

Report of the State Comptroller of Isreal | May 2024

Prime Minister's Office

Management of the Covid-19 Pandemic at the National Level During the 35th and 36th Governments – Special Report



Management of the Covid-19 Pandemic at the National Level During the 35th and **36th Governments – Special Report**

Background

From the outbreak of the Covid-19 pandemic in February 2020 until the audit end (August 2023), the Israeli governments, who served at the time, made significant decisions regarding the State of Israel's handling of the pandemic and its consequences.

Some of the decisions made were strategic and were sometimes made within a short timeframe. These decisions covered various issues related to the Covid-19 pandemic, including the operation of the economy, the decision to vaccinate the population, and the need to procure vaccines.

Government decisions concerning the establishment of the Ministerial Committee on Coronavirus Affairs (the Corona Cabinet) during the 35th government (headed by MK Benjamin Netanyahu) and the 36th government (headed by MK Naftali Bennett) granted the Corona Cabinet its status as the official body in charge of making strategic decisions related to the management of the Covid-19 pandemic.

During the tenure of the 35th and 36th governments, additional mechanisms operated alongside the Corona Cabinet, through which decisions regarding managing the pandemic were made. With the outbreak of the Covid-19 pandemic, the 35th Prime Minister assigned the head of the National Security Council (NSC) to coordinate the crisis management and defined it as the leading body in the national effort to address the Covid-19 pandemic. The NSC served as coordinator for the Covid-19 pandemic until the tenure of the 36th government when the role of coordination and inter-ministerial liaison was transferred to the National Situation Assessment Forum (NSAF or Hebrew acronym: HATMATZ) led by the then-head of the Defense Ministry's Defensiveness Division.



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Key Figures

NIS 3.4 billion

the sum paid by the State of Israel for the procurement of Covid-19 vaccines from three vaccine companies (including options for vaccine purchases) as of October 2022

29 million vaccine doses

the number of vaccine doses supplied as of October 2022

about 90%

the Pfizer vaccines rate out of all vaccines administered in Israel from December 2020 to the end of December 2021

NIS 117

the weighted average cost per vaccine dose (in weighting the costs of purchasing vaccines from the three companies)

August 2021

commencement of the NSAF Forum's activity, which played a significant role in managing the Covid-19 pandemic. Its activity was not adequately communicated to the public

2 significant issues

addressed by the 36th Prime Minister within the NSAF without bringing them to the Corona Cabinet's attention: the operation of the "Between the Waves" program, which dealt with preparing for the management of the Covid-19 routine, with a budget of about NIS 170 million; The insights and lessons from the "Omega" exercise, which examined the ability of government ministries to contend with the fifth wave outbreak of the Covid-19 pandemic scenario

Audit Actions



From November 2021 to August 2023, the State Comptroller's Office examined the regulation of management and decision-making mechanisms concerning the Covid-19 pandemic on the national level. The audit focused on decision-making processes during the 35th and 36th governments, particularly several strategic decisions, including procurement of vaccines and vaccination of the population, as well as decisions related to the economy's operation and its level of preparedness during the crisis. In addition, the mechanisms involved in managing and coordinating the pandemic in various governments and the interactions between all bodies involved in the decision-making processes were reviewed. The audit was conducted at the Government Secretariat, the National Security Council (NSC), the Ministry of Defense, and the Ministry of Health.

Key Findings



The 35th Government (headed by MK Netanyahu)

- The 35th government decided that the Corona Cabinet would serve as the supreme coordination framework among all government bodies dealing with the Covid-19 pandemic and would also coordinate Israel's strategy of exit from the pandemic in its various aspects.
- Shortly after signing the agreement with Pfizer in early December 2020, several phone calls took place between the 35th Prime Minister and the CEO of Pfizer. In their concluding conversation, it was agreed that by the end of March 2021, Pfizer would supply vaccines to about half of Israel's adult population, and the Prime Minister noted that he was willing to give the company exclusivity during this period. It should be noted that at that time, no other company could provide as extensive and rapid a response as Pfizer.
- Covid-19 vaccines constituted a central component of Israel's exit strategy from the pandemic due to their expected contribution to saving lives and preventing the imposition of further restrictions on the lives of Israeli citizens.
- The information transferred by Israel to Pfizer during the vaccination campaign was aggregated and did not include identifiable information about vaccinated individuals. The Ministry of Health published the information on its website for public awareness.

By October 2022, Israel had purchased vaccines and vaccine purchase options at NIS 3.4 billion. A table with information on the sums paid by Israel to the three pharmaceutical companies that supplied 99.6% of the Covid-19 vaccines as of October 2022 is as follows:

The Weighted Average Cost of Purchasing Covid-19 Vaccines and the Options for Vaccine Procurement as of October 2022

The sum paid to the three companies (in NIS millions)	Number of vaccine doses supplied (in millions)	Weighted average cost per vaccine dose ¹ (in NIS)
3,400	29	117

According to Ministry of Health data, processed by the State Comptroller's Office.

- The Decision-Making Process Regarding Granting Exclusivity to Pfizer in conclusion, the 35th Prime Minister's affirmative response to Pfizer's proposal for exclusivity until March 2021 significantly contributed to preventing severe illness and even deaths among many Israelis. However, it was found that apart from two general updates regarding contacts with pharmaceutical companies and the need to await FDA approval for the vaccine, the decision and the fact that the matter had already been verbally agreed upon with the company's CEO were not reported by the 35th Prime Minister or any other body to the Corona Cabinet. Consequently, these decisions did not receive approval from the Corona Cabinet, despite the government's decision authorizing the Corona Cabinet to oversee Israel's strategy for exiting the Covid-19 pandemic, where vaccination of the population was a critical component of this strategy. Alongside Israel's benefits, the decision involved public health risks, even if calculated. This was not a routine or minor decision to be made by any single senior official, including the Prime Minister, without government authorization. Given its significance, and according to the government's decision, it was necessary to bring the issue for discussion and decision by the authorized Corona Cabinet appointed by the government to coordinate Israel's strategy for exiting the Covid-19 crisis. However, the decision was not deliberated in the Corona Cabinet, and the government did not authorize the Prime Minister to make these decisions on its behalf.
- **Duty of Secrecy** in a consultation held by the 35th Prime Minister on December 3, 2020, with the then Minister of Health, the head of the National Security Council at the time, and senior officials in the Ministry of Health, the possibility of discussing the issue in the Corona Cabinet was raised, including the issue of leaks from it, and the question of the need to present the matter to the Cabinet was discussed. In addition, the commercial secrecy obligation towards pharmaceutical companies (each separately) was

¹ The weighted average cost based on all agreements signed with each company during the specified period, considering fluctuations in vaccine prices over each period.



mentioned, and that due to contractual restrictions between them and Israel, the Cabinet would only be updated on the existence of contacts with them. On December 6, 2020, the 35th Prime Minister briefed the Corona Cabinet with a general update regarding contacts with pharmaceutical companies and the need to await final vaccine approval from the US Food and Drug Administration (FDA). Another general update was given to the Corona Cabinet on December 20, 2020, after FDA approval for the vaccine was already obtained and agreements were signed with pharmaceutical companies, including Pfizer. In the update, the Director General of the Ministry of Health at the time stated that vaccines were procured with the involvement, among others, of the 35th Prime Minister, the Minister of Health, the head of the National Security Council, and the Director of the Technology Division at the Ministry of Health. Concerns about unwanted leaks cannot justify how the decision was made; instead, there is a need to address the phenomena of leaks from senior forums and to establish a focused and authorized forum enabling efficient and optimal decision-making while ensuring confidentiality.

The 36th Government (headed by MK Bennett)

- In the government decision regarding the establishment of the Ministerial Committee on Coronavirus Affairs in the 36th government, it was determined, among other things, that the Ministerial Committee (Corona Cabinet) would serve as the supreme framework for coordinating among all governmental bodies involved in handling the Covid-19 pandemic. In July 2021, the Corona Cabinet decided to empower the Prime Minister and the Minister of Health to implement a strategy focused on soft and intelligent mitigation of morbidity with minimal damage to daily routine and the country's economy.
- On August 12, 2021, during the height of the Delta wave, the 36th Prime Minister approached the then Minister of Defense and requested to appoint the head of the Defense Ministry's Defensiveness Division, as a national integrator – an additional role alongside his regular duties. Consequently, the official in charge of homeland security served as a national integrator from August 13, 2021. The role included managing the National Situation Assessment Forum (NSAF) and providing quidelines to all bodies involved in managing the Covid-19 pandemic, including ministers and ministry directors.
- The NSAF Forum was established to integrate the operational activities of various ministries and to make tactical decisions for implementing directives and guidelines given by decision-makers to implement them. In general, ministers were not invited to the discussions.
- The NSAF Forum commenced its activity in August 2021, and until the audit ended, it addressed numerous issues and made decisions on them. Most of the issues dealt with by the forum and the decisions made were operational decisions requiring coordination among various government bodies and ministries.

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- The then national integrator and the Director-General of the Ministry of Health stated that differences among professional bodies in government ministries were efficiently and relatively quickly resolved as part of the forum's activities. Regular monitoring and control were conducted, and the forum's actions enabled appropriate responses to evolving circumstances.
- Reflecting on the Decisions Made in the NSAF Forum although the role of the Corona Cabinet in the 36th government was to serve as the supreme coordination framework among all government bodies dealing with the Covid-19 pandemic, addressing both the strategy of exit from the crisis and preparing for a recurrence, including through the enactment of regulations it was found that significant decisions made in the NSAF Forum were not brought to the Corona Cabinet's attention. For example, implementing the "Between the Waves" program, which dealt with the exit strategy from the crisis and preparation for a recurrence, was not brought before the cabinet for discussion despite a budget allocation of about NIS 170 million. In addition, in November 2021, an extensive "Omega Exercise" was conducted; this exercise simulated a war game, "assessing preparedness, identifying gaps, and improving national readiness to deal with a new and deadly variant in Israel." The insights and lessons learned from the exercise were not presented to the Corona Cabinet. Although, this information was sufficient to assist the Cabinet in fulfilling what was required, including enacting emergency regulations.
- Appointment of the Then Defense Ministry's Head of Defensiveness Division as the "National Coordinator," regulation of NSAF Forum's Powers, and Public Update on the Forum's Activities it was found that the then Head of Defensiveness Division at the Defense Ministry, appointed by the 36th Prime Minister in August 2021 as the "National Coordinator" and head of the NSAF Forum, was not officially and formally appointed to this position in writing. Instead, the appointment was agreed upon in a verbal conversation between him and the 36th Prime Minister. The 36th government did not ratify the organizational structure of the forum for the operational management of the pandemic response; no work processes or procedures were established, and the forum's activities and definition of its leader's role were determined on an ad-hoc basis. The forum's establishment, the National Coordinator's appointment to head it, and the forum's activities were not officially communicated to the public.

The 35th and 36th governments

- In various countries (such as the USA, South Korea, and New Zealand), there are
 entities in charge of responding to and managing civil crises (health-related or
 otherwise), as well as mechanisms to determine when and how these entities are
 activated.
- **Establishment of a Mechanism Parallel to the Corona Cabinet** although the Ministerial Committee on Coronavirus Affairs established during the terms of the 35th

and 36th governments was supposed to serve as the official body in charge of managing the Covid-19 pandemic, in practice, additional mechanisms operated alongside it, through which significant decisions on managing the pandemic were made: the 35th Prime Minister assigned the head of the National Security Council (NSC) to coordinate crisis management and put him in charge of the national effort to cope with the pandemic, whereas the 36th Prime Minister appointed the national coordinator to manage the crisis through the NSAF Forum.

- Preserving Organizational knowledge in the Transition Between Crisis Management Bodies - it was found that the NSC conducted no national debriefing processes after the first to third waves (February 2020 - March 2021), nor were any lessons learned, if identified in various forums, transferred to the NSAF Forum. Only in September 2022 did the NSC formulate an internal document reviewing its activity during the Covid-19 pandemic, highlighting various issues related to crisis management within the NSC, key insights, and essential lessons. In addition, no organized process of "passing the baton" from the NSC to the NSAF Forum was carried out. As a result, there was no continuity, and organizational knowledge was not systematically preserved in the transition between the two bodies that coordinated crisis management; hence, upon establishing the new NSAF Forum mechanism, it was required to redefine the roles of the relevant bodies for crisis management.
- Establishing a Mechanism for Coordinating the Management of Civil Crises the need to develop a centralized body for managing pandemics both routinely and in emergencies was raised in NSAF Forum discussions. This issue was also highlighted in an internal NSC debriefing document from September 2022, noting that Israel currently lacks a national body in charge of and authorized to lead civil emergencies of such magnitude. The document stressed that in extreme non-defense events such as a pandemic, there is a need for a governmental inter-ministerial body linked to the Prime Minister, authorized to coordinate between various bodies, make quick and immediate decisions, implement them, and direct the allocation of appropriate resources. However, as of the audit's conclusion, the NSC had still not presented the Prime Minister with the three options it had developed for a coordinating body for managing civil crises: establishing an emergency coordination headquarters; subordinating a national emergency authority to the Prime Minister's Office in times of emergency; or establishing a central coordinating body within the NSC.

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Key Recommendations



The Lipkin-Shahak Committee2 in 2007 noted that: "decision-making requires diverse skills and multiple perspectives, which cannot be fully possessed by any single individual, no matter how gifted; or any single organization, no matter how large." It is recommended that the management of civil national events should be regulated by a government decision enabling optimal management and decision-making (decisions with significant implications) by delegating authority to a ministerial committee, subject to government regulations and the obligation of confidentiality under Section 35 of the Basic Law: The Government. It is further recommended that the Prime Minister's Office, in conjunction with the Ministry of Justice, establish a mechanism to be activated during civil national crises such as the Covid-19 pandemic. This mechanism would be established by government decisions to facilitate rapid, efficient, and optimal decision-making while ensuring confidentiality in a suitable and limited forum of ministers and other required bodies while updating the government as soon as possible.



The Prime Minister should consider establishing a comprehensive mechanism for managing national civil crises. In addition, the NSC should finalize its proposal on this matter and present it to the Prime Minister. The State Comptroller's Office notes that findings from this report indicate the need to establish a mechanism for addressing national civil crises such as pandemics and other emergencies, like what Israel is required to do in the Iron Swords War. This mechanism will ensure continuity, preserve knowledge, and enable the Prime Minister and the government to operate during national civil crises, thus increasing public trust in decision-making processes and ensuring the necessary regulation regarding decision-making authority and operations in such crises.



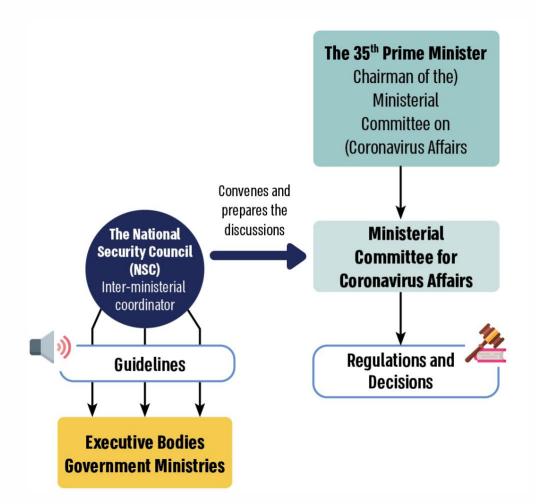
It is recommended that during a national civil crisis, the government should organize the chain of command for crisis management, including defining the authority of leading bodies, establishing work processes and regulations, and publicly announcing its decisions to enhance public trust in the decision-making mechanisms.



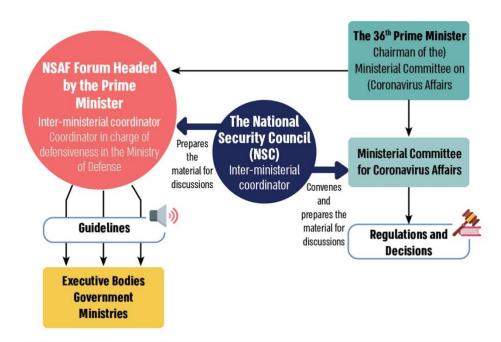
It is further recommended that any appointment to an official position be made formally and in writing, especially for significant roles crucial for integrating the activity of numerous concurrently operating bodies.

² Lipkin-Shahak Committee, Recommendations of the Steering Team for Implementation of the Partial Report of the Winograd Committee (2007), Chapter 3: "Security Headquarters Adjacent to the Prime Minister", pp. 9–10.

Managing the Covid-19 Pandemic in the 35th and 36th **Governments**



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Summary

During a national crisis like the Covid-19 pandemic, there is a need for an established mechanism responsible for decision-making and ensuring their implementation. This includes guiding all role-holders, coordinating, and conducting scenario rehearsals. In the absence of such a mechanism, as was during the Covid-19 pandemic, each Prime Minister established a new mechanism to manage the crisis, which changed with the turnover of governments during the 35th and 36th terms. This turnover required rebuilding the mechanism's operational methods, potentially consuming valuable time during the crisis. This lack of regulation led to a situation where the government and the Corona Cabinet were neither updated nor included in critical decisions. Even at the audit end, the mechanism has not yet been institutionalized over three years after the pandemic outbreak.

With a forward-looking view, it is recommended that in a national civil event, its management be regulated by a government decision that allows for optimal management and decision-making with significant implications by delegating authority to a ministerial committee, following the Government Work Regulations and the confidentiality obligation according to Section 35 of the Basic Law: The Government. However, during a national civil crisis, exceptional circumstances may arise that require decision-making by a small team, in part to maintain confidentiality and enable quick, efficient, and optimal decision-making, as was done with the establishment of the "War Cabinet" during the "Operation Iron Swords" in the security and military context. Therefore, it is recommended that the Prime Minister's Office, in cooperation with the Ministry of Justice, regulate the decision-making process by a small team under unusual circumstances while updating the government as soon as possible. In addition, given the importance of an operational integrating body for managing crises in the civil sphere, it is recommended that such a body be established. It is also recommended to communicate the activity of these mechanisms to the public transparently.

Regulating these mechanisms can ensure a system of checks and balances regarding the authority for decision-making and action in times of crisis. Such regulation is also required for maintaining continuity, organizational memory, and lesson learning, as well as building efficient monitoring and control mechanisms, quick response, and operational certainty in times of uncertainty. This is alongside ensuring the managerial flexibility required at such times.

