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Mapping study of Civil Society Organisations in Israel

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DISCLAIMER

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Beatriz Sanz Corella and Rinat Ben Noon
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Glossary of acronyms

ACRI	Association for Civil Rights in Israel
CBO	Community-based Organisation
CEO	Chief Executive Officer
CIDA	Canadian International Development Agency
CS	Civil Society
CSO	Civil Society Organisation
EC	European Commission
EIDHR	European Initiative for Democracy and Human Rights
EU	European Union
EUD	European Union Delegation
FOI	Freedom of Information
ICNL	International Centre for Not-for-profit Law
ICTR	Israeli Centre for Third Sector Research
IWN	Israeli Women's Network
IWSS	Integrated into the welfare State systems
JDC	Joint Distribution Committee
MK	Member of the Knesset
MS	Member State of the European Union
NII	National Israeli Institute
NIS	Israeli New Shekel
NGO	Non-Governmental Organisation
NPO	Not-for-profit Organisation
OECD	Organisation for Economic Cooperation and Development
PfP	Partnership for Peace
ToR	Terms of Reference
UK	United Kingdom
UN	United Nations
UNDP	United Nations Development Programme
USAID	United States Agency for International Development
VAT	Value Added Tax
WB	World Bank

Executive summary

Israel's Civil Society sector is considered to be one of the largest in the world in terms of contribution to the gross domestic product (GDP) and the number of persons employed. Considering its strong service-delivery focus, Civil Society has been an important factor in Israel's economy and society since the early days of the first settlements at the end of the 19th century till today, in the wave of enhanced privatisation and reinforced outsourcing trends. Indeed, Israeli Civil Society has become an important public resource to promote collective interests and common themes and propose alternative and often-innovative problem solving.

Despite its relevance and magnitude, the sector is coping in present times with rapid changes. These are forced upon them by the Government's economic and social policy, a significant decrease in public resources despite the reinforced privatisation trend and the great demand for not-for-profit services, as well as evolving and demanding legal requirements, including those of public transparency and accountability. The regulatory framework has also been the subject of intense debate, particularly concerning the foreign funding of "politically active" structures.

About Israeli CS structure

The sector comprises very vibrant, active and diverse CSOs, working in almost every realm of life, from human rights, democracy and coexistence to gender equality and women empowerment, education and culture, social justice, religious freedom and inter-religious relationships or welfare. New and emerging actors, comprising social media-supported movements, new forms of activism within traditional sectors of Israeli society (i.e. Haredim, traditional Mizrahim, etc.), social entrepreneurs or renewed community driven initiatives are also on the rise, especially in the wake of the Social Summer 2011, which saw more than 400,000 people demonstrating on the streets of Tel Aviv and other cities around the country. Yet, it is important to note that the rate and scope of citizen action is not equally distributed across the sectors or components of Israeli society. In fact, it may well be asserted that Civil Society is not only unequally distributed between the country's centre and the periphery, but also between various ethnic and religious communities and among diverse social strata.

Since the associations' law came into force (April 1981), more than 49,900 organisations have registered under it and 66% of them are estimated to be active. More than 25% of the associations

registered are religious organisations; followed by educational and research institutions (19%), culture-related structures (17%) and welfare organisations (15%). Only 1% of the registered structures operate in the field of environment; 1% are active in memorialisation and 1% are international organisations. When it comes to active organisations, it is difficult to estimate the real number, but estimations point at less than 66% of the number of registered associations.

It is rare to find organisations performing "one exclusive role". Rather, they integrate several of them, placing themselves in a continuum that goes from the purely service-oriented structures (which fulfil a *consolidating* function by offering, supporting and improving more or less permanent services that answer to a structural need in society) to change agents (often issues-based, these structures carry out a *transformative* function aimed at changing ideas, power relations, values and/or behaviour in society).

About the environment

Recent years have seen growing concern about shrinking space for CSOs in many parts of the world. Government justifications for legislative constraints include improving the accountability and transparency of CSOs; counterterrorism and improving national security; or even State sovereignty. Restrictions have taken different forms, including hampering the flow of information; political pressure and unwarranted interference in the internal affairs of CSOs; tracking or blocking funding; impeding registration; etc. In many countries Civil Society has been considered a threat and its contribution to governance misunderstood or neglected.

Israel has not been exempted from this trend and has come under international attention in recent international comparative reports about the state of freedom of association and the enabling environment. Also, and leaving aside the fiscal complexities of the current regulatory architecture, it appears that the current legal and institutional framework discriminates in favour of "non-challenging" and/or "service-oriented" CSOs, to the detriment of social change, civilian and particularly human rights organisations (often labelled as "politically active"). Several arguments support this view. To mention a few, public recognition is subject to incorporation and those CSOs that fail to incorporate are penalised by not

qualifying for tax exemption benefits. Ambiguity also prevails regarding what constitutes a “public institution” whilst numerous restrictions exist on CS activities, including those of a political nature. A recent example of the will to strengthen the State’s scrutiny and control over these organisations and even to curtail their work, lies in the recent attempt to revive the bill restricting foreign funding of politically-active organisations, which are critical towards the State policy.

About engagement with State institutions

When looking into Government policy *vis-à-vis* CSOs in Israel, a major paradox emerges. While CSOs handle relevant areas of public life and receive very significant amounts of public funding, there is not a comprehensive policy towards CSOs and their potential for engagement into public policy.

Until 2008, there was no overall policy regarding Government-not-for-profit sector relations. In February 2008, the Government of Israel presented its policy regarding the not-for-profit sector. In brief, the document acknowledges CSOs as partners in the provision of social services; encourages the Government to promote social entrepreneurship and to integrate not-for-profit organisations in Government contracts for social services. When it comes to policy-making, the policy acknowledges the role that CSOs can play and recognises the value of consultations (i.e. in the form of roundtable forums).

Yet, while laws, ordinances, regulations, and procedures governing the activities of not-for-profit organisations exist and define the relationships between CSOs and State, it is rare to find, beyond Resolution 3190 leading to the aforementioned 2008 Policy Paper¹, documents further setting out the implementation of these provisions and/or providing the rationale and basis for the regulations *vis-à-vis* CSOs².

In the absence of a clear framework setting the goals, scope and rules of the game for engagement, various Government bodies that interact with CSOs determine and apply their “own policies and practices”. Their choices, particularly when it comes to engaging with CSOs beyond the funding contractual relationship, are very much guided by the personalities of those who lead the institutions or hold key positions. It may even be

the case that the policy of one State institution may substantially differ from that of another institution. This trend is also evident at the local level, where the situation appears to be exacerbated due to the lack of coordination between the central and local governments and the fact that each municipality handles issues related to CSOs in a different manner.

Formal spaces for dialogue (the “so-called invited spaces”) and consultation are still limited, although on the rise. In the wake of the Social Summer 2011, a number of windows of opportunity for engagement seem to be emerging (e.g. at municipal and national level for the co-production of services; at the level of line-ministries for sectoral dialogue; etc.). Yet there are relevant challenges ahead, namely those related to inclusiveness (particularly of the Arab minority and other communities, e.g. the Ethiopian, Russian, etc.) and the constraints that public policy-making faces in divided societies. Questions such as “Who has access to the Knesset?” and “Who is perceived as a trusted partner?” are therefore very relevant.

Beyond Government and CS interaction for the implementation of programmes and activities, a tradition of *ad-hoc* interaction is reported to have existed (and continues to exist) between several individual CSOs and more or less formal networks of coalitions, on the one hand, and Knesset Members, members of the Government, Local Authorities, the High Court and the media on the other hand, even in the absence of a comprehensive policy framework, setting the “rules of the game”. These are the so-called “claimed spaces” promoted by CSOs themselves.

Indeed, several of the CSOs report having been very successful in approaching, having dialogue and even lobbying, often at their own initiative, State institutions, particularly at the Knesset level. Also several CSOs report having succeeded in developing constructive engagement approaches (what some CSOs have come to define as a “biting relationship”) with the Government.

These are all positive developments, which also need to be considered in light of the recent integration of Israel into the OECD, and more particularly the institution’s interest in concepts and processes such as the promotion of an open Government and social accountability or even governance innovation through the co-production of services and public-private-partnerships.

About CS capacities

In general, notwithstanding various effective coordination and networking efforts, Israeli Civil

¹ Prime Minister’s Office
Department of Policy Planning (2008).

² See Gidron et al. (2003).

Society is highly fragmented. Many CSOs, particularly at the first and second level, promote similar goals and/or are active in the same areas and compete for scarce resources. Reportedly, there is not yet a sufficiently well developed “self-notion of Civil Society” (even though it is progressing), whilst Israeli society’s inherent complexities, coupled with pressing societal, economic and political challenges, are contributing to the further division of CSOs along identity lines (Jewish NGOs, mixed NGOs, Arab NGOs, religious NGOs, Ethiopian NGOs, etc.).

Most of the organisations surveyed place a strong emphasis on content production and/or provision. Only a few organisations (the so-called “infrastructure organisations”) focus on direct interventions to strengthen Civil Society and promote social capital, such as empowerment, networking, mentoring and/or capacity development. It is, however, important to note that a number of interesting processes led and/or supported by the above-mentioned infrastructure organisations are currently underway to strengthen cooperation among CSOs, promote social leadership and/or reinforce dialogue amongst actors and *vis-à-vis* the Government (through the sectoral roundtables, at municipal level, etc.).

In terms of organizational capacities, a mixed picture emerges. On the one hand, there is a small number of large organisations, many of which are active in the provision (and even pioneering) of social services, which are able to mobilise large constituencies, and are often deeply rooted in Israeli society. There are also a number of solid well-established actors, which play alternative roles and have grown to become a point of reference in areas such as advocacy, awareness raising or even the development of space for civic activities and the promotion of active citizenship among Israelis. Regardless of the roles, they are all highly professionalised organisations, with a proven track record, and the built-in capacity to manage programmes and fundraise for their activities. They constitute a sort of “elite” and maintain strong relationships with several local and international philanthropists, including the donor community active in the support of human rights and peace building-related activities. On the other hand, most new organisations (this applies to newly established CSOs from specific components of Israeli society, new actors led by the new-generation of activists and grass-roots organisations) are still at an early stage of organisational development and require further support.

Finally, it is worth noting that major debates are currently underway regarding the connections between traditional advocacy and social change actors, on the one hand, and mainstream Israeli society and specific sectors (e.g. Ultra-orthodox, Russian immigrants, new Arab middle class, etc.) on the other hand. These debates are happening both outside and within the “traditional social makers” spheres.

About funding trends

Government income represents the largest source of CS funding in Israel, coming to about 64%³, compared with 18% from self-generated income and 18% from philanthropy. Israel is consequently amongst the top five countries when it comes to public funding to CSOs (only preceded by Ireland, Belgium, Germany and the Czech Republic). Yet, Government financing is not equally divided amongst all domains, as the largest Government transfers are in the fields of education and health.

Philanthropy activities are mostly done through foundations. According to Gidron et al. (2007), there are over 6000 Israeli foundations registered in Israel whose main function is funding, of which about 60% are considered to be active. Alongside the foundations registered in Israel, there are private foreign foundations that are active in Israel (the so called cross-border philanthropy). It is estimated that over 1,500 foreign foundations (both Jews and others) are active in Israel.

With regards to international donors⁴, they are either governmental bodies, such as the European Union, USAID, CIDA (Canada), and other ministries for overseas assistance; or international NGOs, working with Israeli partners and providing them with financial, as well as technical and capacity development support. The majority of them focus on a number of very specific domains, of which peace building, conflict resolution and human rights particularly stand out. This is explained by the geo-political context and adherence to the peace process by the donors. In terms of the

³ This includes both transfers from the government and sale of services to State institutions and agencies. According to the Central Bureau of Statistics in 2009, 47.3% of the CSOs’ income was due to transfers from the government. Sale of services (included both to State institutions, the private sector and individuals) amounted to 31.9%. Only 10% of the donations received in Israel are reported in order to benefit from tax allowance.

⁴ By donors we mean embassies (providing bilateral cooperation), international organizations (providing multilateral cooperation) and international NGOs.

channels used, while some donors provide direct funds to Israeli CSOs (e.g. Norway, the EU, Ireland, UN, Spain, etc.), others use their own NGOs (as intermediaries) to channel funds to Israeli CSOs (e.g. Scandinavian countries, Germany, Denmark, Netherlands except a small local fund, etc.) or even have mixed systems.

Several relevant philanthropists that have played a pivotal role in funding progressive projects and actors in Israel are either withdrawing (e.g. Ford Foundation, Goldman, Kahanov, etc.) or downsizing their operations with regard to Israeli CS. Reportedly there is no specific reason for this withdrawal, other than changes in priorities and the end of a term (i.e. exit strategy).

This decline in funding comes at a time when local philanthropists are “not yet ready to take over” and support, on a continuous basis and/or with substantial amounts, progressive organisations and projects. They prefer “non-challenging projects and ideas”. Often if they support progressive organisations, they do it on a personal level, and prefer to remain anonymous (e.g. several progressive organisations report that donors are often afraid of being “tagged” and coming under attack). There is therefore a need to continue supporting these actors and their projects.

Also international funding from EU Member States and other international donors appears to be decreasing, due to the economic recession. Now that Israel is a member of the OECD, several donors have put some conditions on their funding

to Israeli partners (i.e. they have to work across the green line, build partnerships with Palestinian actors, etc.) or have redirected their funding to peace building activities

Several of the organisations interviewed report being seriously concerned about these funding trends, and also the strong shekel which has the effect of reducing their international donations. For several of the interviewed human rights and civilian organisations, more than 90% comes from external donors. Very few of these actors have developed income-generating activities.

Very few donors support infrastructure efforts within CSOs (i.e. the so-called support to CSOs) and/or capacity development efforts. Most of the funding is short-term project-based and comes with severe restrictions to fund overheads. This is particularly challenging for networks and umbrella organisations.

All in all, in spite of the commendable efforts of both local and international philanthropists and donors, Israel still has a long way to go to establish a sound and well-informed funding system, capable of providing support not just “through”, but also “to CSOs” themselves and to the strengthening of Israeli Civil Society as a whole, transcending the individual character of the actors and their causes.

1. Introduction to the mapping study

1.1. The objectives of the mapping research

In January 2013 the Delegation of the European Union to Israel commissioned a mapping study with a view to gaining a **comprehensive and detailed overview of the state of Civil Society Organisations (CSOs) and Civil Society (CS) networks in Israel**.

The mapping research, which was undertaken between the months of March and September 2013, aimed specifically at:

- Identifying existing gaps and key needs of CSOs in terms of their capacity to engage in policy dialogue, influence the Government's decision-making process, monitor implementation of Government commitments and perform an effective advocacy role.
- Identifying key needs and constraints of CSOs and Civil Society networks working on political, social and economic issues with specific communities in Israel.
- Analysing the financial sustainability of CSOs, and their access to public (governmental and non-governmental) funding, private donations and foreign funding, with special attention to gaps in access to funds, current donor strategies and funding trends.
- Providing recommendations on how to use the existing instruments of the European Commission in order to answer the needs and opportunities identified in the mapping.

The study was considered timely in light of the challenges faced by Israeli society in general, and more particularly by Israeli CSOs. Indeed, Israeli CSOs **are coping with rapid changes** forced upon them by the Government's economic and social policy, a significant decrease in public resources despite the reinforced privatisation trend and the great demand for not-for-profit services, as well as evolving and demanding legal requirements, including those of public transparency and accountability. The regulatory framework has also been the subject of intense debate, particularly regarding the foreign funding of "politically active" structures, whilst several human rights and progressive organisations have come under attack and report operating in an increasingly hostile environment.

Moreover, despite the long history, deep roots and significant roles played by Israeli CSOs, knowledge about them (beyond quantitative figures) is scarce and fragmented. The most comprehensive studies dealing with the Israeli third sector as a whole were done in 2004 and 2005⁵, while most recent studies tend to be partial, and deal with one or several components of Civil Society or with specific domains (e.g. peace-building operations, philanthropic trends, etc).

1.2. The scope of the research and a few methodological notes

1.2.1. The definition of Civil Society adopted by the research

At the outset of the study it was agreed to adopt the EU terminology in relation to Civil Society and Civil Society Organisations. According to the EU the term "Civil Society Organisations" (CSOs) includes all non-state, not-for-profit, non-violent and non-partisan structures, which people organise to pursue shared objectives and ideals, whether political, cultural, social or economic. It includes membership-based, cause-based and service oriented organisations, from non-governmental organisations to community groups, trade unions, faith-based organisations, foundations, research institutions, cooperatives, professional and business associations, the not-for-profit media, etc⁶.

⁵ See for instance Gidron et al. (2004) and Limor, N. (2004)

⁶ This definition corresponds with what Israeli academic researchers refer to as the "Israeli Third Sector⁶ⁿ" or "not for profit organisations realm". Indeed, for several scholars, the term Civil (even "civic") Society Organisation is

The EU acknowledges that CSOs play multiple roles in society, ranging from advocacy, mobilisation and participation in policy processes and accountability systems to complementing the actions of the State in delivering services to populations. CSOs represent shared values, objectives and ideals (whether cultural, social, economic or political) and enable citizens to express opinions. They also voice the concerns of specific populations, (including marginalised groups), represent their interests at various levels and facilitate their direct engagement. Moreover, CSOs can create alternative solutions and services to those of the State and even contribute to raising awareness about local and global challenges and promote action to respond to these. Their distinct added value lies in their expertise, their proximity to citizens, and/or their knowledge derived from their different activities. An empowered Civil Society is thus a crucial component of any democratic system.

1.2.2. The scope of the research

During the inception phase of the study in April 2013, building on the Terms of Reference (ToR) and the first exchanges with the EUD and key informants, a detailed **research matrix was drafted**. Its aim was to determine the scope of the study and outline the research questions that would guide the mapping work. The research matrix can be found in Annex 8.1.

Considering the dimension of the third sector in Israel and notwithstanding the need to provide an overall picture of the sector and the challenges ahead, it was decided to focus on two priority areas of Civil Society engagement, both in terms of policy dialogue and the co-production of services. These were: (i) **social cohesion and coexistence**. The term **social cohesion** refers to the capacity of a given society to ensure the wellbeing of all its members, minimising disparities and avoiding marginalisation. This theme is particularly relevant considering the divisions that exist within Israeli society⁷ and (ii) **social innovation**⁸, including social entrepreneurship, youth initiatives, social investment trends, etc.

1.2.3. About the conceptual framework used by the consultants

The preparatory phase also entailed the development of a conceptual framework to understand policy dialogue and assess CS involvement in public policy making. Building on recent research⁹ the following definitions and premises were adopted:

To start with, **policy dialogue is understood as a way of influencing policy processes**. In order to conceptualise these processes, and with a view to assessing the involvement of CSOs at the different policy cycle stages, the study makes use of the notion of the **simplified Policy Cycle**, which is structured along 5 phases: problem identification and analysis; strategy & policy formulation;

reserved to categorise the structures that do not play a mere service provider role and are not government-funded.

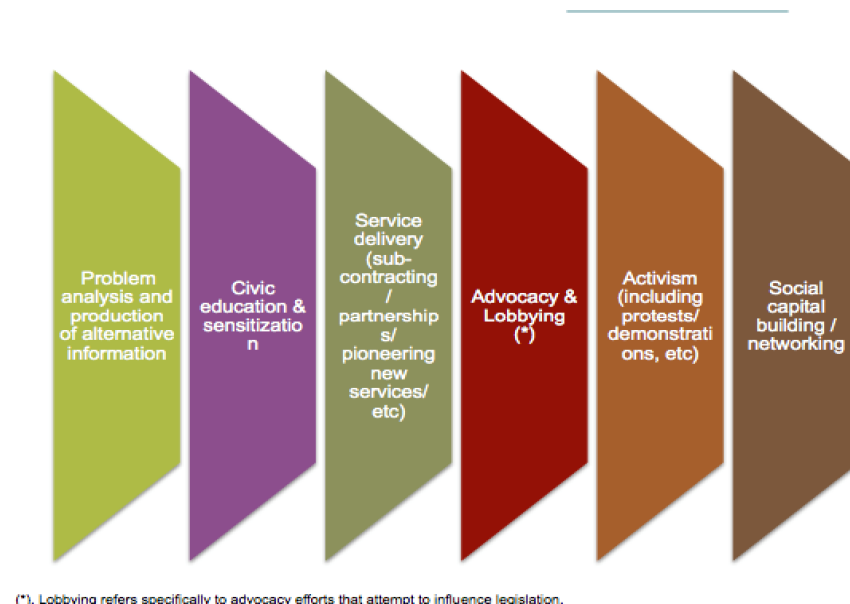
⁷ As Tamar Hermann reports: “Analysts of Israeli society have traditionally pointed to six main cleavages that were often metaphorically referred to as “tribes”: Jews and Arabs, secular and religious (orthodox and ultra-orthodox), veterans and newcomers, rich and poor, Ashkenazi and Sephardic, doves and hawks. The relative importance attributed to each of these divisions has depended greatly on the analytic, epistemological and ideological point of departure (...) Still, the fractures within Israeli society are real, no matter whether they are yet deep enough to shatter the bedrock upon which it is built” (see: <http://www.bitterlemons-international.org/inside.php?id=1502>)

⁸ The term social innovation refers to innovative concepts/strategies/programmes developed to meet social needs and which ultimately extend and/or strengthen civil society. It can be used to refer to social *processes* of innovation, such as open source tools and techniques. Alternatively it can be used to refer to innovations seeking a social purpose. The concept can also be related to social entrepreneurship (although entrepreneurship may not be necessarily innovative, it can be a means of innovation). Social innovation can take place within the government, the private sector, the “third sector” or in the spaces between them, as a result of cross-sector collaboration.

⁹ Some relevant sources consulted by the mapping team include: (i) ITAD & COWI (2012); (ii) Gaventa, J. (2005); (iii) Cornwall, A. and Coelho, V. (2007); (iv) OECD (2010).

allocation of resources; programme management and implementation; monitoring and evaluation. It furthermore builds on the **multiple roles that CSOs** can play throughout this cycle (see Figure 1).

Figure 1: CSOs multiple roles



The framework also acknowledges that **CSOs can enter the policy cycle using different entry points** (i.e. at different times and/or making use of different strategies and practices of engagement) and **CSO engagement practices are manifold**. They can impact the policy cycle through influencing new policy, bringing policy amendments or monitoring implementation for compliance, enhanced transparency and accountability. Alternatively they can complement the policy cycle through the provision of services through both privatisation and partnership (co-production) mechanisms¹⁰. All in all, **CSO engagement can lead to three types of outcomes**, which are: process outcomes (e.g. enhanced internal CS capacity; stronger CS cooperation and cohesion); intermediate outcomes (e.g. an enhanced awareness by Government regarding a given problem; enhanced citizen awareness) and policy change outcomes (e.g. legislation is passed and/or changed and/or stopped) leading to achievement of long-term goals¹¹.

With regard to the spaces for CS engagement (i.e. areas where interaction, information exchange and/or negotiation can happen), they adopt multiple forms, being **invited or claimed**¹², **formal or informal**, ad-hoc or long term/institutionalised. They can also be spaces of competition as well as collaboration/cooperation. Also, when engaging with the State, CSOs also interact with other relevant actors such as the **media or research institutions/think tanks** (some of which may also belong to the realm of CS).

Finally, the framework also acknowledges that **CS involvement in policy making is influenced by the overall environment** (i.e. the complex array of constitutional provisions, laws, and social and political

¹⁰ In recent years new patterns and schemes for service provision have emerged. Of particular relevance are the new **co-production patterns**, which complement traditional public-private partnership (PPP) schemes, and which the OECD defines as a way of planning, designing and delivering public services, which draws directly on input from citizens and CSOs. At the core of this notion of collaboration there is the idea that **public services can work better and be more pro-poor, responsive, innovative and inclusive** (towards vulnerable groups and in areas/regions where government services are not available) when they harness people's interests, energies, expertise and ambitions through the active involvement of CSOs.

¹¹ See ITAD & COWI (2012)

¹² Invited space includes provided space, such as official parliamentary consultations as well as more open invited space such as public consultations. Invited space is often described as controlled 'from above'. Claimed space, on the other hand, refers to space that CS creates for itself (or 'from below'), for example through lobbying, campaigning, education, public interest litigation, etc. For more information see: ITAD & COWI (2012)

factors as well as external or international influences which affect CS operations and CS-Government interactions).

1.2.4. About the methodology used by the consultants and structure of the report

The research was carried out on a **question-by-question basis, in the framework of the mapping research matrix** drafted during the inception phase¹³. The mission mainly used two data collection methods: review of documentation (secondary sources¹⁴) and interviews with key stakeholders combined with focus group discussions. More than 100 interviews were conducted, across five circles of respondents: (i) CSO representatives, including mainstream CSOs, social change organisations, minority and specific groups, new emerging actors, etc. (ii) infrastructure organisations and other support institutions; (iii) Government representatives; (iv) think tanks, research institutes and scholars, and (v) donors and philanthropists. The complete list of persons interviewed by the mapping team can be found in the annexes (Annex 8.2). In addition, six focus groups were organised, both thematically and geographically driven¹⁵. The information collected during the desk phase (i.e. via secondary sources) and its subsequent validation and revision through the interviews and focus groups constitute **the basis for the synthesis exercise leading to the set of findings and conclusions presented in this report**.

The report is articulated in five sections, building on the five dimensions researched by the team of consultants¹⁶. They are: (i) the structure of Israeli Civil Society; (ii) the environment in which Israeli CSOs operate; (iii) engagement trends between CSOs and State institutions, both at national and local level; (iv) the capacity of Israeli CSOs, including issues related to their internal governance, and (v) funding patterns and trends. Considering the asymmetries that characterize Israeli CS, some of the chapters (i.e. namely those about the structure and capacities of Israeli CS) **include a stronger actor-based focus**, which translates into having detailed sections on the different components and groups within Israeli Civil Society.

¹³ See Annex 7.1.

¹⁴ See Annex 7.3. for a list of the main sources consulted by the mapping team

¹⁵ They gathered: (i) social innovators and social entrepreneurs; (ii) new activists within traditional sectors of Israeli society; (iii) Southern CSOs; (iv) Galilee and Northern CSOs; (v) Young activists and; (vi) Private local and international philanthropists. All these six focus groups were possible thanks to the support of existing infrastructure and support organisations, such as Shatil/NIF; Shoham, Midot, and MInga.

¹⁶ See Annex 7.1

2. The structure of Israeli Civil Society

Israel's Civil Society sector¹⁷ is considered to be **one of the largest in the world in terms of contribution to gross domestic product (GDP) and the number of persons employed**. According to World Bank studies¹⁸, in 2009 almost 12% of the economically active population in Israel worked in the not-for-profit sector (coming only after the Netherlands, Belgium and Canada, and before countries like the UK, Ireland and even the US). The sector's share of GDP increased from 6.5% in 1995¹⁹ to 13.5% in 2008²⁰, ranking fourth in size after the Netherlands, Ireland and Belgium.

Echoing Gidron et al. (2003), these outstanding figures are congruent with the **sector's social and political importance** and the central role it has played **in the institutional development, service provision, and expression of collective interest** in Israel. Indeed, on the one hand, and considering their strong service-delivery focus, Israeli Civil Society Organisations have been an important factor in the economy and society since the early days of the first settlements at the end of the 19th century through to today's wave of enhanced privatisation and outsourcing trends. On the other hand, new Civil Society Organisations have blossomed in the past three decades, mirroring societal diversification, enhanced cultural and political plurality and strong citizen engagement, particularly in the last few years.

Today, there are literally thousands of organisations, active **in almost every realm of Israeli life**, from human rights, democracy and coexistence to gender equality and women empowerment, education and culture, social justice, religious freedom and inter-religious relationships or welfare. Furthermore, new forms of civic action are also on the rise. They range from fluid social media-supported movements, several of which were launched following the social and civic awakening of the summer of 2011, to new forms of activism within sectors of Israeli society, which have been traditionally distanced from social change action (e.g. Haredim, traditional Mizrahim, Russian community, etc). New actors also include social entrepreneurs²¹ and renewed urban community-driven initiatives²².

What follows is an attempt to provide a succinct but complete overview of the structure of Israeli Civil Society today, from both quantitative and qualitative perspectives, with a special emphasis on the roles played by CSOs. Specific components of Israeli Civil Society as well as on the new emerging movements and structures are also addressed, considering their particularities *vis-à-vis* mainstream actors. Specific issues related to CS capacities are addressed in chapter 5.

2.1. A general overview of the Israeli CS sector

¹⁷ As already underlined in the introduction, the terminology used in the study echoes EU terminology. The term CS here corresponds to what Israeli scholars define as the "third sector" or "not for profit organisations realm".

¹⁸ See Irish, L. et al. (2009)

¹⁹ See ICTR (2005)

²⁰ According to 2008 statistics from the ICTR.

²¹ An important development of the past decade, especially since the economic crisis of 2008, has been the emergence of new forms of social enterprises. Very broadly, social enterprises are social mission driven organisations, which apply market-based strategies to achieve a social (or environmental) purpose. The Israeli social enterprise is in its nascent stages. It is estimated that there are several dozen social businesses, some 150 NPOs with a "related" business component and a several dozen "social cooperatives", some evolving around employment creation opportunities, others around environmental issues (Gidron, B. & D. Yogeve, 2010.).

²² In the late 1980s and 1990s a reaction to this "privatisation" process started among young Kibbutz members, who thought the Kibbutz ideology was still relevant, albeit in a different configuration. They started the *Urban Kibbutz* movement. A slight variation of the Urban Kibbutzim, are the *Shahaf Communities*. These too are composed of groups of 20-30 young people, many of them university graduates, who choose to live in a low-class neighbourhood or a small town on the country's periphery. (Gidron, B, 2011)

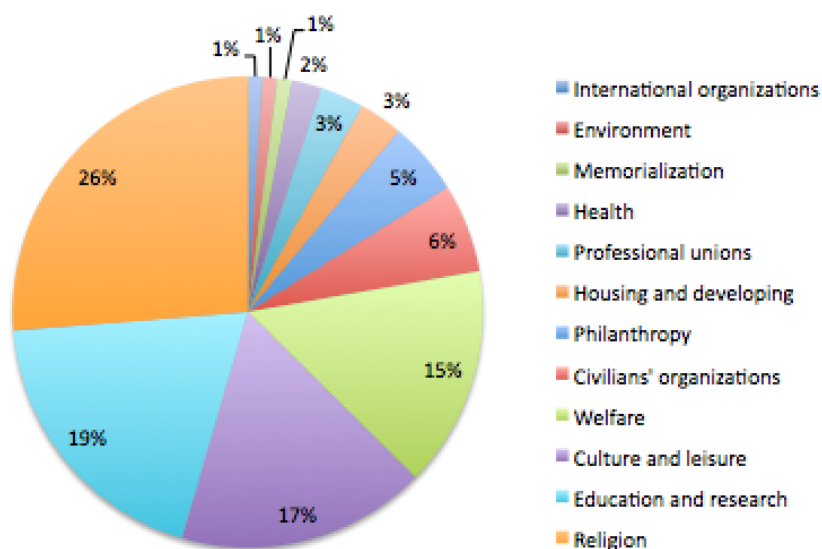
Since the associations (Amutot) law²³ came into force in April 1981, more than 49,900 organisations have registered under it. Examining the historical trends of registration, it appears that until the years 1997-2001 there was an increase in the registrations and since then a decrease (1998 was a peak year with registration of 2,075 new organisation). This decreasing trend is, however, discontinued in 2011, the year of “Citizen Dissent” (echoing Civicus international terminology), when more than 1,500 new organisations registered.

With regard to community interest companies (CIC²⁴), as of 2011 there were 738 registered CICs. More than 50% of them are either education and research institutions (28%) or culture and leisure organisations (28%). They are followed by philanthropy (11%) and welfare (9%) organisations.

2.1.1. Israeli CS areas of activity

In terms of areas of activity, more than 25% of the associations registered (see Figure 2) are religious organisations, followed by educational and research institutions (19%), culture-related structures (17%) and welfare organisations (15%). Civic organisations (so-called civilian organisations according to GuideStar terminology) amount to 6%. Only 1% of the registered structures operate in the field of environment; 1% are active in memorialisation and 1% are international organisations.

Figure 2: Areas of activity of CSOs in Israel²⁵



These figures, however, need to be looked at carefully, as they are not necessarily a reflection of the real trends in Israeli Civil Society. To start with the statutory registrar does not indicate which of these organisations are truly active, whilst there are also hundreds of grassroots associations and groups, which are active without having a proper structure. Relying on GuideStar data for 2012, **out of the 49,900 organisations registered, 70% are estimated to be somehow active, as they continue to submit annual reports to the Registrar of Associations²⁶.**

²³ Please refer to section 3 for a more comprehensive description and assessment of the legal and institutional environment.

²⁴ Please refer to section 3 for a more comprehensive assessment of the legal and institutional environment.

²⁵ GuideStar, 2012

²⁶ According to registrar's data regarding the status of organisations in the Registry of Associations, at the end of 2007, there were 27,115 active organisations in Israel (i.e. organisations which are marked as active by the registrar and were not declared to have disbanded by themselves, the registrar or the court). Limor's previous

Secondly, when it comes to **religious organisations** (which amount to more than 25% of the registered structures), **they only encompass those providing religious services** (i.e. synagogues, mosques and churches, ritual baths, burial associations) and **religious cultural organisation**. These figures do not include either the ultra-orthodox educational structures, which are classified under educational organisations, or the ultra-orthodox and Muslim charitable organisations, which are classified as welfare organisations. If all these organisations were to be classified as religious organisations, the numbers would be dramatically greater.

Thirdly there have been major increases in the **number of organisations providing personal services, such as welfare, health and education** (Katz et al, 2009). This trend, which is most evident since 2000, testifies to the transfer of the bulk of the responsibility from the State to CSOs, as a result of the privatisation of a number of services and severe cuts in governmental social services.

It is interesting to note that the number of **philanthropic organisations**²⁷ has continuously decreased since the 1990s, and only recently has it experienced something of a re-awakening (Katz et al, 2009). It is possible to correlate this increase to the revival of the topic of philanthropy in Israel, and particularly to criticism from diverse sources within Israeli society and the business sector concerning the State's abandonment of its social responsibilities and a civic attempt to advance alternatives to Government funding.

Finally, the number of civic and environmental organisations involved in advocacy and social change has been steadily increasing from the 5% registered in 1980 (Katz et al., 2009) to approximately 7-8 % during the last few years (GuideStar, 2012). This increase testifies to the current trend of greater citizen involvement, a change tied to the transformations in the national political and social spheres²⁸ and the progressive maturation of CSOs, shifting from private causes to ones for public and common good.

2.1.2. Spatial distribution of Israeli CSOs

In Israel, as in the rest of the world, Civil Society Organisations are concentrated in the big cities (see figure below). Indeed, 55% of all organisations in Israel are registered in the three biggest cities. 47% of the organisations are concentrated in two of them: Jerusalem (25%) and Tel Aviv (22%). And 21% of all organisations are registered in the northern and southern areas, including settlements of the geographic periphery. It is, however, interesting to note that the rate of registration of organisations on the periphery (the Southern and Northern Districts) is slowly rising and has nearly doubled during the past 20 years. On the other hand, the rate of registration of organisations in Tel Aviv and Jerusalem has been decreasing over the past five years.

There are **geographical disparities between the “central districts” and the periphery** for the organisations per citizen ratios. While in Jerusalem the ratio is 86 organisations per 10,000 persons and in Tel Aviv 55 organisations per 10,000 persons, in the south and the north the ratio is 28-29 organisations per 10,000 persons (see Figure 3).

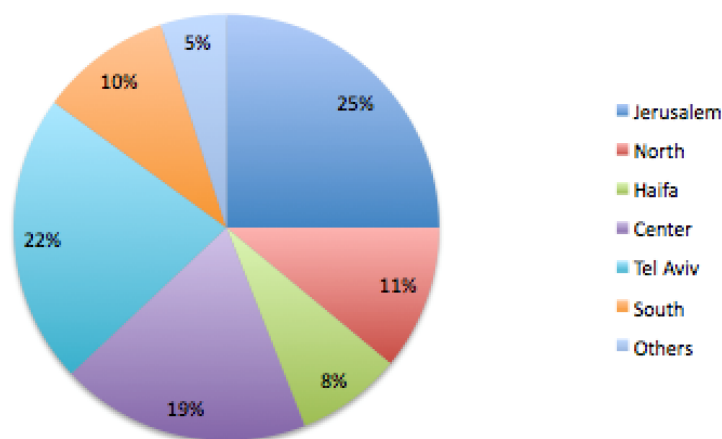
Figure 3: Geographical distribution of CSOs in Israel²⁹

research (2004) points at a more modest number. According to the author, the number of organisations active in any concrete way (including the employment of salaried workers) could be estimated in 2004 to be between 7,000 and 9,000 associations, including those receiving support from local government and other bodies. These figures do not include small associations that serve synagogues, community funds, the activity of individual members, etc. Together with this, organisations that have survived 20 years or more have slightly greater chances of survival and it may be assumed that organisations that have reached such an advanced age have succeeded in establishing a solid foundation for long-term survival.

²⁷ Philanthropic organisations are foundations and structures, which function to promote volunteerism and philanthropy. Most foundations assist individuals, including the awarding of scholarships or organisations.

²⁸ In the words of Katz et al (2009), these are: the weakening of the political parties, increasing legitimisation of extra-parliamentary politics, decreasing public confidence in the political system and feelings of discontent in light of cases of corruption in the Israeli Government.

²⁹ GuideStar, 2012



2.1.3. Other general considerations

Between 1991 and 2004 the sector's expenditure increased by 134% (from 17 billion to 80 billion NIS), which implies on average an annual growth of 10%, far beyond the growth rate of the Israeli economy in general. Comparatively, the field of education and research (excluding institutes for higher education) is the largest field with regard to income (31.2% of all the income of the organisations). It is followed by the welfare field (17.5%), philanthropy (15.7%) and culture and leisure (13.3%).

Finally, concerning governmental support³⁰ to associations, in 2010 religion was the area with the highest percentage (10%) of governmental support by total income. Next were the fields of culture and leisure (7.6%) and environment (5.8%).

In the case of CIC, the field of education and research (excluding institutes for higher education) is the largest field with regard to income (42% of all the income of the organisations). Next are the culture and leisure field (26%) and philanthropy (11%).

2.2. A general overview of Israeli CS roles

Israeli CSOs' roles are manifold, spanning from public service delivery to social, economic and political empowerment, lobbying and advocacy, the production of alternative information and narratives, awareness raising or even social capital development and networking amongst others.

A considerable number of **CSOs**, particularly mainstream organisations, **deal directly or indirectly with the provision of social services**, which are traditionally seen as part of the welfare state's service system (i.e. health, educational, individual and family welfare services, etc.). Indeed, today **more than half of the registered organisations deal with services**, which either were not nationalised for a variety of reasons when the State was established in 1948, or have been subject to privatisation or severe budget cuts in the past decade during the wave of adoption of liberal public management models by the Israeli Government³¹.

It is rare to find **organisations performing "one exclusive role"** and/or acting in a specific area or domain. Rather they integrate several roles **placing themselves in a continuum that goes from**

³⁰ For a more detailed assessment of Government support patterns please refer to section 6 of the report.

³¹ These processes transfer the bulk of the responsibility for supplying such services to third sector organisations. The growing demand for social services consequent to the increasing poverty means that the third sector must contend with deficiencies resulting from decreased services offered by the State. The third sector responds to these challenges and attempts to complement some of the deficiencies through the establishment of additional organisations whose purposes are to supplement or replace the deficient State services in these important areas. For more information see Katz et al. 2009.

fundamentally service-oriented structures (which fulfil a **consolidating** function by pioneering, offering, supporting and improving more or less permanent services that answer a structural need in society not being met by the State) to change agents (often issues-based, these structures carry out a **transformative** function aimed at changing ideas, power relations, values and/or behaviour in society). On the one extreme of this continuum there are what some scholars have come to define as structures “integrated within the welfare state system (IWSSs)”, which are 100% Government-funded and provide services that either supplement or replace those of the State. On the other extreme of the continuum, there are the social change organisations performing advocacy and lobbying roles.

Yet, for the vast majority of Israeli organisations that fluctuate between the two extremes, **advocacy is not understood as a “competing” area of action vis-à-vis service provision**. On the contrary, advocacy, together with policy-oriented research, is often conducted in parallel with other activities (e.g. research, sensitisation, provision of services, etc.), on the basis of a wide-ranging approach, which links individual or community assistance to nation-wide advocacy action, and awareness raising work to change attitudes³².

Box 1: The work of Public Trust

Public Trust attributes special importance to dedicating its efforts to the protection of consumer rights. The organisation handles **complaints against all businesses and public institutions** in Israel. These complaints are the fuel that activates the system, and are regarded as the consumer's first and most legitimate way to change and influence. Public Trust analyzes the complaints received in order to identify specific structural market failures. The organisation also **develops special projects targeting specific communities**, which cannot be catered by the work done with the general public, due to limited awareness of many social rights, lack of legislation or lack of regulatory enforcement. Finally, it also works with the business sector, to promote the endorsement of a self-regulatory code of conduct for businesses, which sets a high standard of integrity, fairness and transparency and provides practical guidance for implementation. The organisation is also an active participant in regulatory and parliamentary committees to ensure proper representation of public interests. It has grown to become a reputable partner, which is frequently approached by the Government, the media and social organisations to provide a professional opinion and advice on topics related to consumers and social rights. Recently, the Government and other social organisations approached Public Trust to expand its activities and create incentive programmes/projects to support the following: “employment of people with disabilities”, a dedicated programme that will cause the “empowerment of women in the workplace”, and a programme on an “environmental-related business conduct”.

This integrative approach, encompassing different strategies and roles, is also to be found within several of the mainstream welfare-related organisations (excluding IWSS). Furthermore, these organisations often have a proven built-in **capacity to innovate and pioneer new, often-innovative services in response to new social demands**. This holds particularly true for several of the large and well-established individual organisations with a national coverage (e.g. Yad Sarah, Ezer Mizion, Beit Issies Shapiro, etc.). Most of them demonstrate an outstanding capacity to reach out to the general public (across the sectors of Israeli society) and involve it (i.e. as volunteers, donors, etc.) in providing answers to their emerging needs. In this regard it would not be fair to restrict their role to that of mere service providers, as these organisations often go beyond these welfare related roles, and become leading actors in researching new approaches and methodologies, and in pioneering innovation around service provision. Some CSOs have particularly excelled in this role, becoming worldwide references and having substantially invested in knowledge management.

Box 2: Knowledge-management within Beit Issie Shapiro

The organisation reports it is constantly reinventing itself, by researching and testing new approaches. In its own words: *“In order to develop and maintain high professional standards, it is required to apply constant development and testing of new methodologies and approaches to provide and assure best practices”*. In 1993, the Research and Evaluation Unit was established with the objective of developing model programmes that have relevance to

³² Recent research confirms the rise of integrative approaches, whereby CSOs integrate service provision or pioneering of new services with advocacy tasks while facilitating partnerships with each of these core strategies relating to and affecting one another. The research also points out that these successful organisations often employ the individuals and/or community with the real life experiences that organisational missions seek to address, possess an internal, rather than external locus of power, and systematically search for and create new ways to define, capture, and measure their social change outcomes. For more information see Cohen, J. (2011)

the field as a whole. This is especially important since Beit Issie Shapiro provides opportunities for continuing education in this field. The department is engaged in research, which is conducted by professionals within or without the organisation, and in cooperation with academic institutions in Israel and abroad. The organisation also considers that one of its greatest assets is the knowledge that its professionals have amassed over the years, and its work models are documented, making them accessible to the public at large, particularly through modern technology. To this end, Beit Issie Shapiro has taken a strategic step towards leveraging its accumulated knowledge through the establishment of a dedicated Knowledge Development and Management Unit. Its goal with this initiative is to significantly intensify and structure development, and to consolidate and advance professional knowledge in the field of disabilities, to the benefit of professionals, clients and their families throughout Israel and internationally.

On the other extreme of the continuum, one finds the group of **organisations that exclusively perform advocacy roles** (e.g. environmental and several human rights organisations). Their number has increased in the past two decades, rising from around 5% of all organisations registered at the end of the 1980s to approximately 8% during the last few years. This increase shows that **Israeli citizens are demonstrating greater civic involvement, a change that is tied to the transformations in the societal and political context in Israel**, including the weakening of the political parties and increasing legitimisation of extra-parliamentary politics, societal unrest and decreasing public confidence in the political system and feelings of discontent in light of increased poverty and inequality, coupled with cases of corruption in the Government of Israel (Katz et al, 2009).

Finally, it must be noted that most Israeli organisations **place a strong emphasis on content production and/or provision**. Only a few organisations (the so-called “infrastructure organisations”, such as Shatil, Sheatufim, Matan, the Joint Distribution Committee, or MINGA for social entrepreneurship) **focus on direct interventions to promote social capital, such as empowerment, networking, mentoring and/or capacity development**. Yet research demonstrates that several individual well-established organisations have strengthened their cooperation with grassroots organisations in an effort to come closer to their constituencies and include in their programmes some capacity development components (e.g. training, mentoring, technical assistance, funding, etc.)³³.

2.3. Patterns of CS organisation within the Arab minority and specific groups of Israeli society

The rate and scope of citizen action is not equally distributed across the sectors or components of Israeli society. In fact, it may well be asserted that Civil Society is not only unequally distributed between the country’s centre and periphery, but also between various ethnic and religious communities and among diverse social strata (Katz et al, 2009). Analysis of the organisational registries indicates **that these inequalities are gradually being reduced** and the number of organisations identified as mainstream Jewish within the general registry is gradually decreasing, whereas the number of organisations belonging to the different sectors within Israeli society as well as this of bi-national organisations are increasing³⁴.

Indeed, whereas traditionally and generally speaking, organisation of Civil Society in Israel has tended to characterise the middle and upper classes rather than society’s lower socioeconomic stratum³⁵, it seems that **the place of the Arab minority and of specific and “socially disadvantaged” groups among CSOs is increasing**. There are several factors which have contributed to this process, starting with the need to develop alternative mechanisms for the provision of social services in view of the

³³ For more information, see chapter 5 on capacity and internal governance.

³⁵ A recent study analysing the social composition of civil society in Israel evidences that the socio-economic status and educational background of CSO founders is higher than those of the general Israeli population. It is interesting to note, for example, that Ashkenazi Jews and in particular immigrants from the U.S., are highly represented in CSO boards, whilst other sections of Israeli society, such as Russian-speaking and Ethiopian migrants or religious groups are less represented. Also Arab CSO founders are characterised by higher academic and wealth backgrounds, compared to the average Israeli Arab population. In addition, there are discrepancies between founders of Arab service oriented CSOs, and advocacy driven CSOs. Indeed, Arab advocacy-driven CSO founders are more educated than service-oriented CSO founders and the educational gap between the former and the general population is the highest among all the social groups researched. (Ben Noon, 2009).

increasing poverty trend, social spending cuts of Government and enhanced privatisation trends, to the progressive empowerment of the communities themselves and the emergence of a new generation of social leaders who want to take action to improve the situation of their communities, mitigate poverty and fight inequalities.

Mirroring the “mosaic character” of Israeli society, the specific components within Civil Society have different historical and cultural backgrounds and reflect distinct motivations, approaches and trends. They also portray distinct stages of institutional development. It is therefore worth focusing on them separately³⁶.

2.3.1. Arab CSOs

According to recent studies there are about 1,517 active Arab CSOs (Amal [2008]). They amount to less than 5% of all CSOs in Israel. This is a relatively small number, which is not representative of the percentage of the Arab population in Israeli society (20% according to OECD data). Yet the number has been climbing steadily over the last two decades and it is safe to assume that there are multiple informal organisations - several of which are at the grassroots level - engaged in numerous activities that are not officially registered.

Additionally, the establishment of CSOs among the Arab population in Israel is a relatively new phenomenon, which follows the intensive pluralisation of Arab society. Most CSOs were established in the last two decades, with nearly two thirds of all Arab organisations registering during the 1990s (Gidron et al, 2004). Several factors explain this radical increase including higher education levels and the emergence of a new educated class within Arab society that began to fill leadership roles at the national and community levels, the approval of the Law of Associations and Government policy, and even the strengthening of the Islamic movement, encouraging the establishment of religious and grassroots Islamic organisations (Zeidan et al, 2000). Amal (2008) also refers to the possibility offered by Arab associations to introduce new social, political and cultural patterns of behaviour, which were not carried out by political parties, as an essential element motivating Arab civic engagement.

Today, the **variety of Arab CSOs in terms of mandate, strategic goals and approaches is very high**. There are numerous organisations active in the field of development, empowerment, advocacy, and lobbying. In this regard, the proportion of Arab CSOs engaged in activities related to human rights (10%) is higher than the proportion of Jewish organisation engaged in this field (6%). The percentage of Arab social-change organisations (11%) is also higher than the proportion of Jewish social change organisation. There is also a great number of Arab CSOs in the areas of social welfare, educational, public health, culture and leisure. Indeed, the highest proportion of Arab organisation is active in the areas of culture and leisure (more than 30% of active Arab organisations), followed by the provision of education services (almost 20%). The multiplicity of CSOs in terms of ideological and political orientation is also very high, as well as the number of religious organisations. Finally, it is worth noting the proportion of Arab women involved in civic action, which amounts to 11% of Israeli women organisations (Even Chorev, 2008).

Box 3: About Arab Bedouin women’s organisations

There are three types of southern organisations working for Arab Bedouin women. The first group includes general organisations that have emerged in the Negev and work also for the Arab Bedouin community as service-oriented organisations, such as the Eden Association, which develops services for at-risk populations in the Negev, and the Gvanim BaKehila Association, which supports families at risk. The second group is composed of organisations established by professional Arab Bedouin women, and targeting exclusively Arab Bedouin women. Their emergence is a reflection of the change in education and progressive empowerment of

³⁶ It must be noted that the Arab minority and other communities and special sectors of Israeli society have two types of organisations working on their behalf. On the one hand, there are CSOs that work only to a designated group. On the other hand, there are mainstream and issue-based organisations, which engage in areas such as disabilities, transportation, employment, etc., which, in addition to their general purpose, also work particularly for weaker groups. They have either programmes that cut across all the sectors of Israeli society or special programmes with special resources devoted to specific groups.

Arab Bedouin women. The third group is made up of local Arab Bedouin organisations in the Arab Bedouin settlements, which develop local settlement projects for women, such as the Step Forward Association. Whilst the second group is made up of women CSOs engaging in specific areas (i.e. health, education, law, etc.), general and local organisations usually deal with a variety of topics, which are directly or indirectly related to women's empowerment (i.e. social community entrepreneurship, employment, culture, local tourism, etc.)

Arab Bedouin women's organisations (i.e. the second group) can be considered social change organisations. Yet their fields of activity are hybrid. Alongside advocacy activities such as those related to work in the courts and the Knesset, these organisations are also engaged in developing alternative services, and even struggle in defiance of the male gender culture within their own communities. In general, notwithstanding differences in approaches and areas of expertise, most Arab Bedouin women organisations recognise the need to serve as mediators between the Arab Bedouin community in general and women in particular, on the one hand, and State institutions, on the other. In addition, they often serve as a link between the general professional organisations and the Arab Bedouin women.

This variety of Arab CSOs **mirrors the increasing attempts to open spheres of public debate, enabling various segments of the Arab public to participate in discussing matters of public interest, vis-à-vis the State or internal to Arab society**, while also complementing or even replacing State agencies in providing support for the average Arab citizen.

Finally, with regard to their geographical distribution, mirroring general trends of Israeli CS, Arab CSOs **are not equally distributed**. Most organisations are concentrated in the northern part of the country (with a large number operating from mixed cities) even though several of them have national coverage or intend to be active throughout the country (Even Chorvey, 2008).

2.3.2. Ethiopian CSOs

According to the Registrar of Associations, at the beginning of 2007 there were approximately 268 Ethiopian organisations in Israel. This is a low number of organisations in relation to the Ethiopian population (i.e. about 1.6 organisations per 1000 people) compared to the rate of 3.6 in the general Israeli population.

There are three main groups of Ethiopian organisations. **The first generation** of organisations for the Ethiopian Jewish immigrants to Israel were established mainly by the American Jewish community in the 80s and early 90s, and today continue to address contemporary issues. At the time several of them were involved in culture and religious issues in an attempt to preserve the identity and heritage of the community. **A second generation** of Ethiopian organisations emerged in the late 90s, in response to the pressing social, employment, public housing and integration challenges faced by the Ethiopian community. This group is composed of professional organisations that were set up by young members from the community, who grew up in Israel, acquired academic degrees and are now professionals in their fields (e.g. lawyers, social workers). These organisations often specialise in one area (often in education and law, these being the professions of the founders of the organisation), and operate at a national level (Balbatchin J., 2008). Finally, **there is a group of grass roots organisations**, which are small, operate at a local level and have emerged in the various communities in response to the local needs.

Ethiopian Civil Society is diverse in terms of the areas of its work and the ages of its activists, **reflecting an inter-generational tension**. The old organisations are characterised by connections to the State institutions and to the established old third sector organisations, such as the Jewish Agency or the Joint Distribution Committee. In contrast, the young organisations are characterised by their methods of protest and struggle for rights and re-establishment of Ethiopian social status. These younger organisations, which tend to utilise legal “battle” strategies, establish alternative services, and engage with the media. Some of these younger organisations are part of coalitions with non-Ethiopian organisations and together fight against racism in general, and not just for the Ethiopian community. The strategy and methods of second-generation organisations indicate their lack of trust and dissatisfaction with the achievements of the first generation organisations and the fact they also question their legitimacy.

Box 4: Ethiopian umbrella organisations

There are two Ethiopian umbrella organisations, mirroring the two generations of Ethiopian civic engagement. The first organisation, "The Union of Ethiopian Organisation" was established in 1995 and was mainly composed of social activists engaged in bringing the Ethiopian Jews to Israel. Since its establishment, the organisation has operated on two levels. On the one hand it represents the community to the general public and to the various institutions. On the other hand it works as a community advocacy organisation, providing personal and general support to strengthen the heritage of Ethiopian Jews. All in all the organisation serves as a tool of expression for the Ethiopian community mainly on issues related to migration.

The second organisation, Netzigut ("The Representatives of Ethiopian Jewish Organisation in Israel"), was established in 2004, and represents the professional organisations set up by the second generation of Ethiopians who grew up in Israel. It acts as an umbrella organisation for the different Ethiopian NGOs and has a three-fold goal: (i) to create trust and dialogue between the Ethiopian organisations; (ii) to monitor the implementation of public policy decisions regarding the Ethiopian community; and (iii) to create a dialogue between the Ethiopians who work as civil servants and the Ethiopian organisations. Even though Netzigut does not include all Ethiopian NGOs, it maintains regular contacts with them and supports them from the outside.

2.3.3. Other sectors of Israeli Jewish society

2.3.3.1. Patterns of CS organisation within the Ultra-Orthodox community (the Haredim)

The Ultra-Orthodox community, which comprises approximately 9% of the population in Israel according to OECD data, has probably **the highest number of community organisations** worldwide. This is due to the high bonding social capital of its members. Community organisations draw the community boundaries, and are the privileged place for social entrepreneurship. They mostly concern traditional issues such as religious education, religious services, social welfare and charity. However, in the last decade other topics have been developed. Organisations now deal with professional health and care support, which is not based on religious knowledge, such as institutions for disabled children, therapy and health charities whose goal is to provide help for all the public - Jews and Arabs, not just Orthodox Jews. Examples include healthcare organisations, such as Yad Sarah (which lends and provides medical equipment) and the organisation Ezer Mezion (which supports cancer patients and established the bone marrow pool, one of the largest in the world). These organisations, however, deal with issues that are not in dispute with Haredim values and fall into the category of charity and helping others. As some scholars observe, Haredim appear to have found, through their civic engagement, a convenient channel to integrate and contribute to Israeli society.

Recent years have seen the emergence of a new set of social initiatives **aimed at narrowing the social and economic gap between the Haredim and the overall population**. They develop in parallel to other social and mostly economic trends such as the economic crisis, causing a drop in donations or increasing calls among Israelis to cut allowances and special payments transmitted to members of the Haredi community. Many of the new **initiatives focus on women's personal empowerment and advance options for academic studies intended for Ultra-Orthodox men and women, assistance in finding jobs and more**. Although these issues are not defined as radical in the Western world, for the Ultra-Orthodox society this is certainly a radical change, which is materially different from the ideal life in which most men study the Torah, and women work at home or make a living. It must be underlined that as with other traditional sectors of society, social entrepreneurs do not benefit from social support from the community. On the contrary, some are punished by social sanctions, and others receive a sympathetic attitude but only secretly. The main aid and cooperation they receive is from outside the community.

2.3.3.2. Patterns of CS organisation within the Mizrahi community

Mizrahi CSOs (from Arabic-speaking countries and Iran) began to develop in the early 70s in Jerusalem, following the socio-economic protests of immigrants from Arab countries (i.e. the so-called "Israeli Black Panthers"), against the dominance of Ashkenazi immigrants (i.e. from Europe, USA and English speaking countries) in public life.

Today, despite their different approaches, they pursue social justice goals by focusing on areas where discrimination prevails (such as in the courts or public radio stations, etc.), diverting financial resources to Mizrahi communities and creating special programmes for community empowerment. In addition they work to incorporate “assimilation narratives” and oriental discourse into Israeli public life. Only a few are directly involved in the provision of alternative services (one example being Kedma School).

Box 5: The case of the Mizrahi Democratic Rainbow Coalition³⁷

The Mizrahi Democratic Rainbow Coalition is an apolitical, non-parliamentary social movement whose goal is to affect the current public agenda with the aim of bringing about change in Israeli society as a whole and its institutions. The organisation is Mizrahi (Jews from Arab and Muslims Lands and the East) in its goals, universal in its beliefs and open to all those who identify with its values. The movement strives to bring about a meaningful change within Israeli society and implement values of democracy, human rights, social justice, equality and multiculturalism.

Despite wide public reverberation regarding the Mizrahi protests, the number of Mizrahi CSOs is relatively low. These organisations have been established by second and third immigrant generations from Arab countries. Their founders and their activists have emerged in academic settings, and many of their activities continue to revolve around them (e.g. the Journal of Theory and Criticism, or website "Haoketz"). Consequently, there are differences between the activists' socioeconomic status and the general community, causing some differences of opinion. However, their built-in experience and knowledge has resulted in a significant proportion of the Mizrahi activists being able to influence other more general struggles, not directly related to their identity and group interests. For example, several Mizrahi activists work with organisations on the political left to fight the occupation and discrimination against Israeli Arabs. Also, several Mizrahi activists have been strongly involved in the 2011 Social Summer and related initiatives³⁸.

2.3.3.3. Patterns of CS organisation within the Russian community

The Russian community, which comprises approximately **one million Israeli citizens**, has not traditionally been characterized by strong patterns of civic action. Whilst identity and preservation of culture have been embraced as two important priorities, other forms of engagement of citizens have been rather limited. In general terms members of the Russian community have not been involved in human-rights and social-change organisation, and have preferred to deal with issues related to the quality of their own life, including housing, mortgages, employment, contract works (considering that about 50% of the contractor's employees are immigrants from the former Soviet Union), civil marriage, conversion, etc.

Some observers explain this trend in terms of the **importance attached to liberal and democratic values, and the great emphasis put on individual rights** (more than collective ones) particularly by the older generation of immigrants (i.e. those belonging to the 90s wave of Russian immigration) who grew up in the Soviet Union. Others also point out the weak social bonds that exist within the community, as most of their members live outside Tel Aviv, in suburbs and are scattered all over the country. Some observers go further and put forward the idea that there is not yet a “Civil Society” well developed, as conventionally understood (i.e. as a distinct space separate from the family and the State)³⁹.

The place of the Russian community is also weak within mainstream CSOs. On the one hand, as mentioned, there are still too few social activists and even social entrepreneurs within the Russian

³⁷ See: <http://www.ha-keshet.org.il/>

³⁸ Mizrahi Activists have been active in the founding of initiative such as the Forum for Public Housing. Indirectly some of the terminology used by new social protesters originates in the earlier Mizrahi protests. These include words and expressions such as "Maabarot" (tent camps) and "lo nechmadim" (not nice) organisation, a term that Golda Meir used when she addressed the Black Panthers.

³⁹ From the discussions with Our Heritage-The Charter for Democracy as well as with a number of representatives from the Russian community (focus group organized on 26th May 2013)

community (i.e. Russians have no tradition of organizing themselves and there is not yet a well-developed culture of volunteering, and additionally there is mistrust of political institutions and organisation). On the other hand, few mainstream CSOs and programmes specifically target the Russian community, leading to a larger sense of disconnection, and even of alienation. For some of the persons interviewed, an illusion persists that “the Russian community is already taken care of, as it is the State’s responsibility”.

Yet, as with the other sectors described above, some changes are starting to be visible, particularly within the new generations. Using the words of a representative of one of the leading CSOs within the community (Our Heritage – the Charter for Democracy – see below), until now the older generation has led the discussion. Yet today it faces erosion of its leadership and legitimacy, aggravated by the generation gap and the rise of the new Russian generation, which needs to find its own way.

Box 6: Our Heritage – The Charter for Democracy

“Our Heritage – The Charter for Democracy” is an association led by Russian-speaking Israelis. Its mission is to build Civil Society that is based on democracy, justice and tolerance, with equal rights for all its citizens. On this premise the organisation aims to promote a Russian-speaking community that is open and pluralistic, adopts the values of social justice and solidarity and takes an active part in public life.

“Our Heritage” advances the discourse of tolerance among Russian-speakers and uses three main strategies: (i) active and uncompromised struggle against all forms of anti-social behaviour within or towards the Russian-speaking community; (ii) detailed and profound explanation of the background and actual status of the Israeli-Palestinian conflict to the Russian-speaking public with the aim of promoting a change in public opinion regarding the peace process and (iii) creation of a network of Russian-speaking public activists, feeling responsibility for the fate of their community with its unique collective identity and acting for the promotion of social justice and solidarity

Socially active Russian-speaking Israelis created the organisation in an effort to target their own community. They felt that even though some Israeli CSOs had made several attempts to reach out to immigrants from the former Soviet Union, profound differences in culture hampered their efforts.

2.4. Social-media based initiatives and emerging movements linked to the 2011 Social Protest⁴⁰

In parallel to the aforementioned trends within traditional sectors and components of Israeli society, **recent years are seeing the emergence and consolidation of new forms of civic action.** Often less structured, more fluid and with a strong component of social-media work, these new forms, together with the “new activists” described above, demonstrate the gradual rise of alternative “progressive narratives”.

The 2011 Social Summer marked a special turning point in their development and consolidation, to the point that these new movements and forms of social-media are often referred to as “the Social Protest generation”. Indeed, as the summer 2011 protest became more public, growing in size and expanding its geographical coverage, it also became more inclusive, incorporating into its discourse (“the people demand social justice”) the rhetoric, demands and agenda of many different groups, from the centre to the periphery (Marom, 2013).

2.4.1. Social-media initiatives

Echoing international trends many social networks, especially Facebook, are booming in Israel, giving people a new means to state their opinion, communicate with others and share common interests and goals. Social movement groups have quickly recognised the momentum that could be achieved

⁴⁰ The 2011 Israeli social justice protests, which are also commonly referred to as the Social Summer, were a series of ongoing demonstrations in Israel beginning in July 2011 and involving hundreds of thousands of protesters from a variety of socio-economic and religious backgrounds opposing the continuing rise in the cost of living (particularly housing) and the deterioration of public services such as health and education. A common rallying cry at the demonstrations was the chant: “The people demand social justice!” As the protests expanded during August 2011, the demonstrations also began to focus on other issues relating to the social order and power structure in Israel and a number of new actors and movements emerged.

with this tool and **a social network community has developed**, with high traffic on the pages. In the past two years the growth and use of social networks has developed at an overwhelming rate. **Well over 250 Facebook groups in Israel have emerged** as a reaction to social issues including anything from environmental rights to rent control in major cities. Their social activity is strong, with many posts and comments with problems, ideas and potential solutions being discussed. Reportedly they continue to grow and have managed to form a new type of “civic community”, with some Facebook “portals” and/or social network umbrella groups being confirmed. Yet, for the most part, their action is confined to the virtual world of the Internet, as it constitutes, more than anything else, an accessible space for citizens to raise specific issues and needs. Many people are also members of multiple groups, and group interaction (i.e. whereby small groups are in contact and share common issues of concern) as well as merging of groups appears to be on the rise.

An example of the result of multiple groups merging is the Facebook group and website called “J14” which sparked the Israeli social justice protests in 2011 (see paragraphs below) and served as a virtual bulletin board to keep protesters up to date. The initial purpose of the website was “to unite the various factors and bring all the voices of protest, reports, press conferences, demonstrations, information and more”. This group began with a discussion about the high prices of cottage cheese and the need to fight the rising prices of products, more specifically Israeli products. As the group gained momentum the topic of cottage cheese developed to several other social issues (e.g. rent and property tax).

2.4.2. Emerging actors linked to the 2011 Social Summer

In November 2011, six months after the summer of 2011 Shatil conducted a survey to gain a better understanding of the new movements and actors emerging in the wake of the Social Protest. The survey mapped **87 new organisations and 45 new initiatives by existing organisations**. It was found that 65% of these organisations were national and 35% were local. In terms of goals, 60% had long-term goals, 10% had short-term goals, and the other 30% did not fall into either of these two categories. With regard to their scope, whilst 30% of the initiatives dealt with social change in general, 13% focused on civic participation, 12% on housing, 9% on welfare and the rest on a wide variety of topics, including amongst others the cost of living, employment, the environment, and human rights. **And even though several of these organisations existed before 2011, they became significantly stronger as a result of the Social Protest**⁴¹.

Despite the diversity, all these actors share a common goal: **to empower democracy through the expansion of the citizens' role and influence over the Government system**. They aim to do this by streamlining the Government system through transparency, using civilian control tools and opening channels of dialogue between citizens and Government. They also strive to do this by empowering citizens as partners in decision-making, and increasing the number of citizens, who are partners in civil activities. Most of these CSOs also work with well-known advocacy strategies such as legislation and lobbying. Yet, they are unique, compared to other actors, in using the media (particularly social media) in order to make information accessible to the general public.

Box 7: The Social Guard: an example of the new generation of civilian organisations⁴²

Social Guard⁴³ was set up by two journalists who had been involved with the J14 website, and decided to continue citizens' regular involvement in activities to reinforce democracy in Israel. The organisation's overall goal is to guarantee the continual presence of citizens in meetings of Knesset committees. The rationale for its establishment rests on three key points: (i) creating a platform that can allow citizens to continue to be actively involved, now that the summer protests are over; (ii) conveying a message to the Knesset that the public continues to be involved in the decision-making process and (iii) strengthening the Knesset *vis-à-vis* the

⁴¹ Before 2011, it was estimated that only a few dozen activists and socio-economic initiatives were active whilst, as a result of the struggle the numbers increased to 1000 and more. This was a huge change in terms of visibility and mass activity.

⁴² (<http://www.hamishmar.org.il>)

⁴³ Information extracted from the docket elaborated by Shatil/NIF.

Government. Social Guard cooperates with the Open Knowledge Workshop, whose goal is to give the public at large access to information about the activities of the Knesset and Government via the Internet. The organisation began operating at the start of the Knesset's winter term in 2011. As a first step, it pitched a permanent tent in the Wohl Rose Garden opposite the Knesset (in coordination and with the approval of the relevant Knesset officials), to serve as a centre for the project's volunteers and as an information centre. At the same time, work began to recruit volunteers to attend Knesset committee meetings. Volunteers attend these meetings in full coordination with the committee chairs (most of whom have welcomed the initiative). For now, it has been decided that the volunteers will not request the floor and will focus on monitoring the discussions, and at the end of each session writing a summary report that is posted on the Social Guard website. The volunteers (with help from organisations that specialise in the relevant content fields) receive advance briefings and background about the topics to be covered at the meetings they will attend.

Concerning their “political attitude”, new actors can be divided into two groups. One group has a declared political character and agenda (e.g. such as The Social-Economic Academy, Public House Team and the Direct Employment forum). The second group, mostly engaged in socio-economic issues, does not have a political agenda and prefers to maintain a distance from “politically active” organisations and even some of the “traditional social-making organisations”.

Indeed, even if these are “social-change” initiatives wishing to **contribute to social change and/or the construction of a shared society**, some of them prefer to distance themselves from the “old generation” of social changers, adopt their own terminology and often do not formulate their goals and strategies in “human-rights terms”.

It is also interesting to note that while their funders often **have previous experience in social-change organisations**, the volunteers and social activists that these new actors mobilise are not necessarily familiar with the sphere of traditional social change organisations and include Israeli citizens of all ages, social and educational backgrounds. All organisations have volunteers. Some are based only on volunteers, with no paid employees. Others are based mainly on volunteer activities with a small number of paid staff.

With regard to their patterns of organisation, these emerging actors are also unique in the **way decision-making is undertaken**. Generally speaking, they adopt collaborative models of decision-making, and often struggle to find a balance between the need to structure the initiative (i.e. adopting traditional CS forms) in an effort to act effectively and reach out to donors, on the one hand, and their fluid and “spontaneous” nature, which often comes with a desire to remain non-structured and involve all the activists at all levels, on the other hand. This difficult balance is indeed one of the key challenges faced by these new actors, as will be further assessed in the report⁴⁴.

Finally, and adding to the difficulties of assessing these new actors given their “youth”, there is the issue of their changing landscape, as these new forms, mirroring their fluid nature, rapidly evolve, merge and even disappear.

⁴⁴ See chapter 5 for a more detailed assessment of their capacity needs

3. The Environment in which Israeli CSOs operate

The ability of CSOs to participate in the different domains of public life and carry out their various roles depends on a set of pre-conditions commonly referred to as the '**enabling environment**'.

First and foremost, the enabling environment depends on **a series of policy and legal measures that aim** to: (i) ensure that basic rights and freedoms are guaranteed and protected and (ii) facilitate the development of CS, its contribution to society and its interaction with the Government and other stakeholders. The basis for these policies and legal measures is the existence of **a functioning and democratic legal and judicial system**⁴⁵, which ensures that these are not only prescribed in law but are enforced in practice. However, this is not sufficient. The ability of CSOs to engage in public debate, to get involved in public policies and to take part in systems of social accountability is affected by several other conditions and issues. These range from Government openness to dialogue and the capacities and resources of public institutions to foster cooperation with CSOs, to the fundraising and income generating opportunities for CSOs, the existing tax and fiscal regime, the extent and quality of State-support schemes, and the freedom of CSOs to receive foreign funding, amongst others.

Recent years have seen growing concern about shrinking space for CSOs in many parts of the world. Government justifications for legislative constraints include improving the accountability and transparency of CSOs; counter-terrorism and improving national security; or even State sovereignty. Restrictions have taken different forms, including hampering the flow of information; political pressure and unwarranted interference in the internal affairs of CSOs; tracking or blocking funding; impeding registration; threats to personal security and personal properties; etc. **In many countries Civil Society has been considered a threat and its contribution to governance and development has been misunderstood or neglected. Israel has not been exempt from this trend** and has received attention in recent international comparative reports about the state of freedom of association, particularly with regards to the issue of foreign funding.

Against this background, what follows is an attempt to present and assess what appear to be some of the most relevant factors in setting the course of development for Israeli CSOs. Issues related to engagement between the State and CSOs are, however, addressed under chapter 4.

3.1. Key elements of the overall institutional and political framework

Together with historical patterns, which escape the scope of this mapping⁴⁶, political and institutional factors are important cornerstones when examining the environment in which CSOs operate. In this regard, a number of factors are worth considering, starting with the **very nature of the relations between the State and society in Israel**. These relationships are not defined in a written constitution (instead there are 11 basic laws and the project to draft an official constitution, which started in 2003, is ongoing) and the scope of State power is subject to fluctuation. This, together with the fractious and fluctuating structure of political parties (i.e. with mergers, splits, and creations almost a permanent part of the political scene⁴⁷), results in a unique and changing political and institutional environment for CSOs, which frequently contains contradictory interests and regulations. Existing in such an environment leads to adaptive strategies and reactions on the part of CSOs and imbues them with degrees of flexibility⁴⁸.

Concerning **freedom of information** laws (FOI) (which allow the possibility for individuals to access

⁴⁵ For more information please consult: ICNL & UNDP (2009).

⁴⁶ For a brief outline of CS history in Israeli please see: Yishai, Y.(1998); Katz, H. Gidron, B. & Limor, N.(2009) and Gidron,B., Bar, M., Katz, H.,(2004)

⁴⁷ In comparison with most other democracies, political parties in Israel are numerous and fluid. In the last General Election in January 2013, there were 34 parties.

⁴⁸ See for more information: Even Chorev, N. (2008)

undisclosed information), **people in Israel can file a request for information either in writing or online, but not yet by telephone or in person.** In addition, there are no provisions for anonymity or protection from retaliation.

Another relevant factor that characterises the framework in which CSOs in Israel operate is **the State's differential, legal or practical relation with social groups within it.** Even though this is not unique to Arab citizens, institutionalised discrimination towards Arab citizens has increasingly been recognised, as briefly outlined in the introduction, by a wide range of sectors in Israeli society. Over time, various Government policies, court decisions, reports by the State Comptroller and Ombudsman and by committees (such as the Or Committee) have addressed the issue of State policy toward Arab citizens⁴⁹. Yet, as several observers underline, Government action in recent years has been characterised by contradictory trends in the public sphere on the issue of Arab society and its status in Israel, and has mainly been directed towards the economic and employment spheres. This situation results in **an uneven structure of opportunities for civic engagement and political action**⁵⁰.

3.2. The legal framework in which CSOs operate⁵¹

In particular, two laws have significantly influenced the legal framework in which CSOs operate: the **1906 Ottoman Law of Associations** (hereafter referred to as the Ottoman Associations' Law) and the 1921 British Companies Law. The Ottoman Associations' Law dealt with the formation and organisation of not-for-profit organisations and was the first of its kind regulating the association of individuals for the achievement of not-for-profit goals. In 1980, the Ottoman Associations' Law was largely revoked in favour of the 1980 Nonprofits Associations Law, which sanctions the establishment of not-for-profit organisations according to a number of basic conditions⁵². Likewise, the Companies Ordinance was replaced by the Companies Law of 5759-1999, which provides for the establishment of public benefit companies.

Over the last decade, **two basic laws affecting fundamental human right have been introduced:** (i) the Freedom of Occupation law and (ii) the law dealing with Human Dignity and Freedom. Although these laws do not explicitly address the right to association, they were designed to provide constitutional protection for a broad range of human rights and the Supreme Court has interpreted this to include **the freedom of association**. As a result, the Supreme Court shall only limit the freedom of association when there is clear and convincing evidence that it could lead to serious violence.

Other specific laws actually restrict the freedom of association. On the basis of the notion of a "self-protecting democracy" (i.e. a democracy recognises society's right to defend itself against elements that threaten to undermine its foundations), a number of laws aim to prevent the establishment and operation of subversive organisations. They include the Penal Law of 5737-1977 and the Defence [Emergency] Regulations 1945 (Regulations 84 and 85). Organisations that violate these regulations incur extremely harsh penalties, such as the seizure and confiscation of their financial assets. Finally,

⁴⁹ Studies, surveys, and position papers on this topic have found prevalent and on-going institutionalised discrimination against Arab citizens in a range of fields, including education, employment, land allocation, and housing. The Or Commission determined that "Government action in the Arab sector is mainly characterized by neglect and deprivation" and noted that "the establishment failed to show sufficient sensitivity to the needs of the Arab sector, and failed to take adequate steps to allocate State resources to this sector in an equal manner." The Committee also recommended that the State takes steps to achieve genuine equality in its treatment of its Arab citizens (see Abraham Fund Initiative 2013 Work Plan)

⁵⁰ See for more information: Even Chorev, N. (2008)

⁵¹ ;See for more information Katz, H. Gidron, B. and Limor, N. (2009)

⁵² These are: organisation cannot (i) be established for illegal purposes or serve as a front for illegal activities; (ii) deny the existence of the State of Israel or (iii) deny the democratic nature of the State. This law omitted the prohibition in the Ottoman Associations' Law against associations that contravene morality or public policy. Thus, the freedom of associations is extremely broad in scope, precluding only illegal activities or activities that undermine democracy.

another relevant piece of legislation is the 1948 Prevention of Terrorism Ordinance, which is intended to prevent the establishment and operation of terrorist organisations.

Israeli law also places certain **restrictions on the political activities of CSOs**. According to the 1992 Political Parties Law, **third sector organisations are allowed to undertake activities of a political nature**; however, they cannot put forward candidates to run for public office in national or local elections since this would make them political parties. Officers of not-for-profits, however, may accept political appointments since the law does not restrict freedom of occupation.

Finally, it is worth noting another particularity of the Israeli context, in that the **separation between religion and State is not distinct**. Therefore freedom of association is often linked with freedom of religion, freedom to worship, and freedom of conscience. Not surprisingly, these principles are reflected in the laws governing various third sector religious organisations and the services that they provide on behalf of the State. For instance, the Law of Jewish Religious services [consolidated version] of 5731-1971 regulates the financing and supervision of the Jewish religious councils, which provide religious facilities and services, often through not-for-profit organisation. In addition, laws have been developed to cover religious services that are offered to all citizens of Israel, such as burial services that are provided by not-for-profit burial societies and paid for by the National Insurance Institute (NII).

3.3. Types of organisations and regulatory framework

As in many other countries, in statutory terms, CSOs in Israel can be divided into two broad categories: associations and foundations. Whilst associations are the result of people gathering together to achieve common goals without any profit-sharing intent, foundations are institutions using their capital to pursue philanthropic goals. In Israel associations and foundations can be formed and incorporated under one of the four primary laws regulating not-for-profit structures. These are: (i) the Associations (Amutot,) governed by the Law of Associations 1980; until 2011 there were 34,398 Amutot registered; (ii) the Private Companies for Public Benefit, governed by the Companies Act, 1999; the number registered in 2011 was 738; (iii) the Cooperative Societies, governed by the Cooperative Societies Ordinance, since 1933; in 2011, there were 3,200 cooperatives registered⁵³ and; (iv) the Endowments, governed by the Trust Law from 1979; according to data from 2007, they amounted to 2,342 endowments⁵⁴.

For tax purposes whilst incorporation is not required in order to be classified as a not-for-profit organisation (i.e. all that is required is a group of at least seven people, individuals and/or corporations, operating together in order to advance a public aim, committed not to distribute profits, and reporting annually to the Tax Authorities on the basis of article 9.2), **it is indeed necessary to receive certain governmental grants and benefit from tax exemptions**, which results in unincorporated CSOs being at a disadvantage⁵⁵.

The Corporations Authority, which was established by the Government in April 2006, is the Governmental Authority that handles the registration and supervision of corporate bodies in Israel. The Corporations Authority is structured with two main branches: the business branch, and the Not-for-profit Organisation branch, including units consisting of the Registrar of Amutot, the Public Benefit Companies and the Registrar of Endowments. The Registrar of Amutot unit conducts periodic checks of the registered associations. It issues certificates of proper management to organisations that meet the requirements of the law and eliminates credentials when it becomes clear that there are deficiencies in the conduct of the association⁵⁶.

⁵³ <http://www.moital.gov.il/NR/exeres/58AF375C-7123-4A8F-96D6-4FCDA088EB92.htm>

⁵⁴ <http://ozar.mof.gov.il/hachnasot/doch07/docs/perek21.pdf>

⁵⁵ <http://www.usig.org/countryinfo/PDF/Israel.pdf>

⁵⁶ Proper management of associations, Corporations Authority, Registrar of Associations (2010).

Without getting into a detailed description of all the criteria and restrictions associated with each one of the four legal forms⁵⁷, and bearing in mind that the regulations continue to develop on an on-going basis, there are a number of considerations that are worth addressing, considering their relevance and impact on the overall enabling environment.

- **Public recognition subject to incorporation:** Israeli law only acknowledges organisations that have been awarded a certificate of incorporation. Therefore those that fail to incorporate are penalised by not qualifying for tax exemption benefits.
- **Ambiguity regarding what a “public institution” is:** Furthermore, the tax laws in Israel do not distinguish between legal forms or types of CSOs. Therefore, the determination of taxable income and tax exemption does not depend on how an organisation was originally formed. The two main tax laws – Income Tax and Value Added Tax – do not have the same definition for “public institution.” While the Income Tax Ordinance (“Tax Ordinance”) relates primarily to the aims of the organisation, the VAT Law refers to the nature of its activities⁵⁸. Only “public institutions”, which benefit the “domestic sector”, are granted some exemption from taxes, according to the Tax Ordinance. Although there is no automatic exemption upon incorporation of an organisation, there are some forms of organisations that are given preference in being recognised as “public institutions.” For example, Amutot, private companies for public benefit and endowments are given preferential treatment because of their prohibitions on distribution of profits to their members. In 2001-2010 a total of 2,806 institutions (of which only 93 were Arab organisations) approved Section 46 of the Tax Ordinance. A recent study (Rudman, 2011) shows the multi-tax requirements of the Commission and the duration of the procedure act discourage several small-scale or peripheral CSOs from accessing the process.
- **Numerous restrictions on CS activities:** Israeli law also restricts a wide range of CS activities. With regard to **income-generating activities**, CSOs are allowed to participate in business activities by conducting such activities as part of the organisation’s operation or by holding shares in a for-profit corporation. Yet, these business activities may be taxed, unless they are an integral part of the organisation’s fulfilment of its public aims, and are not a substantial part of its activities or income [Income Tax Ordinance, Article 9]. Israeli law also places certain **restrictions on the political activities undertaken by CSOs**. Whilst the Amutot Law does not prohibit lobbying or any other political activity, these activities cannot aim to win representation of the organisation (Amuta) in the Israeli parliament or Knesset. An association can therefore work to influence the legislation process as well as the outcome of political elections or publicly support a political party or candidate. Yet the law does not recognise CSOs engaged in political activity as public institutions (it must be noted that **political parties are considered to be separate legal entities**, which are not subject to the provisions of the Associations Law). Hence, “politically-active” organisations have to appeal to the finance minister to obtain a tax-exempt status.

The purposes of a private company for public benefit, on the other hand, must comply with the Companies Act, morality, public order, and the general laws of the State of Israel [Companies Law, Article 2]. A cooperative society's purpose is set forth as fostering "economy, independent assistance, and reciprocal assistance between persons having common economic interests, in order to effect an improvement in their living conditions" [Cooperative Societies Ordinance, Article 4]. And finally, an endowment's aims must be simply to benefit a particular public community or fulfil a public aim⁵⁹.

All in all, leaving aside the fiscal complexities of the current regulatory architecture, it appears that the **framework discriminates in favour of “non-challenging” and/or “service-oriented” CSOs**, therefore mirroring the “dialectical structure of opportunities for civic engagement” briefly referred

⁵⁷ See <http://www.usig.org/countryinfo/PDF/Israel.pdf> and Gidron et al (2004) for such description.

⁵⁸ <http://www.usig.org/countryinfo/PDF/Israel.pdf>

⁵⁹ <http://www.usig.org/countryinfo/PDF/Israel.pdf>

to when describing the overall institutional and political context. Social-change organisations (the so called “politically active” organisations), engaged in governance-related activities and often critical to the State’s policies, seem to be under the watchful eye of the Government; or at least of some of its political factions.

A recent example of the will to strengthen the State’s scrutiny and control over these organisations and even to curtail their work, was a recent attempt to **revive the bill restricting foreign funding** to politically active organisations, which are critical of State policy. The bill would have limited the funding such groups could obtain from a “foreign political entity” to NIS 20,000 a year. In addition to calling for a boycott or sanctions against Israel and calling for soldiers to be tried in international tribunals, the bill cited three other actions that would spark the restrictions: rejecting Israel’s existence as a Jewish and democratic State, incitement to racism, and support for armed struggle against Israel by an enemy country or a terror group.

It must be underlined that accepting such a bill verbatim would have **severely prejudiced freedom of association and would constitute a breach in international law**, which would put Israel in line with countries that do not faithfully protect civil and human rights, as several organisations and CS defenders already underlined back in 2011 when two similar bills were under discussion. The President of Israel himself Stated that the bill, which was shelved, “deviate[d] from the basis of democracy” and other similar attempts have also been labelled by the Attorney General as unconstitutional.

The right of **CSOs to access funding is an integral part of the right to freedom of association**. Access to funds and resources is essential and without it the daily work of CSOs is highly jeopardised. Across the globe, recent years have seen CSOs facing increased control and undue restrictions in relation to funding they received, or allegedly received. Combined with the global financial crisis that has compelled some donors to reduce funding, this situation has, in many instances, led to a decline in the number of associations and a decrease in or readjustment of the activities of existing ones, or in the worst cases, to the extinction of some CSOs. Today, restrictions on foreign funding exist in nondemocratic regimes and have had a broad-ranging debilitating impact on CSOs so far. In Ethiopia, regulations on foreign funding have forced CSOs to reduce their activities or stop human rights related activities. In the Russian Federation, NGOs receiving foreign funds face criminal liability if they fail to add the mention “foreign agent” on all official documents. In Belarus, human rights activists are being harassed and even imprisoned. Some States also use the technique of “restriction by omission” to prevent human rights NGOs having access to funding. By not applying the procedure laid down by their own laws and regulations, the authorities deny CSOs the ability to carry out projects funded by organisations or foreign countries⁶⁰.

Furthermore, **curtailing (through limiting their access to funding) or even denying the legitimacy of organisations to act, criticise Government activity and exercise oversight over its activities would contravene the 1999 “UN Declaration on the Right and Responsibility of Individuals, Groups and Organs of Society to Promote and Protect Universally Recognized Human Rights and Fundamental Freedoms”** which was ratified by Israel⁶¹.

⁶⁰ <http://www.omct.org/human-rights-defenders/reports-and-publications/2013/02/d22162/>

⁶¹ In the words of one of the leading human rights CSO in Israel: “The protection of human rights, including criticism of the policies and/or activities of the Government, is critical for safeguarding democracy and human rights in Israel. Freedom to criticise the Government, exercise oversight of its activities, and proffer assistance to those injured by it – are all vital and legitimate modes of operation in a democracy, and ensure its ongoing existence and vigour. (...) The attempt to harm the activities of organisations that deal with human rights in these and other bills currently being advanced undermines the foundations of democratic rule. It should be kept in mind that attacks on human rights organisations harm the weakest groups in the population, groups that these organisations represent and to which they give voice”. Extracted from ACRI position addressed to the Ministerial Committee on legislation back on June 2011 when similar bills were examined.

4. Engagement trends between CSOs and State institutions

4.1. A brief overview of the policy framework regulating State-CSO relationships

A major paradox emerges when examining the policy framework *vis-à-vis* CSOs in Israel. On the one hand CSOs handle relevant areas of public life and receive very significant amounts of public funding. Indeed, the reliance of the Government of Israel on CSOs to deliver Government-funded services is a widespread and growing practice, and it is on a much bigger scale than several industrialised countries in the world. According to 2009 World Bank research, Israel (with 64% of the total not-for-profit revenue emanating from governmental sources⁶²) ranked 5th in the list of countries in terms of Government support to CSOs, only preceded by Ireland (with 74%), Belgium (with 69%), Germany (with 66%) and the Czech Republic (with 65%)⁶³. These ratios are particularly significant considering that the average of governmental support to the CS sector is 36% (Salamon et al, 2010). On the other hand, **the policy framework towards these organisations and their potential for engagement in public policy** is still at a preliminary stage of development.

Until 2008 there was no overall policy regarding Government-CSOs relations and the government's policy towards CSOs **evolved in a piecemeal fashion** in response to historical processes, *ad hoc* constraints and external pressures, rather than a formal coherent view of the sector, its roles and added value. According to Gidron et al (2004), **typically the Government's "de facto" policy** stemmed from individual Government or court interventions, on the basis of a personal, improvised and reactive pattern⁶⁴, in response to problems pertaining to specific areas of activity (e.g. higher education, welfare, health, etc.) or certain types of organisations, without any sound debate taking place regarding the overall policy towards the sector.

In February 2008, the Government of Israel presented its policy regarding the not-for-profit sector. In brief, **the document acknowledges CSOs as partners in the provision of social services**, encourages the Government to promote social entrepreneurship and to integrate not-for-profit organisations in Government contracts for social services. When it **comes to policy-making, the policy acknowledges the role that CSOs can play and recognises the value of consultations** (i.e. in the form of round table forums). The policy also addresses the issue of private sector donations (i.e. underlining the need for an adapted tax system). Finally, it emphasises the need for an independent, accountable, professional, and law abiding not-for-profit sector.

Yet while laws, ordinances, regulations, and procedures governing the activities of not-for-profit organisations exist and define the relationships between these organisations and governmental authorities, as briefly outlined in the preceding chapter, **documents that further detail the implementation of the 2008 provisions**, beyond resolution 3190 leading to the 2008 policy paper⁶⁵, and **provide instructions and operational guidance for line ministries and State institutions, are either rare or works in progress**⁶⁶.

⁶² This includes grants, contracts (for the provision of welfare services) and other forms of direct support. See section 6 on funding trends for more information on governmental support to CSOs in Israel.

⁶³ See: Irish, L et al (2009)

⁶⁴ Telias et al. (2000) study evidences that Government support for CSOs is guided by three main considerations: (i) the Government's wish to reduce expenditures, lighten its administrative load and circumvent restrictions that could impede the recruitment of manpower and the use of resources, as evidenced by decision to contract work out to NGOs; (ii) a desire among Government officials with party interests to support CSOs that further their political goals, as evidenced by the associations that have been established and funded by political parties; and (iii) the Government's wish to promote organisations that fulfil important functions the Government is unwilling to address directly, as evidenced by organisations that provide services to populations

⁶⁵ Prime Minister's Office Department of Policy Planning (2008)

⁶⁶ They can be mainly found in the framework of the Round Tables venture, initiated by the Prime Minister's Office (PMO) in 2008 and continued through the new Government in 2009, aiming to create a framework for carrying out the policy outlined by the Government for inter sector partnership, as will be explained in the following section.

4.2. An assessment of the entry point for Israeli CSOs into policy-making

4.2.1. The invited “top-down” spaces for CS engagement⁶⁷

Government decision number 3190 was a significant step forward in **opening up “invited spaces”** for CS engagement and promoting cooperation across the three sectors (public, private and not-for-profit). The venture (see box below) was, and continues to be, the first initiative in Israel aiming at intersectoral discussion at national level. Its uniqueness also relies on its: (i) broad-ranging scope (i.e. not linked to a particular challenge); (ii) ambition to become an institutionalised space for continuous dialogue and (iii) involvement of senior officials from the Government.

Box 8: Roundtable ventures

Roundtables of Israeli Government, philanthropy, business and not-for-profit organisations meet for the purpose of developing endeavours on a national level. This dialogue is based on the belief that effective social policy is achieved by agreement, inclusion, and respect for each sector's role and contribution to society as a whole. The process is facilitated by Sheatufim, which coordinates, consults and accompanies the new platform for effective inter-sector dialogue in Israel.

In the preliminary stage, the roundtable convened in the role of a “constitutive roundtable”, in order to define and prepare the framework for the Intersector Roundtable. Framework documents were drafted, including the rules of intersector dialogue and the way in which it will take place. For the **first time in Israel, rules were set out for dialogue of this kind, ensuring its continued existence**. After establishing the framework and deciding on the topics for the initial agenda, the roundtable began operating as an Intersector Roundtable, dealing with relations between the sectors. Some 30 people take part in the roundtable dialogue, senior representatives from each sector: one third of the roundtable members represent the public sector, one third come from the third sector, and one third are identified with the business sector. The roundtable discussions mainly deal with basic issues relating to relations between the sectors.

So far, roundtables have served as a basis for developing common ventures such as the intersector emergency coordination headquarters during Operation Cast Lead and the intersector economic plan for dealing with the economic crisis.

After three years of operation and a self-assessment⁶⁸, which **showed the need to continue the process in order to sustain the benefits gained so far** (e.g. enhanced mutual understanding and trust, better informed policy, etc.) **whilst enlarging the base for engagement** (i.e. the number of actors involved) and **building-in concrete outcomes** (i.e. concrete cooperation projects as a means to go beyond rhetoric), the process has expanded to line ministries. These are the so-called topical roundtables being launched at the Ministry of Education, the Ministry of Environmental Protection, and the Ministry of Social Affairs and Social Services. Also a number of joint social ventures are being considered. In parallel, several actors, including mainstream CSOs, are also working in the same

⁶⁷ Please see section 1 for a description of the conceptual framework. Spaces for engagement between the Government and Civil Society can be “invited” (i.e. usually “top-down”, they are offered and led by the Government to varying degrees, as the Government has a shared interest in the policy) or “claimed” (i.e. often bottom-up, they are created by the CSOs themselves, through advocacy, the media or even demonstrations). Spaces for engagement can also be formal or informal.

⁶⁸ Other relevant lessons learnt from the three years of Round Table process (Bat Chen, 2011):

- (i) The need to examine and redefine, with the involvement of the members, the purpose and goals of the table in the next stages. There is also a need preserve and leverage the advantages and added value of the conversation (trust, consultation, and reciprocity) and extend them beyond the participating members.
- (ii) The need to produce separate inter-sectorial processes. Also, mechanisms will be needed to promote knowledge sharing and to link the different sectorial round tables to the discussion at the Prime Minister's office.
- (iii) The expansion of 'the key of the representatives' should be considered. To this end clear criteria are needed to choose/appoint the new representatives. Also, new members need to be well prepared before entering the process.
- (iv) Chairpersons should be appointed and their role needs to be well defined in advance. Also, it is recommended to examine the possibility of extending the leadership of the table and to appoint a permanent 'team of nine'. Also, agenda setting should be done in transparent and accessible way.
- (v) There is also a need to open additional discussion channels, which can feed the process in parallel to the tables. This goes hand in hand with the idea of opening up the process to other actors. There are different possibilities that should be explored: open conferences and yearly events, use of social media, etc.

direction (to foster cross-sectoral cooperation) both at national and local level, where local governance practices are also at a very early stage of development. This is the case for the work done by the Centre for Lay Leadership and Civil Society of the JDC⁶⁹.

Even though it is too early to assess the value of these initiatives “as effective entry points” for CSO engagement and their real impact on policy outcomes, it is already evident that they signify, at least in principle, **a new “paradigm” in the policy-making patterns in Israel**, and have the potential to offer a real opportunity for dialogue, for influencing social policy, for building partnerships, and for influencing the social agenda.

Other than these new processes, **“invited formal” spaces for CS engagement are still limited in Israel**, and are still very much led by **widespread misperception and lack of trust**. According to a recent study about CS involvement in social initiatives in Israel (Almog-Bar et al, 2010), whereas CSOs perceive themselves as “partners” and engage in policy-making hoping to be able to influence the process and its outcomes, Government officials often tend to see CSOs as service-providers, who implement social programmes on behalf of the Government and do not necessarily see an interest in involving them in the discussions around policies. The research also suggests that the main reason explaining the difficult interaction between the Government and CSOs is **the absence of a common language and framework**, which can be shared by both actors. It also appears that processes do not always count on the political will and commitment of senior decision-makers (in all sectors involved), which would be necessary to promote dialogue and, even more importantly, enforce its outcomes⁷⁰.

Against this backdrop, in the absence of **a clear framework setting the goals, scope and rules for engagement**, the various Government bodies that interact with CSOs determine and apply their “own policies and practices”. Their choices, particularly when it comes to engaging with CSOs beyond the funding contractual relationship, **are very much guided by the personalities of those who lead the institutions or hold key positions**. It may even be the case that the policy of one State institution may substantially differ from that of another institution. This trend is also evident at **the local level**, where the situation appears to be exacerbated, due to the lack of coordination between the central and local governments and the fact that each municipality handles issues related to CSOs in a different manner.

Notwithstanding the above some **promising trends, both at national and local level, can be identified. Several of the interviewed CSOs** (even the actors not performing purely welfare State functions and considered “social change” actors) report to **have strengthened their relationship with State institutions**, even at the latter’s initiative, and even to have succeeded in developing **constructive engagement approaches** with a number of line ministries and State institutions, including the Ministry of Social Affairs (Welfare Department), the Ministry of Education and even the Ministry of Public Security (police) amongst others. **This is what some organisations have come to label “a biting relationship”, which usually combines cooperation for programme implementation, enhanced dialogue built into the relationship, and even advocacy if and when needed.**

In parallel, on the Government side, and in the wake of the 2011 protests, a number of windows of opportunity for engagement seem to be emerging. The current resolution on **public engagement**

⁶⁹ In December 2012, the JDC Institute for Leadership and Governance finalised a partnership contract with six Government Ministries for the establishment of the Centre for Lay Leadership and Civil Society, together with the New York Federation and Weinberg family. The ministries include welfare and social services, education, absorption, justice, treasury and health. A professional steering committee was established, with senior representatives from each of the six ministries (equal in seniority to deputy-directors of ministries).

⁷⁰ Evidence from processes worldwide shows that leadership and strong commitment to information, consultation, active participation, and accountability in policy-making is needed at all levels, from politicians, senior managers and public officials. Decision-makers need to be actively involved in the process, to be able to feed citizens’ input into the policy-making process. In order to effect broad social change and to achieve a healthy democracy, leaders in all sectors must be cultivated, encouraged to interact, learn from/with each other, and join forces in their work.

confirms this trend and could be a major institutional breakthrough in the shift towards a new paradigm in shaping public policy in Israel.

Allegedly, the space for **multi-stakeholder engagement is progressively opening at the local level**, where a number of municipalities and councils are reported to be more open to establishing regular dialogue with local CSOs and even defining joint cooperation initiatives, in areas where CS expertise and know-how offers real added value (e.g. environment, social welfare particularly when it comes to specific groups, public participation, etc.). In this regard, it is important to recall that the municipal arena is the most intense meeting place between citizens and the first-level of State institutions, and is also the sphere where the connections between the tax system and the services received in return are most visible. It has thus become a vibrant arena for CSOs and citizens' activities, to influence both the local governance system (i.e. making it more transparent and accountable) as well as the local environment in general. Several resident grassroots organisations across the country, as well as professional organisations work in this direction.

Box 9: Shatil's enhanced relationship with the national Government and Local Authorities

Shatil, an initiative of the New Israel Fund, has a history of being involved in the participatory arena. Yet, in recent years, the organisation has made the strategic decision to intensify its joint work with the national Government and Local Authorities. In northern Israel, for example, Shatil cooperated with the Social Services Authority of Haifa municipality in planning and implementing a project for training social and community workers. Providing the participants with better knowledge of public policy and its role in promoting social justice and combating poverty, the training improved the capacity of social and community workers to serve as agents of change in weakened communities.

Other partnerships with the Government include roundtable collaborations between business, NGOs and Government representatives in dealing with Government policies toward the third sector and an interdisciplinary team of some 25 prime movers in the Negev including several heads of regional councils and municipalities, which seeks to become the central address for Government, academic and not-for-profit programmes in the Negev.

4.2.2. The “claimed spaces” for CS engagement⁷¹

Beyond Government and CS interaction for the implementation of programmes and activities, **a tradition of *ad-hoc* interaction is reported to have existed** and continues to exist between several individual CSOs and more or less formal networks of coalitions on the one hand, and Knesset members, members of the Government, Local Authorities, the High Court and the media on the other hand, even in the absence of a comprehensive policy framework, setting the “rules of the game”.

Indeed several CSOs **report being very successful in approaching, holding dialogue and even lobbying**, often at their own initiative, State institutions (particularly at the Knesset level), on specific issues, relevant to the social, economic, cultural and political lives of the country. The strategy is often that of **submitting professional opinions and position papers** to Knesset members and policy-makers, **participating in and/or advancing discussions of the Knesset committees** and, **taking part in public forums and coalitions of CSOs, which are more and more vocal regarding legislation**. The most successful example is Life and Environment, leading the effort to influence the decision-making process in Israel towards sustainability and environmental justice, as well as further integrate all these issues into the discourse of both civil Society and Government agencies. Other more or less formalised and structured coalitions include the coalition for disabilities led by Beit Issie Shapiro, the coalition against racism, the Women's Budget Forum (see Box below), the different coalitions active against domestic violence, Kulanana, etc.

Box 10: The work of the Women's Budget Forum⁷²

⁷¹ Please see section 1 for a description of the conceptual framework.

⁷² <http://www.wbf.org.il/default.asp?pageId=2>

The Women's Budget Forum was established by seven women's organisations to promote social policies that contribute to the advancement of women and girls in Israel, through gender-sensitive budgeting. The forum is unique in terms of the types of participating organisations: field organisations along with research organisations, advocacy groups and others. Today the forum has about 20 organisations.

In particular the forum aims to: (i) create public and parliamentary awareness of the gender implications of economic policies; (ii) serve in an advisory capacity for Government ministries and public agencies in the development of tools and strategies for gender-sensitive budgeting; (iii) increase transparency by gathering, analysing and publishing budget analyses disaggregated by gender; (iv) encouraging the State Comptroller to utilise a gender lens in its examination of Government actions; (v) advocate the creation of a new position in Government ministries and public agencies of gender-sensitive budgeting experts; (vi) inculcate the necessity of taking gender considerations into account in budget debates in Knesset committees and plenary sessions and (vii) increase cooperation among women's, human rights and social change organisations on economic issues, so that these are designed to promote gender equality.

Recent changes such as the **strategic decision amongst several organisations to intensify their joint work with the national Government and Local Authorities**, the **progressive sophistication of CS approaches to advocacy**, or the **strengthening of policy-dialogue components** within several of the organisations (e.g. through the hiring of permanent policy staff) show the importance of this channel of interaction. More and more CSOs report working closer with think tanks and research centres, considering their crucial influence on public policy. In the words of one⁷³: *"To effectively influence policy, it is necessary to adopt an all-encompassing perspective that addresses the various decision-making centres inside Government agencies, and especially in the Knesset and the Government; the various arenas that affect decision makers, and especially the media; and the debates and hubs of leadership in society. To effectively influence policy, we must employ all the potential tools and platforms of advocacy that are at our organisation's disposal, including coordinated use to increase their impact"*.

This trend coincides with the **revival of civic engagement amongst Israeli citizens, particularly in the wake of the Social Summer of 2011**⁷⁴ and the **emergence of a new generation of civic initiatives and movements**. In the past three years, it has become clear that Israeli citizens want to influence and participate in the building of their society. Indeed, as the Trajtenberg report⁷⁵ assesses, one of the most positive side effects of the protest is that the "New Israelis" (using the nickname that one of the protest leaders coined) have discovered a suitable language with which they can express their ideas and even their frustration against the growing sense of alienation *vis-à-vis* the State institutions, the political system and central focal points of the market economy, without fearing that they will be labelled according to the classic dichotomies, which are derogatory. Furthermore, as the report also underlines, the "New Israelis" insist that their voice be heard, not as a one-time act during a demonstration, but as a built-in and permanent means of conduct in the new 'agora'.

Guided by these principles, some citizens have been very active in developing initiatives to deepen democracy, **promote social accountability and enhance Government transparency, both at local and national levels**. They are mostly social media supported and adopt different organisational patterns from the traditional CSOs (e.g. this is the case of movements and organisations such as J14, the Social Guard, Uru, Public House, Hasadna, the Democratic Charter, etc. amongst others⁷⁶). **Also more and more the sector is witnessing stronger cooperation, and even alliances and mergers,**

⁷³ The Abraham Fund Initiatives (2013)

⁷⁴ According to the 2012 Israel Democracy Index, the protests served as a safety valve for releasing pent-up antigovernment and anti-political "steam." Today, the general public apparently feels that it was given a voice, and its preferences—for example with reference to social/economic and budgetary priorities—were openly expressed and addressed, even if the State's agendas were not dramatically transformed (though some would argue that important changes in the social/economic realm indeed took place in the wake of the protests).

⁷⁵ Creating a more just Israeli Society. 2012

⁷⁶ For more information about the new, emerging actors and movements, see sections 2 and 6 of the report.

between traditional civilian and social change organisations and the so-called new movements, often attracting a much younger generation of social activists⁷⁷.

Box 11: Hasadna - The Open Knowledge Workshop⁷⁸

The Open Knowledge Workshop (Hasadna) is a new organisation whose aim is to strengthen Israeli democracy and empower civil society by making relevant information about the Knesset, Government Ministries, and Local Authorities available (through internet platforms) to the public at large. During 2011-2012 the organisation's activity focused on the development of the two core projects—the Open Knesset website and the Open Budget website. The former has tens of thousands of users, mainly in political and social action circles. It has been one of the catalysts leading to the current efforts by the leadership of the Knesset to construct a new website for the Knesset, including consultation with the founders of the Open Knesset site. The Open Budget project, too, has been able to amass information not previously available in a single location; today it serves mainly researchers and Government officials who want to analyse the State budget. The organisation has several other projects, including Open Municipalities, General Inspector – Trachtenberg Tracker, Open Community, Open the Finance Committee, etc. All of its projects are based on technology (i.e. they take existing data that was produced by the Government or other public institutions, and use open source technology to make the data accessible and understandable). Most of the organisation's work is accomplished by highly dedicated volunteers and the organisation cooperates with several open Government Organisations elsewhere in the world, such as the *Open Knowledge Foundation*, the *Sunlight Foundation* and *Code for America*.

4.3. Final considerations

In spite of the incomplete policy framework, the pilot or even *ad-hoc* character of the “invited spaces for dialogue”, and the Civil Society-driven agenda of several of the on-going engagement processes, Israel appears to mirror the worldwide trend to strengthen citizen engagement and advance a new governance paradigm into policy-making. Yet, notwithstanding the already visible shift (particularly at local level) and the opportunity that the inclusion of Israel into the OECD represents, considering the current co-production and social accountability trends within the OECD, **a major implementation (or delivery gap) prevails at the level of State institutions, between policy objectives (i.e. policy statements and rhetorical commitments on citizen engagement) and actual practices of citizen engagement.**

Firstly, as demonstrated by the analysis offered throughout this chapter, **citizen engagement processes in Israel still lack clear direction due to significant misperceptions and even “stereotypes” that continue to exist between the Government, Civil Society, and the private sector.** On the one hand, it appears that the assessment made by Gidron et al. (2004) almost ten years ago, **regarding the ambiguous attitude of the Government towards CSOs**, remains, for the most part, valid today. While the Government promotes CSOs through direct and indirect support that amounts to large sums of money, the State is clearly interested in protecting itself from the activities of CSOs, particularly of potentially challenging actors. Moreover, the State directs most of its financial support to CSOs that provide services on behalf of the State and those that promote the State's political agendas⁷⁹. On the other hand, **capacities are still lacking** both inside the State institutions as well as within CS to overcome stereotypes and effectively engage in policy dialogue leading to concrete outputs and outcomes.

⁷⁷ This is the case for instance of the on-going merge between Agenda, Haresda and Uru or the support provided by the NIF/Shatil to several of these emerging movements.

⁷⁸ <http://www.hasadna.org.il/en/>

⁷⁹ Limor's research (2004) also pointed in the same direction. According to the author, despite the fact that CSOs, particularly those that receive Government support, provide the Government with products and services, **a dual attitude tinged with doubt and mistrust still exists.** Furthermore, distrust is accompanied by two other phenomena: firstly, the tension that exists between the Government's professional bodies and those of the organisations. Not infrequently complaints are heard about CSOs wanting to use their professional experience and ability to influence a decision-making process. Bureaucratic short sightedness with regard to the value of experience accumulated by organisations in the field leads to occasional conflicts, which make cooperation difficult. The second phenomenon is that of the influence exerted by the political system and its aspirations on third sector developments and activities.

Secondly, **citizen engagement still lacks institutionalisation**, particularly at the level of line ministries. Although a strong tradition of ***ad-hoc* interaction exists** between several individual CSOs and the more or less formal networks of coalitions on the one hand, and State institutions, especially at the level of KMs, on the other, its often “non-formalised” and personalised nature results in an unequal **structure of opportunities for civic engagement and political action**. Furthermore this increases the risk of specific groups monopolising the debates with their own corporatist demands, and even capturing the “public interest”.

This situation links to the third major challenge that characterises citizen engagement in Israel, which is the **inclusiveness of non-mainstream actors**, namely the Arab minority, specific sectors and socially disadvantaged groups, and the “challenging” actors (i.e. social change organisations with a strong advocacy agenda; human-rights organisations, etc). With regard to the Arab minority and other social groups, the research done by Dirasat⁸⁰ shows that while, in theory, the Government and mainstream policy groups should be able to accurately define the needs of the different groups in society, practically speaking, minority groups often find that the authentic needs of their communities are not accurately or faithfully represented by such “mainstream” groups. Furthermore, they often lack the appropriate channels to ensure that their voices are integrated into debates. “Challenging” groups (i.e. opposing the State agenda) are also often left out when it comes to “invited spaces of dialogue”. All in all, notwithstanding the progress made, **it seems that more efforts are needed to turn both “invited” and “claimed” spaces into inclusive, diverse and non-discriminatory spaces, which grant access to both mainstream and non-mainstream actors and groups**, on an equal basis.

The definition of a formal framework, setting the objectives, scope and rules of the engagement game, is a very difficult task. As in other contexts **CS and Government relations are complex because they constantly evolve**. This reality makes the definition of CSOs themselves constantly evolving, as are their roles and forms of engagement *vis-à-vis* the Government and other actors, such as the private sector. The same CSO may have a very good relationship with one State institution, whilst its relationships with other institutions may be confrontational. Similarly, different CSOs are likely to have different relationships with the same State institution.

Fourthly, as will be further analysed in the next chapter, engagement processes are challenged by **the fragmented nature of CS in Israel** (in spite of some commendable efforts to bring the actors together on an issue, thematic or even broader basis) **and the multiplicity of individual actors** dealing with the same field or subject.

Finally, effective engagement processes require more resources as well as more intermediaries who can broker effective relationships (e.g. this is the type of role that Sheatufim and the JDC play at a national level). Indeed, recent research and evaluations of multi-stakeholder engagement processes point to the need for intermediaries to build trust and mutual understanding among the actors. Evaluations also note the need for reciprocity in terms of funding and dialogue, as well as the need for a sound understanding of the environment.

⁸⁰ Dirasat (2013)

5. The capacity of Israeli CSOs

A mixed picture emerges when looking into the capacity of Israeli CS. Indeed, CS in Israel is characterised by unmistakable internal discrepancies and polarisation **between a small group of large individual organisations and the rest of the actors** (Katz et al, 2009).

On the one hand, there are a small number of large mainstream organisations, many of which are active in the provision (and even pioneering) of social services, are able to mobilise large constituencies, and are often deeply rooted in Israeli society. There are also a number of solid, well-established actors, which play alternative roles and have grown to become points of reference in areas such as advocacy, awareness raising or even the development of space for civic activities and the promotion of active citizenship among Israelis. Regardless of their roles, they are all highly professionalised organisations, with a proven track record, and **the built-in capacity to manage programmes and projects and to fundraise for their activities.** They constitute a sort of “elite” and entertain **strong relationships with several local and international philanthropists**, including the donor community active in the support to human rights and peace building-related activities.

On the other hand, there is the vast majority of **CSOs, which are still at an early stage of their organisational development or are active on a very local scale, usually on the basis of less formalised and more fluid forms of structuring.** Often, these organisations are engaged in a struggle to survive, which drains their resources in the short term and impairs their ability to invest in developing a proper infrastructure for the long term. This is frequently the case of the CSOs emerging in the periphery and/or from minority groups, as well as the “new-generation” of **social activists.**

Against this background, and aware of the limitations of any generalisation in a complex context like the Israeli one, what follows is an attempt to provide a succinct overview of the capacities of Israeli CSOs⁸¹, first from an overall perspective dealing with both the **so-called mainstream organisation** as well as the **Arab minority**, and subsequently by taking a closer look at emerging actors and new activists.

5.1. A brief overview of the consolidated group of CS in Israel

5.1.1. A look at mainstream Israeli CSOs

In general, notwithstanding various effective coordination and networking efforts, **Israeli Civil Society is highly fragmented.** Many actors, particularly at the first and second level (see Table 1) promote similar goals, are active in the same areas and compete for scarce resources. Likewise, most CSOs **place strong emphasis on content production and/or provision** and only a few organisations focus on direct interventions **to strengthen Civil Society and promote social capital**, such as empowerment, networking, mentoring and capacity development. These are the so-called “infrastructure organisations”. In addition to Shatil, which, as the most significant infrastructure organisation in Israel, has acted as an arm to the New Israel Fund, spearheading social change for the past 30 years, other relevant actors include Sheatufim, Matam, JDC and MINGA for social entrepreneurship.

Networking efforts (i.e. visible at the so called third and fourth level of structuring⁸¹ (see Table 1), though intensifying in recent years, **are not yet sufficiently developed** to counterbalance the

⁸¹ The actor-differentiated analysis refers to the methodological approach taken when looking at CSOs from the perspective of their level of structuring and influence. It creates four levels of analysis, corresponding to the four typologies currently used by experts in the not-for-profit field. This typology, widely used across mapping studies, makes it easier to identify differences in terms of aspirations, mission and vision and intervention logic of the CSOs present in a given country and helps differentiate their specific needs, obstacles and potentialities. In addition, it prevents confusion as to the role and positioning of each actor within civil society, the aim being to avoid competition between actors unable to share the same starting point. True, the values, mission, technical skills, functioning and/or leadership of a grassroots organisation cannot be compared with that of a higher-level

“individualistic” pattern that characterises mainstream Israeli Civil Society. It must be underlined that coming together in formal networks and structures, beyond *ad-hoc* coalitions and campaigns, is a relatively new phenomenon among CSOs in Israel (with the exception of sectors like the environment) and has often been driven by external forces and actors (e.g. the umbrella organisation “Voluntary and Not-for-profit sector” was founded at the initiative of the JDC-Israel, which continued to be strongly involved with the organisation since its establishment). Therefore the appreciation and understanding of the benefits that networks and platforms may bring (i.e. strengthened “agency” to influence the public domain, support for members, etc.) is relatively underdeveloped even within the well-established CS sector.

Furthermore both with “insiders and outsiders” to CS, it appears that **there is not yet a sufficiently well developed “self-notion of Civil Society”**. Some observers even report that Israeli society’s inherent complexities, coupled with pressing societal, economic and political challenges, are contributing to the **further division of CSOs along identity lines** (secular versus religious organisations; Jewish versus Arab, Ethiopian, etc. actors; area-based versus actor-driven actors; etc.).

Table 1: A quick overview of the four levels of structuring of CS in Israel

Level of structuring (Note: this should not be taken as a hierarchy)	Major features
4th level: National Platforms	Current efforts to revive, restructure and even re-label the third sector platform (now known as Civic Leadership) in order to have a strong interlocutor to both the State and the private sector. To this end, support is provided by infrastructure organisations (namely Sheatufim) and links are established with the roundtable processes.
3rd level: Coalitions/networks/etc.	Limited number of formal and strong coalitions in some sectors (particularly environment, also disabilities and others) plus several informal and/or emerging and sectoral influence groups. Emerging fluid forms of collective action
2nd level: Formally constituted organisations with a solid and defined structure	Several outstanding individual organisations , deeply rooted in their communities -- “the community contributing to the community” -- with a proven track record, professional skills and innovation capacity. New, emerging actors: “in the periphery”, emanating from “minority groups” themselves, and led by a new-generation of activists. Relevant discrepancies in their capacities compared to the “old generation”.
1st level: Grassroots organisations	Very vibrant CS at the local and community levels (across sectors of Israeli society: “culture of giving and volunteering”). Often informal and fluid forms of civic action.

The absence of a well-developed self-notion of Civil Society is particularly problematic in a context like Israel, considering its impact on the image projected by the sector and the appreciation of its roles, added value and overall contribution by State institutions and private sector. Limor addressed this issue in his research in 2004 (Limor, 2004). According to the author, CSOs are beset by a sense that their activity goes unrecognised. **Several CSOs feel that the entire sector and its organisations are somehow tainted by the negative publicity surrounding a limited number of organisations**⁸² and by condemnations by political and Government entities. Even if the sector’s image as a whole is reported to have improved in the last decade (e.g. thanks to the initiative of CSOs in times of crisis

umbrella organisation, even if they are of the same area or field. Lastly, this type of civil society organisation enables an understanding of the positioning of the various organisations, as well as of the existing links across levels (inter- and intra-wise).

⁸² This is the case of the quasi-commercial structures competing with the private sector in Government tenders, the few organisations whose corrupt activities have been brought to light and made newspapers headlines and even several of the Human Rights and social change organisations who have come under attack in recent years.

and emergency), several CSOs, particularly those active in Human Rights and social change, are deeply affronted by the lack of appreciation shown for their work and for their important contribution to Israeli society, particularly in the current period.

The above notwithstanding, it is important to note that **a number of interesting processes led or supported by the aforementioned infrastructure organisations are currently underway** to strengthen cooperation among CSOs, promote social leadership (and the building of a strong self-image) and reinforce dialogue amongst actors and *vis-à-vis* the Government and the private sector as briefly discussed in the previous section about engagement⁸³.

Internal governance, transparency and accountability are other relevant issues, when assessing the capacity of CSOs in Israel. Indeed, most of the CSOs interviewed recognise the need to improve their internal governance and/or their upward and downward accountability systems. Reportedly efforts were done in the past (mainly through the aforementioned umbrella body), but to date no collective standards have been adopted, in the form of a code of conduct or a set of principles to which CSOs can adhere. The most comprehensive, though controversial, effort to improve CS internal governance and accountability lies **in the seal of effectiveness developed** by Midot⁸⁴. Whilst all of the organisations interviewed support the ambition and overall goals of the initiative, some are rather critical regarding the notion of effectiveness used by Midot (i.e. many respondents feel that the seal does not measure effectiveness but rather a limited number of organisational capacities, more closely linked to the criterion of efficiency) as well as the assessment process promoted by Midot during its first years of existence. Several of the **CSOs interviewed expressed their concerns of the process being too donor-driven, suffering from a “blanket approach”** (i.e. all CSOs, regardless of their roles and dimensions are evaluated using the same criteria) and, above all, not sufficiently taking on board CSOs and their needs. It is interesting to note that Midot has been attentive to these criticisms and is currently undergoing a process of sound reforms.

Closely related to the issue of accountability, and echoing current international debates, is **the question of measuring and evaluating results** in the Israeli third sector. According to an international visiting committee convened by Yad Hanadiv in 2010⁸⁵, in spite of the widespread interest and recognition of the value of measurement of results, Israeli CSOs are confronted with several challenges, many of which can also be found in other contexts, such as the US or across Europe. These include the lack of clarity regarding the purpose of measurement (i.e. accountability, informing

⁸³ In the framework of Sheatufim's work to strengthen CS in Israel, the Centre for Professional Management promotes the spheres of impact, as a means to advance an overall social perspective. The Centre defines a sphere of impact as the action framework shared by Social CEOs for spearheading social impact, which has a lasting effect on the entire social field or on the sector the CSO belongs to and operates in. It is important to note that there are various frameworks already in existence, which, in practice, function like spheres of impact, even if there are not necessarily called that. One could say that a sphere of impact may be formed in a variety of contexts: within a social field, such as education or health; within the social sector, such as the CEOs Initiative or the alliance of infrastructure organisations, all of whose members are working together to promote the social sector; within geographic regions, such as all the organisations that work in a particular city; or by a group of organisations that share a common cause – for example, organisations engaged in forming leadership groups in order to promote a particular issue or population, such as women, wellbeing, etc. For more information, see Chapter 4 about the trends in engagement between the State and CSOs.

⁸⁴ Midot was formally established as a corporation for the public benefit in 2008. It was set up by Meitav Investment House and the JDC, in response to a proposal by Midot's founder and first manager. The core activity of Midot is to rate the effectiveness of third sector organisations, i.e. their ability to create social value and improve the lives of their beneficiaries. To do this, Midot uses a rating methodology that was developed after an in-depth examination of the different organisation evaluation methods around the world, and following conversations with organisations, donors and experts in the third sector. Midot also produces sector analysis reports, which map fields of social action in Israel in order to present social investors with various social issues and to put forward measurements and recommendations for an effective model of operation (more information at: www.midot.org.il).

⁸⁵ In the spring of 2010, Yad Hanadiv (the Rothschild Foundation) convened an International Visiting Committee on Measurement and Evaluation in Israel. Yad Hanadiv asked this Committee to identify strengths, challenges and opportunities for improving Israel's Third Sector with respect to measurement and evaluation of results. See Yad Hanadiv (2010)

practice, informing the field); the often inadequate focus on producing useful and actionable reports; the insufficient education and training on measurement and evaluation (both within and outside the organisations); the common lack of access to good data and valuable information; and the unrealistic demands and time pressure from public and private funders coupled with an absence of adequate resources (i.e. very few donors are ready to assume the cost of measurement and evaluations)⁸⁶.

The issue of data and information appears to be a real concern both for the CSOs themselves and their funders, as was confirmed during the focus group organised with philanthropists during the mapping assignment. This observation echoes the importance that scholars place on **information, research and data as a means to strengthen the sector**. All in all, in spite of some commendable efforts from the sector itself, academia and even the private sector (e.g. Shatil, Agenda, GuideStar, the Israeli Centre for Third Sector Research⁸⁷, the Centre for the Study of Philanthropy in Israel⁸⁸, the Israeli Social Enterprise Research Centre⁸⁹ or Zavit3⁹⁰), the assessment made almost ten years ago by Limor (Limor, 2004) according to which the Israeli CS sector had still a long way to go, remains for the most part valid today.

Finally there is the question of **the rootedness and legitimacy of CSOs in Israeli society**. This holds particularly true for social change organisations. Indeed, **major debates are currently underway** both outside and within the “traditional social makers” sphere⁹¹, **regarding the connections between traditional advocacy and social change actors, on the one hand, and mainstream Israeli society and specific sectors of Israeli society** (e.g. Ultra-orthodox, Russian immigrants, new Arab middle class, etc.) on the other hand. As several observers underline, too often **CSOs have tended to speak exclusively to their own “political constituency”** and despite efforts made to promote their progressive agendas in a non-partisan and cross-sectoral manner, their interconnectedness amongst Civil Society and with Israeli society in general has remained limited. In the words of Shahrar (Schwartz et al, 2013), *“Over the past two decades, there has been built in Israel the foundations of a flourishing Civil Society. And yet, while there is a rich palette of organisations, their agendas have not been translated into a more holistic vision of Israeli society that has won the hearts and minds of Israeli citizens, or built political clout to move Israel in different directions. In certain ways, the opposite is true. Whole sociologies are alienated from, often hostile to, the progressive agenda: ultra-Orthodox, Mizrahi traditionalists, National Orthodox, Russian immigrants, and in very different ways, also Israeli Arabs. There are many who are recognising the need for a different, more empathetic, more inclusive agenda”*. As the paper itself emphasises, the strength of the aforementioned analysis is in the fact that it is already happening. It suffices to witness the social protest movements, the new initiatives among CSOs, the emerging actors within traditional sectors of Israeli society and new trends in local and even national politics. These are all processes that can be deepened; they can be networked and they can be catalysed.

5.1.2. About Arab CSOs

When looking at the Israeli public agenda one cannot but notice the **dominant role played by Arab CSOs** in bringing Arab issues to the fore, providing services to the Arab minority in many fields where the State has been defaulting and advocating to State institutions on behalf of their communities.

⁸⁶ This was precisely the theme discussed in one of the focus groups, co-organised with Midot. The meeting was held on the 1st of September 2013 and gathered more than 30 representatives from various philanthropic funds and federations in Israel (see Annex 8.2. for the list of persons).

⁸⁷ <http://cmsprod.bgu.ac.il/Eng/Centers/ICTR>

⁸⁸ <http://swold.huji.ac.il/eng/research.asp?cat=371&in=0>

⁸⁹ <http://www.beitberl.ac.il/english/centers/ISERC/Pages/About.aspx>

⁹⁰ <http://www.zavit3.co.il/default.asp>

⁹¹ e.g. The Shatil 2013 conference celebrating 30 years of existence of Shatil revolved around the notion of civic power, and the organisation seems today very much engaged in reaching out to new movements and other sectors of Israeli society traditionally distanced from the “left”. Another interesting example is that of Givat Haviva’s new approach to shared societies.

Several analysts also underline the cornerstone role played by Arab CSOs in restructuring Arab politics, deepening the shift from a formal and single-agent system (i.e. whereby the political parties are the main agents and elections the only formal tool they have) to a multi-channel and multi-stakeholder system (i.e. whereby CSOs become an important mobiliser and new informal avenues of action are taken into account).

Without entering into a debate about the impact of the work of Arab CSOs (as this falls outside the scope of the mapping exercise), and building on the aforementioned features that characterise Israeli CS in general and which also apply to a varying degree to the Arab minority it is worth exploring some of the specific trends and processes that are currently taking place.

First and foremost, and mirroring the fragmentation that prevails within mainstream Israeli CS, Arab CS is also highly divided and there is no platform to promote collective action, as Itijah, the Union of Arab Community-based Associations funded in 1995 is no longer active. Many organisations promote similar issues and compete for scarce resources, particularly in a number of sectors of activity, which appear particularly saturated (e.g. content provision, Jewish-Arab relationships, empowerment, etc.)⁹². Furthermore, **there is a clear-cut division between the sphere of secular organisations, on the one hand, and the Islamic actors, on the other hand.**

Contributing further to the prevailing fragmentation, several **prominent Arab CSOs are affiliated with political parties**. This pattern of relationship, as Amal (2008) reports, whilst having the constructive dimension of forcing internal debate and pluralism, often leads to tension. Not only do the different sectors within Arab CS operate separately, they even boycott each other or compete fiercely either on personal grounds or based on their party affiliation, thereby harnessing collective civic action. Another important dimension, which also plays against collective civic action within the Arab CS, is **the high degree of personalisation of several of the most prominent Arab CSOs and the division that emerges between the “old generation” of social leaders and the new generation of Arab social activists**, namely made up of women and young activists. In the words of Amal (2008), when examining Arab CS in Israel one notices that some **traditional norms and patterns of authority still dominate many of the CSOs** such as its personalisation. Even though the personalisation of institutions and leadership roles is by no means unique to Arab society and its significance has begun to decline with modernity, the identification of public institutions, such as parties and CSOs with particular leaders is still common within the Arab society. Furthermore, personal patterns of leadership, where leaders control the decision-making process, are very common in CSOs.

In terms of resources, **most of the financial support of Arab CSOs comes from either Jewish funds** (e.g. the New Israel Fund), or donors such as the EU (i.e. the European Commission and several Member States), and other European actors and funds (e.g. the Norwegian Embassy and several European foundations). **Yet, these contributions are not sufficient for all needs.** Government funding provided for Arab NGOs is very limited (*vis-à-vis* Government funding and support to Jewish organisations) and support from Arab society itself is also very narrow. The exception to this rule is the sphere of organisations belonging to the Islamic Movement, whose main source of funding is the Arab community itself. This high dependency on external funding puts organisations in a rather vulnerable position and leads also to the question about the influence that donors have on several priorities and policies of Arab CSOs. Even though, as Amal (2008) underlines, Arab CSOs in Israel were not set up as a result of an external scheme, this does not mean that they cannot fall into the ‘trap’ of survival, developing ‘upward’ rather than ‘downward’ accountability systems.

The limited contribution of Arab society is also a phenomenon which requires closer attention, as it may not only demonstrate, as some suggest, **a lack of resources to contribute but also the absence of a widespread philanthropic culture within Arab society**. Echoing the aforementioned gap between the narratives of Israeli social-change CSOs and Israeli society in general, some analysts

⁹² See for more information: Even Chorvev, A (2008)

point out the distance that exists between some Arab CSOs and their leaders, and Arab society in general. Some prominent Arab CSOs are being criticised for not being sufficiently connected to their constituencies, lacking transparency and openness in their operations, being too personalised (i.e. the organisation's identity being determined by its General Manager or by the identity of some of its employees) and having deficient governance systems. All this adds to the ambivalent attitude that the Arab public shows towards their leadership, in general⁹³.

Finally, the study commissioned by the Van Leer Institute in 2008 (Smootha, 2013) also points out **the restricted focus on capacity development within Arab organisations**. Most actors are content-driven, several of them acting in the same fields of activity and only very few of them (e.g. Mossawa amongst the traditional advocacy groups, the Galilee Society, and several of the feminist organisations) undertaking activities that encourage organising, providing tools for mobilising members and funds, and raising awareness on issues on which action should be taken by community members.

5.2. A look into the capacities of emerging actors, new activists and social movements

5.2.1. About new emerging actors from “the periphery”

The rise and consolidation of CSOs within specific components of Israeli society traditionally distanced from civic engagement indicates a positive trend, **that of the progressive empowerment of the different sectors of Israeli society (the so-called “periphery”)** and the emergence and gradual consolidation of an indigenous leadership willing to lead the pressing socio-economic, environmental, human rights and equality struggles.

Today, there are multiple emerging organisations on “the periphery” working in almost every realm of life, from the grassroots level (i.e. working with individuals concerning the problems of local communities and mediating between them and Government institutions) to the national level, in order to change or advance policies. The strength of these organisations lies in their identification with the community and the capacity to **identify the needs and problems** from the field and develop tailored solutions.

However, several challenges lie ahead for these emerging actors. First and foremost, **there is a manifest intergenerational tension** (between the old and new generations) and a predominant distrust of the new activists vis-à-vis the older generation's efforts. This can be seen in the development of duplicate enterprises in areas where there are already veteran organisations.

Leadership is also an area of concern. Many of these emerging organisations are still very much personalised (i.e. “one man/woman” organisations) and do not encourage new leadership. At the same time, considering the often-challenging nature of these organisations, particularly in some sectors of Israeli society, only a small group of individuals choose today to engage in professional and on-going occupations for social change organisations. This is particularly true for feminist organisations.

Overlapping and fragmentation of efforts, mirroring general trends among consolidated actors within Israeli CS, is a recurrent problem. Several organisations work in parallel, in similar areas

⁹³ According to the 2012 Index of Arab-Jewish relations (Smootha, 2013), on the one hand a majority of Arabs think that the Arab national leadership institutions truly represent Arab citizens: the Arab political parties (61.9%), the Arab High Follow-Up Arabs Jews Committee (62.7%), and the Committee of Arab Local Councils (55.0%). On the other hand, 58.2% of the Arabs do not trust Arab leaders in Israel: 63.2% think they do not serve the Arab population in advancing solutions to its problems, 61.1% hold that they do not serve the Arab population in protesting against the State and its policies, and 76.0% maintain that they should deal more with settling the daily problems and less with Israel's dispute with the Palestinians. Moreover, 62.4% support, while only 25.5% oppose, the possibility that Arabs will fight more for civil and socio-economic equality than for peace and change of the State's character. It must be noted, however, that the Arab public's criticism of the Government is more severe than is its criticism of Arab leaders. 70.5% of the Arabs say that the Government today treats Arabs as second-class citizens or as hostile citizens who do not deserve equality. For more information

without proper coordination. Whilst part of this duality stems from the afore-mentioned intergenerational tension, “institutional egos”, reluctance to cooperate, prioritisation of professional careers and competition for funding and recognition are also relevant factors to be taken into account. All in all, the multiplicity and duplication of organisations creates a problematic impression and distrust among Government institutions, philanthropic foundations, and even among members of the communities. Yet, some efforts are currently underway to **address fragmentation and foster cooperation**⁹⁴.

Their interconnectedness with other sectors within Israeli society is still limited. Indeed, several of the organisations seem to be interested in **maintaining the “exclusive representation”** of their community and are reluctant to cooperate with mainstream organisations. In particular small organisations report being reluctant to cooperate with bigger organisations, fearing that they will be “swallowed up” by them, given their limited organisational capacities and infrastructure. Others report they prefer not to cooperate with some mainstream actors fearing that such cooperation “with outsiders” would de-legitimise them *vis-à-vis* their constituencies.

In this regard, the research shows how most of the emerging actors are indeed in rather nascent stages of organisational development. This can be explained by the fact that several of them only recently began to develop a professional infrastructure and **several of them still lack professional, specialised NGO workers**. Indeed, despite the expertise and often-high qualifications of the new generation of activists and leaders, there is usually a shortage of infrastructure and management professionals (e.g. in areas such as fundraising, volunteer management, social campaigns, social marketing, communication etc.).

Finally **access to funding** is an area that preoccupies most emerging organisations. Several of them feel that due to their limited capacity, they do not have access to major philanthropists and cannot compete with mainstream organisations, many of which are also active in their areas of activity. Also most funding is “project-based” and as a result, CSOs have very limited resources to cover their overhead expenses and other relevant infrastructure developments. There are organisations in which staff cannot be paid in-between funded-projects and are even forced to leave the organisation. Furthermore, the current economic crisis has aggravated the competition for resources, creating more tension between organisations.

5.2.2. About new social-change actors and social movements linked to the 2011 Protest

In parallel to the rise and consolidation of a whole new set of CSOs “from the periphery”, recent years have also witnessed the emergence of a whole new set of civic actors in the wave of the 2011 Social Summer. Some observers refer to this phenomenon as “the renewed civic awakening of Israeli citizens”, across sectors and socio-economic backgrounds. Indeed, as underlined in preceding sections, **a new generation of social change actors appears to be emerging in Israel**, mirroring international trends. They are mainly engaged in economic and social issues and aim to strengthen democratic governance processes by increasing the role of the active citizen.

Even though it is too early to assess these new actors and the effectiveness of their endeavours, considering their youth and the fact that for the most part, they have been only fully active in the past couple of years, a number of observations can already be made regarding the challenges they seem to face.

First and foremost, these new actors have been confronted with the **critical challenge of transiting from an *ad-hoc*, short-lived and often “wrathful movement” modus operandi to that of a sustainable initiative**, with the capacity to pursue long-term objectives and promote social change without betraying their initial set of values and principles. Reportedly this challenge has entailed, for some actors, fundamental and not-easy-to-respond-to dilemmas, as the institutionalisation is not

⁹⁴ For example within the Ethiopian community, Netgut, intends to develop a framework to promote the pooling of resources that are directed towards the Ethiopian CS community

always seen as a positive trend. Indeed, some of the new organisations have refrained from becoming formal, registered charities, fearing the administrative and bureaucratic burden that such a procedure would impose on them.

Also, and mirroring the **fragmentation that prevails within Israeli CS**, these actors also suffer from the duplication of efforts and insufficient cooperation amongst the initiatives. Some of the actors report how “everyone works in small circles”, which prevents them from reaching a critical mass that will bring real change.

Many of the actors are also confronted with **severe financial and resource constraints**. To be able to sustain their activities, organisations and movements need resources and professional knowledge. Actors need assistance to move from being initiatives purely based on “the passion and work of volunteers” to initiatives with organised work processes and support for their volunteer work. Indeed, several of the actors report a decrease in the number of active volunteers. To many, this is the result of their lack of professional knowledge about how to support and retain volunteers. Besides, volunteers need to support their own families and cannot continue volunteering over a long period of time, especially when they fail to feel the results of their work.

Finally, concerning financial resources, **there is a widespread need for small contributions** (“petty cash”), easy to mobilise and free from bureaucratic procedures. This could help organisations support their volunteers' work (e.g. covering travel expenses for volunteers, etc.), strengthen their outreach (e.g. through more materials) and access legal assistance, when needed.

6. Sustainability: funding patterns and trends

Funding is an essential dimension of the sustainability of CSOs, and access to funding is **an integral part of the right to freedom of association**⁹⁵. CS financial resources⁹⁶ are diverse and derive from various sources, including line ministries, Local Authorities and Government corporations, on the side of the Government, as well as membership fees, donations from individual philanthropists and corporations, grants from international donors, payment for services and products, commercial initiatives, social funds and others. These diverse sources are traditionally divided into three general categories: (i) public income derived from governmental sources (including national and local levels); (ii) self-generated income, emanating from the sale of services and products and other independent sources and (iii) income from philanthropy⁹⁷.

6.1. An overview of CS public funding patterns

When analysing CS funding patterns in Israel, the first observation to be made is the **strong share of public funding**. Indeed, as mentioned previously in the report, **public funds account for the lion's share of Israeli CS funding**, coming to about 64%⁹⁸, compared with 18% from self-generated income and 18% from philanthropy (including local households and corporations as well as donations from abroad⁹⁹).

However, it should be noted that Government financing is not equally divided amongst all domains. **The largest Government transfers are in the fields of education and health**, where Government income represents the largest source of funding. The Government also heavily finances CSOs in the area of religion. In other fields, the public sector does not represent the major source of income. In the area of welfare and recreation, the principal sources of income are self-generated income deriving from the sales of services and products. When it comes to **civic and social change organisations, philanthropy constitutes the source of income**.

Box 12: Funding patterns worldwide (World Bank, 2009)

⁹⁵ See chapter 3. and Kiai. M. (2013) for more information.

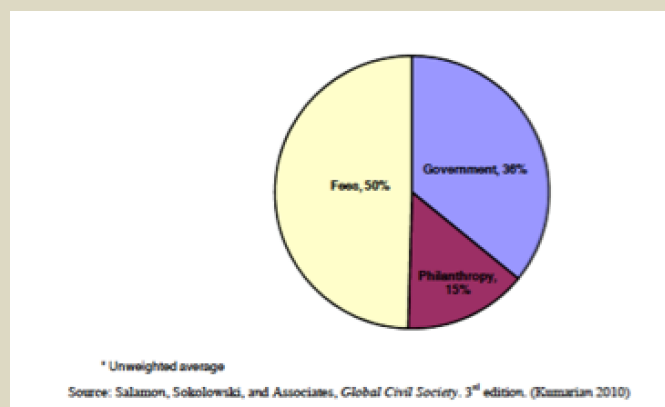
⁹⁶ The term "resources" encompasses a broad concept that includes financial transfers (e.g. donations, grants, contracts, sponsorships, social investments, etc.), loan guarantees and other forms of financial assistance from natural and legal persons, in-kind donations (e.g. contributions of goods, services, software and other forms of intellectual property, real property, etc.), material resources (e.g. office supplies, IT equipment, etc.), human resources (e.g. paid staff, volunteers, etc.), access to international assistance, solidarity, ability to travel and communicate without undue interference and the right to benefit from the protection of the State (See "Report of the Special Rapporteur on the rights to freedom of peaceful assembly and of association" Maina Kiai. April 2013, which particularly focuses on the ability of CSOs to seek, secure, and utilise financial resources). In this chapter we will focus on the financial dimension of resources.

⁹⁷ For more information see: Katz et al. (2009)

⁹⁸ This includes both transfers from the Government and sale of services to State institutions and agencies. According to the Central Bureau of Statistics in 2009, 47.3% of the CSOs' income was due to transfers from the Government. Sale of services (included both to State institutions, the private sector and individuals) amounted to 31.9%. Only 10% of the donations received in Israel are reported in order to benefit from tax allowance.

⁹⁹ According to the central Bureau of Statistics in 2009 8.6% of the CSOs' income came from donations abroad, whilst 9.9% was the result of local donations, including both individuals/households and corporations.

In the 39 countries examined under the Johns Hopkins Comparative Not-for-profit Sector Project for which data are available, the Government's share of Civil Society sector income exceeds the share provided by philanthropy by more than 2:1 (36 percent vs. 15 percent), as shown in the figure below.



As with so much in the Civil Society sector, the extent of Government support to Civil Society Organisation varies considerably between countries. In 14 of the 39 countries Government is the largest source of Civil Society sector income, outdistancing both fee income and philanthropy. Interestingly, moreover, this "Government-dominant" pattern of Civil Society revenue is most common in the advanced countries of

Western Europe, where a "welfare state" is supposed to exist. This makes clear that the term "welfare state" is misleading. What really exists in many of the Western European countries is a "welfare partnership" between the State and private not-for-profit organisations. It is notable that these are also the exact countries where the not-for-profit sector is largest. This suggests that Government support is strongly associated with the growth and strengthening of the CSO sector.

There are **two main methods for the transfer of public funds to CSOs**¹⁰⁰. These are grants and contracts (for the purchase of services and products) (see Table 2). As already underlined by Limor in 2004¹⁰¹, despite the fact that these two methods differ from each other¹⁰², in local reality they overlap and at times it is difficult to determine why one method rather than another was employed. Allegedly, **the method chosen appears easier and more convenient to the line ministry or State institution in question, and furthered whatever intentions lay behind the decision.**

Table 2: A brief assessment of the State direct support mechanisms in Israel

Grants	<p>Grants are generally provided to an organisation as a whole rather than to an organisation for the provision of specific activities, although some grants may be given to develop certain programmes or projects. Since grants are allocated from public funds, they always provide for supervisory and control mechanisms. However, unlike contracts, an organisation has greater discretion over how the funding from a grant will be used. Grants are provided to organisations as support grants, bequest funds, support for special objectives, and National Insurance Institute support grants.</p> <p>Each year Government ministries support (grant) approximately 2,500-3,000 public institutions working for education, culture, religion, science, art, social welfare, health, sports or similar purposes (section 3a of the Budget Procedure). The Ministry of Finance regulates the conditions for support and determines the method of submitting requests and subsequent discussion (Accountant General Website).</p> <p>According to the information published by the Accountant General in the Ministry of Finance</p>
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¹⁰⁰ There are two types of public support provided to CSOs: direct support and indirect support. Direct support entails the direct transfer of money from the public sector to CSOs via grant allocations, contracts, etc. Indirect support usually comes from Government and municipal tax concessions and tax exemptions granted to CSOs and their supporters.

¹⁰¹ Limor, 2004

¹⁰² With regard to the need to distinguish clearly between the two methods of fund allocation, in 1998 the Accountant General published guidelines for distinguishing between grants and procurement, based on four tests: (A) Government task – if the funded activity is a task that the Government is obligated to perform, then it is considered to be a service procurement; if there is no obligation to perform the task and the Government merely wishes to contribute to its funding, then it is considered to be support. (B) Amount of the funding – if the Government funds the entire activity, it is considered to be service procurement, and if the funding is partial then it is a grant. (C) Initiative for the activity – if the initiative for the activity and the main interest in performing it are those of the performing body itself, then it is considered to be support. (D) Guidelines and instructions – if the activity of the body receiving the funds is carried out according to a plan formulated by the body itself, with no governmental guidelines or instructions, then it is a grant. In audits performed by the State Comptroller in the past, and even in the recent past, there was found to be "switching" back and forth between grants and service procurement (see Limor, 2004)

	<p>in 2010 2,337 organisation received governmental support under clause 3a of the Budgets Law (that is 6.8% of all organisations registered). This support measure amounted to 4% of all the organisations' income in 2010. Data only includes governmental support granted on the basis of clause 3a of the Budgets Law, and does not include other grants or the transfer of public funds to pay for services and/or products (contract tender processes etc.).</p> <p>Support grants are given to organisations with the expectations that they will be used to "further the policy" of the Government Ministry that is providing the grant. (Gidron, Bar & Katz).</p>
Contracts	<p>A contract is usually drawn up between the State and a CSO for the provision of a number of services or products to the population in exchange for state funding (either 100% or partial funding). The contract specifies the nature of the services to be provided, eligibility criteria, the fees to be charged for the services (if any) and the Government control mechanisms for ensuring that the service is adequately provided.</p> <p>Contracts between the Government and a CSO may be made in the form of legislated support or payment for services. Legislated support is generally a long-term contract that is provided with state budget and sometimes mandated by a specific law. In most cases legislated support covers services that the Government is obligated to provide to citizens for free or at a subsidised rate. Thus, when CSOs receive legislated support, they are either complementing or replacing the Government in providing the specified services. Such arrangements exist primarily in the field of health and education. In the field of education, the majority of funding goes to higher education and Ultra-Orthodox educational institutions.</p> <p>The amount of transfers between Government and CSOs in the form of contracts is extremely substantial. However, most contracts are granted to a relatively small number of CSOs.</p> <p>The continuity of this type of funding arrangement throughout Israel's history mirrors CSOs' traditional role as the "State's executive arm." Over the years, however, this situation has made CSOs heavily dependent upon State funding. In fact, for certain institutions like the universities, the term sector organisation is primarily a legal convention that does not necessarily reflect those features typical of a third sector organisation such as being involved in the development of Civil Society, voluntarism and more. (Gidron et al, 2007).</p>

All in all it seems that the lack of clear CS governmental policy¹⁰³ results in a **complex and diverse system of direct and indirect support mechanisms towards CSOs**. Like the legal provisions and regulations themselves, the governmental funding system, despite involving substantial sums of money, has also evolved in a piecemeal fashion. In particular, the system of subsidies supporting CSOs suffers from lack of transparency, arbitrary decisions, over-bureaucratisation and ineffectiveness.

To start with, **the system does not differentiate between the different types of organisations qualifying for public funding** (i.e. between private profit and not-for-profit structures on the one hand, and public versus private structures on the other hand). Furthermore, the system, considering its rather limited formalisation of the decision-making process and absence of straight allocation rules, appears to be very vulnerable to political pressures, at national, ministerial and local level. Indeed, the terms under which funding is granted to CSOs are often unclear, unnecessary or discriminatory¹⁰⁴. Even in the case of "in-kind" contributions (e.g. voluntary personnel, permissions to use infrastructure and equipment, etc.) no clear-cut policy exists and decisions are left to Government Authorities. At the local level, in most municipalities, there is a Support Committee that transfers a support budget to CSOs, mainly in the areas of volunteerism, sports and religion. The areas chosen for support (also in-kind) vary among the Local Authorities, according to their social and political composition.

As a result, several CSO, particularly those that undertake welfare related activities, **have come to "tailor" their programmes and actions** (and even their "ethos") **to conform to Government priorities** (even on a personal level depending on the personal preferences of the Government

¹⁰³ For more information see section 4 of the report about engagement trends

¹⁰⁴ See Gidron et al (2004)

representatives) and eligibility criteria. Reportedly, and in the wake of increased privatisation and outsourcing of public services, the system has also raised expectations about public funding amongst many organisations, leading, in turn, to a situation of dependency¹⁰⁵.

6.2. An overview of private philanthropy and international donors patterns and trends

6.2.1. A quick overview of philanthropists' patterns of support in Israel

Philanthropy activities are mostly done through foundations. The most common format of a "foundation" is a private asset, which the owners (an individual or a corporation) offer the public in order to attain public goals that they define. The common denominator for all these organisations is that they engage in funding. They can fund either individuals or organisations, but unlike other CSOs, they do not provide services or engage in advocacy (Gidron, B. et al 2007). In general, Israeli foundations can be divided into three broad categories¹⁰⁶:

- (i) **Foundations seeking to initiate change in areas relevant to their policies.** They may be active on a number of fronts simultaneously, take the various issues of concern to them to the Government and try to reach an agreement regarding joint funding. Some serve as clearing-houses for various activities or as liaisons between associations, through which they support or operate projects.
- (ii) **Foundations seeking to work in the field and to assist associations,** even in the case where no cooperation, let alone Government funding, exists.
- (iii) **Foundations holding an intermediary position between the two described above.** Some are large, others small. They include familial and public foundations. They deal with a wide variety of issues; at times they work in cooperation with Central Government or with Local Authorities. In some cases, the foundation's share of the funding for the activity in question comes from the public budget. It is difficult to identify a clear trend within this group.

According to Gidron et al. (2007), there are over 6000 Israeli foundations registered in Israel whose main function is funding (mainly foundations), of which about 60% are considered to be active. Alongside the foundations registered in Israel, there are private foreign foundations that are active in Israel (the so called cross-border philanthropy). It is estimated that over 1,500 foreign foundations (both Jews and others) are active in Israel¹⁰⁷ (see Figure 4).

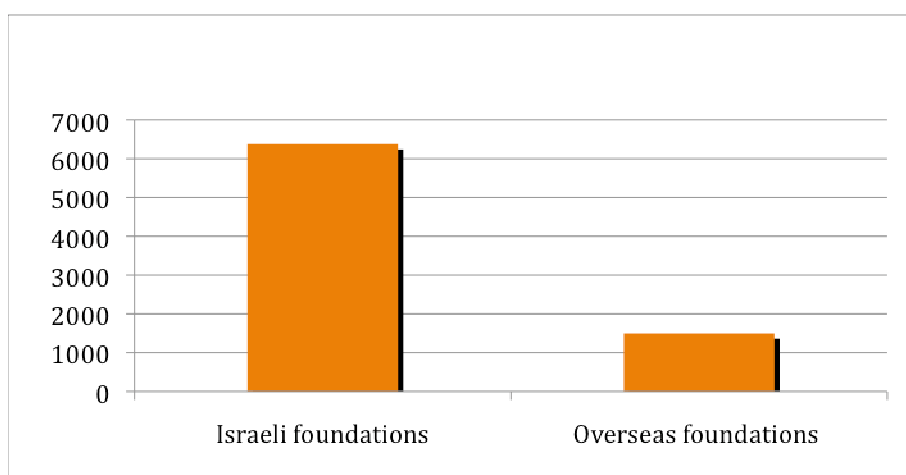
It is important to underline that cross-border philanthropy is not new for Israel. It comes historically from the Jewish tradition that began during the Babylonian Exile, of the support of the Diaspora for the Jews living in the Land of Israel. This support continued during the construction of the Israeli State until today. Besides, global philanthropy analyses show that the increase of cross-border philanthropy is not a phenomenon unique to Israel and needs to be framed as a broader process of globalisation of philanthropic activities worldwide.

Figure 4: Number of philanthropic foundations active in Israel

¹⁰⁵ idem

¹⁰⁶ Limor (2004)

¹⁰⁷ To these, one should also add donations made by individuals from overseas, which are not channelled through foundations. It is, however, assumed that this is only a small part since monies transferred through foundations legally registered outside Israel enjoy tax benefits in their home countries. As such individual donors have no incentive to give directly to an organisation in Israel.



Source: Data from Gidron, B. et al 2007.

Some foundations, local and international, are particularly active in providing funding to individuals (i.e. scholarships, research grants or material assistance to families). Examples of these are *The Israeli Free Loan Association* and *The Foundation for the Promotion of Education for Iraqi Jews in Israel*. Others support one particular organisation (i.e. friends of a particular university, hospital or museum such as *The Association of Friends of the Kaplan Medical Center* or *The Foundation for Beit Hashanti*) or even provide funding to several organisations, whether focusing on one single issue (i.e. the environment, relations between the religious and the secular) or providing grants to multiple structures working in different domains (e.g. the Ford Foundation, the Moriah Fund, the New Israeli Fund, Had Yadaniv, etc)¹⁰⁸.

Most of the overseas philanthropic resources originate in the United States¹⁰⁹. The main vehicle for Diaspora giving has historically been the *United Jewish Appeal* and its successor organisations the *United Jewish Communities* and the *Jewish Federations of North America*. These raise funds through the annual campaigns of Jewish federations and disperse funds in Israel through the *Jewish Agency for Israel*. There are also other well-developed channels as shown in Box 30 below.

Box 13: American philanthropy in Israel

¹⁰⁸ Gidron et al. (2007)

¹⁰⁹ A study conducted in 2007 by the Institute for Jewish and Community Research in San Francisco (Tobin, G.A., Weinberg, A. 2007) highlighted the main features of some of the most important Jewish foundations in the United States, as well as the amounts allocated by them to Israel. It can be extracted from the analysis that, for the total a year of \$1.2 billion budget of Jewish foundations in the United States, 7% of the total amount is given to Israel related organisations. This represents an amount of \$79 million a year. Added to this amount should be the total of \$251 million gifted in turn to Jewish organisations that goes to Israel-related causes. This represents 32% of the amount gifted to Jewish organizations, as well as the 27% of the grants (Tobin, G.A., Weinberg, A. 2007). It is also highlighted in this study that foundations offered only minimal data that do not comprehensively reflect all the giving of living donors too. For example, some philanthropists who give regularly to Israel, such as Charles Bronfman and Lynn Schusterman, show little giving to Israel from their foundations. This reflects the multitude of ways that living donors choose to give – using different philanthropic structures and accounts outside their foundations to give to different purposes.

Amounts are, however, not clear, nor are the trends that can be extracted from funds allocated to Israel through US philanthropy. This can be related, among other causes, to the lack of data highlighted in most of the studies concerning these foundations' activities, differences among the samples analysed or differences among what is taken into account in the total amount showed.

Another interesting tool to map overseas US giving is the cross-border giving tool developed by the Foundation centre (www.crossborder.foundationcentre.org)

Some analyses also distinguish other means of transfer of funds to Israel (Fleisch, E., Sasson, T. 2012):

- The Federation System. The UJA-UJCJNFA transfers a portion of funds raised by 157 federations to an American not-for-profit organisation, the United Israel Appeal. In turn, the UIA transfers funds to the Jewish Agency for Israel and ensures that its donations serve their intended purpose. In recent years, a growing number of federations have also made donations directly to selected Israeli NGOs.
- American Friends Organisations. These are American not-for-profit organisations established to support one specific organisation abroad. Some American Friends organisations are active domestically, but most organisations do nothing other than fundraise in America for their partner Israeli organisation.
- Pass-through Organisations. These groups function as an umbrella for donations to Israeli NGOs that by and large do not have their own American Friends organisations. Most pass-through organisations do not espouse a particular ideology or agenda; rather, their sole function is to make equivalency determinations and provide oversight of grants in order to enable American donors to earmark donations to Israeli NGOs.
- Ideological Umbrella Funds. These are organisations that fundraise to serve a particular ideological or political purpose in Israel, for example, to support West Bank settlers or to promote democracy

In recent years, scholars of the American Jewish community have noted declining contributions to the federations and declining transfers by federations to overseas causes including Israel. While some analyses state that there is no empirical evidence for such a statement (Sasson, T., Kadushin, C., Saxe, L. 2010), others notice this declining tendency while highlighting a concomitant increase in the donations made to independent entities (Fleisch, E., Sasson, T. 2012). Sasson argues that “the *mass mobilisation model* that organised American Jewish practices relative to Israel since the founding of State has declined, and a new direct engagement model has emerged alongside it. Increasingly American Jews relate to Israel directly, by advocating their own political views, funding favoured causes, visiting frequently or living there part time, consuming Israeli news and entertainment, and expressing a distinctively “realistic” rather than idealistic orientation toward the Jewish State (Sasson, T. 2010).

Alongside American foundations, a number of European foundations are also actively involved in providing support to CSOs in Israel (e.g. Rosa Luxembourg Foundation, Friedrich Ebert Foundation, Konrad Adenauer Foundation, Bernard van Leer Foundation, etc.). What follows (Box 31) is a brief description of the most prominent philanthropists in Israel today¹¹⁰.

Box 14: The most prominent private philanthropists in Israel today

United States	
Ford Foundation	Ranked the second-largest philanthropic foundation in America, with assets of more than \$10 billion, it has provided between 2003 and 2013 a total of \$40 million to CSOs in Israel. Its main partnership since 2003 has been with the New Israel Fund, which provided the presence on the ground and administered the grants on behalf of the foundation. Prior to this programme, the Ford Foundation had given to a broad array of causes in Israel since the Jewish State gained its independence in 1948. The establishment of the Ford Israel Fund made the Ford Foundation a key player in Israel’s CS world. The initiative focused its grant making in three fields — advancing civil and human rights, helping Arab citizens in Israel gain equality and promoting Israeli-Palestinian peace.
Charles Bronfman – Keren Karev	Keren Karev runs educational enrichment classes in outlying areas in collaboration with the Education Ministry. The programme was started in the early 1990s and was one of the first to introduce the practice of matching donations. It is scheduled to finish its activities in 2015. Besides these activities, Bronfman also makes donations towards various activities in Israel through the <i>Andrea and Charles Bronfman Philanthropies</i> , based in New York. Bronfman is the biggest donor for the renovation of the Tel Aviv Performing Arts Center and has also made contributions to the Israel Museum and other artistic and cultural projects.

¹¹⁰ Recently, the Haaretz published a summary of some of the most important philanthropists of Israel. The information provided below also includes data available in the websites of the foundations and/or individual philanthropists.

Morton Mandel – The Mandel Leadership Institute	<i>The Mandel Leadership Institute</i> , which operates outside official academic institutions, is one of the most influential organisations in Israeli society, with more than \$300 million donated to the country. The Institute exists since 1990s and grants yearly fellowships to Israelis who are deemed to have leadership potential. About 500 people have completed the programme so far.
Bernard Marcus – The Israeli Democratic Institute	<i>The Israel Democracy Institute</i> , founded by Bernard Marcus, is one of the organisations with the greatest degree of influence on the Government and Israeli discourse. Every year it holds the Herzliya Conference, which is attended by almost every high-ranking person in the Government, public sector and financial sector. In addition, it is responsible for the publication of many studies and position papers. The Institute is regarded as responsible for strengthening the status of the High Court of Justice, the Basic Laws that were passed in the 1990s and various attempts to change the system of the Government in Israel. It also runs the <i>Seventh Eye Journal</i> , a platform for media examination and criticism. In 2009, the Israel Democracy Institute was awarded the Israel Prize for Lifetime Achievement for its influential activity in Government. Today, the Institute's annual budget is NIS 30 million.
Lynn Schusterman – Charles and Lynn Schusterman Foundation	The Charles and Lynn Schusterman Foundation was created in 1987 and soon thereafter began donating to Taglit-Birthright Israel, which sponsors the visits thousands of North American Jews to Israel every year. In Jerusalem, the foundation established <i>Sukkat Shalom</i> , an emergency shelter for at-risk children and their families, and the <i>Haruv Institute</i> , which develops educational programmes for professionals working with victims of child abuse and neglect. It has also donated extensively to the gay and lesbian community in Israel, including <i>Jerusalem Open House</i> , which organises the annual gay pride parade in the city.
Angelica Berrie – Russell Berrie Foundation	The <i>Russell Berrie Foundation</i> donates millions of dollars to Israel each year, one of its biggest contributions being the \$26 million donated to the Russell Berrie Nanotechnology Institute. The Israeli Government matched this contribution with an additional \$26 million, enabling the Institute to establish the biggest academic project in its history. The foundation also makes contributions to various causes in the fields of education and culture.
Mark Rich	Over the years, Mark Rich has donated around \$150 million to institutions such as the Israel Museum, Tel Aviv Museum, research centres and theatres.
The Trump Foundation	In 2011, the brothers Eddie and Jules Trump established <i>The Trump Foundation</i> to improve teacher quality in Israel in mathematics and the sciences. The foundation allocated \$150 million over ten years for this purpose. The foundation's chairman in Israel is Eddy Shalev, a founder and managing partner of the venture-capital fund Genesis Partners.
Europe	
Rothschild family – Yad Hanadiv / Rothschild (United Kingdom / Switzerland)	Donating tens of millions of dollars to Israeli projects every year, Yad Hanadiv, is the largest foundation in Israel. The funds originate from the interest generated by the fund, which is estimated to total \$50 billion to \$100 billion. <i>Yad Hanadiv</i> is identified primarily with large nationwide projects, such as the construction of the Knesset and Supreme Court buildings in Jerusalem, the establishment of Israel Educational Television and other education initiatives. There is also a French branch, led by Baron Benjamin de Rothschild (Rothschild Caesarea Foundation). This is the branch that funded the <i>Rothschild Caesarea Foundation</i> , which donates tens of millions of shekels annually to Israeli institutions of higher education. It also created the <i>Caesarea Development Corporation</i> , which supports the Rothschild Caesarea Foundation.
Gustave Leven – Sacta Rashi Foundation (France)	In 1984, Leven founded the <i>Sacta-Rashi Foundation</i> , one of Israel's three largest philanthropic foundations, which primarily provides funding for education initiatives. The foundation was one of the first to ask the State to match the funds it donates. To date, it has donated an estimated \$700 million to various causes, primarily education projects in outlying areas, as well as funding the project to establish Dimona nuclear reactor. In his will, Leven allocated \$3 - 400 million to the continued operation of the <i>Rashi Foundation</i> . That bequest is expected to keep the foundation going for the next decade, after which it is due to be shut down.
Other regions	
Lily Safra – Safra Foundation (Syria)	The Foundation mainly invests in education, culture and health. It has supported the Israel Museum for many years as well as the Tel Aviv Museum of Art, Haifa University and the Hebrew University. In 2010, it donated \$50 million to the establishment of the Edmond and Lily Safra Center for Brain Sciences at the Hebrew University. It also worked to start the Edmund and Lily Safra Children's Hospital in Tel Hashomer and contributed \$16 million toward it in 2009. It also donated \$5 million toward the Computer for Every Child project.

Despite their importance, **data on foundations and their funding activity in the third sector in Israel is still rather limited**. Formal data about foundations registered in Israel does not allow information about their assets or allocations to be obtained. As for the foundations active in Israel but not registered in the country, there is no official data, considering that, by law, such foundations are not required to report on their activity in Israel, but rather in their countries of origin. Yet, given their prominence, several of them provide (on a voluntary basis) information about their activities.

Yet, notwithstanding incomplete information, a number of trends can be observed. Firstly, the vast majority of **foundations registered in Israel** deal today with either the provision of grants to individuals (i.e. scholarships, financial assistance to those with low income) or to particular institutions (i.e. hospitals, universities, museums). In contrast **the number of local Israeli foundations that support issues, and therefore a variety of organisations, is small, compared to that of overseas foundations**.

Secondly, **foundations altogether make up a diverse universe**. Not only can they be large and small, Israeli and foreign, acting as mere donors or more actively involved on the ground, targeting single domains or being multidisciplinary, but their policies (e.g. also at the level of cooperating with the Government at national or local level) and operating methods can also differ substantially. While some of them have no registration in Israel, others have set up a registered branch; some cooperate with the Government and develop complementary services, while others challenge it; some are financing classic charitable causes and others (particularly overseas foundations) are involved in innovation and social change.

Indeed, over the past two decades several **overseas foundations have found their way to funding issues outside the “national consensus” and have become the driving force behind social change**, in domains such as the rights of disadvantaged populations (e.g. Israeli Arabs, foreign workers, homosexuals, etc.), religious pluralism, co-existence or women’s empowerment etc. It is precisely this strong engagement with social change, when it comes to some of the overseas foundations as well as other international donors (i.e. governments and international organisations), which is understood and portrayed as “an interference in internal affairs of the country” by a few well-articulated, critical voices. It is important to realise, as Gidron et al. (2007) note, that the tradition of private foundations that support society independently is still at an early stage of development in Israel. On the contrary, the tradition seems to be one of public foundations, often at the disposal of the Government, which decides what to do with the funds¹¹¹.

Thirdly, **most of the foundations which are active in Israel** (both local and overseas) **respond directly to given needs, and do not usually aspire to deal with the third sector as a sector**, to represent it or to assist with its infrastructure development. In many cases they are not even willing to fund the overhead expenditures of the organisations that they support, although they may be prepared to aid in a particular infrastructure project that they perceive as being directly related to a supported activity.

Finally, **foundations suffer from the absence of an incentive system** (e.g. an adequate capital tax policy, the recognition of social enterprises¹¹², etc.), **which would promote individual and corporate**

¹¹¹ In the words of Gidron et al. (2007): “*The finding that foreign foundations tend to fund projects of social change and think their role is to deal in innovation should not surprise us. It is linked mainly to the fact that the foundation sector in Israel is underdeveloped, especially in the context of the perception of the special role of philanthropic foundations. However, the fact that foreign foundations are involved in Civil Society and the third sector in Israel social change projects, gives rise to the resounding question of “Who asked you?” and whether there is not something amiss in the notion that social change on matters linked to culture and tradition are imported from outside, and in particular are funded from overseas. It seems that in today’s global world this question takes on a different dimension than if it were asked 50 or even 30 years ago.*”

¹¹² A for-profit social corporation does not fit under the regulations covering NGOs or regular companies. Many believe that the Israeli corporation laws should be amended to allow for this new class of “benefit corporations” that provide public benefits to the organisation but also maintain the public purposes of the organisation (for more information see: Milken institute (2012): Building a social capital market in Israel. Financial innovations lab report)

giving, therefore supporting the development of foundations¹¹³ as well as the development of **innovative social investment programmes and mechanisms** (e.g. social investment funds, social bonds, etc.), mirroring international trends. As a recent study on social investment acknowledges¹¹⁴, *“Whereas everyone agrees on the paramount importance of increasing the resources directed towards investment in social areas, there is still no recognition of the need for diverse economic and tax incentives to invest in a variety of new mechanisms, whether directly or through specialised players¹¹⁵”*.

6.2.2. A quick overview of international donors¹¹⁶, patterns of support in Israel

There are two groups of international donors (leaving aside philanthropic foundations), supporting CSOs in Israel. These are: (i) **governmental bodies**, such as the European Union, USAID, CIDA (Canada), and other ministries for overseas assistance; and (ii) **international NGOs**, working with Israeli partners and providing them with financial, as well as technical and capacity development support (e.g. Diakonia, Christian Aid, Norwegian Refugee Council, Oxfam Novib, etc.).

As with foundations, **information regarding international donors’ funding to Israeli CS is fragmented¹¹⁷**, therefore making it difficult to obtain an overall picture, both in terms of the amounts and funding trends. Notwithstanding this limitation, and building on the information obtained via the aforementioned sources and the interviews held with the donor community in Israel (which unfortunately due to time limitations could not be conducted with all the donor representatives present in Israel) a number of trends can be distilled.

First and foremost, **the majority of donors focus on a number of very specific domains**, of which **peace building, conflict resolution and human rights particularly stand out**. This is explained by the geo-political context and adherence to the peace process by the donors. It is also important to note that donors usually have an overall strategy for the region and a specific strategy for the Occupied Palestinian Territories but do not have a specific cooperation strategy for Israel and their support through local CSOs.

In terms of the channels used, while some donors **provide direct funds to Israeli CSOs** (e.g. Norway, the EU, Ireland, UN, Spain, etc.), others **use their own NGOs** (as intermediaries) to channel funds to Israeli CSOs (e.g. Scandinavian countries, Germany, Denmark, the Netherlands except a small local fund, etc.) or **even have mixed systems** (e.g. Norway also channels funds through Norwegian NGOs funded by headquarters, like USA or the UK, etc.)

¹¹³ Under current law, charitable contributions must be made to a certified NGO or public benefit corporation, which must spend its charitable revenues according to its bylaws and charter, and in accordance with the tax requirements. It may not retain and build funds while granting the charitable deduction to its benefactor. This has the effect of limiting the growth of philanthropic funds. The Knesset is considering an amendment to the law to allow for the creation of philanthropic funds. This would also lead to the creation of asset management capabilities, allowing Israel to attract the large market of donor-advised funds to the country. For more information see: Milken institute (2012)

¹¹⁴ Lachman-Messer, D. & Katz, E. (2012)

¹¹⁵ Social investment funds have distinguished themselves abroad as vital players in the development of social investments, because they specialise both in pooling funds on the supply side and in adapting them to the capital or credit needs of social organisations, including novel financing instruments that satisfy investors’ various preferences. These funds also facilitate more effective use of philanthropic money, because they can attract additional investors and leverage the use of their investments, thereby producing a greater social impact than would have been achieved by donating to an organisation directly. Another significant aspect of these funds is their professional ability to enhance and develop the functioning of social organisations as part of the investment process. See: Lachman-Messer, D. & Katz, E. (2012).

¹¹⁶ By donors we mean embassies (providing bilateral cooperation), international organizations (providing multilateral cooperation) and international NGOs.

¹¹⁷ One needs to consult individual donors’ websites, where information is not necessarily complete and/or the websites of the Israeli grantees, who report on their donors.

Usually the provision of funding to Israeli CSOs **entails a number of conditions** (i.e. Israeli CSOs working in partnership with Palestinian actors and/or Israeli CSOs working across the green line, etc.). For some donors these conditions have been strengthened ever since Israel entered the OECD community.

With regards to the CSOs being granted support, **the same names can often be found across the donors' lists of grantees**, with some variations year after year. Indeed, and despite commendable efforts to reach out to new actors, due to the competitive nature of the funding (i.e. projects are selected on the basis of a Call for Proposals), many donors support **a small group of progressive, well-established organisations, often actively involved in human-rights and advocacy work**, with a proven track record in drafting proposals and managing programmes and projects. New actors usually find their way into the system, **as partners** of the group of more consolidated organisations.

In terms of **funding modalities**, most of the donor funding goes to **support specific projects**, rather than longer-term objectives and/or infrastructure needs. Yet, despite the absence of these alternative, longer-term funding modalities (e.g. programmes and core funding which are usually granted for a longer period of time -4/5 years- on the basis of a number of milestones, performance indicators and reporting requirements), several donors appear to engage in an **open dialogue with their grantees** and report to maintain a fruitful and long-term relationship with them.

6.2.3. Current trends regarding private philanthropy and donors' support

The past year **has brought significant changes in the funding landscape** and these are likely to intensify in the near future.

First and foremost, it appears that several of the most prominent **philanthropists that have played a pivotal role in funding progressive projects** and actors in Israel are either **pulling out** (e.g. Ford Foundation, Goldman, Kahanov, etc.) **or downsizing their operations with regards to Israeli Civil Society**. Reportedly there is no specific reason for this withdrawal, other than changes in priorities and the end of a funding-term (i.e. the so called exit strategy).

This decline in funding comes at a time when **local philanthropists are still developing and do not seem "ready to take over" and support, on a continuous basis and/or with substantial amounts, progressive organisations and projects**. As several of the CSOs report, local philanthropists prefer "non-challenging projects and ideas". Often if they support progressive organisations, they do it on a personal basis, and prefer to remain anonymous (e.g. several progressive organisations report that donors are often afraid of being "tagged").

Also **international funding from EU Member States and other international donors appears to be decreasing, due to the economic recession**, particularly from Europe. Naturally, now that Israel is a member of the OECD, several donors have strengthened their conditions to provide funding to Israeli partners, as briefly outlined above, or even redirect their funding to the Occupied Palestinian Territories and peace-building related activities.

Several of the CSOs report **being seriously concerned about these funding trends**, and also the strong shekel, which has the effect of reducing their international donations. It is important to underline that **most human rights and social change organisations are highly financially dependent upon external funding** (i.e. often more than 90% of their income comes from external donors and very few of them have developed income-generating activities) and that their **self-generating possibilities** are rather limited. This is also symptomatic of a substantial difference between Israeli not-for-profits (not just social change organisations) and foreign ones, with regard to self-generated income. The difference stems, among other things, from the recognition in other countries of the need to allow social organisations to develop self-generated financial resources to reduce their

dependence on donations or Government allocations¹¹⁸.

Finally it is also important to note that very **few donors** (either philanthropists or governmental donors) **support infrastructure efforts within CSO** (i.e. the so-called support to CSOs) and/or capacity development efforts. Most of the funding is short-term project-based, covers on-going operations and comes with restrictions to fund overheads. **This is particularly challenging for networks, coalitions and umbrella organisations.**

All in all, in spite of the noteworthy efforts of both local and international philanthropists and donors to support Israeli CSOs, there is still a long way to go to establish a sound and well-informed funding system, capable of providing support not just “through”, but also “to CSOs” themselves and to the strengthening of Israeli CS as a whole, transcending the individual character of the actors and their causes.

¹¹⁸ For more information see: Lachman-Messer, D. & Katz, E. (2012)

7. Annexes

7.1. Research matrix

Dimensions ¹¹⁹	Specific objectives (as outlined by the ToR)	Research questions to be answered by the mapping
Structure	<p>Assess the structure of CSOs and of Civil Society networks</p> <p>Identify and assess the key areas of expertise of CSOs</p>	<p>The contours of the Israeli CS/Third Sector: size, composition and roles</p> <p>(i) What is the size of the Third Sector in Israel (number of CSOs / changes over time / areas of activity / level of economy activity / geographical distribution / etc.)?</p> <p>(ii) What are the composition and roles of CS in Israel:</p> <ul style="list-style-type: none"> ▪ key components of Israeli Civil Society and specific population groups and main organisational patterns ▪ roles and key areas of expertise ▪ Number and activity of infrastructure and other support organisations, etc. <p>(iii) What new actors, movements and/or more fluid forms of citizen action (some of them linked to the protests of 2011 and social media supported) and of social entrepreneurship are emerging?</p>
The environment	<p>Assess the political, legal and institutional environments of CSOs and Civil Society networks, with special focus on the "Law of Associations" and the impact of its amendment.</p>	<p>(i) What are the enablers and barriers for CSO engagement? To what extent is the political, legal and regulatory framework enabling and conducive for CSOs?</p> <p>(ii) How favourable is the existing framework for CSO - Government interactions?</p>
Engagement	<p>Identify existing gaps and key needs of CSOs and Civil Society networks in terms of their capacity to engage in policy dialogue.</p> <p>Identify key policy areas, in which CSOs and Civil Society networks are or could be successfully engaged in policy dialogue, given their current capacities, the state of the sector and the political context.</p>	<p>(i) What space exists for CSOs to mobilise citizens, and to interact with Government and other State bodies, or even the private sector? This includes looking into:</p> <ul style="list-style-type: none"> ▪ What are the entry points for CSOs (invited spaces and claimed spaces) and how effective are they? ▪ What is the role of think tanks and how do they interact with other CSOs, namely those constituency-driven? ▪ What is the level of influence/impact that CSOs have in the different phases (influencing the Government decision-making process, monitoring implementation of Government commitments and performing an effective advocacy role at the local and national levels) <p>(ii) What are the key policy areas in which CSOs are or could be successfully engaged in policy dialogue, given their current capacities, the state of the sector and the political</p>

¹¹⁹ For more information about the dimensions, see UNDP (2010) A users guide to civil society assessments, in http://gaportal.org/sites/default/files/UNDP_Civil_Society_Guide.pdf

		context?
Capacity Governance &	Identify the impact of networking and where it is lacking Identify keys needs and constraints of CSOs and Civil Society networks working on political, social and economic issues with specific communities in Israel.	<p>(i) How well structured is Civil Society, from the grassroots level to the level of networks and platforms?</p> <p>(ii) What are the gaps, constraints and key needs of CSOs in terms of their capacity to engage in policy dialogue, influence the Government decision-making process, be engaged in the co-production of services and/or monitor implementation of Government commitments?</p> <p>(iii) Do self-governing and governance standards exist and are they enforced?</p>
Financial Sustainability & funding trends	Analyse the financial sustainability of CSOs, and their access to public funding, private donations and foreign funding, with special attention to gaps in access to funds, current donor strategies and funding trends.	<p>(i) What are the funding patterns of the Israeli CS (public funding / volunteerism / local and foreign philanthropy / social corporate responsibility / social investment trends / etc.)?</p> <p>(ii) What are the fundraising and income generating opportunities for CSOs?</p> <p>(iii) What are the extent and quality of State support schemes and the availability of public funding?</p>
Dialogue & Operational support	EU road map at country level: (i) how to use the existing instruments of the European Commission ; (ii) new areas of cooperation for the EU and EU Member States	<p>(i) How can the EC combine its programmes and instruments (geographic and thematic ones), financing modalities (projects, common pool funds, budget support), and dialogue opportunities to answer the needs and opportunities identified in the mapping;</p> <p>(ii) Are there recommendations on new areas of cooperation for the EU and EU Member States in the context of current framework of relations between the two parties?</p>

7.2. List of persons and institutions met by the research team

►►Academia/ Think tanks/research institutes

Prof. Jamal Amal	Head of Executive MA in Political Communication Department of Political Science. Faculty of Social Sciences. Tel Aviv University
Adi Arbel	Institute for Zionist Strategies
Prof. Benjamin Gidron	Director. Israeli Social Enterprise Research Centre. Beit Berl College
Dr. Nisan Limor (PhD)	Chairman of the Board NP tech- Non-profit technology Head of Civic Responsibility Institute – The College for Academic Studies
Barbara Swirski	ADVA centre Director
Dr Bat Chen Weinheber	Expert in CS and multi-stakeholder engagement processes (currently supporting the Ministry of Education - set up Sectoral Round table)

Dr. Alen York	Chairman Association of Social Workers, Committee for social policy, advocacy and international relations
Dr. Ester Zychlinski (PhD)	Head of the B.A. program. School of Social Work. Ariel University Centre of Samaria

► Infrastructure & support organisations

Sultan Abu Ubaid	Director of the South office
Elana Dorfman	Staff. Haifa office & North
Fathi Marshood	Director of Haifa office & North
Roni Heyd	Executive Director
Naomi Schacter	Associate Director
Carlos Szttyglis	Associate Director
Galit Yahya Tzfadia	Director of the South Office SHATIL (an initiative of the Israel Fund)
Inbar Hervitz	Programme Director
Brenda London	Executive Programming Director
Idit Sadeh	Programme Director Sheatufim. The Israeli centre for Civil Society
Rani Dudai	Institute of Leadership and Governance
Ori Gil	Joint Development Committee (JDC)
Ahuva Yanay	Chief Executive Officer Matan. Investing in the community

► Individual organisations & new actors/social movements

Heiger Abu Shareb	Executive Director of Yasmin Al-Nagab. Yasmin Al-Nagab for the Health of Women and the Family
Elik Almog	Tor HaMidbar
Rafah Anabtawi	Director
Ola Stewi	Advocate Kayan
Michal Avera Samuel	Executive Director Fidel Association for Education and Social Integration of Ethiopian Jews in Israel
Baker Awawdy	The Galilee Society Executive Director
Eli Bareket	Director Memizrach Shemesh
Dalia Barsheshet	Be-Atzmi
Rachel Benboim	Social active, founder Integration of Orthodox professional women in the job market.
Suhad Bishara	Adalah Director of Land and Planning Unit

Jennifer Cohen	Sikkuy
Noga Dagan Buzaglo	Legal Consultant at Hila and an activist Hila – for Equality in Education
Mohammed Darawshe Adina Navon	Co-Director Director of Overseas Resource Development The Abraham Fund Initiatives
Itzik Dessie,	Founder and Executive Director- Tabeka
Hagai El-Ad	ACRI Executive Director
Jafar Farah	Mossawa Center Director
Eddie Gedalof	Director Community Advocacy, Lod Branch
Dalia Halab Lisa Richlen	Dirasat, The Arab Center for Law and Policy Research and Development
Meir Handelsman	Director. International Cooperation department Yad Sarah
Yohan Hatlen	Youth Center in the Negev
Hasanat Hibraim	Kafa Association for social change in the Neguev
Nicole Hod	Agenda. Israeli Centre for Strategic Communications Strategic Development manager
Amal Jabareem	Arab Committee for Advancement of Education
Jean Judes	Executive Director Beit Issie Shapiro
Judit Karpaf	Gvanim Centre for Community Diversity
Tamar Keinan	Executive Director Transport Today and Tomorrow
Helmi Kittani Melisse Lewine-Boskovich	Executive Director CJAED
Anat Lahav	Founder and activate Public Housing Team
Uriel Landerberg	Director Paamonim. The Responsible way
David Lehrer	Executive Director The Arava Institute for Environmental Studies (AIES)
Vered Livne	Chairman All Education

Roi Maor Mike Prashker	Merchavim Founder and Director
Lia Nirgad Aran Rondel	Founder & Chairman Research coordinator The Social Guard
Erez Neguar	Bee'r-sova
Sari Nuriel	Tzionut2000 Executive Director
Eyal Ofer	Activist Israel Yekara Lanu
Miki Peled PhD Drora Goshen Iris Levi	Founders and activist. Tzrchanut Nevona (Wise consumer)
Dalia Rabin	Chair Yitzhak Rabin Center
Sari Revkin	Executive Director YEDID – The Association for Community Empowerment
Khawla Rihani Rinat Zaid	Director Economic Empowerment for Women (EEW)
Ronnen Regev-Cabir	Emun Hatzibur
Batya Roded PH.d	Social activist and founder Arad Rain BOW
Yaniv Sagee	Executive Director Givat Haviva
Eilon Schwartz	Executive Director Shaharit
Ehud Sem-Tov	Chairman Social TV
Ansaf Sharab	Staff Attorney, Beersheva Branch Itach - Women Lawyers for Social Justice
Ido Shelem	Bridge to the Future CEO & Founder
Keren Shemesh-Perlmutter	Director Itach - Women Lawyers for Social Justice
Michal Shochat	Director The Social – Economic Academy (SEA)
Ronen Shoval Sheila Brezinski	Founder and Chairman Office manager

	Im Tirtzu. Buiding the Zionist dream
Keren Shemesh-Perlmutter	Director Itach - Women Lawyers for Social Justice
Nltai Shreiber	CEO Gvanim Association for Education and community involvement
Shalom (Shuli) Dichter	Executive Director Hand in Hand, Centre for Jewish-Arab Bilingual Education in Israel
Hemi Shturman	Social activist and founder
Ruba Simaan	Al Tufula Center
Ghadir Taghrid	Aswat
Riki Tgave	Hiyot Director
Adia Touma Sliman	Women Against Violence
Hadassah Somosi Leah Wit Dr. Bracha Zisser	Director. Resource Development Ezer Mizion
Safa Younes	Arous el-Bahar Association for women in Jaffa
Michal Yudin Yael Sater	Chairwoman Joint Venture and Resource Development Coordinator Wepower
Eddi Zhensker	Director Our Heritage – The Charter for Democracy

► Coalitions & networks

Orna Amos	Fonder & Director The coalition for direct employment
Wendy Kalla	Executive Director Netzigut (Umbrella organisation representing the Ethiopian Jewish community organisation)
Yael Hasson	Researcher, Women's Budget Forum Coordinator. Adva Center- Women's Budget forum
Ophir katz	Chairman of the Board of Directors Civic leadership, the umbrella organization of the third sector
Shosh Kaminsky	Community division and development manager Coordinator of the coalition on disabilities Beit Issie Shapiro
Mike Prashker	Kulanana
Nltai Shreiber	Partner CEO Kehilot /Shahaf communities

Hemi Shturman	Social activist and founder Hamshmar Hamekoni
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Boaz Yaniv	Ma'an - Forum Of Negev Arab-Bedouin Women's Organisation
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Naor Yerushalmi Maya Givon	Executive Director Sustainability and Climate Change Life & Environment
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► **Other key resource persons (consultants, lawyers, etc)**

Lior Mencher	Specialist in community development and new actors Currently working in the Municipality of Eilat
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Yaron Keidar	Attorney. Legal advisor to the Government of Israel and CSOs
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Sharon Sionov	IDC legal clinics and social activist
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Elias Zeidan	ALMAD Organizational Consulting. Strategic planning, Community organizing & Research
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► **Other support organisations and media**

Dubby Arbel Guy Ravid Sharon Loeb-Lande	Midot
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Eliat Navon	Director Zavit3
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► **State of Israel and Local Authorities**

Michal Oz-ari	Manager of external program & relationship between sectors Ministry of Education
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Michael Vole	Tel Aviv Municipality Department for people and youth
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► **Social entrepreneurs & social innovation initiatives**

Nadav Atia	&JOY
Rami Attias	Bettertut
Yishai Ashkenazi	AMI Neshima
Barak Ben Hanan	Forestway
Omri Boras	Minga & tel Aviv Hub
Miri Charutman	Yadain Root
Jordan Feder	Impact First Investments
Udi Marili & Guy	Bet Midrash
Boaz Sapir	The Hub Tel Aviv
Tamar Schmidek	Social Design
Jay M. Shultz	Social entrepreneur (Example of ventures: Tel Aviv Arts Council; TLV Internationals, White City Shabbat, Adopt-a-safta, etc.)

► **New activists from the Russian community**

Gregory Kotler	Social activist
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Michael Rivkin	"Our Heritage"- The Charter for Democracy
Liza Rozovsky	Social activist
Ilia Spitzerov	Social activist

► **Private sector & private donors and philanthropists**

Rachel Liel	Executive Director in Israel
Yuval Yavneh	Programme and grants Director New Israeli Fund
Dr. Jonathan Menuhim	Head of Corporate Responsibility Department BDO Consulting Group
Dana Argov Tkotzky	Director Round-up Israel

List of participants to the focus group organised by MIDOT on the 1st of September 2013:

Nili Auerbach	Hanan Aynor Foundation, Director of PR and Resource Development
Dana Argov	Round up
Ofer Bavli	Federation of Chicago
Andy Benica	PriceWaterHouse
Keren Eldar	The Levi Lassen Foundation
Hila Ganor Schindel	The Jacobson foundation Israel Manager
Eitan Goldberg	Shatil
Idan Goldberger	Sapir College Director of Resource Development
Michal Herzog	The Wohl Foundation
Ayelet Hilel Dana Roth	Beit Issie Shapiro
Noga Keren	The Ted Arison Family Foundation
Arie Levy	Federation of Montreal
Rici Juran	Federation of Chicago .Israel Office of the Federation
Sharon Lebel Ianda Karin Tamar Shperman Guy Ravid Noa Shachr Avishag Rudrch Cohen Guy Beigel Gaby Charan Louise Biton	Midot - Analyzing and Rating NPOs
Noga Maliniak	Ness Foundation to businesses in the Negev

Gila Melech	The Rothschild Caesarea Foundation
Riva Muskal	Shalem Foundation, Director
Barak Luzon Tamar Alperovitz Meirav Gridlinger	Federation of San Francisco
Lior Rosenberg Dr Tali Freund	The Centre for Educational Technology (CET)
Shlomi Ravid, Director Ophir Samson Emanuel Bohbot -	Social Finance Israel
Varda Shoam Jackie Goren Philippe Sitbon	IVN- Israel Venture Network Partner, GIL-CSC
Michal Tzur	Federation of New Jersey

► Donors (embassies and international organisations)

Manuel González	Consul and Cultural Attaché Embassy of Spain
Roos Frederikse Tjeerd Ritmeester	Political Officer Trainee. Political section Embassy of the Kingdom of the Netherlands
Thomas Rem Berdal	First Secretary Royal Norwegian Embassy in Tel Aviv

► EUD Israel

Ghousoon Bisharat	Project and Programme Manager. Operations section
Sébastien Lorion	Project and Programme Manager. Operations section
David Kriss	Press & Information Manager ☐
Alexandra Meir	Policy Officer. Scientific section
Sharon Offenberger	Project and Programme Manager. Operations section
Luigiandrea Pratolongo	First Counsellor. Head of Trade and Economic Section
Livia Stella	Attaché. Head of Operations Section

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