

"Arab Professional Class"

Mapping Arab Professionals Relevant to the Implementation of Government Resolution 550

Presented by NAS Research and Consulting Ltd. to the Klarman Family Foundation

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Executive Summary

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Mapping Goals and Methodology

This report summarizes research implemented by NAS Research and Consulting Ltd. between April and June 2022. The main goal of the research was to enhance the successful implementation of the Israeli Government's new five-year development plan for Arab society (Government Resolution [GR] 550) by mapping the Arab professionals most likely to be tasked with its implementation ("Arab professional class"). Based on previous research and interviews with over 20 experts, the mapping answers the following questions:

- <u>What major lessons</u> can we draw from Government Resolution 922's partial implementation?
- Who composes the relevant professional classes for the implementation of GR-550?

Background and Rationale: Government Development Plans for Arab Society

The past 15 years saw dramatic developments in government allocations for Arab society. Between 2007-2015, development plans were initiated for various segments of Arab society, with limited needs assessment. Government Resolution 922 (GR-922), the five-year development plan approved in December 2015, was significantly different: it was preceded by a detailed governmental report that mapped and quantified development, service, and achievement gaps. Moreover, in addition to unprecedented budgets, it changed government allocation mechanisms, ensuring budgeting formulas were at least representative of the size of the Arab population, or even surpassed it to respond to significant gaps. Lastly, it included, for the first time, coordination with the Council of Arab Mayors.

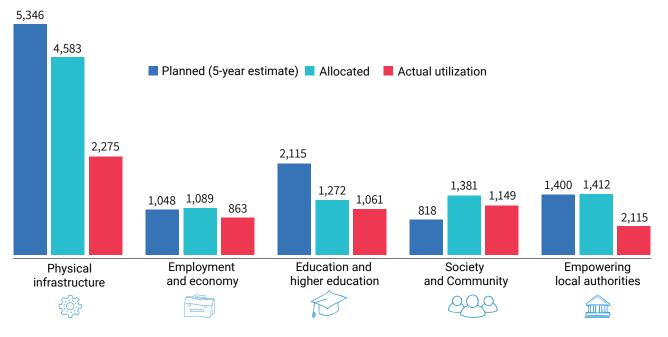
GR-922's implementation, between 2016-2021 (including a one-year extension), ran into numerous barriers. These included cumbersome governmental procedures, programs and models that did not fit the needs and realities of Arab society, professional weakness of Arab localities tasked with implementation, and absence of strong professional civil society bodies from within Arab society that could have assisted the implementation process.



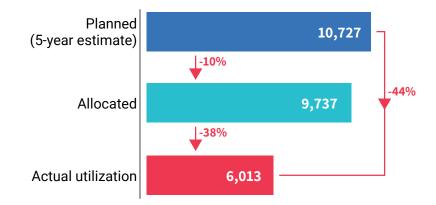
From the beginning of the Resolution's implementation in early 2016, until the end of 2020, around ILS 9.7 billion has been allocated



Allocation and utilization of budgets for 2016-2020 by spheres (ILS millions)



Allocation of budgets compared with overall five-year estimated allocation (ILS millions)

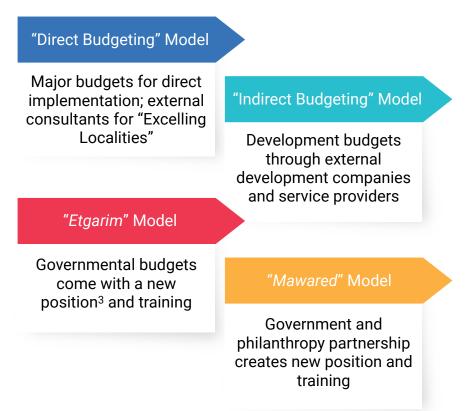


1 Allocation – Transfer of budgets from the Ministry of Finance to other ministries, municipalities or implementing bodies.



GR-922 and the Arab "Professional Class"

The implementation of the resolution vis-à-vis Arab localities² can be understood via four main models:



1. The "Direct Budgeting" Default Model

• Most GR-922 budgets were not accompanied by any increase in Arab manpower, capacities or consulting. Budgets were transferred to the locality, which was tasked with implementation utilizing existing resources.

• Sixteen localities were defined early in the process as "Excelling Localities" (based on criteria of size, high tax collection, low deficit, etc.). They were granted additional budgets to enhance managerial capacities and implement income generating economic development projects.⁴ Budgets and programs were approved and overseen by regional "MIF'AMs" (the implementation arm of the Ministry of Interior - MOI) that often used external consultants.

2. The "Indirect Budgeting" Default Model

• Many GR-922 infrastructure budgets in housing, roads, industrial parks, etc., were transferred from ministries to external "Implementation Companies" (private sector development firms).

• Likewise, on social and cultural issues, implementation was often outsourced to major social-service provision organizations. In both cases, while local authorities had some say regarding priorities and worked vis-à-vis the community – budgets, responsibility, and know-how remained in the hands of external implementing organizations.

• External implementers were more efficient, but this meant no increase in manpower or human capacities and expertise on the local level, so when budgets ended, sustainability of content or human capacities was not ensured.

- 2 The terms "local authorities", "Arab localities", and "localities" are used interchangeably to refer to all Arab municipalities cities and villages.
 3 Position" ("Teken" in Hebrew) refers to a specific role in a local authority (e.g., department director, city
- **3** Position" ("Teken" in Hebrew) refers to a specific role in a local authority (e.g., department director, city engineer) that is recognized and funded by government.

4 Income generating projects included, for example, renovation of historical sites for tourism, building a new town hall with office rental space, etc.

3. The "Etgarim" Model

• Within GR-922, *Etgarim* ("Challenges") was an ILS 650 million program to promote informal education in Arab society, a sphere that hardly received any governmental budgets or attention previously. The Youth and Society Department at the Ministry of Education divided the budget equally between implementation of informal education programs on the ground and capacity building on the national and the local levels including funding and placing Youth Department Directors in numerous localities.

• While the implementation of *Etgarim* was ultimately problematic, the model is seen as a positive example where massive new budgets were accompanied by funding new permanent local positions and for human capital development within Arab localities.

4. The "Mawared" Model

Mawared is an innovative collaboration between the Ministry of Interior, the Ministry of Social Equality and JDC-ELKA. It created a new role in Arab localities: "Manager of Resource Utilization and Economic Development", or "*Mawared* Integrator". Through a rigorous selection and training process, *Mawared* Integrators were placed in around three dozen localities with three-year governmental funding and training by JDC-ELKA.

5. Cadets for Local Government

• About 100 cadets for local government are recruited every year – as a partnership between the Ministry of Interior and two NGOs, Atidim and Rothschild Partnerships. The cadets go through four training tracks, consisting of 2-3 years of academic degree and 4 years of placement at a locality in the socio-geographic periphery.

• At present, a total of 287 cadets are placed in local authorities, 19 in Regional Clusters and 5 in Regional Planning Committees. Of those placed in local authorities, 69 (24%) are in Arab localities, and 29 more are in mixed cities.

6. Civil Society Professionals

• Several policy-oriented NGOs participated in the formulation of GR-922, and worked vis-à-vis government to ensure better implementation, relevant programs, enhanced funding, more realistic timeframes, etc. Under the leadership of The Council of Arab Mayors, several issue-specific committees of NGOs were established, to present the needs of Arab society vis-a-vis government, to assist Arab localities with submitting tenders and implementing programs, and to provide training and networking opportunities to staff. A few NGOs won governmental tenders within GR-922 and became direct service providers.

• Towards the formulation of GR-550, based on acquired experience, NGOs played a much more central role, and their "fingerprints" are apparent in the new resolution's scope and wordings.

7. Summary of GR-922 - lessons learned regarding staff of Arab localities

• The long-term goal remains enhancing human capacities of Arab localities to implement development plans and budgets and provide high-level services to residents.

• However, in the short-term, Arab localities face difficulties attracting and maintaining high-level professionals, due to relatively low-level salaries compared to private sector, to a highly politicized work environment and to insufficient infrastructure and tools for basic work conditions. Violence in Arab society also has a destructive effect, as local staff is often threatened or even harmed by criminal elements. Local authorities often lack HR units that could look after the wellbeing and advancement of employees and a 60-70% turnover of mayors in local elections every five years enhances politization, turnover of staff and an erratic local agenda.



Relevant "Professional Classes" and Models for the Implementation of GR-550⁵

1. Challenges and Opportunities within GR-550

GR-550, approved in November 2021 for 2022-2026, includes much larger budgets and a wider scope of issues and is estimated at around ILS 30 billion (USD 9.5 billion), more than double the size of GR-922. The Resolution includes new spheres such as health, environment, welfare and young adults, and more than ILS 9 billion investment in education – a significant increase. Civil society organizations and Arab professionals played an important part in the planning process of the new Resolution and are currently partaking in the formulation of its work plans and implementation mechanisms.

Opportunities: GR-550, includes several lessons learned from the partial implementation of GR-922, including greater coordination among governmental bodies and more flexibility of budgets between programs, localities and even different ministries. In several spheres, budgets are provided for planning and monitoring expenses of local authorities, an issue that was a major barrier in GR-922. Several spheres, such as planning and construction and transportation, include specific reference to additional manpower (*"Etgarim"* model). *"Mawared"* staff is budgeted to continue until 2026 and program scope is widened to all Arab localities. The Resolution also includes a list of steps under the Ministry of Interior to enhance managerial capacities of Arab localities. A new position of Public Health Coordinator is being created, to be funded by the Ministry of Health, with philanthropic matching via JDC-ELKA (similar to the *"Mawared"* Model).

Challenges: Paragraph 25 of GR-550 clearly states the government's preference is to work via external bodies. This is understood to be the result of unsatisfactory experience vis-à-vis Arab localities during GR-922 implementation, and the rise of criminal elements within them. This approach presents a significant challenge to building human capacities within Arab localities and Arab society more generally.

2. Guiding Principles Moving Forward

In contrast to the governmental approach detailed above, the preference of experts and civil society organizations is to continue to promote direct involvement of Arab localities and Arab professionals in the implementation process, while enhancing their capacities. This, under the following guiding principles:

Differentiating between short-term and long-term goals

In the long-term, strengthening human capacities of Arab localities; in the short-term, assisting the localities and Arab society to reap maximal benefits from GR-550, while gradually strengthening them.

Differentiating between stronger and weaker Arab localities

Based on objective criteria, implementation strategies should be formulated accordingly, enabling greater control of budgets and priorities to localities with greater fiscal and human capacities.



Ensuring the relevance of work plans

Implementation strategies are often the result of the work plans and tenders from which they derive. It is important to ensure these governmental mechanisms needs and are formulated in alignment with Arab society's daily realities.

Where external implementers (private companies, service provision non-profits) take the place of Arab localities

 Implementing bodies should be well acquainted with Arab localities and employ high-level Arab professionals.

• If Arab professional bodies are too small to be implementers, they should accompany the implementing bodies.

 Strengthening existing Arab and jointly-led NGOs is recommended, as well as establishing new large-scale organizations that can become implementing bodies, and/or assist localities.

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Recommendations

Following are recommendations regarding the types of Arab professionals and professional bodies relevant to the implementation of GR-550.

Within Government

1 The Director and staff of the Authority for the Economic Development of the Minority Sector are important interlocutors to discuss where philanthropy can be helpful. The Authority is also often dependent on cooperation with external sources to advance mapping and evaluation research, implement pilot models, etc.

2 Arab Civil Servants exist today in mid-level positions in almost all governmental offices and are important to ensure the <u>relevance</u> of work plans and tenders formulated within GR-550. At the same time, it is important to stress that responsibility for <u>implementation</u> rests with relevant government officials in each ministry – whether Jewish or Arab.

Within Arab Local Authorities

Arab local authorities still face an acute shortage of professional manpower, and GR-550 includes several opportunities for philanthropy to enhance their human capacities by supporting additional *"Mawared* Model" positions (collaboration between ministries, philanthropies, and NGOs), and by providing professional support and training to local staff by external content providers. External consultants, consulting firms and NGOs working with Arab localities should be those manned by Arab professionals and by experts well-acquainted with Arab society, so they can develop tailor-made solutions per locality and per development sphere.



- 2 The Cadets Program has proven to be very worthy support for Arab localities. It is recommended to ensure training and mentoring are provided to cadets after they are placed as well as to the staff that absorbs and manages them. Likewise, *Mawared* staff is a highly valued addition, which should be further supported while ensuring better integration into the local authority structure (more defined roles, hierarchy, and organizational support).
- 3 Local Government Elections coming up in November 2023 promise to be a significant challenge to the implementation of GR-550. Election year is often characterized by a halt of development and greater political sensitivities. Turnover of 60-70% of Arab mayors has been the norm in previous election cycles, resulting in dozens of inexperienced mayors and new locality staff. It is recommended to help localities prepare for this change ahead of time, by building more robust work processes and creating databases and perp materials for incoming staff.

Within the Formal and Informal Education Systems

- Budgets related to human capital and capacity building in around two dozen Arab localities will go through **Branco Weis**, as an operating organization. This model (similar to the "Mawared Model") offers opportunities to affect the scope and quality of the work with Arab educational staff in participating localities. Based on the guiding principles above, it is recommended that major service providing non-profits be accompanied by Arab organizations and experts (in this case, Arab education experts and field NGOs with relevant expertise).
- 2 Similarly, the scope and quality of informal education activities could be affected by **working with local organizations** tasked with providing after-school activities to Arab children and youth, and upgrading their capacities.

Community Development

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Young Adults Centers staff: Over 50 Young Adults Centers ("Merkazei Tze'irim") operate in Arab and mixed localities, but many are unable to provide effective solutions due to missing or insufficiently trained staff, and to insufficient and/or ineffective programs. Advancing the staff and work plans of these centers are important elements to ensure community development.

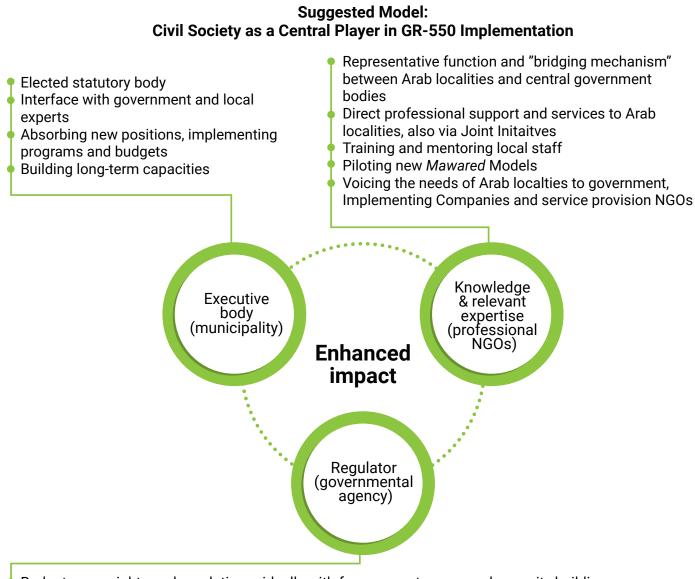
Community Social Workers: This is an academically and professionally defined position, which is especially important in weakened communities, but there is a shortage of community social workers in Arab localities and insufficient expertise in this sphere in local welfare departments.

Youth and Voluntarism: Voluntary gap years for young adults are a major new sphere of investment, one that NGOs on the ground have piloted for the past decade. Its implementation requires placing, training and mentoring new staff (e.g., Voluntarism Coordinators via the *Mawared* Model) by expert NGOs and Arab professionals.

A major conclusion of this research is that the potential of civil society experts was far from realized in the implementation of GR-922, and that Arab- and jointly-led organizations' staff could significantly enhance the implementation of GR-550.

Civil society could serve representative and advocacy functions offering a bridging mechanism between Arab localities and central government bodies; professional support function via joint initiatives with government, training function to support senior locality staff, Cadets and *Mawared* professionals, planning and engineering departments and the new public health coordinators. Civil society organizations are well placed to pilot new models as well as map lacunas in professional positions and help fill future gaps.

Below is an illustration of the suggested new model for enhanced involvement of civil society professionals in the implementation of GR-550.



Budgets, oversights and regulation – ideally with focus on outcomes and capacity building Defining and supporting new positions under localities ("*Etgarim*" and "*Mawared*" models)

Cooperation with implementing organizations



Connecting to the Wider Picture Insights Regarding Government

Below are several recommendations for governmental mechanisms and work. These recommendations, on government-related issues, form the wider picture under which the previous recommendations should be understood.

Strengthening the Authority for Economic Development of the Arab Minority at the Ministry for Social Equality – staff and budgets.

Ensuring a senior official in each ministry is tasked with GR-550 implementation and acts as a POC.

Ensuring governmental tenders and RFPs are aligned with the needs and abilities of Arab localities (e.g., tenders that require matching or tenders that require minimum number of residents often leave our most Arab localities).

Ensuring governmental programs differentiate between Arab localities with tailor-made programs rather than one-size-fits-all solutions.

As much as possible, promoting direct wok with Arab localities, including budgets for additional positions, planning and implementation.

Enhancing acquaintance of Implementing Companies, external consultancies and large service providers with realities in Arab localities, and/or establishing a new Implementation Company with this specific expertise and ensuring Arab-led NGOs become major service providers.

