



15 Sivan 5769, 7.06.09

Necessary Adjustments to the Agreement Between the State and the KKL

/ Adi Arbel

This document presents the necessary adjustments for the agreement signed between the State and the KKL on 9 Sivan 5769, 1.06.09, and approved by the members of the KKL Directorate on 10 Sivan 5769, 2.06.09. This document is based on the opinion of the Institute for Zionist Strategies¹ that was published on 9 Sivan 5769, 1.06.09.

The Institute for Zionist Strategies sees the continued activity of the KKL, in accordance with the principles stated in the founding documents of the KKL, as a first rate Zionist interest. To this effect, the IZS requests that the following necessary adjustments be incorporated into the agreement between the KKL and the State:

1. The following clause is to appear after the original Clause 2: "In the case that the KKL is unable to manage its lands in accordance with the association's memorandum under the new authority that is to replace the Israel Land Administration, the State must provide an arrangement that will allow the KKL to function in accordance with its founding principles, whether by means of appropriate legislation, independent KKL management of its lands, or by an alternate method." Rationale: The agreement must contain reference to a scenario in which the Supreme Court rules that the KKL may no longer manage its assets via a governmental body and in accordance with its founding principles. In this case, an arrangement must be put in place that would allow the KKL to continue to function in accordance with its principles.
2. The following sentence is to be added to Clause 3: Should it be decided to add representatives to the Authority Council, the number of KKL representatives

¹ "KKL Loyalty to its Principles in Light of the Draft Agreement Between Itself and the State", Adi Arbel, The Institute for Zionist Strategies, 1.06.09.

is to rise accordingly to ensure the KKL presence of 50% minus one is preserved. Rationale: One of the KKL Administration's proudest moments was their successful negotiation that allowed them to raise their presence in the Council from two out of nine to five out of eleven. This is an important achievement, but there is a real concern that the results are only temporary: According to the protocol of the ministerial committee that ruled on the reform², Minister of Environment, Gilad Erdan and Minorities Minister Avishai Braverman attended as observers and insisted upon instating a representative of their ministries in the new authority. Their request was not immediately denied and it was decided that the matter would be considered in the future. It is possible that following the final approval of the agreement, the request for additional representatives will be granted without increasing the number of KKL representatives in the new authority. However, the KKL will legally be able to object to this decision (unless the attorney general rules otherwise as detailed in Clause 13 of the agreement), but it most likely will not as this would be seen as an objection to environmental/minority representation in the authority.

3. The words "or the Himnuta Company" are to be removed from clause 6.1.

Rationale: The Himnuta Company is a subsidiary of the KKL and is not obligated to the founding principles of the KKL. Thus it is permitted to sell KKL land. For that reason, we fear that lands that are to be permanently reserved for the Jewish People will be exchanged for lands that are under the temporary ownership of Himnuta, and are liable to be sold. Therefore, Himnuta, or any other third party, should not be included in the land exchange between the State of Israel and the KKL.

4. In Clause 6.1, the words "of the same dimensions" should be replaced with the words "of the same value". Rationale: KKL lands are designated for Jewish settlement. It should be clear to all that well-developed urban areas in the center of the State are more able to house residents than the same sized piece of land in the rural Galilee or Negev would be able to. Therefore, the land exchanges between the State and the KKL should not be carried on a dunam

² As detailed on page 3 of the ministerial committee protocol regarding the ILA reform dated Monday, 10 Iyar 5769, 4.05.09 (Hebrew): <http://www.izsvideo.org/videos/full/protKKL.pdf>

for dunam level, but rather according to land value, which more clearly reflects the potential for settlement of the land.

5. As a continuation of the last adjustment, principles 1-3 of Clause 6.4 are to be removed. Instead the following principle is to be added: "Lands transferred to the KKL will be lands suitable for future development and not lands located in areas that cannot be developed, such as nature reserves, cliffs, etc."
6. Clause 13 is to state: "In the case of a discrepancy in the interpretation of the agreement and its implementation, an arbitrator agreed upon by both sides will be appointed". Rationale: In such a sensitive agreement, the fact that the attorney general, who is associated with the State, and thus biased, has been chosen to resolve disagreements between the sides **goes against all legal norms**. Aside from this unacceptable fact, the current attorney general has already stated his opinion, as opposed to other opinions on this matter, that in the current legal situation, the KKL will be unable to manage its lands in accordance with the founding principles upon which it was established.³ Despite claims by the KKL administration that the attorney general's position on the matter reflects the intention of the original Covenant between the State of Israel and the KKL⁴, it is important to clarify: **this is simply untrue!**

³ For an example, see: <http://www.haaretz.com/hasen/spages/861578.html>.

⁴ http://www.kkl.org.il/kkl/english/main_subject/about_kkl/a_amana.htm