

# THEMATIC COMPILATION OF RELEVANT INFORMATION SUBMITTED BY ISRAEL

## ARTICLE 7, PARAGRAPH 4 UNCAC

### CONFLICT OF INTEREST

#### ISRAEL (SECOND MEETING)

**Conflicts of interest, gifts and assets** - The **Civil Service Regulations** (the "Takshir", as noted previously) includes, *inter alia*, prohibitions on gaining personal benefit from public positions and operating in conflicts of interest. The "Takshir" is published on the Civil Service Commission's website. Additionally, Circular notes addressed to governmental units are published online and distributed regularly via group emails to government officials.

Additional relevant legislation includes the **Encouragement of Public Morality in Public Service Law, 1992**, the provisions of which are aimed at encouraging the reporting of acts of corruption within the public administration, and the **Public Service Law (Gifts), 1979**, which prohibits certain public officials from accepting gifts presented to them in their capacity as public servants. The law and regulations mandate the reporting of such gifts, and set the standards for the lawful acceptance of proposed gifts by public servants.

#### **Conflicts of Interest – Government Members**

As mentioned above, regarding Ministers and Deputy Ministers, the Israeli government promulgated **Rules for the Prevention of Conflicts of Interests by Ministers and Deputy Ministers, 2003**. The application of these rules is reviewed by the State Comptroller, who is authorized to look into the declarations by Ministers and Deputy Ministers, and to notify the Knesset if the rules have been breached.

#### **Conflicts of Interest – Directors Appointed by the State**

Regarding directors of government-owned companies, the criteria for their appointment are set forth in the **Government Companies Law, 1975**. Included in these criteria are provisions designed to prevent conflicts of interest.

#### **Conflicts of Interest – Municipal Government**

Conflict of interests in municipal government are regulated mainly via three instruments: the **Municipalities Ordinance (New Version) 1968**, the **Local Councils Order, 1951** and the **Regional Council Order, 1958**. All three instruments prohibit employees and elected officials from operating in conflicts of interest. A breach of these prohibitions constitutes a penal offence.

These legal instruments also include another important penal offense, applicable only to elected officials: it is generally prohibited for a council member to engage in business dealings with the municipal authority to which he or she was elected.

Another important example (applicable only to municipalities that are cities) is the prohibition to recruit employees who are relatives of the mayor and his or her deputies, except when the recruitment of a specific employee was approved by a special committee convened by the Ministry of Interior, the members of which are independent of the municipality.

### **ISRAEL (THIRD MEETING)**

As stated above, the "Takshir" includes, *inter alia*, prohibitions on gaining personal benefit from public positions and operating in conflicts of interest. The "Takshir" is published on the Civil Service Commission's website. The **Civil Service Law (Discipline), 1963** provides the Civil Service Commissioner with jurisdiction to penalize public officials for any violation of the "Takshir". The **Encouragement of Public Morality in Public Service Law, 1992**, provides the framework for encouraging public officials to report acts of corruption in public administration. **All such legislation is publicly available.**

**Attorney General Directive no. 1.1555** (2006) includes guidelines for the prevention of conflicts of interest when recruiting employees to the civil service. This Directive stipulates detailed disclosure requirements as well as legal guidelines for drafting specifically tailored ad-hoc requirements for the appointment of civil servants that may face various situations of conflicts of interest. Such particular requirements could be, for instance, a requirement for the civil servant to divest himself/herself from his/her holdings in a particular corporation (such as by way of transferring the shares to blind trusts), or a reassignment of certain fields of responsibility from one civil servant's position to another.

Additionally, **Attorney General Directive no. 3.1005** (2005) stipulates which of the ad-hoc particularized requirements must be made known to the public. **All of the Attorney General Directives are available to the public online.**

**Conflicts of Interest – Government Members and Elected Public Officials** Regarding Ministers and Deputy Ministers, the Israeli government promulgated **Rules for the Prevention of Conflicts of Interest by Ministers and Deputy Ministers, 2003**. The application of these rules is reviewed by the State Comptroller, who is authorized to look into the declarations made by Ministers and Deputy Ministers under the rules, and to notify the Knesset (a relevant committee) if the rules have been breached. This in turn leads to awareness amongst such officials to the rules obligating their conduct in this regard.

**Proper Management of Public Affairs:** As part of the effort against exploitation of political power to advance personal or business interests through conflicts of interest, extraneous considerations, bias or discrimination, the Attorney General published Directive 1.1708, entitled “**Restrictions on Handling Requests of Members of an Electing Body by Elected Public Officials**” (2004). This directive, as well as all other Attorney General Directives, is available online.

**Conflicts of Interest – Municipal Government.** The Director General of the Ministry of Interior issues several circulars a year. These circulars regulate many areas of conduct relevant to the provisions of the Convention. They are mandatory for the local municipalities, and are issued by the Director General by virtue of the powers delegated to him or her by the Minister of Interior. An example of a relevant circular is the circular of May 2011, which establishes disclosure duties for officers (employees) of local authorities, along the lines of directive no. 1.1555 of the Attorney General. Another example is the circular of January 2009 imposing personal liability on employees and elected officials of local municipalities whose actions have resulted in an illegal expenditure for the municipality.

The **Planning and Building Law, 1965**, prohibits employees and members of planning committees (elected municipal officials or municipal employees), of all levels, from participating in deliberations and voting in case of a personal interest. They also have a duty to disclose to the chairperson of the committee any personal interest they may have in relation to the matter at hand.

**All circulars are regularly published and available through official publications and online.**

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