize their rights. In order to amend this distortion, Cabinet Resolution 187/b must be rescinded and the renewal of the land arrangement prevented.

## ◎ Stop the use of archaeology and tourism to increase Israeli control of the territory

Defining areas as nature reserves or archaeological sites is a tool for restricting Palestinian use of the land, removing the Palestinians from the land and in effect seizing it, thus reinforcing the Israeli grip on the territory.[80] The development of archaeological and tourist sites is also used to channel budgets to the settlements[81], and to normalize settlements that are presented as a direct continuation of a historical Jewish presence in order to deny any Palestinian connection to the area. The 37th Government is promoting a bill intended to broaden the

**79** 'The Blue Line Team' was set up in the Civil Administration in 1999, with the aim of re-examining declarations of state land and redrawing the borders of the area. Every new plan relying on areas declared before 1998 must be re-examined by the team.

**80** Stahl, Ziv. 2017. "Appropriating the past: The use made by Israel of archaeological sites and findings in the West Bank". Emek Shaveh.

**81** Veeder, Anna et al., 2015. "Antiquities sites in the political struggle for the Bethlehem / Gush Etzion area". Emek Shaveh.

powers of the Antiquities Authority to cover the West Bank, and transfer the authority in the territory from the IDF to a civil body, and also erase the distinction between Areas A, B and C.[82] The promotion of this bill must stop, as well as the development of nature and heritage site for the sole benefit of settlements, and the restrictions on Palestinian use of land defined as antiquities sites or nature reserves must be scaled back.

## Adjusting policy relating to settlements designated for evacuation in the framework of a peace settlement

Looking towards the future and a peace settlement, it is necessary to distinguish between construction in settlements adjacent to the Green Line and on the Israeli side of the security fence, which will remain in Israel under any future settlement, and construction in settlements deep within the territory. Expansion of remote settlements beyond the assumed outlines of a peace arrangement is an obstacle to progress and a considerable security burden.

A new map must therefore be drawn up, aligned with any future agreement with the Palestinians and serving as the starting point for future dialogue. The more remote areas outside the future borders of Israel will be defined as designated for evacuation, and policy regarding them must be adjusted accordingly.

**The first stage** is **a freeze on construction in remote settlements**, particularly those outside the route of the security fence, to be coordinated with the Americans. **The second stage**, part of the efforts to prepare for a peace settlement, is the promotion of moves designed to change priorities, to stop investment in areas designated for evacuation, and provide solutions and incentives for the inhabitants of remote settlements to move to areas that are designated to remain under Israeli control. This includes:

**82** The Antiquities Authority Bill (Amendment - The power of the Antiquities Authority in Judea & Samaria), 5783-2023.

## ◎ Stop the surplus budgets for settlements designated for evacuation

Over the years numerous surplus budgets have been allocated to local authorities in the West Bank, for the purpose of building infrastructures that encourage the move to settlements. Once preparations for separation start as part of peace arrangements, the settlements designated for evacuation will cease to be priority areas, and therefore the allocation of surplus resources to their expansion should stop. In this context it is important to examine the special grants transferred by the Ministry of the Interior to West Bank authorities,[83] the tax benefits designed to boost settlements by defining them as areas of national priority, and the extensive investment in roads and infrastructures all over the West Bank.[84]

## ◎ Pass the evacuation, compensation and absorption law

The purpose of this law is to limit as far as possible the trauma of forced evacuation and to provide a response with suitable compensation for settlers living deep inside the territory who wish to move to areas within the State of Israel or within the route of the separation fence. After many years in which Israel has been promoting unilateral moves that undermine Palestinian and international belief in its readiness to reach a settlement, such a move will show that Israel is taking the initiative and promoting separation. Settlers living beyond the security fence will be able to exchange their homes for a new home within the State of Israel. The law also proposes the establishment of a body to deal with the eligibility of interested settlers, and it will define the budgets for the replacement of homes and grants for settlers who choose to exercise their eligibility.

**83** As of October 2025, this year special grants amounting to ILS 189 million were transferred to West Bank local authorities. See: Settlement Tracking Team, 2025: "Bill on Tax Benefits for Settlements". Peace Now.

**84** According to Minister Smotrich, ILS 7 billion have been approved for roads in settlements as part of the 5-year plan for roads, 01.02.2025. See: Settlement Tracking Team, 2025: "Steep rise in the road budget for settlements". Peace Now.

## 3. Systemic plan to enforce the law and prevent Jewish violence and terror

Nationalist violence against Palestinians, like undermining the status quo on the Temple Mount/ Haram al-Sharif, together lead to instability and Palestinian extremism, and thus provide the engine for dangerous escalation. Jewish terror is therefore a real danger to Israel's national security.

### ◎ Action plan to deal with nationalist violence against Palestinians

The government's failure to enforce the law against Jewish terror requires a significant change at system level. There are insufficient personnel to handle the phenomenon, there is no systematic collection of evidence, there is insufficient coordination between the bodies involved, and there is no official monitoring to enable an assessment of the phenomenon and a suitable alignment of policy and tools.

**The first stage:** promote a comprehensive, multisystem plan for effective enforcement. Promote a detailed government resolution to grant legal and other tools to deal with Jewish terror (including the use of restraining orders and administrative detention orders). It must also instruct the security and enforcement authorities to prepare comprehensive plans, secure the required resources, and establish significant inter-ministerial collaboration to fight this phenomenon, particularly with respect to the work of the police and the army on the ground. These plans must include continuous monitoring of the extent of incidents so that resources can be directed to specific areas of friction.

**The second stage:** the roots of the problem must be tackled at the level of education and society. Once effective enforcement is assured, it is important to promote educational and welfare programs for young people mixing in groups that are prone to causing trouble, particularly in view of the large numbers of vulnerable youths linked to elements leading the violence and disturbances in the West Bank. It is important

to work with moderate elements in the settler leadership and with leading Rabbis to root out this phenomenon.

## ◎ The Temple Mount/ Haram al-Sharif - from the focus of escalation to a focus of cooperation

From the early 1900s to the Second Intifada, the Temple Mount/ Haram al-Sharif was a source of violent clashes in the Israeli-Palestinian conflict. Any challenge to the status quo involves severe security risks, and undermines regional stability and Israel's relations with the whole Muslim world. Minister Ben Gvir brought this dynamic to new heights and used his visit to the Temple Mount as a tool for incitement and sending a message of Jewish supremacy.

Over the past two decades, maintaining the status quo has generally helped to prevent violent incidents and preserve strategic relations with Jordan. For the sake of regional stability, the government must send a public message that maintaining the status quo is Israel's official policy, and stick to it.

**The first stage:** take immediate steps to restore the status quo:

- **Enforce the ban on Jewish prayer on the Temple Mount (including stopping provocations such as defiant Jewish prayer at entrances designated for Muslims, prayers in the Bab-a-Rachma cemetery, etc.**).
- **Restore the police policy of prioritizing the entry of Muslim worshippers to the Temple Mount and thus avoid imposing collective restrictions on the entry of Israel's Arab citizens and residents of East Jerusalem.**
- **Put the emphasis on improving relations between the police and the Wakf as a way of restraining extreme elements.**

**The second stage:** taking the long view, in order to prevent escalation and radicalization, and strengthen trust, a permanent coordination mechanism will be set up, consisting of representatives from Israel, Jordan and the Palestinian Authority, and perhaps another Arab, possibly from Saudi Arabia or Morocco. This mechanism will maintain a permanent channel of communication, serve as a tool for the exchange

of messages and information and to build trust, and enable proper preparation for moments of crisis on the Temple Mount/ Haram al-Sharif and the Holy Basin. The purpose is to avoid the familiar situation in which both sides try to deal with explosive incidents only after they occur. The mechanism will include experts and locals who are familiar with the situation in and around Jerusalem, and will engage with civilian as well as security aspects, with representatives from the political echelon, to coordinate its actions with the decision makers. The principal behind the work of this mechanism will be to maintain the status quo and lead to agreed changes.

## 4. Creating a stable daily life for Palestinians in preparation for an agreement

The serious inequality in enforcement against building violations in the West Bank, the economic sanctions, the policy of closures and other steps taken by the 37th Government, have led to greater extremism in a trend that already existed: pushing out the Palestinian population and weakening the Palestinian Authority, in accordance with a world view that rejects the existence of any Palestinian state entity. This world view is the basis of Netanyahu's 'conflict management' strategy, and together with moves led by the Religious Zionism ministers, it has evolved into collective abuse of the Palestinians. The goal is no longer 'just' to prevent the formation of a Palestinian state, but to shatter the Palestinian collective. This policy drives the extremism that makes it harder to achieve any kind of agreement.

Palestinian weakness and the disintegration of Palestinian society do not serve Israeli security in the long term. Israel needs a united Palestinian society under a moderate, functioning and effective leadership, to serve as a counterweight against terror, and to be a partner for a stable settlement.

## Security steps to stabilize and improve the daily lives of Palestinians in the West Bank:

The first consideration is security - stabilizing and calming the territory, halting the economic and humanitarian decline, and limiting the daily friction between Palestinian civilians, the IDF and settlers from farms and outposts.

### ◎ Immediate steps to remove restrictions that were imposed under the cover of war

After October 7 many restrictions were placed on West Bank residents, including a ban on entering Israel to work,[85] with significant increases in the numbers of roadblocks and closures. These restrictions make life very difficult, although there is little security justification for their continuation. The West Bank security situation and the flourishing terror organizations require military steps, but it is important to ensure that all actions are proportionate, because revenge attacks on the population only exacerbate the situation, and because these steps also have negative consequences for the security of the whole territory:

- **Palestinian employment: a functioning Palestinian economy is an Israeli interest, and an essential condition for preventing flare-ups and achieving long term stability.** Therefore, as recommended by the security system and subject to security checks, Palestinians should be allowed to return to work in Israel.
- **Relief at roadblocks and border crossings: studies prove that a policy of easing passage through roadblocks and borders leads to a drop in support for violence and terror, while the feelings of humiliation caused by these barriers increase support.**[86] We therefore recommend

**85** Until October 7, every day some 150,000 Palestinians with work permits entered Israel. Today only about 6,500 workers enter Israel and about 12,000 are employed in the settlements. See: Yochanan, Nurit: "This is how the Palestinian Authority economy survives in war", Kan 11, The Corporation.

**86** Longo, M., Canetti, D., & Hite-Rubin, N. (2014). A checkpoint effect? Evidence from a natural experiment on travel restrictions in the West Bank. American Journal of Political Science, 58(4), 1006-1023.

a gradual supervised process of removing roadblocks that are not essential for security in the territory.

### ◎ Unfreezing changes to the Palestinian population register

In 2007, after the disengagement and the Hamas takeover in Gaza, Israel froze updates to the Palestinian population register it holds.[87] This results in considerable restrictions on the movement of Palestinians whose addresses have not been updated, in cases of moving between the West Bank and Gaza (and then they are deemed to be staying unlawfully in their homes). Similarly, the grant of status to spouses (whether foreign or diaspora Palestinians) was also frozen, making family reunification practically impossible. We suggest permitting changes of address between the West Bank and Gaza, and the approval of family reunification status. For a government seeking a resolution, there is no logic to restricting the register of Palestinians in the territories based on quotas approved by the security system.

### ◎ Connecting Palestinian communities in Area C to the water grid

In Area C there are dozens of unrecognized Palestinian communities who suffer greatly from structural discrimination in the Israeli planning system (even though most of the villages existed before 1967).[88] Half of these villages have no running water. Because of the discrimination that effectively makes it impossible to regularize these villages, and because the connection to water is a basic humanitarian need, these communities must be allowed access to water irrespective of their legal status.

The government must act to connect all the communities in Area C to running water by installing a faucet to fill water containers next to each community - and the communities themselves will pay for the water.

**87** See: Israel's control of the Palestinian population register, in a document from Hamoked, The Center for the Defense of the Individual

**88** 2017. "Communities in danger of expulsion", Betselem.

### ◎ Protection for Palestinian communities that experience systematic violence, and the return of communities that were expelled

Since October 7, settler violence has been the main driver behind the expulsion of Palestinian villagers in Area C from their land. Apart from intensifying the settlers' control of West Bank land, the fact that it is possible sends a message to the violent elements that this is an effective tool for them, and encourages them to continue with this behavior.

Steps must be taken to protect the communities from this systemic violence, and to return expelled communities to their land, together with guarantees that they can live in security and work their land. This step is important not only to prevent escalation and protect the Palestinian population, but also to send a message to them, to the international community and to the rioters themselves that violence is not acceptable and does not achieve its 'goal'.

## Changing the approach to Palestinian construction in Area C

Israel's current approach towards planning and enforcement in the West Bank is discriminatory, with obvious priority for Jewish construction and systematic enforcement against Palestinian construction. 95% of Palestinians applications for building permits are rejected outright, and since the residents are unable to build lawfully on their land, they resort to unauthorized construction. As a result, since the 1990s over 18,000 demolition orders have been issued to Palestinians in Area C for thousands of buildings, including some designed to meet clear humanitarian needs, such as water wells, toilets and solar panels to generate electricity. Many of the condemned structures were donated by western countries, and their demolition leads to diplomatic friction and casts a shadow over Israel's relations with friendly countries.

This policy causes enormous frustration and despair in the Palestinian population, leading to unrest and radicalization. A government that is not seeking to perpetuate Israeli control of the territory, but rather to

realize the vision of separation and the two state solution, must change its approach to Palestinian construction in Area C.

## ◎ Freeze of funds invested in the campaign for Area C

In recent years, as part of the struggle against 'Palestinian control of Area C', there has been growing pressure on the Civil Administration to increase the demolition of buildings. In this context, in November 2020 the Civil Administration announced the establishment of a task force in the infrastructures and supervision branch, to coordinate complaints and information about illegal Palestinian construction in Area C. In 2020 the state began to provide direct funding for the activities of settler organizations that track and inspect such construction.[89] In this framework, the regional councils set up departments, with funding for inspectors, equipment, road laying, fences and more. In 2025, ILS 33 million were allocated to provide support for ground patrol departments.[90]

As a rule, law enforcement and supervision by state bodies should be fair and unbiased. It should be under the sole management of the Civil Administration, and act out of considerations of security and protecting essential infrastructures. There must be an end to a situation in which ideological bodies exert strong pressure, with funding from the Israeli government, to promote annexation and restrict Palestinian moves in Area C. The Area C task force must be dismantled, support for local councils to guard Area C must be cancelled, and the monitoring departments within the councils must be closed.

**89** In 2020 the Ministry of Settlement decided to allocate ILS 20 million to West Bank councils for the purpose of monitoring Palestinian construction. See: Shizaf, Hagar, 2020: "The state will fund drones and patrols for settlers to monitor Palestinian construction in Area C". Ha'aretz.

**90** Procedure: Support for councils in Judea & Samaria to set up and operate ground patrols in 2025, Ministry of Settlement & National Missions, see: https://www.gov.il/he/pages/supportprocedurehityashvut2

## ◎ Removing the legal restrictions on Palestinians in enforcement processes

It is proposed to reinstate the procedure that was rescinded by Minister Ayelet Shaked in 2015, preventing the demolition of structures built without a permit and that were involved in a legal process - without the need for an interim order. This procedure is necessary in order to ensure that the building's owners have the right to defend it in court and the legal process is fully utilized. Apart from the legal logic, the delay enables the Palestinians to prepare and even try to promote planning moves.

It is also proposed to cancel Order 1797 from 2018, which allows the demolition of new buildings within 96 hours, with no right to a legal process.

## ◎ Freeze on house demolitions in Area C and East Jerusalem

We propose a freeze on the automatic policy of demolishing Palestinian homes, except for clear security needs. The demolition of houses when there are no security reasons is devoid of logic. This practice, which is intended to push the Palestinians out and perpetuate the Israeli presence in Area C must stop.

In addition, the heavy discrimination in the planning of neighborhoods in East Jerusalem and the refusal to approve their outline plans is leading to illegal construction. During 2024, 255 East Jerusalem buildings were demolished - a record for recent years. For this reason, enforcement must stop until the discrimination between planning in the east and west of the city is eliminated, and the activity of the National Enforcement Unit in Jerusalem is stopped (this unit is not supposed to act in parallel to the local unit, and is operated in this way only in Jerusalem).[91]

**91** 2025: "In East Jerusalem there is severe discrimination in residential planning". Position paper for Knesset Members. Ir Amim. chrome-extension://efaidnbmnnnibpcajpcglclefindmkaj/https://fs.knesset.gov.il/25/Committees/25_cs_bg_5430561.pdf

## Intense moves to strengthen Palestinian society in Area C, in preparation for a two state solution

Intense moves are designed to prepare for a situation of separation and the establishment of an independent Palestinian state. In this process, the Palestinian Authority receives civil control of part of the territory. Strengthening Palestinian society in terms of the economy and governance is critical to the stability of any future settlement. To allow this, Israeli policy must be adapted to this concept as soon as possible, with moves that enable the renewal and development of Palestinian society as is necessary to build the capability for effective and stable self government.

## Increasing security cooperation with the Palestinian Authority

One of Israel's most important security assets, particularly with respect to the West Bank, is the security cooperation with the Palestinian Authority, which has been gradually eroded in recent years. Unlike the present government, that sees the Palestinian Authority as an enemy and works for its economic collapse, a government seeking a stable peace without compromising on state security must actually strive to strengthen the Palestinian Authority and its security apparatus. Therefore, as part of the essential preparations, it is extremely important to rehabilitate this security cooperation, and to renew and create frameworks for coordination such as a joint security committee.

## Regularizing Palestinian control of the territory in preparation for a peace arrangement

Taking the long view, there is a need to change the trend - from planning that seeks to maximize the Israeli hold on the West Bank, to planning that will eventually permit the establishment of a functioning, stable Palestinian state. Therefore the preparations for this solution must include steps to permit the gradual development of Palestinian governing responsibility for their citizens.

## ◎ Transfer of areas to the control of the Palestinian Authority

The division into Areas A, B and C, defined in the Oslo Accords, was intended to last for five years, and in the meantime to allow the Palestinian Authority to govern most of the Palestinian population, until the agreement was completed, according to the situation in the area at that time. There is no planning logic to the perpetuation of this division for 30 years; it creates challenges and great frustration. In addition, while preparing for a settlement, it is illogical to continue with planning that is intended to prevent Palestinian territorial continuity, which creates distrust and denies the Palestinian political horizon.

As part of the preparations for a permanent settlement, we propose adjustments to the division of territory: specific parts of Area C should be transferred to A or B status, in a gradual, coordinated and controlled way, under the control of the Palestinian Authority. This applies to Palestinian towns that are spilling over into Area C and to areas of importance for creating Palestinian territorial continuity. It will make their lives easier, promote territorial continuity, strengthen Palestinian self government, and demonstrate the sincerity of Israeli intentions regarding a stable peace settlement.

## ◎ Approval of Palestinian outline plans in Area C and East Jerusalem

Since 2017 some 200 outline plans for Palestinian villages, prepared on behalf of the Palestinian Authority by the Palestinian planning committee (DOCP) have been submitted to the Civil Administration for approval.[92] As a move to strengthen Palestinian society and build trust, Palestinian outline plans should be approved and villages in Area C recognized. This step will remove the threat of demolition from hundreds of structures and also build trust with the international community, as

**92** Khamaisi, Rassem. 2019. "Development-Oriented Counter-Planning versus Restrictive Planning in Area C of the West Bank. Palestine". The Arab World Geographer, 22 (1). Haifa University.

well as neutralizing points of friction between Israel and the European Union, which funds the preparation of the plans. At the same time, there are nine outline plans prepared by residents of neighborhoods in East Jerusalem which should be promoted.

## Development of the Palestinian economy

Existing arrangements create a situation where the Palestinian economy is heavily dependent on Israel. As part of the effort to improve the effectiveness and governance of the Palestinian Authority in preparation for the permanent settlement, emphasis should be placed on moves that help to stabilize and develop the Palestinian economy. This will improve the stability of its government and of any future settlement, so it is a clear Israeli interest.

### ◎ Moves to stabilize the Palestinian economy

Because of the interdependence of the economies, Israeli actions have huge significance for the economy in the West Bank and the Palestinian Authority. Israel must promote Palestinian economic stability, with a hope for its renewal and improvement under any future settlement. This will include:

- Return of clearance funds (subject to a complete halt of payments to prisoners and their families);
- **Taxation:** a change in the collection process and the establishment of independent collection mechanisms, that are not dependent on Israel;
- **Banking:** stabilization of the Palestinian banking system and repeal of Smotrich's sweeping instructions to cut off banking activity with the Palestinian Authority.

### ◎ Promotion of joint projects currently in the process of being approved by the Civil Administration

The proposal is to give precedence to two projects already in the approval process. The first is the construction of solar fields (in the southern Hebron Hills and the Jordan Valley) to reduce Palestinian dependence on Israeli energy, and to provide electricity for essential needs in the West Bank and the Gaza Strip. The Palestinians have submitted four proposals to the Civil Administration and so far only one has been approved.

The second is the establishment of agricultural plots in the Jordan Valley, where Palestinians can grow fruit and vegetables for marketing, making use of recycled water (wastewater after tertiary treatment). This will help to prevent pollution of the aquifer, while also contributing to nutritional security for the Palestinians, and providing food for Israelis living in the region.

### ◎ Allocation of land for Palestinian industrial zones

The proposal is to transfer small parts of Area C to the Palestinians for the purpose of setting up and operating industrial zones. This would contribute directly to the development of the Palestinian economy, helping to maintain security and building trust with the Palestinian Authority.

# Chapter C: Summary

Annexation is disastrous for Israel. It perpetuates a situation of Israeli control of millions of desperate Palestinians with no political future, creates a heavy military and economic burden, increases the danger of escalation, and presents Israel with serious challenges in the international arena. Above all, annexation threatens Israel's character as the democratic and liberal state of the Jewish people. It also undermines Israel's ability to integrate in the western world and promote normal relations with countries of the region.

In view of the rapid decline into a 'one state' situation, there is a need for strategic decisions and a return to the track of reaching a settlement with the Palestinians through the two state solution. This decision is a vital national interest for Israel, and it demands immediate action. We cannot be satisfied with emergency steps to block annexation, we need a comprehensive political plan to facilitate a change in direction and lay the foundations for a stable inter-state reality. The core of the plan must be immediate moves to stabilize the territory and reduce friction, together with ongoing structural moves that will gradually restore the political and security conditions to promote a stable settlement and establish recognized and agreed borders for the state of Israel.

The joint Peace and Security Unit
of the Mitvim institute and Berl Katznelson Foundation
theisraeliinitiative.org.il



**Co-funded by the European Union**

This publication was produced with the financial support of the European Union. Its contents are the sole responsibility of the Joint Peace and Security Unit, and do not necessarily reflect the views of the European Union.