



State Comptroller  
of Israel

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# **Government Response to the Needs of Northern Communities During the Swords of Iron War: Civil- Economic Front**

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## Background

With the outbreak of the Swords of Iron War, a security threat emerged for the population living near Israel's northern border due to rocket fire and the infiltration of hostile elements into Israeli territory. In the absence of an ability to ensure the population's safety or provide essential goods and services, an organized evacuation by the government was required.

In October 2023, the government approved a "National Action Plan for the Evacuation and Absorption of Population in the Northern Sector (0–5 km from the border)". Following this decision, residents from 43 communities located within up to 3.5 km of the border were evacuated. The government extended the evacuation period multiple times, and as of early July 2024, more than 60,000 residents from the north were eligible for government-sponsored evacuation, either to hotels or to community-based housing through a housing grant. These communities were dispersed across dozens of localities throughout the country. Additionally, due to the ongoing security threat and the inability to maintain a normal routine, some residents of the north decided to evacuate independently, even though they were not included in the government's official evacuation plan. These self-evacuated residents are estimated to number in the tens of thousands. As the war expanded, hundreds of thousands of residents in dozens of other communities, located up to 20 km from the northern border, came under fire, though they were not evacuated under government decisions.

The government was therefore required, inter alia, to coordinate the civil and economic response for the tens of thousands of residents who were evacuated (or chose to evacuate) from their homes in northern communities, as well as to provide support for the hundreds of thousands of residents in communities that were not evacuated but suffered the effects of the war in the north. All of this took place during a period when Israeli society and its economy were in a deep and widespread crisis.

At the time of the audit, the Prime Minister was MK Benjamin Netanyahu, the Minister of Finance was MK Bezalel Smotrich, and the Minister of Interior was MK Moshe Arbel. The Director General of the Prime Minister's Office was Mr. Yossi Shelley; the Director General of the Ministry of Finance was Mr. Shlomi Heisler; the Head of the Budget Department at the Ministry of Finance was Mr. Yogev Gardos; and the Director General of the Ministry of Interior was Mr. Ronen Peretz. From July 2024 to December 2024, Mr. Eliezer (Chiney) Marom served as the Head of the Implementation Headquarters for Long-Term Rehabilitation and Emergency Management at the Prime Minister's Office.

**Key Figures****More than  
60,000**

The number of northern residents eligible for evacuation under government decisions. Tens of thousands of additional residents chose to evacuate independently

**1,682**

The number of damage reports submitted to the Ministry of Defense's "Northern Horizon" Directorate regarding northern frontline communities (interim data compiled as of October 2024), most of which concern residential buildings. In total, 3,549 damage reports were received by January 2025

**54%**

The percentage of evacuated northern residents who reported a high likelihood of not returning to their pre-war community. This compares to 13% among evacuees from southern communities. Among all evacuees (from both north and south), 36% of those with academic education and 27% of those with up to a high school education reported a high likelihood of leaving

**54%**

The percentage of middle school students in the Eastern Galilee region who experienced significant emotional distress. A similarly high rate was observed among high school students (48%), elementary school students (49%), and kindergarten children (45%) in the region

**7.5 months**

after the outbreak of the war, in late May 2024, the government approved a plan for the immediate and short-term rehabilitation and development of the north, as well as the advancement of a multi-year framework. However, the plan was only partially implemented

**15 months**

from the outbreak of the war until early January 2025, the government had not formulated a multi-year plan for the rehabilitation and development of the north

**NIS 940  
million**

The budget approved in the government decision of May 2024 for addressing the immediate needs of northern communities. As of July 2024, only 65% of that amount (NIS 608 million) had been allocated. Only half of the approved amount (NIS 467 million) was added to budgets that had not already been planned before the war. In August 2024, the government decided to reduce the approved budget by NIS 136 million (to NIS 804 million – a 14% cut)

**7 months**

after the May 2024 decision, a permanent Head of the Implementation Task Force for the northern plan has still not been appointed, and the ministerial committee for the rehabilitation and development of the north, chaired by the Prime Minister, has yet to convene as required

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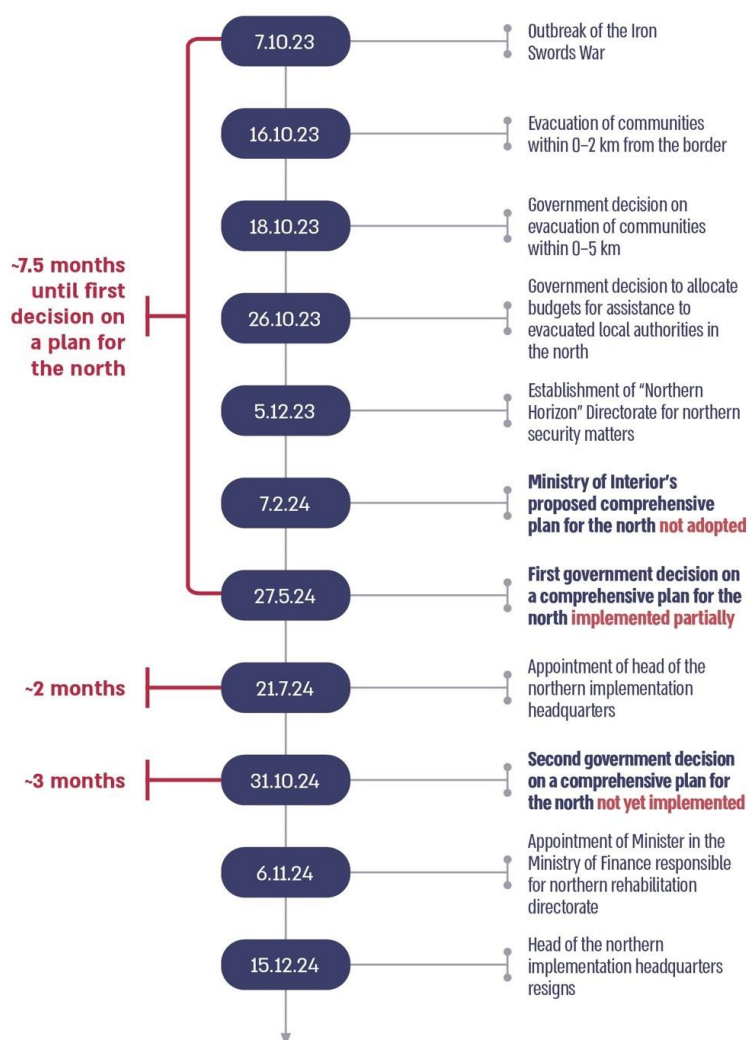
## Audit Actions



Between May and November 2024, the State Comptroller's Office conducted an audit on the government's handling of northern communities during the Swords of Iron War, focusing on the civil and economic front. The audit examined the severe socio-economic conditions in the communities along the northern frontline and the need for a comprehensive civil-governmental response, as well as the delays in providing such a response. The audit was carried out primarily at the Prime Minister's Office and the Ministry of Finance. Supplementary examinations were conducted at the Ministry of Interior, the Mateh Asher Regional Council, and the Upper Galilee Regional Council.

## Key Findings

### The Delay in Formulating and Implementing a Comprehensive Government Plan for the North



	Date	Event
~7.5 months until first decision on a plan for the north	7.10.23	Outbreak of the Swords of Iron War
	16.10.23	Evacuation of communities within 0–2 km from the border
	18.10.23	Government decision on evacuation of communities within 0–5 km
	26.10.23	Government decision to allocate budgets for assistance to evacuated local authorities in the north
	5.12.23	Establishment of “Northern Horizon” Directorate for northern security matters
	7.2.24	<b>Ministry of Interior’s proposed comprehensive plan for the north not adopted</b>
	27.5.24	<b>First government decision on a comprehensive plan for the north implemented partially</b>
~2 months	21.7.24	Appointment of head of the northern implementation headquarters
~3 months	31.10.24	<b>Second government decision on a comprehensive plan for the north not yet implemented</b>
	6.11.24	Appointment of Minister in the Ministry of Finance responsible for northern rehabilitation directorate
	15.12.24	Head of the northern implementation headquarters resigns

According to data from the Prime Minister’s Office and the Ministry of Interior, processed by the State Comptroller’s Office.



**Population Status in Northern Communities** – For approximately one year and two months – from the outbreak of the war until the end of 2024 – residents of the northern frontline communities have been living in prolonged uncertainty regarding their return home, while residing in temporary housing sites. This has led to the dispersion of communities and the weakening of community resilience; youth have been transferred to temporary educational settings and disconnected from their peer groups; and there has been severe harm to income from businesses and employment. All of the above, along with the absence of a comprehensive framework for the rehabilitation of these communities, could lead many of the evacuees to decide not to return to their former homes in the north. Survey data from the second half of 2024<sup>1</sup> indicate that even

<sup>1</sup> Survey among evacuated residents from the south and the north, conducted by Ma’agar Mochot – Interdisciplinary Research and Consulting Institute Ltd., public opinion survey commissioned by NGOs 121 and 51, September 30, 2024; report on a survey among residents of Kiryat

following the government's May 2024 decision regarding a plan for the North – which includes immediate and short-term measures – 54% of evacuated residents from the North reported a high likelihood that they would not return to the locality in which they lived before the war. The data also show that the chance of non-return is particularly high among individuals with academic education and young adults under the age of 35.



**Prolonged Delay in Formulating the First Government Decision Regarding a Comprehensive Response for Northern Communities (Late May 2024)** – Only seven and a half months after the outbreak of the war, on May 27, 2024, the government issued its first decision titled "A Program for Immediate and Short-Term Responses and Advancement of a Multi-Year Framework for the Rehabilitation and Development of the North". This was despite the fact that, according to the Prime Minister's Office, as early as November 2023 the government had already recognized the need to formulate a comprehensive plan for providing immediate responses for residents of the north. This delay was the result of slow and uncoordinated government action that progressed along several paths. The Ministry of Interior worked for several months on drafting a government resolution via a Directors-General Committee and even transmitted it to the Director General of the Ministry of Finance on February 7, 2024, so it could be brought for government approval by February 11. However, the Director General of the Ministry of Finance determined that an alternative proposal should be drafted swiftly in place of the Interior Ministry's version. The Director General of the Prime Minister's Office, who was working on a draft resolution on behalf of the Prime Minister, then began formulating a different proposal, prompting additional necessary actions for preparing a government resolution, thus delaying approval by another three months. It follows that the comprehensive response to the needs of the north, as reflected in urgent appeals from the Chair of the Northern Frontline Communities Forum to the Prime Minister, was delayed. In the absence of a decision on a comprehensive government plan, ministries operated throughout the first seven months of the war along separate tracks in specific areas in an effort to support the northern communities and their residents. Additionally, it should be noted that after May 2024, due to the expansion of the war on the northern front, its effects were also felt in communities located more than 9 kilometers from the border, which also sustained damage and impact arising from the conflict.

The two proposed resolutions – the Ministry of Interior's proposal from February 2024 and the Prime Minister's Office (PMO) proposal from May 2024 – did not include a civilian response to the possibility of escalation in the northern arena and its impact on northern communities located more than 9 km from the border, even though it later became clear that these communities too were affected by the war.

In this context, the PMO stated in its response that government resolutions must be based on the definition of a "decision area," which in turn must be supported by an appropriate data infrastructure, and that it did not have sufficient data – either civilian or security-related – such as the number of alerts and rocket fire at

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Shmona, Knesset website, announcement for a discussion of the Special Committee for Strengthening and Developing the Negev and the Galilee, November 19, 2024.

each community, as well as the extent of damage to buildings and infrastructure. The State Comptroller notes that the professional bodies should have collected the necessary information in order to respond to the needs of the residents within a timeframe appropriate to the course of events.

In May 2024, the government decided to allocate NIS 3.9 billion for the plan's implementation – NIS 940 million in 2024 and NIS 3 billion as part of a multi-year framework, without specifying the plan's duration, which was referred to as a "multi-year outline". In addition, three months later in August 2024, the government decided to reduce the amount allocated for immediate implementation to NIS 804 million (a 14% reduction), bringing the total allocation to NIS 3.8 billion. As of July 2024, approximately NIS 608 million had actually been allocated under the government decision to fund the plan's short-term expenses, of which approximately NIS 141 million (23%) came from existing ministry budgets, and approximately NIS 467 million (77%) from additional funding designated for the plan's implementation.



#### **Delays and Difficulties in Appointing the Head of the Implementation Headquarters in**

**Accordance with the Government Decision** – The appointment process for the Head of the Implementation Headquarters in the Prime Minister's Office (PMO) took approximately two months. On June 27, 2024 – a month after the government decision of May 27, 2024, to approve a plan for developing the north, and eight months after the evacuation of the northern frontline communities – the Prime Minister proposed a candidate to serve as Head of the Long-Term Rehabilitation Implementation Headquarters in the PMO. The next month, on July 21, 2024, the government approved the appointment of the Head of the Implementation Headquarters, responsible for managing and coordinating the rehabilitation of the northern region. Five months later, on December 15, 2024, the Head of the Implementation Headquarters announced his resignation, following the transfer of responsibility for the northern rehabilitation plan to a minister within the Ministry of Finance, and in light of the significant reduction in his authority and responsibilities. As a result, a year and two months after the war began, and more than six months after the government decision to establish the Implementation Headquarters, the PMO and the Ministry of Finance had still not succeeded in leading or activating the headquarters in order to carry out a series of tasks: formulating and implementing a multi-year framework for the long-term rehabilitation of the northern communities, overseeing and monitoring the program's implementation by government ministries, removing obstacles and establishing a single point of contact to serve as the centralized governmental interface for local authorities. As of early January 2025, a replacement for the Head of the Implementation Headquarters had not yet been appointed.



#### **Partial Implementation of the First Government Resolution Regarding the Northern Communities**

As of the end of September 2024, four months after the approval of the first program for the north, key components of the government resolution had not been fully implemented:



### Implementation and Oversight Mechanisms Outlined in the Resolution had not been Activated or were only Partially Operational:

1. The Ministerial Committee on the Rehabilitation and Development of the North, chaired by the Prime Minister and established under the program, had not convened.
2. The Director Generals committee charged with monitoring and oversight of the program's immediate and short-term implementation, as well as for formulating a long-term development plan (chaired by the PMO Director General) had not convened.
3. The staffing of the Implementation Headquarters had not been completed.

### Actions Stipulated in the Government Resolution to be Completed Within a Defined Timeframe had not been Carried out in Full:

1. As of the end of June 2024, the setup of 15 out of 24 buildings for displaced students had been completed (62.5%).
2. Regarding the requirement for the Ministry of Construction and Housing to formulate a plan within 45 days to find community housing solutions for displaced communities from high-risk areas: At the end of October 2024, the Head of the Implementation Headquarters in the Prime Minister's Office stated that no staff work had been carried out on this matter and that he did not see the need for such a plan, since the communities (with one exception) had not submitted requests to join the program. In response, the Ministry of Construction and Housing reported that it had in fact prepared such a plan, but when it sought to present it, the Head of the Implementation Headquarters informed them that he did not deem it necessary and that the existing responses provided thus far were sufficient.
3. The Prime Minister's Office did not conduct a resident survey in the evacuated communities to identify resettlement trends and needs, even though the government resolution stipulated that it must publish an initial survey on the matter within 30 days.
4. The Israel National Digital Agency established a data analytics center, but as of the end of September 2024, the necessary actions to provide an initial response in this area had not been completed, despite the government resolution stating that the center should be able to provide an initial response within 60 days.
5. The Director General of the Prime Minister's Office and the Head of the Implementation Headquarters did not present the outline of the multi-year plan to the Ministerial Committee for the Rehabilitation and Development of the North, even though the government resolution stipulated that this should be done within 45 days.

6. The Minister of Finance did not submit a resolution proposal to the government for the allocation of NIS 3 billion along with the budget sources for funding the multi-year outline, even though he was required to do so within 90 days. In addition, the Budget Department in the Ministry of Finance did not formulate funding sources for the multi-year outline within the timeframe set by the government in May 2024. According to the Budget Department, the level of professional preparedness of the multi-year program that it was asked to fund was low.



**Non-Implementation of the Government's Second Resolution on the Rehabilitation and Development of the North (End of October 2024)** – In October 2024, the government adopted an

additional resolution concerning the advancement of a rehabilitation and development plan for the north, and the allocation of an additional budget of NIS 15 billion for the plan's implementation. This resolution implicitly cancels key components of the May 2024 government resolution. The resolution stipulated that the Head of the Implementation Headquarters, with the consent of the Director General of the Ministry of Finance or his representative, would submit to the government within 60 days a detailed resolution proposal for a multi-year rehabilitation and development plan for the north. This plan was to include a breakdown of the funding sources and their designated uses, considering *inter alia*, the distance from the border.

Although the second government resolution expanded the medium and long-term budget for northern rehabilitation and development from NIS 3 billion (a sum that was not defined as additional) to NIS 15 billion (an explicitly additional sum), its scope differs significantly:

1. The geographic scope of the second resolution is not specified. It appears to account for the expansion of the war to additional communities in the north and therefore does not refer specifically to those within 9 km of the border. However, the resolution does not include a breakdown of how the budget will be allocated based on the differing needs of the communities. This creates uncertainty regarding the portion of the budget earmarked for frontline communities.
2. The deadline for presenting a detailed multi-year plan for the rehabilitation and development of the north was postponed by five and a half months, from mid-July 2024 to the end of December 2024.
3. The planned date for presenting the program's budget was postponed by four months, from the end of August 2024 to the end of December 2024.

As of January 2025, after the deadline set by the government decision had passed, the Implementation Headquarters at the Prime Minister's Office had still not presented a multi-year plan and a budget for carrying out its components, as required. It therefore appears that the second government decision, from October 2024, was also not implemented, except for certain components.

Given the ongoing situation of non-implementation of government decisions, and in the absence of a detailed and budgeted multi-year plan for the rehabilitation and development of the north, the frontline communities in the north remain in a state of uncertainty regarding preparations for the return of

residents to their homes. Field visits by the State Comptroller revealed that by the end of 2024, no compensation framework had been arranged for indirect damages to structures, and that some of the initial rehabilitation efforts in the communities were being carried out by volunteers and relied on donations. Moreover, no response was provided regarding the need to prevent the departure of residents – particularly young people and those with academic education – as a key component of the national mission to rehabilitate and strengthen the northern region.



**Issues Requiring Attention as Identified During the State Comptroller's Visits to Northern Communities**

– Following the outbreak of the war and the security threat to communities along the northern frontline, a wide range of civil-economic needs emerged that require broad, inter-ministerial attention. These include education, welfare, mental health, and business support. Against this backdrop, already in October 2023, the State Comptroller noted the need for a comprehensive, unified governmental response that would centralize relevant information and maintain communication with residents. During the war and after the northern ceasefire came into effect, the State Comptroller's inspection visits highlighted additional challenges stemming from the prolonged conflict, such as damage to residential homes, infrastructure, and public buildings due to a lack of ongoing maintenance, emphasizing the need for a governmental framework for rehabilitation. For example, during a December 2024 visit to Metula and fence-adjacent communities in the Ma'ale Yosef Regional Council, it was found that homes had suffered neglect-related damage, including sewage issues, flooding, and rat infestations. Additionally, there was no mechanism for compensation for damages not caused by direct fire. Local authority heads noted that an immediate budget is needed for debris removal, cleaning, vegetation maintenance, lighting repairs, and more. It was also reported to the audit team that no appropriate economic benefit scheme had been formulated for residents of the town of Hurfeish, which was included in the government's evacuation decision, even though its residents chose not to evacuate.

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## Key Recommendations



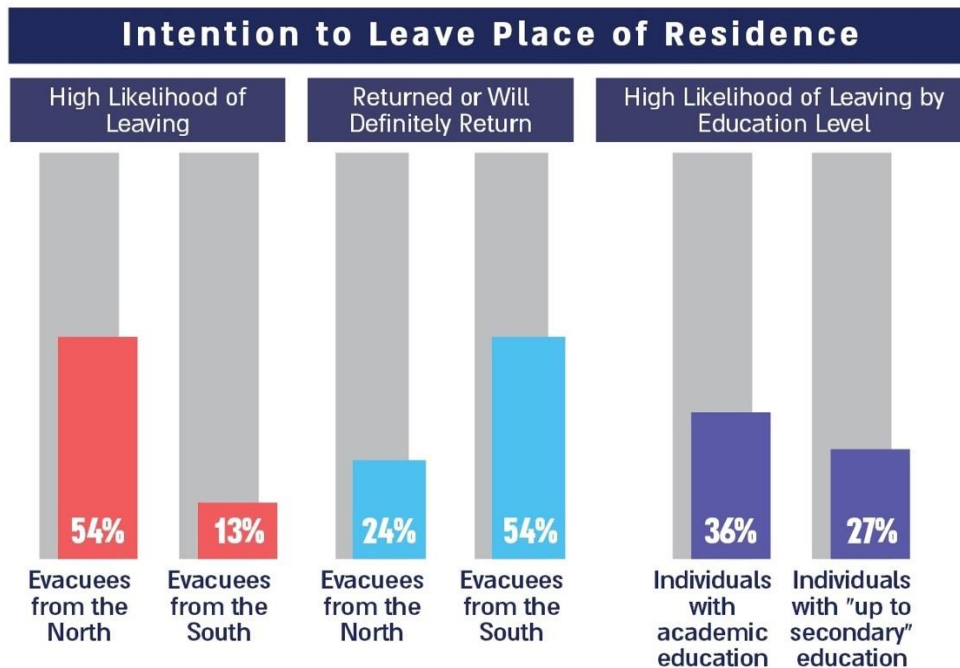
The government must expedite the provision of a comprehensive and systemic response for the rehabilitation of the northern communities. The Minister in the Ministry of Finance, who is responsible, inter alia, for the rehabilitation of the northern communities, should, in cooperation with all relevant government ministries, act decisively to ensure the rapid and effective implementation of the remaining components of the May 2024 government resolution, as well as the completion of a detailed multi-year plan for the rehabilitation and development of the North, in accordance with the October 2024 government resolution. This should include a detailed breakdown of the budget for the plan and its sources, while considering the distance of the communities from the border and the unique needs of the frontline communities. It is also recommended that the minister work to establish a mechanism for monitoring the implementation of the aforementioned government decisions, and report on their implementation to the government or to a ministerial committee.



The Prime Minister should ensure the continuous and orderly functioning of the ministerial committee under his chairmanship on the rehabilitation and development of the north, with a view to advancing a coordinated, government-wide policy for the development of the region, and to resolving inter-ministerial barriers and disputes arising in the course of implementing the government resolution.



It is recommended that the formulation of a comprehensive government response for the northern communities consider the vital need to encourage the return of displaced northern residents to their homes, particularly young and educated residents, as a key component in the national mission to strengthen and rehabilitate the northern region. This should include completion of funding arrangements for the rehabilitation of buildings and infrastructure damaged due to lack of maintenance (as distinct from damage caused by direct bombardment) and addressing the varied needs of the communities.

**Key Data Regarding the Intention of Evacuated Residents not to Return to Their Pre-War Place of Residence (Based on a September 2024 Survey of Evacuated Residents from the Southern and Northern Regions)**

According to a survey conducted by "Midgam – Research & Consulting Ltd." for NGOs 121 and 51 (September 2024), processed by the State Comptroller's Office.

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## Summary

In light of the severe personal, social, and economic crisis experienced by residents of the northern frontline communities – stemming from the prolonged state of emergency since October 2023 – and in view of the expansion of the war, which subjected hundreds of thousands of residents in dozens of additional communities to enemy fire, a broad governmental response is required. This response must include effective short-term and immediate measures, as well as the planning of medium- and long-term solutions, in order to enable optimal rehabilitation of the northern frontline area and other northern communities, promote their development, and support the return of evacuated residents to their homes.

However, the responsibility for formulating a comprehensive government policy to address the needs of residents of the northern frontline communities has, in effect, passed from hand to hand: The Ministry of Interior worked to draft a comprehensive government resolution and submitted it to the Ministry of Finance in early February 2024, but the Ministry of Finance decided that a different proposal should be formulated. The Prime Minister's Office then undertook the task of drafting an alternative proposal, and only at the end of May 2024, seven and a half months after the outbreak of the war, did the government adopt its first comprehensive resolution on the matter.

The first government decision from May 2024 included initial tasks to be completed within one to three months. However, four months later, by the end of September 2024, these initial tasks had still not been completed: the implementation and oversight mechanisms outlined in the plan had not been activated, including the convening of the ministerial committee on the rehabilitation and development of the north chaired by the Prime Minister, the convening of a dedicated team of director generals led by the Director General of the Prime Minister's Office, and the full staffing of the implementation headquarters; the Prime Minister's Office had not conducted a needs assessment survey among the evacuated communities; the National Digital Bureau had not completed preparations for an initial response in the field of data analysis; the Prime Minister's Office had not presented the multi-year outline for the rehabilitation and development of the north, which it was required to submit within 45 days; and the Minister of Finance had not brought for government approval a resolution to allocate a total of NIS 3 billion to finance the said outline, even though the government decision stipulated that this should be done within 90 days (i.e., by the end of August 2024).

At the end of October 2024, the government adopted a second decision addressing the advancement of a multi-year plan for the rehabilitation and development of northern communities. This decision effectively postponed the deadline for finalizing a detailed multi-year plan by approximately five and a half months and delayed the presentation of the budgetary sources for implementing the plan by about four months. It should be noted that funding for the plan was earmarked within the 2025 state budget and in the fiscal framework for subsequent years. However, even by the conclusion of the audit, after the deadline set in the government decision had passed, the Implementation Headquarters in the Prime Minister's Office had not presented a multi-year plan or a

budget for carrying out its components, as required. It therefore appears that the second government decision, from October 2024, was also not implemented, except for certain components.

The prolonged delay in formulating a comprehensive government policy to address the needs of the frontline communities and their residents during months of warfare in the north constitutes a fundamental shortcoming in the government's response for the affected population. Many residents endured significant hardship while being unable to remain in their homes or while under fire, and the necessary governmental response to prepare for their return to their communities was not ensured.

This shortcoming lies at the doorstep of the Prime Minister's Office and its head, Prime Minister MK Benjamin Netanyahu, as well as its former Director General, Yossi Shelley, who failed to carry out the key tasks assigned to the office in the two government decisions: full implementation of the immediate assistance framework for the northern frontline communities, and formulation of a long-term plan for the rehabilitation of northern communities, including preparations for the return of the evacuated residents to their homes. The Head of the Implementation Headquarters, Eliezer (Chiney) Marom, who held this position for five months, failed in completing these tasks.

The State Comptroller also notes that the Ministry of Finance failed to formulate a government resolution regarding the allocation of a budget for the financing of a long-term plan for the rehabilitation of the north within 90 days, as required by the May 2024 government decision. Furthermore, the Ministry did not cooperate with the Implementation Headquarters to complete the development of a multi-year rehabilitation and development plan for the north, including uses, targets, performance indicators, and timelines, within 60 days, as stipulated in the October 2024 government decision, in order to present it to the government. Moreover, as of the end of the audit, the plan as a whole had not been formulated or submitted for approval, even though the budget for the matter was earmarked in the 2025 state budget and in the fiscal framework for the coming years. One would expect that the Ministry of Finance would update the government with the necessary urgency, as soon as the Budget Department became aware of the delay in completing the actions required to finalize the multi-year plan.

The Minister in the Ministry of Finance, MK Ze'ev Elkin, who is responsible, inter alia, for the rehabilitation of the northern communities, should, in cooperation with all relevant government ministries, act decisively to ensure the rapid and effective implementation of the remaining components of the May 2024 government resolution, as well as the completion of a detailed multi-year plan for the rehabilitation and development of the North, in accordance with the October 2024 government resolution. This should include a detailed breakdown of the budget for the plan and its sources, while considering the distance of the communities from the border and the unique needs of the frontline communities. It is also recommended that the minister work to establish a mechanism for monitoring the implementation of the aforementioned government decisions, and report on their implementation to the government or to a ministerial committee.

Prime Minister MK Benjamin Netanyahu must ensure the consistent and regular operation of the ministerial committee under his chairmanship on the rehabilitation and development of the north, in order to advance a systematic government-wide policy on northern development, as well as to remove obstacles and resolve inter-ministerial disputes in the course of implementing the government decision.

