

## **Palestinians: Israeli companies are giving up on the settlers to work with us**

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More than ten Israeli companies have signed agreements engaging them in building Rawabi, the new Palestinian city near Ramallah. The agreements include a clause that requires them not to supply the building project with any products or services originating from the settlements – That was confirmed yesterday by Bashar Masri, the developer of the new city in a conversation with The Marker. The signatory Companies committed themselves to actually boycott the settlements during their work in Rawabi. These agreements were unmasked and announced yesterday by the Army Radio yesterday.

"We demand that all companies involved in building the city to sign an agreement which includes a section that prohibits use of products from the illegal settlements," said Masri. "We're not ready to do so, and will never ever allow purchasing products or services from these settlements.

We're not ashamed of this, but rather proud of it. The settlements are illegal entities. This condition appeared in all the agreements we signed with all companies who signed contracts with us, ever since we started the project several years ago. However, I would like to add that we welcome the cooperation with Israeli companies, and I mean companies within the Green Line," said Masri.

The Palestinian Authority announced in 2010 boycotting products from the settlements, including settlements in the West Bank, Golan Heights and East Jerusalem. In addition to this, the Palestinian Authority is expected to ban Palestinian work in settlements, probably in April 2011. The Israeli Industry and Trade Ministry officials are preparing incentives to employ Israelis in the territories, where Palestinians will abandon such jobs, as a result of the expected PA regulations. Incentives include facilitating terms of wage subsidy.

Masri added that 10-12 Israeli companies signed agreements with us to provide services and products to Rawabi. He says he is not ready to reveal the names of the companies, because they probably are not interested in advertising this context.

"Israeli companies are not indulging in the construction field. All infrastructure construction will be conducted by Palestinian companies. These are products and services providers. We also hope to sign with other Israeli companies," said Masri.

He said that the Israeli authorities hinder the establishment of the city by not issuing any permits for paving roads and laying water infrastructure. Israeli government officials said yesterday that this is a political issue rather than economic.

"We are waiting for approvals from the Israeli government to allow access roads and water supply, because without these we cannot bring the materials to the project site. We have heard many promises, but we got zero results. We need between two to two and a half years after receiving the required approvals for us to house a population of 5,000 in the city. Then after, we will continue building for five more years towards completing construction of 6000 housing units, which will be home to 25-30 thousand inhabitants. Along with more construction around the city we expect to house 40 thousand people in total, within seven years "said Masri.

According to Masri, the private investors Massar International which is owned by him, together with the Qatari Diar company owned by Qatari investors, will invest \$ 850 million into the project. Together with other investment in infrastructure, total cost of the city construction is expected to reach more than a billion dollars.

Source from the Manufacturers Association said in response: "We welcome the cooperation between Israeli companies and the Rawabi project managers, and see it as a good example for cooperation between Israeli and Palestinian business community. However, this is the first time we hear about the terms of the contract, and if this is true, which we hope it is not, it seems very puzzling to us, that Israeli companies boycott Israeli products. We will try to find out who these companies are, and resolve the issue with them. "

People associated to the Industry circles noted that the legal department of the Ministry should examine the legality of the signing of this type of contracts. Ministry of Industry and Trade said in response that the office is reviewing the issue.