



## Foreword

*"And it shall come to pass, that everything that liveth, which moveth, whithersoever the rivers shall come, shall live: and there shall be a very great multitude of fish, because these waters shall come thither: for they shall be healed; and everything shall live whither the river cometh. And it shall come to pass, that the fishers shall stand upon it from En-gedi even unto En-eglaim; they shall be a place to spread forth nets; their fish shall be according to their kinds, as the fish of the great sea, exceeding many. But the miry places thereof and the marishes thereof shall not be healed; they shall be given to salt. And by the river upon the bank thereof, on this side and on that side, shall grow all trees for meat, whose leaf shall not fade, neither shall the fruit thereof be consumed: it shall bring forth new fruit according to his months, because their waters they issued out of the sanctuary: and the fruit thereof shall be for meat, and the leaf thereof for medicine." Ezekiel 47:9–12*

The Dead Sea represents a national asset of considerable significance. It is recognized as a distinctive natural phenomenon, possessing therapeutic properties, and the region encompasses vital natural resources and diverse, unique heritage sites of international relevance. The natural resources situated in and around the Dead Sea are public assets, entrusted to the state for the benefit of the populace.

Under the Concession Law, 1961, the Dead Sea Works Company (DSW) was endowed with exclusive rights for several decades to extract and utilize the mineral resources of the Dead Sea, conditional upon the payment of royalties to the state. Despite the advantageous benefits attributable to this valuable public asset and the potential benefits of industrial development in the Dead Sea region, the state bears the obligation to maintain a balance between industrial activities and the scenic and environmental integrity of the Dead Sea, ensuring that the environmental impact of such activities is minimized to the greatest extent possible.

Throughout the duration of the Dead Sea Works' operations, substantial changes have occurred regarding mineral extraction from the Dead Sea; Within the expansive region covered by the concession, which comprises about 3% of Israel's territory, sites for the extraction of alluvium and clay materials, along with additional industrial facilities, have been established for DSW's operations. Significant portions of the Dead Sea have desiccated, and artificial evaporation ponds and other facilities have been constructed upon them; Considerable waste deposits, such as the Salt Mountain, have emerged; And the overall landscape has been markedly altered.

This audit assesses how the state administered the Dead Sea concession and supervised Dead Sea Works' environmental and land management activities. The audit raised systemic regulatory and enforcement deficiencies among the relevant regulatory bodies, notably the Ministry of Environmental Protection, the Ministry of Energy, the Israel Land Authority, and



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supervision of the Dead Sea concession in relation to environmental and land management. Consequently, the State of Israel has failed in its regulatory responsibilities concerning the environmental and land protection associated with the concession.

The natural resources of the Dead Sea belong, first and foremost, to the public. The findings of this report should be of concern to all citizens, given that the inadequate management of the Dead Sea concession has occurred without adequate safeguarding of environmental and economic interests, in contravention of the "polluter pays" principle and despite principles of distributive justice and considerations for public welfare, environmental integrity, and future generations.

The findings of the report should be analyzed and that lessons should be derived therefrom, particularly as the state prepares to formulate a new concession arrangement in advance of the renewal of the concession in 2030. The state is already committed to revising its regulatory framework regarding the management of its most valuable natural resources. A regulatory approach prioritizing the protection of environmental and economic interests, should be implemented, alongside ensuring comprehensive safeguarding of these interests. Thus, government ministries can fulfill their fundamental duty to uphold the public interest.

I sincerely hope that the entire government, including the Ministers of Finance, Energy, and the Environment, as well as the pertinent decision-makers within the executive branch, will implement the necessary reforms and seize the opportunity presented by the conclusion of the current concession period. They should devise a future concession arrangement that duly addresses the deficiencies highlighted in this report and secure optimal protection for public interests within the framework of resource exploitation in this significant and unique region, encompassing both environmental and economic-fiscal perspectives on the applicable payment regime for the concessionaire, an aspect not assessed in this report. Following such arrangements, monitoring, supervision, control, and enforcement mechanisms should be implemented to ensure fulfilling the arrangement.

A handwritten signature in blue ink, reading "Matanyahu Englman".

**Matanyahu Englman**  
State Comptroller and  
Ombudsman of Israel

Jerusalem, March 2025







State of Israel

# State Comptroller

## Special Audit Report

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Management and Supervision  
of the Dead Sea Concession –  
Aspects of Environmental and  
Land Issues

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