MEDIA INFLUENCE MATRIX: ISRAEL

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About CMDS

The Center for Media, Data and Society (CMDS) is a research center for the study of media, communication, and information policy and its impact on society and practice. Founded in 2004 as the Center for Media and Communication Studies, CMDS is part of Central European University’s (CEU) Democracy Institute and serves as a focal point for an international network of acclaimed scholars, research institutions and activists.

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Cover photo: Kobi Gideon / The Government’s Press Office
The Media Influence Matrix Project is run collaboratively by the Media & Power Research Consortium, which consists of local as well as regional and international organizations. The consortium members are academic institutions (universities and research centers), NGOs, journalism networks and private foundations.

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Executive Summary
KEY FINDINGS

Israel has a media law framework that is not yet fully compatible with established democratic regimes. Many legal and media experts argue that the state’s communication regulations are either anachronistic or lack precision. The Israeli media system is characterized by a multiplicity of regulatory authorities mandated by specific laws. Yet, there is no Press Law per se. A British Mandate Press Ordinance from 1933 was finally revoked in 2017, making it possible, for the first time in Israel’s history, to publish a newspaper without a government-issued license.

The written press and online content are an unregulated field, but they are subject to a series of ad hoc regulations enshrined in the penal and civil codes. Censorship is alive and kicking, and courts commonly resort to publication bans, mostly regarding security and privacy issues. A 2017 law allows the police and prosecutors to obtain court orders to block websites found to have published criminal or offensive content.

In addition, enforcement of rules that protect Freedom of Information (FOI) is far from satisfactory. Court ruling does not always endorse the principle of the “Public’s Right to Know” or the FOI Act, especially regarding issues of security or foreign affairs. Moreover, the Reporter’s Privilege (RP) is not enshrined in law but is mandated by court ruling alone, rendering source protection and journalist defense far from absolute.

Most Israeli media enterprises are controlled by a small group of owners. Most of them are not standalone businesses but take part in larger conglomerates with businesses in industrial and other non-media sectors. Nearly all of them are privately controlled. As such, they are not required, under Israeli law, to publish or reveal financial disclosures to the government, fiscal or media regulators.

Based on information leaks and rough financial estimates, most media companies in Israel are loss-incurring operations. Research shows that they are not run primarily like for-profit businesses but are used as a means to promote the interests of various powerful players.

The funding sources in the Israeli media market follow international trends. While these sources are somewhat diverse, the largest chunk of revenue comes from commercial funding, state funding, and donations. There is an ongoing crisis of the print media as it struggles to move online. Digital media see their advertising revenue growing sharply while print advertising continues its dramatic decline.

In terms of technology, the justification for Israel’s “high tech nation” self-image is somewhat outdated. In recent years corporate losses deepened, cash flows were negative, competition intensified, and the industry’s regulator, the Ministry of Communications (MOC) has made Israel lag behind global infrastructure innovations.

Thus, although Internet penetration rate among the Israeli population stands at 88%, the deployment of fiber-optics infrastructure was not properly regulated until December 2020. Moreover, frequencies for 5G network have been allocated only in August 2020, quite in delay compared to technologically advanced countries. Consequently, Israel’s internet speed was in decline in comparison to OECD countries.

Following global trends, Israelis utilize different technological means for various uses of the internet. While fixed telephony demand is in decline, smartphones took over the market with
88% smartphone ownership. Yet, Israel records a specific digital divide among groups like the Arab population and Orthodox Jews. Together with the 65+ age group, these three main segments are easily affected by digital illiteracy.

The four main Israeli groups operating in the communications market are: Bezeq, HOT, Cellcom and Partner. For a little country this is a highly saturated and competitive market which has damaged the revenues and future incentives of these companies to invest in future infrastructure. The international technology conglomerates that control the Israeli market are Facebook (and WhatsApp), with messaging applications and social media, and Google Chrome browser, while the operating system (OS) market is ruled by Microsoft (on desktop) and Google (Android on mobile).

Israelis get most of their information on political issues from online news sites. The leading social media platforms are YouTube, Facebook, and Twitter, which form a central source of political information and have significant power in shaping public opinion. Nevertheless, “fake news” is also circulating fast on these platforms, making disinformation a troubling phenomenon for Israeli society.

The involvement of high-placed political figures in the inner workings of media raises fundamental questions about the legitimacy and integrity of professional journalism in Israel today. Police investigations into these forms of interference prompted Israel’s Attorney General to recommend charges of fraud and bribery against former Prime Minister Benjamin Netanyahu, in three criminal corruption investigations. Netanyahu’s trial has begun and is underway these days. Coupled with the complicated and unstable political situation, two transitional governments and five different ministers who served in the communications ministry within four years, this trend makes Israeli media a fragile and vulnerable field.
Government, Politics and Regulation
Israeli media system is characterized by a multiplicity of regulatory authorities whose activity is governed by specific laws. The general Communications Law regulates mainly the modus operandi of companies licensed for telecommunications services (landline and cellular companies, ISPs, wired infrastructure companies) as well as broadcasting companies (cable and satellite).\[1\] Implementation of this legal act is supervised and enforced by the Ministry of Communications (see Regulatory Authorities in this report).

Another important area supervised by the Ministry of Communications covers the various services provided wirelessly, mainly airborne radio waves. Regulation of this field is governed by the Telegraph Ordinance (1972), bylaws, government decisions concerning the designation and allocation of frequencies, and licenses granted under the Ordinance.\[2\]

Other important legal acts refer to the two broadcasting authorities in Israel. One is the Second Authority for Television & Radio Law (adopted in 1990, amended in 2018), which defines the duties and operation of the Second Authority as a regulatory statutory body that should represent the public interest in commercial broadcasting. The second is the Public Broadcasting Law (2014), which defines the operation and duties of the Israeli Public Broadcasting Corporation (IPBC), under supervision of the Ministry of Communications.

Israel does not have a press law per se. A British Mandate Press Ordinance from 1933 was finally revoked in 2017, making it possible for the first time in Israel’s history to publish a newspaper without a government-issued license.\[3\] Yet, according to legal experts, by discontinuing the ordinance, which was the only source of definition of the terms and essence of “what a newspaper is”, a legal vacuum was created.\[4\]

The written press and online content are an unregulated field, but they are subject to a series of ad-hoc regulations enshrined in the penal and civil codes. Censorship is alive and kicking in Israel,\[5\] and courts commonly resort to Publication Bans, mostly regarding security and privacy issues. A 2017 law allows police and prosecutors to obtain court orders to block websites found to have published criminal or offensive content.\[6\] The Israel National Cyber Directorate is a national security and technology agency responsible for defending Israel’s national cyberspace from hacking.

Currently, Israel’s Defamation Law (1965) categorizes libel and slander as both a civil wrong and a criminal misdemeanor. There is no specific protection of hate speech under

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\[2\] Yizhar Tal, and Dina Ivry-Omer, “The Regulation of electronic communications services in Israel,” IDI, Policy paper No. 76, November 2009. (Instructions regarding the use of frequencies for television and radio broadcasting were also put forward by the abolished Broadcasting Authority Law, 1965, and related regulations).
\[5\] Articles 87, 97 and 100 of the Mandatory Defense (Emergency) Regulations of 1947.
the Media and Communication Law, however since the media is an amplifier of such misdemeanors, hate speech is protected under the prevention of Sexual Harassment Law (1998)\[7\] as well as under the Defamation Law (1965) and the Penal Code (1977).[8]

Overall, Israel has a media law framework that is not yet fully compatible with established democratic regimes. Many media experts, jurists and journalists contend that the state’s communication regulations are either anachronistic\[9\] or lacking precise formulations.\[10\] It is commonly argued that regulations do not keep pace with the challenges posed by the developing technology and market needs.

The common procedure of media regulation starts with the response of the legislature to government bills, usually formulated by three ministries: Finance, Justice and Communications. Members of Knesset (MKs) submit proposed bills but occasionally lack the legal and professional expertise in the field. Parliamentary committees\[11\], mainly the ones dealing with economic affairs, are also a loci for shaping media regulation.

Israeli law lags behind significant developments of the EU regulatory framework, regarding data protection and information access. Major progress was registered in 2012 when the Ministry of Justice established the Government Freedom of Information Unit to increase public transparency and the implementation of Freedom of Information Law (1998), in particular.[12]

However, freedom of information enforcement is far from satisfactory. Most of the “secondary” authorities such as local authorities, statutory corporations or trust units still suffer from major compliance issues. They are relatively slow to respond to public and official queries and fail to publish activity reports in due time.[13] Control over regulation compliance through courts does not promise an effective enforcement since few cases of breaching end up in court appeal and when they do, court ruling does not always endorse the principle of the public’s right to know and the Freedom of Information Act, especially regarding issues of security or foreign affairs.[14] Reporter’s Privilege (RP) in Israel is not enshrined in law but is mandated by court ruling alone, rendering source protection and journalist defense far from absolute.

To sum up, the Israeli media sector is vibrant and allegedly free to criticize government policy. Despite the Israeli ethos of free press

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[8] Interview with Adv. Elad Man, cit; Article 144 of the Penal Code: “Incitement to Racism and Violence”.

[9] Interview by the author with Nati Tuker of The Marker, October 2019; See also interview with Yifat Ben Hai Segev, former head of Cable and Satellite Broadcasting Council: Shtarkman and Tuker, "שירותי מינהל" (Interior Talk), The Marker, 13 September 2017, available online (in Hebrew) at https://www.themarker.com/markerweek/1.4444334 (accessed on 1 March 2020).

[10] Interview by the author with Adv. Elad Man of The 7th Eye and Hatzlacha NGO (10 April 2020), and Dr. Tehilla Shwartz Alshuler, cit.

[11] The Knesset Committee approved an amendment to the Knesset’s rules (25 December 2017), according to which government ministries that promote legislation including any additional regulation will be asked to reach the relevant Knesset committee and present a report on the Regulatory Impact Assessment (RIA), a cost-benefit analysis of the intended regulation. This is part of a comprehensive process, which seeks to reduce the regulatory burden in Israel (see more at https://main.knesset.gov.il/Activity/committees/knesset/News/pages/knesset_25.12.17b.aspx (in Hebrew), accessed on 16 January 2020.


and freedom of expression[15], the inclination of the media and journalists to self-censorship has affected the field lately. While the scope of permissible reporting is generally broad, publishing on security matters is subject to military censorship and courts often approve publication bans. The multiplicity of regulators creates unnecessary duplications, enforcement ambiguity and a waste of public funds.

The media function in a very unstable and highly politicized environment. Due to former PM Benjamin Netanyahu’s dual tenure as both PM and Minister of Communications (2014-2017), conflicts of interest involving the ministry’s regulatory performance have been rife. Israel’s laws, political practices, civil society groups, and independent media generally ensure a substantial level of governmental transparency, though recent corruption cases alongside an ongoing debate about media regulation and the state’s democratic character have illustrated persistent shortcomings.[16]

REGULATORY AUTHORITIES

Broadcast Media and Frequency Spectrum

Cable and Satellite Broadcasting Council (CSBC)

Remit and Tasks

The CSBC is a public council tasked by law to oversee multichannel broadcasting via cable and satellite, as well as the designated channels (the Shopping Channel and the Knesset Channel).

CSBC’s main role is to represent, protect and cultivate public interests in multichannel television for subscribers, in both cable and satellite. The Council oversees the regulating and supervising of marketing content in the designated channels, preserving original productions and television content in Israel, supervising broadcasting for infants, children and youth, supervising sports broadcasting and channels. Finally, it is tasked to conduct tenders and issue licenses for cable and satellite broadcasting channels.

Board Composition

CSBC is accountable to the Minister of Communications. As public representatives, its members serve without pay. The only person receiving a salary is the chairman of the board, for whom this is a primary occupation. The chairman is a representative of the Minister of Communications and may sign, on the minister’s behalf, rules prescribed, licenses granted, and decisions adopted by the Council. A search committee headed by the Ministry’s Director General is in charge of hiring candidates for this highly coveted position.

The Council (which numbers a maximum of 13 members) is appointed by the government upon the recommendation of the Minister of Communications. The Council members include six government representatives who are state employees: one by recommendation of the Minister of Culture, one at the suggestion of the Minister of Finance and three based on a recommendation of the Minister of Communications. Seven other members are representatives of the public: two are endorsed by the Union of Local Authorities; two represent the consumers (according to the Minister of Communication’s opinion); one represents the artists and creative writers in Israel (in the Minister of Communication opinion), and two are representatives of education and culture institutions, by recommendation of the Minister of Culture.

Due to this appointment protocol, the staffing procedure, especially that of the chairman, has a highly politicized nature. The former Council’s Chair, Dr. Yifat Ben-Chai Segev served as a witness for the prosecution in Case 4000 against Netanyahu, but during the police investigation she actually supported Netanyahu’s testified version regarding his allegedly corrupted market regulation reforms. Nir Shviki was elected chair over two years ago, but had to await government approval of his position until 1 June 2021 (see more on CSBC’s Chairperson in Key Decision Makers chapter below).

The CSBC’s members usually have a relevant professional and educational background, but the legal restriction on candidates being active members in a political party is not always enforced. Due to the recent turmoil in Israeli politics, the Ministry of Communications website lists only six Council appointments (including the chair) out of 13.

CSBC members (July 2021)

- Adv. Lea Rakover has a BA degree in Law and MA in Public Policy, and served in various positions in the civil service. She heads the Legal Bureau in the Ministry of Justice alongside serving as the Ministry Attorney General.
- Adv. Nawaf Shafiq Azam (CSBC Public Representative) has a BA in Law and Mediation, representing probably an affirmative action to include an Arab representative.
- Nati Schubert (The Minister of Communication’s representative) has a BA and MA in Electrical Engineering. (On the contested recruitment of staff tied to the Ministry of Communication, see below in the Frequency Committee under Nati Schubert, and in Key Decision Makers under Asher Biton).
- Nitzan Ben Natan B.A in political science and IR, and M.A in administration and public policy. For the past two years, he has been the director of the Sports Facilities Division in the Ministry of Culture and Sports. He previously served as a coordinator and member of the Council for the Prevention of Violence in Sports and the coordinator of the National Council of Sports and the Distribution of Funds of the Sports Betting Board.

[18] Eli Zipori, ”נתניהו בגרסת בעדותו והלווין תמכתה הכבלים מועצת (CSBC’s Chair supported PM Netanyahu’s defense version), News1, 10 November 2019, available (in Hebrew) at https://www.news1.co.il/Archive/001-D-419440-00.html (accessed on 1 February 2020).
• Michal Cohen, M.A in law and education, and an organizational consulting certificate in education systems from Tel Aviv University. She serves as the director general of the Rashi Foundation, and previously served as the director general of the Ministry of Education.

**Budget**

The Council and its administration budget has a separate budget line within the Ministry of Communications budget. Strangely enough, the CSBC’s annual reports are published with a three-year delay. The report includes an apologetic explanation, along with the specific budget for each reported year.[21]

The regulator’s accounts

**The CSBC budget**

<table>
<thead>
<tr>
<th>Year</th>
<th>2013</th>
<th>2014</th>
<th>2015</th>
<th>2016</th>
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<tr>
<td>000 ILS</td>
<td>9,869</td>
<td>10,438</td>
<td>8,955</td>
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<tr>
<td>000 €</td>
<td>2,057</td>
<td>2,198</td>
<td>2,076</td>
<td>2,107</td>
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Note: data for 2017 and 2018 not available
Source: Ministry of Communication

**The Frequencies Committee**

**Remit and Tasks**

The main function of the Frequencies Committee is to determine the policy for using frequencies, allocate and assign frequencies, and make licensing recommendations. The frequency spectrum is used intensively in Israel, mainly due to the increased demand for civilian communications and the numerous needs of the military and the security system, and to some extent also due to requests coming from the Palestinian Authority. It is a scarce resource, and therefore it is of great importance to manage it with efficiency and fairness, especially when it is used to supply most of the advanced communications services.

The Frequencies Committee cooperates with two other officials: the Minister of Communications, who has the authority to implement regulations; and the Director of the

[21] Asher Biton, the CSBC’s former Chairperson, noted in the 2015 report: “The current multi-annual accounting methodology delays the submission of late reports as the 2016 calculation closure is due in 2019-2020, for when programs that have been designed and applied over the past years, appear on screen. We intend to conduct a comprehensive examination of the change of method and publication of reports in a shorter time, while changing and reducing their content.”
Spectrum Division within the Ministry of Communications, who chairs the Frequencies Committee and holds the licensing authority for wireless equipment.

**Board Composition**

The Frequencies Committee has seven members (including its Chair): two representatives from the Ministry of Communications (one of whom is the Director of Radio Frequency Division and serves also as the Committee chair), a representative of the Civil Aviation Authority, two representatives of the military (IDF) Computer and IT Directorate, a representative of Israeli Police and a representative of the General Security Services (Shin Bet). In addition, there is one observer from the Ministry of Finance who has no voting rights but can raise issues for discussion.[22]

The entire Committee consists of representatives of state authorities, the vast majority of members being from the security system. There are no specific professional criteria for selecting these functionaries and their names are not made public.

The Committee’s Chair is Nati Schubert, until recently Engineering Administration Deputy Director (Spectrum).[23] Schubert, who was due to retire at the time of writing, was temporarily appointed to the position of director of the division while also given the temporary appointment as head of the CSBC. If no permanent CEO is found, it will be necessary to appoint another deputy at CSBC.[24] In addition, the government appointed a High Frequency Committee (HFC), on top of the regular one, which is supposed to review the decisions made by the former committee and has the right to change or cancel them.[25]

A common criticism about the composition of the Committee is that it has no representation of the industry, other regulatory organizations and the public. Many deficiencies were found by the State Comptroller in the conduct of the two committees.[26] In addition, despite pledges by the former government to increase transparency and economic efficiency in the field, there is no information about the decisions related to the allocation of frequencies in Israel.[27]

**Budget**

According to the Workshop for Public Data NGO (aka Hasadna), no specific section is dedicated to the Frequencies Committee within the published state budget. Our request for information about the Committee budget, lodged with the Committee, was not honored. The yearly budget for the Planning and Spectrum Engineering Branch (whose head also chairs the Committee) was set at ILS 150,000 (€35,384), but was subjected to budget changes.

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[26] Comptroller Report 2012, 63C
The Second Authority for Television and Radio

Remit and Tasks

The Second Authority for Television and Radio is a public statutory body in charge of regulating and supervising commercial broadcasting in Israel. The Authority began operations on 1 September 1991 thus ending the monopoly of the Public Broadcasting Authority with its one major channel (the now defunct Channel 1).

The mission of the Authority is to promote high quality original productions while reducing offensive content and implementing ethical standards in broadcasting. Its major task is to serve public interest: protecting minors, making broadcasts accessible to the disabled, encouraging competition in the field, and ensuring a diverse broadcasting framework. Operationally, the Authority organizes tenders for television and commercial radio broadcasts, and grants broadcasting licenses.

Board Composition

The Second Authority is headed by a public council. The Council outlines the policy of the authority and appoints the Director General of the Authority, based on the recommendation of the Minister of Communications and with the approval of the Government. According to the Second Authority Law (1990), the Authority Council’s members are appointed by the government, upon recommendation of the Minister of Communications, after he or she consulted with the representative organizations of writers, teachers and artists, institutions of higher education, the Hebrew Language Academy, the Israeli National Academy of Sciences and other public bodies.

The Council has a maximum of 15 members, including the chair. The Law specifies that the members of the Council shall have the appropriate background, experience and knowledge in their fields of expertise, and should have a proper understanding of the social situation in Israel. The appointed members must not be related to the Knesset, to any political party, or to be state employees. Moreover, if their role in the Council may cause conflicts of interest with other professional or personal affairs, they must not be appointed members. The composition of the Council shall, as far as possible, reflect the diversity of public opinion.

Nevertheless, as stated by Dr. Tehilla Shwartz Altshuler of the Israel Democracy Institute (IDI), a Jerusalem-based research center, some of these appointments are actually “low rank” political appointments. Thus, in recent years right-wing governments have tried to place designated figures into the regulating bodies. While, in principle, the Council members are supposed to exhibit religious and gender diversity, namely, a Druze, an Arab, a significant number of women, none of them are prominent representatives of their communities, Shwartz Altshuler said. The power rests with the chairman and the Authority’s CEO.

The term of office of the Second Authority Council ended on 16 October 2018. However, the political instability in the country and the frequent election campaigns created an unprecedented situation whereby a new council could not be appointed.

The council also reached the deadline of the end of its term with a shortage of 10 members. The implication of the lacking composition is that, in practice, any resignation of a council member would create a legal situation where there is no quorum and the council cannot make decisions. The webpage of the Authority is outdated and there are significant mismatches between its Hebrew and English versions.

Second Authority Council members (April 2020)

- Dr. Michal Shapira (senior lecturer on advertising and media marketing)
- Dr. Dalia Zelikovich (PhD in Economics and internet, college lecturer)
- Yochy Feller, women representative (CEO of WIZO Israel, a leading Zionist women organization)
- Mare Maro Sanbato, Ethiopian representative (MA is Educational Counseling and BA in Informal Education.)
- Suhair Nahas, Arab representative (MA in Communication and Journalism. works in the Arab education system)
- Shafik Abed, Druze representative (MA in Administration and Education Systems, BA in Education and Political Science, teacher and coordinator in school)
- Itzhak Borba (LLM and BA in the humanities and social sciences; managed and worked in the past for various public organizations)
- Dr. Odelya Mins (PhD in Law, college lecturer, the wife of an activist in the ultra-right wing party Zehut)
- Lior Gilboa (LLB, Screenplay writer and producer, a former member of the rightist Likud party)

[29] Interview by the author with Dr. Tehilla Shwartz Altshuler, of the Israeli Democratic Institute (7 March 2020).
[30] Our attempts to contact the spokesperson of the authority for an interview failed.
Funding

The concession and licensing fees that are paid to the Authority by the franchisees are used to cover its expenditures. The authority’s financial reports, despite the fact that the Authority is a public institution, are kept secret. The Authority explained that its financial reports include information that can be classified as trade secrets and hence cannot be disclosed.[31]

In March 2016, Hatzlacha NGO, which works on promoting a proper civil regulation regime, has successfully appealed to disclose the Authority’s budget under the Freedom of Information Act. The 2012-2015 budget was then published but this was the last time such information was made public. Any attempts to contact the Authority for an answer remained unsuccessful. The total budget of the Authority was cut from ILS 40m in 2012 to ILS 37m in 2014, and again to ILS 29m in 2015.[32] Tellingly, the only budget item that saw a significant increase was allocated to the advertising and spokesperson department, going up from ILS 736,000 in 2012 to ILS 1.7m in 2015.

Israeli Public Broadcasting Corporation (IPBC)

Remit and Tasks

The IPBC is a statutory body that provides various types of content through visual, audio and written media, on television, on radio and on the Internet. The IPBC’s Council handles the corporation’s policy and oversees its implementation, including the overall broadcasting policy, approval of the broadcasting programming and the corporation’s budget. The Council selects and appoints the Director General, the Auditor of the Corporation and the IPBC’s Ombudsman.

In addition, the Council approves the appointments of senior management members. The Council is responsible for formulating the corporation’s operation plan, approving the organizational structure, and employment policies. It oversees the implementation of the IPBC’s broadcasting tasks which are the following:

- Reflect and document the character of Israel as a Jewish and democratic state, and its values and heritage, and give fair and equitable expression to the wide range of attitudes and opinions prevailing in Israel. Therefore, IPBC provides content that appeals to a variety of populations and segments of Israeli society, including broadcasts in Hebrew, Arabic and in other languages prevalent in the Israeli society (predominantly, Russian and Amharic but also English, French and Spanish).
- Provide diverse content that appeals to children and youth and promote the creation of valuable educational content designated for young audiences.
- Expand education and knowledge; promote cultural programs such as original Israeli arts and music; promote innovation in broadcasting content and distribution of broadcasting technologies; and promote Hebrew language.

Board Composition

The IPBC Council consists of 12 public representatives elected by an independent professional committee chaired by a judge and appointed by the Minister of Communications. The council’s composition must include at least six women and at least one member of the Arab-Palestinian minority, including the Druze and Circassian populations, as recommended by the Search Committee.

According to the Public Broadcasting Law, IPBC Council members should not have any political affiliation or any personal or professional relations with ministers or political activity in the five years prior to their membership. The law specifies the professional scope and relevance of the candidates as members of the Council:

- The chair of the council must have an academic degree and have at least five years of experience occupying a senior position in the business management of a corporation.
- Alternatively, the chair must have a record as a senior manager in a significant organization with good standing in the communications field;
- One public representative should have at least five years of experience in a managerial role in a media company operating in broadcasting, print or online news;
- One public representative should have significant experience in print media, broadcast or online, including content editing;
- Two public representatives must have significant experience in the field of television, cinematic or musical work;
- One public representative should have significant technological experience in fields related to the activities of the IPBC;
- One public representative should have significant experience in managing funds of entities with significant business scope;
- One public representative must have accounting and financial expertise;
- One public representative must be a lawyer with significant experience in regulatory practice;
- Two public representatives should have significant experience in education or broadcasting for children and youth;
- One public representative must have a proven record in the field of Israeli heritage.

The four-year mandate of the council members has been decided following a long period of serious disagreement between the members and the Chairman on the Council’s authority.[33] After almost 10 months of paralysis, due to political reasons, disagreements and COVID repercussions, the former Minister of Communication, Benny Gantz removed the regulatory cork in January 2021 by signing the appointment of Dr. Sharon Yadin as board member. Thus, he actually allowed the Council to function again.[34]

[34] Even after solving all the regulatory hurdles, the death from COVID of the re-elected council member Khamis Abu‘lafia, together with the problem created by the approval of Dorit Inbar’s appointment (due to conflict of interests), led to the council operating for a week, and dispersing again in the absence of a quorum. Anat Bein-Leibovitz, cit. Globes, 18 January 2021
List of IPBC members (July 2021)

Re-elected for second cadence (November 2020)

- Gil Omer Chair, BA in Psychology and Political Science, CEO of the Children Museum in Holon and a board member in the Jewish People Museum Beit Hatfutsot;
- Prof. David Alexander BA in Literature and Theatre, PhD in Arts, served as the President of the Wizo Centre for Design and Chaired the Israeli Film Council;
- Ahuva Feinmeser, B.Sc in Mathematics, Statistics and Computer Science and a MA in Business Administration, owns a consulting and project management company in the field of information and technology. Served as the CEO of Israeli Educational TV and as the CEO of MALAM Information Technologies;
- Dalit Stauber, BA in English Literature and Linguistics and an MA in Education, she serves as a lecturer at the Ono Academic College; served as the Director General of the Ministry of Education and as chair of the Committee on promotion of women in the civil service;

Elected for first cadence

- Michal Rafaeli Kaduri (elected November 2020) – B.A in Art History and Theater. Director of the Shulamit Aloni Art Prize, and serves as a member of the boards of directors of the Makor Fund, Copro and Arab-Hebrew Theater Boards. Formerly she served as chair of the CSBC council, assistant to the late Minister of Education, Communications and the Arts Shulamit Aloni. Among the initiators of the Livni Committee to amend the Broadcasting Authority Law
- Prof. Menachem Ben-Sasson (elected November 2020) – PhD Jewish history. Served as rector and president of the Hebrew University.
- Dr. Sharon Yadin (elected January 2021 - PhD in law. Winner of the Gurney Prize for Public Law. She has studied regulation and communication at the Van Leer Institute. Served as a member of the Presidency of the Press Council, a member of the public committee of the Ma’aleh Association and the board of directors of the Israel Law and Society Association.

Funding

The Council is critical to the operation of the corporation as it is an independent, politically unbiased body that is responsible for a budget of ILS 700m a year (see the Funding Journalism chapter in this report).
The regulator’s books

The budget of the Israeli Public Broadcasting Corporation (IPBC), 2017-2019

Print Media Regulators

The written press in Israel is a largely unregulated field, but media outlets are subject to a series of regulations nailed down in the penal and civil codes. The ongoing practice of censorship, and the formal arrangement specifically favoring military censorship, are perceived by critical experts as an outdated and anti-democratic arrangement.\(^{35}\)

According to Dr. Shwartz Altshuler of the IDI, in addition to the military censorship, which prevents expression even before content is released, there are provisions in criminal law that limit the exposure of revealed security secrets that are labeled as “severe espionage.” These instructions serve as post factum punishment after information has already been published.\(^{36}\)

In addition, there is an overly resort to Orders of Publication Bans, issued by courts. This is especially troubling given the insufficient enforcement on such orders’ violation, and given the ongoing efforts to ban sensitive publications, while the information they disclose is already widely spread via social networks and international press.\(^{37}\)

Internet Regulators

A problematic regulatory vacuum persists in the online media. This is the main reason why Israeli regulation is still criticized as lagging behind other democracies.\(^{38}\) Internet regulation is not needed to impose strict legal provisions on content such as the ones that apply to television, but to

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\(^{35}\) Articles 87, 97 and 100 of the Mandatory Defense (Emergency) Regulations of 1947

\(^{36}\) Interview by the author with Dr. Tehilla Shwartz Altshuler of the Israeli Democratic Institute (7 March 2020). These provisions do not differentiate between levels of severity regarding the revealed data, between different types of informants (e.g. soldier or journalist) and between various types of publishing (e.g. a first-hand publisher or someone who shared an existing publication on a social network).


\(^{38}\) Interview with Dr. Shwartz Altshuler cit.
oversee crucial issues such as consumer protection, accessibility for the disabled and original production.

Three major areas are at the focus of this critique. First, unlike the very heavy regulation of the Israeli broadcast channels, their auxiliary digital platforms and websites are not subject to any content regulation whatsoever, a lack of regulatory consistency that can be problematic. Second, other over-the-top (OTT) television providers such as Cellcom TV and Partner TV[39] have no regulatory obligations to produce original content, which again poses problems related to regulatory consistency. The third problematic area addresses the international platforms that supply content to the Israeli audience, especially Netflix and other large platforms like YouTube that are under-regulated compared to players offering similar content.

As to general content regulation, a 2017 law allows police and prosecutors to obtain court orders that require the blocking of websites found to publish criminal or offensive content.[40] This is part of an approach titled “alternative enforcement” that put forth a strategy of focusing on the offense rather than on the perpetrator. This strategy includes filtering content, removing prohibited content, blocking access or disconnecting users from the service. Alternative enforcement actions are divided into voluntary agreements with the online service providers and actions taken under binding law provisions.[41]

Freedom of expression advocates warned that this measure could permit the suppression of legitimate speech.[42] Adv. Sahar Ben Meir who appealed in court in three different instances against Facebook with regard to privacy and fake news matters, contends that legally attacking these media conglomerates should come from antitrust laws and not necessarily from media regulation (see Civil Society in this study).[43]

Data Protection Regulators

Privacy Protection Authority

Remit and Tasks

A unit within the Ministry of Justice, subordinated to its CEO, the Privacy Protection Authority is accountable for regulating, supervising and enforcing privacy protection, according to the Privacy Protection Act of 1981 and the Electronic Signature Act of 2001. It is responsible for safeguarding personal information in digital databases and for reinforcing the right to privacy. For this purpose, it applies administrative and criminal sanctions on all entities in Israel, private or public, that hold or process digital personal information. Finally, the Authority is tasked with

[39] OTT (over-the-top) media services such as Cellcom TV or Partner TV are television services provided by telecommunication companies similar to the cable and satellite channels.
[40] The Law for the Prevention of Offenses Via a Website, 2017 focuses on crimes of drugs, pedophilia, prostitution, gambling and terror.
[41] Interview by the author with Dr. Chaim Wismonski, Director of the Cyber Department at the State Attorney’s Office, 7 April 2020.
regulating international press and Israeli press in English, including their compliance with the accepted international standards in the field.

**Board Composition**

The Privacy Protection Authority’s Chairperson is supposed to be elected based on a Search Committee recommendation. Nevertheless, Adv. Yoram Hacohen, former chairperson of the Authority mentions that since the departure of Adv. Alon Bachar, his successor, no such committee was established due to the three consecutive Knesset election periods.[44] Since 2019, Dr. Shlomit Wagman has been a temporary appointment as an acting chair. In case the newly elected government decides to nominate a candidate for the job, it will have to set up a Search Committee subordinated to the Ministry’s Director General.

Other Authority appointments are made through regular civil service tenders (internal governmental tender), and, if those fail, through a call for candidates from the general public. The Authority encompasses about 50 employees across four departments (Legal, Enforcement, Government and Communication Relations, and Innovation). The names of the department heads are not published online unlike in the past.[45]

Apart from the Privacy Protection Authority, the Ministry of Justice operates a Privacy Protection Council, which is supposed to advise the Minister of Justice on privacy-related issues. It should act as an oversight board, but its powers in this regard are not fully defined.[46]

**List of PPC members (April 2021)**

- Adv. Orit Podemsky, Chairperson – Retired Director of the Department of Labor Law at the State Attorney’s Office
- Adv. Avner Pinchuk – Civil Rights Association
- Adv. Eyal Zandberg – Head of Public Law, Counseling and Legislation Department - Ministry of Justice
- Dr. Erez Waisbard – Researcher in Computer Science
- Prof. Tal Zarsky – Faculty of Law, Haifa University
- Sima Nadler – IBM, Senior Program Manager Privacy
- Dr. Anat Ben David – Department for Sociology, Political Science and Communications, Open University
- Dr. Toch Eran – Engineering Department, Tel Aviv University
- Prof. Jihad El-Sana, Computer Science, Ben Gurion University of the Negev
- Tsega Melaku, IPBC (Kan)

**Funding**

The Authority is given a yearly state subsidy of around ILS 18m (€4.6m).[47]

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[44] Interview of the author with Adv. Yoram Hacohen, former head of the Israeli Law, Information and Technology Authority (before it changed its name to the Privacy Protection Authority in 2017), June 2020. During election period there is a general tendency to not appoint senior officials in the Civil Service.
[45] Interview with Adv. Yoram Hacohen, cit
Other Institutions With Regulatory Powers

Ministerial Committee for Legislation

The Ministerial Committee for Legislation has become a political power center where the fate of individual parliament members’ bills is decided and much of the political and public agenda is determined. The growing scope of the Ministerial Committee resolutions over the years is a derivative of the significant increase in individual legislative initiatives emerging from the Knesset. The high rate of resolutions in this committee, out of the general government decisions’ rate (around 40% in the 32nd and 33rd governments), demonstrates that private legislation in Israel, which is already at an unusual high rate compared to other countries, affects an increasing share of the ministerial committees’ agenda and the entire government.[48]

The Ministerial Committee’s relevance to the media market lies in its highly political nature (given that no members of the opposition are included) complete with its operative contested features (see Transparency of Decision-Making in this report.) A legal amendment initiated by the MK Sharren Haskel (Likud Party) provides an important example.[49] The law was proposed to convert dedicated channels (in language or topic) into commercial ones, mainly for the purpose of securing the financial feasibility of the right-wing Channel 20, which was former PM Netanyahu’s favorite outlet.[50] The Committee has 14 members including its chairman, the Minister of Justice Avi Nissenkorn (as of 17 May 2020). The attorney General or his representative are regularly invited to take part in the deliberations.

Parliamentary Committees

Parliamentary committees hold frequent and focused discussions and hearings about legislation. In this framework, Knesset members address issues on the agenda or submit grievances and complaints to government agencies. In this context, it is in the authority of the committee members to convene relevant government agencies, to investigate them, to obtain data, and to demand explanation for policymaking decisions that influence the legislation processes.

Three relevant parliamentary committees potentially have influence on Israeli media:

Economic Affairs Committee

The Economic Committee is one of the permanent Knesset committees. It promotes primary and secondary legislation in all areas, organizes tours and discusses a wide range of current economic issues. Some of its responsibilities, which include the approval of specific aspects in regulation implementation, are anchored in the Communication Law of 1982. The Committee has four members including its present Chair MK Michael Mordecai Biton.

[49] The Second Authority for Television and Radio Law (Amendment 44)
Parliamentary Finance Committee

The Finance Committee is one of the permanent Knesset committees, and is considered one of the most important and influential institutions. The committee discusses the state budget and the Arrangements Law[51] and prepares them for a second and third reading of the Knesset plenum. Thus, it can have a far-reaching impact on the budget structure, including the transfer of financial support to various sectors and bodies.

The Finance Committee’s relevance to the media market becomes evident when considering the Bezeq telecommunication services and its royalties, price fixing, and other financial mechanisms that yield income for the state, which are derived from the Communication Law (1982). The Committee has seven members including the Chair Alex Kushnir.

Parliamentary Committee of Inquiry into the Financial System’s Conduct in Credit Agreements with Large Business Borrowers

The committee, chaired by outgoing MK Eitan Cabel, was formed with the purpose of examining the almost unlimited loans granted by banks to large borrowers (which is why it is also known as the Tycoon Committee).

The relevance of the committee to the media market stems from the participation of the businesses under investigation in diverse sectors of the Israeli economy that are affected by government policy, in particular communications and real estate.

At the end of May 2017, the combined volume of debts owed by large borrowers to the banks amounted to ILS 22bn (in addition to the billions of shekels in debt of major borrowers that banks have underwritten in recent years). These numbers have a huge impact on the trust level of the general public following a series of debt-related scandals. Media tycoons scrutinized and targeted by this committee included the Fishman group (Yedioth Ahronoth, Hot Cable TV, Globes, among others), Nohi Dankner of IDB Groups (Maariv), and Shaul Elovitch (Eurocom, Bezeq Teleco and Walla!).

The committee produced a harshly critical report and some practical recommendations.[52] Among others, it suggested to amend the Knesset Law and establish a parliamentary committee to oversee the financial supervisory authorities and discuss the implementation of legislation regarding the financial system.[53]

Israel Competition Authority (ICA)

The Competition Authority[54] is a governmental authority founded to maintain the principles of competitiveness in Israel’s market. ICA was established in 1994 and operates under the Economic Competition Law (1988).

[51] The Arrangements Law (aka. Economic Policy Law) is a government-sponsored bill presented to the Knesset each year alongside the State Budget Law. It incorporates government bills and legislative amendments that are needed in order for the government to fulfill its economic policy.
[53] For the Committee’s reports see (in Hebrew): https://main.knesset.gov.il/Activity/committees/Credit/Pages/CommitteeReports.aspx
[54] In 2019, the Authority’s name was changed by law from Antitrust Authority to the Competition Authority.
ICA oversees restrictive arrangements, monopolies and mergers, and acts against the formation of cartels in the economy. There may be a constitutional market failure in which a small circle of controlling shareholders dictate and shape the market for ideas. The technical methods used to prevent such cases of centralization may vary, ranging from the provision of media licensing under certain conditions to specific antitrust laws with regard to media.[55]

One famous involvement of the ICA in the media was back in 1995 when it declared Yedioth Ahronoth newspaper a monopoly as it provided over half of the total supply to the news media market, a position Yedioth has defended for 15 years. The Authority revoked the monopoly status in 2010 when Yedioth’s owners argued that Israel Hayom, a new entrant to the market, had significantly reduced Yedioth’s market share (see the Funding Journalism chapter in this report). The decision allowed Yedioth to resume a series of marketing activities that were banned during monopoly years.[56]

A recent case of ICA intervention in the media market was recorded after the approval of the merger between the television channels Reshet (Channel 13) and Channel 10 in August 2018 (see Funding Journalism in Media Influence Matrix: Israel). The merger created a storm in the television industry, raising concerns about the benefits (or rather lack of benefits) to public interest. Hatzlacha NGO and Israeli Democratic Institute have filed an appeal against the merger, arguing that it was likely to significantly harm competition, particularly in the area of news broadcasting, because the ICA did not impose any requirements on the broadcaster to guarantee news independence or prevention of political or business intervention. The appeal was not accepted eventually and the merger went through.[57]

Lately, the indictments against outgoing PM Netanyahu in the 2000 and 4000 cases revolved around, among other things, the degree of involvement and the actual ability of the Competition Authority to withstand political pressures and lack of transparency.[58] In both of these cases the power to disrupt the marketplace of ideas by promoting the interests of content producers or their associates was based on the premise of an extremely centralized media market, saturated with economic interests.[59]

**Israel National Cyber Directorate**

The Israel National Cyber Directorate is a support unit in the Prime Minister's Office, directly subordinated to the Prime Minister. It is a national security and technology agency responsible for defending Israel's national cyberspace and for advancing its cyber power.

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[55] See discussion on competition and antitrust regulation: Yizhar Tal, and Dina Ivry-Omer, The Regulation of electronic communications services in Israel, IDI, Policy paper No. 76, November 2009
[56] Ofir Bar Zohar, "מозס של השוק נתח את שחק, במובם: "ישראל היום".Ch.10 and Reshet (Antitrust Authority: Yedioth Ahronoth is no longer a monopoly; Israel Today eroded Moses’ market share), The Marker, 3 October 2010, available (in Hebrew) at: https://www.themarker.com/advertising/1.560150 (accessed on 1 November 2020).
[59] A trial is underway in both cases. It focuses on coordinating moves that allegedly led to sympathetic coverage of then-PM Netanyahu in exchange for promoting economic interests of powerful media moguls, at the expense of the public interest or the common good.
The Directorate operates at the national level to defend organizations and citizens, to prevent and handle cyberattacks and to strengthen emergency response capabilities. As part of its roles, the Directorate advances policies and regulations in the national and international arenas and develops its cyber manpower.

In recent years, attempts have been made to centralize the cyber decision-making process in the entire Israeli economy. It was then-PM Netanyahu who pushed to initiate a Cyber Law that would regulate the Cyber Authority under his office, while conferring him with almost unlimited decision-making power, without the participation or consent of any other party. In June 2018, a first Law memorandum was published, sparking great concerns among security and cyber experts who warned that it significantly weakens the control and supervision mechanisms, arguing that there are problematic sections that give the cyber system liberties that may infringe human rights, without judicial approval.[60]

The centralization attempts have not created a systematic and orderly process for identifying the potential damage that cyberattacks could cause to national security, but they carry threats to democratic values, mainly because the system is totally dependent on the PM.[61]

Thus in 2019, upon launching the first national election campaign of that year (out of three consecutive rounds), political activist Adv. Eldad Yaniv, a key opposing figure to Netanyahu, had posted on Facebook a call against him to temporarily dismiss himself from the Cyber Minister position. The call came after the latter ignored (for his own electoral sake) a warning of the Head of General Security Services (GSS) of possible foreign interference in the elections, probably Russian, via “bots” and fake cyber profiles.[62]

Given earlier inappropriate conduct (in 2012) by then-PM Netanyahu and his Likud party that were found of having paid for Facebook “likes” and followers abroad, the call did not come out of thin air.[63] Adv. Yaniv’s concerns were proved right when in the first two election rounds the Bibi-bot (as Netanyahu’s Facebook chat-bot was named) showed unethical tendencies while targeting and collecting personal information of potential voters, spreading a hate-inciting discourse against Arabs and left-wingers, and illegally publishing polls and statistics ahead of election results.[64] Journalists and public pressure pushed Facebook to suspend the Bot function for 24 hours. The Central Election Committee also ordered the Likud and Facebook to remove any infringing content following a petition filed by Adv. Shachar Ben-Meir.[65]

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[63] This affair was under scrutiny by the opposition as Netanyahu’s Facebook page, in Hebrew, was the most popular in Israel with only 48% Israeli followers and the rest signed in from abroad (from countries such as Indonesia, Mexico, Colombia and Tunisia).
Finally, a disturbing cyber fiasco was leaked to the press, in a dramatic timing for Netanyahu’s campaign. The report informed about Iranian hacking into the cellular device of Benny Gantz, Netanyahu’s main political rival, who also served as the former IDF Chief of Staff.[66]

The information raised concerns about two possible negative scenarios. One is that Head of Cyber Authority was not briefed by the GSS about such hacking, which allegedly might point to the redundancy and uselessness of the Authority in the chain of national defense and security. Another is that an alleged cyber hacking into Gantz’s cellphone was being illegally used by Netanyahu’s group to taint Gantz’s public image by implying that there was further “sensitive” information about the candidate, in a way which served the former PM electorally.[67]

In March 2020 the investigative journalist Baruch Kra revealed that a mysterious person named Raffi Weitzman, responsible for information security in the former PM’s Office, is the person linked to information searches and leakages about Benny Gantz. Weitzman had been working from the office of Adv. Amit Hadad, one of the leading lawyers in Netanyahu’s cases. Hadad rejects any relations to Weitzman.[68]

DECISION-MAKING PROCESS

Key Decision-Makers in Regulation & Policymaking

The Israeli media system is characterized by a multiplicity of regulatory authorities that operate under fragmented communications laws. The parallel existence of several regulators involved in regulating the same field creates unnecessary duplications, enforcement ambiguity and a waste of public funds.[69] The regulatory bodies range from commercial broadcasting (Second Authority) to a state-run authority (CSBC) to a public broadcasting authority that operates as a statutory body (IPBC).

The traditional process of media regulation starts with the response of the legislature to government bills, usually formulated by three ministries: Finance, Justice and Communications. At times, as can be seen in communications legislation in recent years, some MPs, who are not government ministers, are delegated by specific ministries to initiate a bill so that the government can “take a ride” on it later.[70] This is one of former PM Netanyahu’s methods to promote a desired regulation. Such tactical maneuvers appear when a reform is complicated to


[69] Interview with Dr. Tehilla Shwartz Altshuler, cit.

[70] Interview with Adv. Elad Man cit.
promote, due to coalition or professional constraints, thus making it is easier and more accepted publicly if a “coalition outsider” initiates it.[71]

In addition, parliamentary committees,[72] mainly the ones dealing with economic affairs, are also a loci for shaping media regulation. Many issues which could have been solved by the regulating authorities, are eventually rolled to the Knesset Economics Affairs Committee, because of a “dirty tango” that is going on between politicians and those controlling the television market.[73] In these debates, the franchisees acknowledge that they rather put pressure on the opportunistic politicians than appeal to the regulator, a professional body, for decisions.[74]

Associations of journalists and civil society groups usually react in court to already ratified laws and policies (see Civil Society in this report). There are a few civil society organizations that deal with media regulation and their effectiveness is questionable, but some of them are very engaged in the stage of policy design (e.g. the Israel Democracy Institute) and others relentlessly appeal to court in an attempt to influence already existing regulation (mainly Hatzlacha movement).

The Israeli media field is highly politicized and saturated with financial and ideological interests. According to a recent comptroller report,[75] since Netanyahu’s tenure as the Minister of Communications in 2014, followed by his successor MK Ayoob Kara, regulation was used as a malleable framework to conceal political profit or assist misconducts.[76]

Lastly, the Israeli political system is historically very unstable. Out of 34 governments since 1948, only one government completed a full four-year term. The average tenure of a government in Israel is 24 months. This instability has a damaging effect on the work of ministers and some of the regulators who do not have the time to master their field of expertise.[77]

The Council’s appointment protocol, especially that of the chairman, is highly politicized.[78] The recent chaos in the aftermath of three election rounds within one year, switched the chairing position between the following personnel:

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[71] See the MK Sharren Haskel case of promoting the Designated channels re-regulations for Netanyahu’s interests: Nati Tuker, “צעק רק לא נתניהו” (Netanyahu not only shouted), The Marker, 8 September 2019, available online (in Hebrew) at https://www.themarker.com/advertising/premium-1.7807836 (accessed on 28 March 2020).

[72] See footnote 11.

[73] Interview with Dr. Tehilla Shwartz Altshuler cit.

[74] Interview with Dr. Tehilla Shwartz Altshuler cit.

[75] Itamar Baz, “המסחרית הקשورية על בפיקוח הפוליטית של כפולה חבלה” (Double Sabotage of the Political System on the Commercial Broadcasting Regulators), The 7th Eye, 4 May 2020, available online (in Hebrew) at https://www.the7eye.org.il/371214 (accessed on 15 October 2020).

[76] Netanyahu was forced to resign the position of Minister of Communications in light of the police investigations into his alleged attempts to arrange favorable coverage by certain private media outlets. His consecutive replacements were both considered close allies.

[77] Assaf Nativ, “ממשלות 34 מתוכן: בורר 1 ממשל 34 ממשלות שימש כemonic מלך. פרטלים והאזרחים מוזהרים” (Government instability: Only 1 in 34 governments has completed a full term. A special visual project), Shikifut, 11 August 2019, available online (in Hebrew) at https://shikifut.info/2019/08/termslong/ (accessed on 1 November 2020).

[78] Li-Or Averbach, “הפוקס באנספרט החמד” (The fake war of independence), Globes, 10 February 2014, available online (in Hebrew) at https://www.globes.co.il/news/article.aspx?did=1000915782&after_registration (accessed on 10 February 2020).
Dr. Yifat Ben-Chai Segev is the last powerful chairperson selected by tender according to civil service regulations.[79] She holds a doctorate degree in communications with a specialization in television and audience research from University of Michigan, and in the past served as a spokeswoman for the Ministry of Health and the municipality of Holon. Prior to chairing CSBC she served as the CEO of the Israeli Audience Research Board.

Asher Biton, a most controversial political appointment, is an electronics engineer and has an MA degree in law. He served as the head of the IDF spectrum management branch and as chairman of the IDF frequency committee. Biton was directly appointed to Chair as Ben-Chai Segev’s temporal successor by the former Minister of Communications Ayoob Kara while serving as CSBC’s member.[80] His appointment is part of an awkward “pilot program” for staffing temporary workers (without a call or tender application, and thus without necessarily having the professional skills), from within the Civil Service Commission system.[81] Biton’s entry is also assumed to be linked personally and politically to his colleague Nati Cohen, the former Director of the Ministry of Communications who, like Biton, is a senior veteran of the IDF communications corps. The two had served together in military-related jobs in the past and they have also gained their professional experience in linked trajectories.[82] Biton has been recently appointed CEO of the newly founded (June 2020) National Digital Ministry, which was established to appease the distress caused by allocation of government bodies between the parties in the thirty-fifth Government.

Nir Shviki was the chair for over two years but had to await government approval for his position, finally accepted on 1 June 2021.[83] He came recommended by the Ministry of Communication. He served for six years as acting director general of the Second Authority and previously served as deputy director of finance at the authority. The Hatzlacha movement appealed three times to the Supreme Court demanding to effectuate his position. Shviki’s educational background remains undisclosed.

[79] Civil Service Regulation referred to as ‘Takshir’ is a collection of regulations and orders applicable to the public service sector which also stems from the National Civil Service Law.
[80] Kara was PM Netanyahu’s successor, following his forced to resignation from the ministry, in the wake of allegations about his contrasting interests in the media market.
[81] The full document about the Pilot Plan is available here: https://www.gov.il/BlobFolder/policy/guide_line_111/he/guideline111.pdf
IPBC

Eldad Kovlantz, the CEO of the IPBC has an MA in Public Policy from Harvard University. Since 1995 he held a number of senior positions in Broadcast Media (radio and television). In spite of a capable and functioning council, Kovlantz is the man of power who runs a one-man show behind the scenes. Allegedly the council should be able to supervise the broadcasting agenda he created, but in practice he can act as an editor-in-chief with absolute freedom.[84] In April 2020 he said that he saw himself as the future Minister of Culture.[85]

The Second Authority for Television and Radio

The chairman of the Council is Yulia Shamalov Berkovich. She holds a BA in Sociology and Anthropology and an MBA. She is a strategic consultant in media marketing. From 1992 to 2001, she served as CEO of Vesti, a newspaper in Israel popular among the Russian-speaking public. Her appointment is considered highly political.[86] Prior to her appointment she was politically involved in three central-right wing parties: Kadima, Kalkala and the Likud, and her conservative views were oftentimes recorded. Despite many scandals related to her performance, she still holds the position due to the stagnation experienced by the political situation in Israel following three rounds of government elections in one year and delays in having a fully functioning new coalition due to Covid-19 and national budget law that has not been passed yet.

Transparency of Decision-Making in Media Regulation

There are several mechanisms designed to enable a transparent regulatory environment in which journalists, organizations and sometimes public representatives can access decision-makers. The ministerial and Knesset committees publish meeting protocols, and some of them invite professionals and public representatives to hearings and consultations.

Within the Ministerial Committee for Legislation there are real accountability issues in regard to the committee’s reasoning and the transparency of its debates and decisions. The meetings are conducted behind closed doors, not just to the common public but also to other MPs or public service professionals. The Committee does not provide any grounds for rejecting a bill. It only releases its final decision without further explanations. Shakuf media organization and its

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[85] Itay Stern, "התרבות שרبت詳しく את פועלי הפיסודה של המנהל" (Kovlantz: I see myself as the next Minister of Culture), Haaretz, 27 April 2020, available online (in Hebrew) at https://www.haaretz.co.il/gallery/media/.premium-MAGAZINE-1.8799723 (accessed on 27 April 2020).
founder, the investigative journalist Tomer Avital, have tried for about a decade to provide media coverage of this Ministerial Committee while challenging the ban on the attendance of journalists who are also denied access to the committee’s protocols.[87]

Citizens’ access to the work of the parliamentary (Knesset) committees has improved greatly in recent decades. This improvement is reflected in public hearings, exposure to the media, the public’s ability to review meetings’ protocols, and the active participation of citizens in important discussions.[88] However, it is unclear whether this improvement has indeed contributed to better citizen representation and to the oversight by the legislative authority over the executive branch.[89] There is a downside, though, to the free access of citizens to Knesset committees, as their presence may lead to populist and shallow discussions in front of the media. Opening up these committees also opens the door for commercial lobbyists’ interventions, which may discriminate against ordinary citizens in favor of influential men of means.[90]

In other regulatory authorities there are mechanisms that enable access of the public and media to information about the regulators, yet this access is partial or unsatisfactory. In principle, the protocols should be available upon Freedom of Information requests but are not always given freely and in a timely fashion. In the Second Authority for Television and Radio, full protocols remain undisclosed with the argument of preventing exposure to trade secrets.[91] Similarly in the Cable and Satellite Broadcasting Council, a recent request to expose protocols, entailed an appeal of the Movement for Quality Government in Israel.[92]

Furthermore, a former decision to establish an open repository for public scrutiny consisting of the Frequencies Committee’s decisions, protocols, and the allotments of frequencies, was overturned.[93] Yet, a few months later another government resolution was adopted to indeed establish such a data repository within the Ministry of Communications, but the accessibility to the repository is limited to government officials only.[94]

Lastly, most media regulatory authorities anchor the professional role of a Public Inquiry Commissioner (aka. Ombudsman) who lodges public appeals and handles complaints regarding media activity. These officials do not always seem to function well or transparently enough, which causes major delays in the response given to citizens’ inquiries.

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[87] See Shakuf (reads transparent in Hebrew) full "shadow cover" (in Hebrew): https://shkifut.info/2018/11/vaada-12/ (accessed 10 April 2020). Avital reports that PM Netanyahu refuses to let the media in because decisions can pass without justification. As a result, decisions that promote narrow interests are passed. Each discussion on a bill lasts about a minute and a half and is mainly influenced by political pressure rather than professional positions.

[88] Parliamentary Committees’ Meetings will be undisclosed under three conditions:
(a). When the committee decides;
(b). Meetings of the Foreign Affairs and Defense Committee or its subcommittees (unless otherwise decided by the committee);
(c). When the original reason for transferring the debate to a committee or subcommittee risks the State’s security, its foreign relations or confidential international economic activities.


[91] Oren Persico, "שלנו היושרה עם והמה" (And what about our integrity?), The Seventh Eye, 23 September 2013, available online (in Hebrew) at https://www.the7eye.org.il/7881/ (accessed on 15 April 2020).

[92] Erez Raviv, "ה阐יק翮כין תהליך" (The approval process has been exposed), Davar, 23 January 2019, available online (in Hebrew) at https://www.davar1.co.il/170454/ (accessed on 10 February 2020).

[93] Government Resolution No. 2187, 12.8.2007 was overturned.

[94] Government Resolution No. 2536 of 4.11.2007
Impact of Regulators on News Media and Journalism

The Freedom of Information Law is an extremely important tool for any investigative journalist who seeks to obtain reliable information from public authorities. Although it was enacted over 22 years ago, it seems that only in recent years the press adopted it as a commonly used tool as they internalize the notion that the information accumulated in public authorities indeed belongs to the public.[95]

With the help of groundbreaking rulings and changes in perception within the various authorities, what was once a narrow and limited right has greatly expanded. However, many journalists still grapple with the Government’s unwillingness to act according to the freedom of information principle. Some public NGOs focusing on regulation and run by jurists have stepped in and paved the way to serious journalistic work. Consequentially, over the past years these efforts have yielded the exposure of many working schedules of government ministers and other officials in the local and general public authorities, in addition to statements about politicians’ personal financial worth.[96] Yet, the more authorities are demanded to maintain transparency, the more they provide complex explanations for their refusal to disclose information (within the 120 maximum allowed days). While some agencies have adopted transparency as a policy, other entities are still faltering in the twilight zone of foggy information.[97]

In 2012 Israel joined the Open Government Partnership (OGP), a global initiative that brings together government reformers and civil society leaders to improve government inclusiveness, responsiveness and accountability. Israel has since implemented three action plans. The Independent Reporting Mechanism (IRM) monitors all action plans to ensure governments follow through on commitments. Nevertheless, due to the low levels of motivation to adhere to the commitments, the results in changing government practice were mostly marginal. Some commitments that could have improved public and media access to information, such as proactively disclosing information under the Freedom of Information Law and increasing access to information held by local governments, were ultimately not implemented.[98]

Reporter’s Privilege (RP) in Israel is not enshrined in law but is mandated by court ruling, rendering the protection far from absolute. In the past, several legislative proposals have been put forward to regulate the field but have not matured into laws. While the Journalism Ethical Code religiously protects the confidentiality of the source’s identity, including “whistleblowing offenses”, the gap between the legislation and the journalistic ethics may lead to a situation in

[95] Racheli Edri and Guy Zomer, “איךenuityedi� ידיעת ניירות צדקין ייעודו אינטטיינוס (How to use Freedom of Information Law to produce quality journalistic coverage), The 7th Eye, 5 December 2019, available online (in Hebrew) at https://www.the7eye.org.il/353321 (accessed on 26 April 2020).
[96] This process was led mainly by the Movement for Freedom of Information, Hatzlacha movement, Adv. Shahar Ben Meir and Shakuf public journalism movement. Not all politicians and authorities have fully complied yet.
[97] Maya Krol, ”שיקוף לשופט: ראש אלקן מתחמק מהמסקנות מ姥ר המגזר“ (Transparency objector: Minister Elkin ignores the comptroller and hides information from the public), Shakuf, 4 May 2020, available online at https://shkifut.info/tag/%D7%90%D7%99%D7%9A-%D7%9C%D7%94%D7%A9%D7%A7%D7%99%D7%93-%D7%99%D7%95%D7%9E%D7%9F-%D7%A9%D7%9C-%D7%A0%D7%91%D7%97%D7%98-%D7%A6%D7%99%D7%91%D7%95%D7%A8/ (accessed on 20 May 2020).
which the court removes the source’s confidentiality, thus creating a conflict between the legal duty of the journalist to testify and the rules of journalistic ethics.[99]

One of the main problems of the RP doctrine is in the practice of approving means of investigation and search against journalists, both by law enforcement agencies and by the courts. The problem is that judges issue orders to use investigative measures against journalists, especially orders to obtain media data and wiretapping that are too loosely based on a set of facts unsatisfactorily presented by the police. Hence in recent years, RP has been at the center of several cases and journalistic fiascos that have demonstrated the need to establish a regulatory framework to strengthen the freedom of the press and improve the functioning of the democratic procedure.[100]

The written press and online content are a largely unregulated field, but they are subject to a series of local regulations protected in the penal and civil codes, that also include the issue of military censorship. Although censorship is not automatically applied to sensitive topics, the formal arrangement that enables it is considered to be outdated and anti-democratic.[101] In addition, the courts are overly using the right to issue publication bans that are yet to have a proper legal basis.[102] A 2017 law allows police and prosecutors to obtain court orders that require the blocking of websites found to publish criminal or offensive content. Freedom of expression advocates warn that this measure would further suppress legitimate speech.[103]

Currently, Israel Defamation Law (1965) categorizes libel and slander as both a civil wrong and a criminal misdemeanor. As of 2011, it became possible to sue a newspaper for libel in Israel. This legal change also increased the maximum damages payable in libel claim without proof of special damages from ILS 50,000 (€12,500) to ILS 300,000 (€74,000).[104] Israeli legislature and Supreme Court are ideologically divided with respect to the appropriate balance between the competing interests embodied in the defamation law. The jurisprudential choices regarding defamation stem from their perceived suitability to the complexity and dynamic nature of Israeli society.[105] There is no specific protection of Hate Speech under Media and Communication law, but since the media is an amplifier of such misdemeanors, hate speech is protected under the prevention of Sexual Harassment Law (1998)[106], the Defamation Law (1965) and the Penal Code (1977).[107]

The 2020 Press Freedom Index by ‘Reporters Without Borders’ (RSF) rated Israel 88 out of 180 countries.[108] The reason for this rather low rating is that despite having independent media,

[101] Articles 87, 97 and 100 of the Mandatory Defense (Emergency) Regulations of 1947
[104] Israeli legislature and Supreme Court are ideologically divided with respect to the appropriate balance between the competing interests embodied in the defamation law. The jurisprudential choices regarding defamation stem from their perceived suitability to the complexity and dynamic nature of Israeli society.
[105] There is no specific protection of Hate Speech under Media and Communication law, but since the media is an amplifier of such misdemeanors, hate speech is protected under the prevention of Sexual Harassment Law (1998)
[107] Interview with Adv. Elad Man, cit.; Article 144 of the Penal Code, “Incitement to Racism and Violence.”
[108] Heading Hungary but under Mongolia, Georgia, Kyrgyzstan or Ivory Coast, for example.
journalists in Israel are exposed to open hostility from members of the government. Smear campaigns have been waged against media outlets and journalists by politicians and their supporters, exposing the targets to harassment and intimidating anonymous messages, and thus forcing them to seek personal protection.[109] Journalists are susceptible to physical injuries when reporting cases of political uprising or voicing criticism against the regime (mainly from the Occupied Territories in the West Bank).[110]

In recent years, Strategic Lawsuit Against Public Participation (SLAPP) that targets mainly journalists, has become a thriving phenomenon in Israel. This practice misuses legal means to prevent criticism and public debate.[111] In Israel, there is no specific mechanism for rejecting and preventing “muting lawsuits,” but the courts are authorized to reject them outright and even annul nuisance lawsuits, and can decide to cast high legal costs against the plaintiff. Nevertheless, courts are less inclined to opt for this practice.[112]

A powerful threat to the freedom of the press was acknowledged in the last decade as coming from within the media circles themselves: the owners and funders of the media. These actors use their power to restrict access to the media platforms under their control and also to content published against them. They use this power to censor, distort or disguise information and opinions that are not to their liking, or that may harm their financial or ideological interests.[113] All the above gives rise to a dangerous tendency of self-censorship among journalists, which undermines the very essence of pluralism and democracy.

### INFLUENCERS

#### Local Influencers

##### Industry

Industry players in Israel have had little direct impact on media policy and regulation, but since the Israeli market is concentrated in very few hands, they always had quite a strong link with policymakers. However, in the last decade, with the weakening of print media and the rising of digital media, these power relations became extremely bold and unruly. Two main figures should be mentioned in regard to regulation impact. (See the section on Competition Authority as well as the chapter Funding Journalism in this report.)

[110] Israel, RSF, cit.
**INFLUENCERS**

**Shaul Elovitz** was involved in a complicated bribery and fraud affair, which exposed the secret relationship he had with former PM Netanyahu. Elovitz is a businessman in the field of communications, the controlling owner of the Eurocom Group, one of the largest private holding groups in Israel through which he controlled several public companies, including the Bezeq Teleco Group. Elovich served as chairman of Bezeq’s board of directors, as well as in other companies in the Bezeq Group, including the popular Walla! internet portal. The findings published in the 4000 case investigation show that Netanyahu acted to advance Elovich’s interests in the field of regulation, including the Bezeq-Yes merger, while conditioning the promotion of Elovich’s business affairs with the supportive coverage of the then-PM and his wife, on Walla! pages. In October 2020, the ownership of Walla! website was transferred to the Jerusalem Post controlled by Eli Azour, who bought it from Bezeq.

**Arnon (Noni) Moses** is the controlling owner and chairman of the board of the Yedioth Ahronoth Group. He is the publisher and editor-in-chief of the group’s daily newspaper, which also owns the Ynet popular website.

In January 2017 he was called for a police interrogation about his meetings with then-PM Benjamin Netanyahu as part of an investigation titled the 2000 case. Based on seized recordings, it was reported that Moses suggested a quid pro quo: supportive coverage of Netanyahu and negative coverage of one of his political rivals. The deal also included appointment of reporters based on Netanyahu’s choice. In return, Netanyahu was to act to impose regulatory restrictions on Israel Hayom newspaper. Moses was suspected of pushing for and designing the Israel Today Law that passed in the Knesset in 2014 in a preliminary hearing, but that has not since advanced. The law was designed to prevent the free distribution of Israel Hayom. Netanyahu, who opposed the law due to his ties to the newspaper’s owner Sheldon Adelson, dismissed the Knesset less than two years after it was formed and proceeded with elections for the next Knesset.[114]

Even today, with a battered image and a sharp drop in revenue, the Moses family’s communications group is an empire that holds enormous power, especially in shaping the Israeli public opinion.

**Yitzhak Mirilashvili**, owner of Channel 20, is the son of the Israeli-Georgian businessman Michael Mirilashvili, who owns energy, diamonds, real estate and technology businesses, as well as a start-up company called Watergen. Channel 20 is considered a failed and faltering channel.

The connection between the Netanyahu family and the Mirilashvili family has a similar pattern to those that emerge from his criminal files: Netanyahu promotes the Mirilashvili family’s business, advance the Watergen businesses during his diplomatic exchanges and fights to provide the channel with beneficial regulations, all in exchange for supportive coverage on Mirilashvili’s media.

Recordings of conversations between then-PM Netanyahu and then-Minister of Communications Ayoob Kara revealed that Netanyahu personally put pressure on Kara to allow the channel to broadcast news programs. Netanyahu then suggested that the minister would call for the annulation of the Cable and Satellite Council, which raised obstacles to the channel’s news license. Netanyahu said that he supported the Channel 20 Law because it is the only television channel that gives expression to right-wing positions. The law adopted to help Channel 20 affected de facto three other television channels.[115]

Channel 20 devoted long hours to Deep State theories, which contended that the State Attorney’s Office was trumping up Netanyahu’s cases and did so because the country’s executives, a group of lawyers and senior media people who scheme behind the scenes, just feel challenged by the Prime Minister’s power.

Civil Society

NGOs

Israel boasts a rich and active arena of civil society organizations, but in fact the State’s Third Sector is much smaller than is reported by government agencies.[116] Adv. Elad Man, legal advisor of the Hatzlacha Movement, contends that the field of media-related NGOs relies on a scarce number of active organizations, yet some of these have a major impact on media regulation.[117] Whether through discussions with the legislature and regulatory bodies, whether in discussions with professional committees of the Ministry of Communications or other parliamentary or public committees, whether through court petitions, or High Court appeals, administrative proceedings, or appeals to the Competition Court, NGOs make a difference.[118]

Prominent organizations include Hatzlacha NGO, one of the most active organizations resorting to the aforementioned methods and the Movement for Freedom of Information of The Union of Journalists in Israel, which has been involved in several important campaign in recent years, among them the contribution to preventing the attempt to split IPBC into News and non-News departments.[119] The Movement for Quality Government in Israel, and Israel’s Media Watch are important players; nevertheless the impact of both is more marginal.

Israel Democracy Institute (IDI) for Research and Action is an esteemed NGO that is engaged in media policymaking and that is occasionally called to participate in regulatory think tanks to express its experts’ opinions.[120] The professional and theoretical knowledge that its members

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[115] The law released the channels from almost any commitment regarding content provision and requirements for minimal financial investments.


[117] Interview with Adv. Elad Man, cit

[118] Interview with Adv. Elad Man, cit

[119] The initiative to split IPBC was promoted by PM Netanyahu in order to gain better control of news content produced by the Corporation and to neutralize the relatively independently appointed superiors of IPBC. This initiative was blocked by the Supreme Court thanks to the Union’s appeal together with Hatzlaha NGO (as Amicus Curiae). For further information see: Nati Tuker, “יפוצל לא לשידור תאגיד - נ ['#102424'] The Supreme Court decision: Until further notice, IPBC won’t be split), The Marker, 15 May 2017, available (online) at https://www.themarker.com/advertising/1.4091346 (accessed on 10 March 2020).

[120] Interview with Dr. Tehilla Shwartz Altshuler, cit.
produce is widely appreciated and allegedly influential, although their past involvement in public committees to amend media regulations was yet to bear fruit, due to strong political and financial forces that dominate the market.[121] In addition, IDI does not usually take the litigation route.[122] Some independent media NGOs, like The Seventh Eye and Shakuf movement, which operate as media monitoring and investigative journalistic projects, first separately and now as a united entity, are considered notable civil society group. Their importance is undoubted, but their impact on regulation is most definitely indirect.

Adv. Sahar Ben Meir, a one-man political actor, is an engaged citizen who is not affiliated with any political party and specializes in filing class action lawsuits. In this capacity he rocks the boat for politicians and major media conglomerates in order to trigger court rulings for the sake of a democratic media.[123] Apart from addressing issues such as former Prime Minister Netanyahu’s inflated expenses budget abroad, and the Bibi-bot, the local Likud party’s version of Cambridge Analytica on the eve of the April 2019 elections, Ben Meir appealed in court in three different cases against Facebook. In these cases, he targeted Facebook’s breach of privacy when it created a biometric database of photos.[124]

Professional organizations

The Israeli Press Council (IPC) is a voluntary body and tribunal, jointly established in 1963 by the press (publishers, editors and journalists) and public representatives. The Council’s main objectives are to uphold the values of free and quality journalism. In 1996 the Council published the Journalism Ethical Code to which Israeli press and journalists must subscribe. IPC is still responsible for enforcing the Code as well as for safeguarding the rights and obligations of journalists and the public’s right to know. In 2008 the Israel Internet Association (ISOC) also joined in as a member. Nevertheless, experts claim that the Council is toothless and has no significant impact on regulation.[125] The fact that many major media outlets have left the council over the years undermined its legitimacy as former members do not always feel committed to its Code anymore. Currently, it is hardly active in taking strong stances in resolving ethical issues.[126]

Alongside IPC’s tribunal, several associations of journalists operate in Israel as representative bodies whose work is aimed to protect journalists’ labor rights and professional standards.[127] Among the key associations, ‘The Union of Journalists in Israel is the largest and most powerful professional organization. Since it was founded in 2012, it has been relatively successful in improving journalists’ employment status, providing professional tools and bolstering the public

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[121] See for example Dr. Alutchlar, IDI member, at the Prof. Schejter Committee for Television industry, whose recommendations were never adopted by the government; Nati Tuker, “Panel Recommends Independent Media Regulator for Israel,” Haaretz, 18 September 2015, available online at https://www.haaretz.com/israel-news/business/premium-panel-recommends-independent-media-regulator-1.5400082 (accessed on 12 March 2020).

[122] IDI usually connects with Hatzlaha for submitting court appeals.


[125] Interview with Adv. Elad Man, and with Dr. Roy Peled, cit.


[127] Workers’ organization is legally entitled to represent the whole, even if only a third of the organization employees are its members. Representative organizations are legally capable of signing special or general collective agreements.
framework of the New Histadrut union, but following organizational upheavals that damaged its institutional stability, it went on its own in January 2020.[128] In July 2012, the association had also become a member of IPC.

Other interest groups such as the Writers’ Guild, the Israeli Producers Association (IPAC) or the Israeli Union of Performing Artists (EMI) have managed to protect their rights and negotiate the limitation of overseas productions and keep a lion’s share of original productions close to home. They are invited to participate in relevant parliamentary committees to discuss their realms of interest or the designated audience they represent.[129]

External Influencers

The state of Israel wishes to set itself apart culturally and economically from the conflictual geographical-national context in which it exists. Thus, it constantly pursues recognition of international allies across the northern Mediterranean and beyond. Looking up to the Global North policy and regulation standards, Israel strives to adapt them to gain recognition, which in turn also translates into financial benefits.[130]

First is the EU with its General Data Protection Regulation (GDPR), which indirectly but significantly influenced data protection practices and the regulatory approach in Israel.[131] Israeli Protection of Privacy Regulations came into force around the time the GDPR was introduced in 2017. The state adopted requirements that resembled the European regulation, mainly in the realm of data security and data processing management. GDPR’s global effect had also an indirect institutional impact on the regulatory approach and enforcement agenda of the Israeli Data Protection Authority (IDPA). It also enhanced collaboration with EU-based DPR authorities to enforce EU regulations on Israel-based companies that are subject to GDPR’s territorial or extraterritorial reach.[132]

Israel has been recognized by the European Commission as an adequate jurisdiction for processing personal information, which allows a straightforward movement of personal data between controllers and processors in both jurisdictions. Although this recognition was adopted in accordance with the previous data protection regime in the EU, and while it continues to apply under the current regime, there are public discussions among regulators and scholars regarding the possibility of losing this important recognition when it is reviewed again by the EU, considering the significant developments in the regulatory environment in the EU, which Israeli law has not fully caught up with.[133]

[128] Histadrut is the General Organization of Workers in Israel, representing the majority of national trade unionists in the state. The Histadrut remains a powerful force in Israeli society and the economy, since it was established in 1920.
[129] Interview with Dr. Tehilla Shwartz Alshuler, cit.
[130] Tomer Avital, "ישראל ישלם 243 מיליון שקל לממשלות ארצות הברית לדייפ דייפ" (Israel pays ILS 243 million a year to international organizations), Calcalist, 12 November 2012, available online at https://www.calcalist.co.il/local/articles/0,7340,L-3587408,00.html (accessed on 9 April 2020).
[131] Israel is an associated state of the European Union. The relationship is defined in the European Neighbourhood Policy (ENP), the Euro-Mediterranean Partnership, and the Union for the Mediterranean.
Secondly, some external influence pushed the former Israel National Cyber Authority (now Directorate) to draft a Corporate Defense Methodology (2017), which provides every organization in Israel (altogether thousands of them) with tools to manage and improve the protection from cyber threats.[134] This Methodology directives are synchronized with existing global standards such as those of the International Standards Organization (ISO) and the American National Institute of Standards and Technology (NIST). In addition, Israel was one of the first countries in the world to join the American Department of Homeland Security (DHS) and its Automated Indicator Sharing initiative. This automated platform between governments and companies seeks to share fast and effective information that facilitates the prevention or handling of cyberattacks.[135]

A third influencer on Israeli general perspective of regulation is the OECD and its Regulation Impact Analysis (RIA) methods. Upon becoming a member, Israel undertook to act in favor of developing tools for evaluating all state regulation processes, which naturally also effects those that are related to media and communication specifically. By then, the OECD countries had already acknowledged that introducing new regulations entail many social and economic costs that are not quantifiable in terms of the state budget. Therefore, they developed mechanisms to assess the effects of regulation to examine and increase effectiveness for both the wellbeing and economic-growth, for the governmental authorities, the regulated sectors and the general public alike.[136]

In 2014 the Government of Israel adopted a decision regarding the reduction of the regulatory burden. Accordingly, the process of preparing or updating a new regulation would have to include a new assessment procedure of its impact (RIA).[137] The multitude of perspectives required for pre-regulatory evaluation forced authorities to strengthen the dialogue with experts, stakeholders and the public, similar to what is done in many countries around the world, and publish full reports about the deliberation and decision processes.[138] It is not clear how effective the RIA process is and whether it radically improved the means and ends of media regulation. According to the Israeli Democracy Institute the main problem in Israel is not analysis, drawing conclusions, formulating recommendations or making government decisions, but the de facto implementation of those decisions.[139]

[138] A list of RIA assessment reports of new regulations within the ministry of communication (among other ministries) is to be found here (in Hebrew): http://regulation.gov.il/RIA_REP (accessed 5 April, 2020)
Funding Journalism
Israeli media have undergone tremendous changes in the last three decades, transforming from what was effectively a state monopoly that aligned with political parties into a technologically advanced and ostensibly competitive market (as of 1986). A rapid expansion of the private sector in the 1990s was followed by a communications revolution that led to an explosion of media, including today a diverse mix of old and new, public and commercial, cable and satellite, and increasingly dominant, if not ubiquitous, digital media.

But beneath the appearance of this growing diversity, there is little pluralism. The lion’s share of Israeli media is actually controlled by a small group of owners, about ten wealthy families of media moguls. In fact, most Israeli media enterprises are not standalone businesses but attached to larger conglomerates with businesses in industrial and other non-media sectors — and could be considered beholden to them.

The most salient characteristic of the media system for the purposes of this report is its unusual opacity. Nearly all of the country’s major media assets are privately controlled, often part of larger private corporate structures that, under Israeli law, are not required to publish annual financial statements or make relevant financial disclosures to the government, and fiscal or media regulators. As a result, investigative journalists, analysts and even advertisers in the media market must rely on information leaks and rough estimates of enterprise value, circulation, revenue and income.

What is known though is that most of the media companies in Israel are loss-incurring operations. For example, Israel Hayom, a large daily newspaper, known for its support to former Prime Minister Netanyahu, accumulated a staggering loss of of more than a billion shekels, and has repeatedly raised the question of whether the newspaper constitutes prohibited election propaganda. This shows that many media outlets are not run like businesses in Israel but are used as tools to promote the interests of various powerful players, both politicians and businesses.

Elad Man, legal advisor of Hatzlacha NGO and the Chairman of the Seventh Eye Association, sheds light on the regulatory dead-end: “The situation in which private companies do not disclose sensitive financial information results from the absence of obligatory statutory directive,” he said. “The reports of private companies are not publicly available. They are submitted without financial information and exposed to the tax authority only [...].”

Israeli news media comprise four general daily newspapers, three daily financial newspapers, dozens of niche, sectorial and local papers and magazines, two major national commercial television channels (Reshet 12, Keshet 13), one public tv channel, a cable and satellite services duopoly (HOT TV and Yes TV), two public radio networks, 14 commercial regional radio stations and hundreds of websites and portals, some of them part of independent journalism initiatives and projects.

The funding sources in the Israeli media market follow international trends. While these sources are somewhat diverse, advertising and government financing dominate:

- **Commercial funding (advertising, newsstand sales, and different models of subscription fees, and paywalls);**
- **State funding (a government advertising agency providing public advertisements and direct funding from the state budget);**
- **Donations and grants (mainly from US-based Jewish organizations, individual and corporate donors, and crowdfunding).**
This report was originally written at a critical moment in the history of Israeli media. Yet, it still reflects the volatility of a small market shaken by a dramatic restructuring of public media in 2017, and the 2019 merger of two commercial operators under the Second Authority for Television and Radio. It is not yet clear what impact this merger will have on how the public interest is preserved in the media but it has become apparent that channel Reshet 13 is on a path of deterioration and does not perform as expected.[1]

The Israeli media market is also shaped by the unstable political realities of the Middle East, which produce a security-oriented public discourse of high intensity. As one observer noted: “Israel is probably the most media-obsessed country in the world.”[2] Military campaigns and wars (like Operation Defensive Edge in 2014) have a disrupting effect on the advertising market and the entire news industry. In addition, there is an ongoing crisis of print media as it struggles to move to digital media. The latter sees its advertising revenue grow sharply while print advertising continues its dramatic decline.

The involvement of high-placed political figures in the inner workings of media raises fundamental questions about the legitimacy and integrity of professional journalism in Israel today. Recent police investigations into these forms of interference prompted Israel’s Attorney General to recommend charges of fraud, breach of trust and bribery against then-Prime Minister, Benjamin Netanyahu in three criminal corruption investigations known as Cases 1000, 2000 and 4000.

On the other hand, the growing influence of a group of largely right-wing tycoons, some of whom residing in the U.S. or Europe, who cooperate with local political figures in Israel, raises serious concerns related to media consolidation, crony capitalism, undue cross-ownership cases and lack of transparency, which are all key ingredients of media capture, a form of excessive control by oligarchic structures and political elites that seems to find a propitious environment in Israel.

Recently the Nacht family had purchased 8% of Tshuva’s shares, leaving the family with 14%, which are also about to be sold to the Wertheim family. This will bring the Wertheims’ shares to the highest possible holding of 74% in Keshet. See: Anat Bein-Leibovitz, קשת בערוץ תשע”ב: תשובה行くת בתשעים שמונים ושבע (Moving to the screen: the Nacht family had purchased 8% of Tshuva’s shares in Keshet 12), Globes, 2 June 2021, available online (in Hebrew) at https://www.globes.co.il/news/article.aspx?did=1001373153 (accessed on 2 June 2021).

Avior Abu, "שקל מליון 70 בלויטניק עם יחד וית Dysfunction - 13 שרשראות 21% רוכשת (Discovery acquires 21% of Reshet 13 - and will cash-in together with Blavatnik NIS 70 M), Calcalist, 24 January 2021, available (in Hebrew) at: https://www.calcalist.co.il/internet/articles/0,7340,L-3889425,00.html (accessed on 5 July 2021).

In January 2021 the Recanati family completed the acquisition of 50% of Blavatnik shares in RGE. Later, in March 2021, the Keshet Group announced the acquisition of 49% of RGE shares in exchange for NIS 90 M (about $ 27.5 M). Thus, Keshet TV will now have a grip on other types of content that do not currently exist in its portfolio, such as sports and content for children. The transaction is subject to the approval of the Second Authority, the Competition Authority and the Cable and Satellite Council. According to Journalist Nati Tuker, Recanati and Endemol shares were diluted out since they refused to cash in more money for the operation.

Sheldon Adelson passed away on 11 January 2021.

In January 2021, an acquisition deal was approved making the Mozes family the sole shareholders of the newspaper.
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<th>Prominent news media assets</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Israeli Public Broadcasting Cooperation (IPBC)</strong></td>
<td>Government</td>
<td>Government</td>
<td>TV: Kan Culture, Kan Bet, Kan Gimel, Kan 11, Educational channel 23, Makan 33; Radio: Kan Reka, Kan 88, Kan Moreshet; Print: Kan Kol Hamusika, Kan Arabic; Online: Kan.org.il</td>
</tr>
<tr>
<td><strong>Bezek Telecommunication</strong></td>
<td>Private ownership, BCommunications 26.8% divided between: Searchlight Capital Partners 60%, TNR 11%</td>
<td>David Mizrahi (CEO)</td>
<td>Yes Cable TV; Walla!NEWS was sold in October 2020 [8]</td>
</tr>
<tr>
<td><strong>GLZ (Israeli Defense Forces Radio)</strong></td>
<td>Ministry of Defense</td>
<td></td>
<td>GLz, Glglz, Glz.co.il</td>
</tr>
</tbody>
</table>

Source: CMDS

[8] On 29 October 2020, the Ministry of Communications has approved Bezeq to sell all its holdings in Walla for NIS 65 M (about $ 19.8 M), to the media mogul Eli Azur.
CONSUMPTION TRENDS

Media consumption trends in Israel show a significant decline of over 13% in exposure to print media between 2016 and 2018. Internet use keeps growing at the expense of subscribers of cable or satellite television, which are the key platforms for commercial broadcast channels. Radio listenership seems to experience a slight decline although these fluctuations point to a relatively stable consumption.

Content diet

*Media consumption in Israel, breakdown by medium, % of total population*

<table>
<thead>
<tr>
<th></th>
<th>2016</th>
<th>2017</th>
<th>2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Television</td>
<td>60.3%</td>
<td>59.2%</td>
<td>59.1%</td>
</tr>
<tr>
<td>(subscriptions to cable or satellite)</td>
<td>79.7%</td>
<td>81.6%</td>
<td>83.7%</td>
</tr>
<tr>
<td>Internet (use by persons aged 20 and over)</td>
<td>67.4%</td>
<td>65.9%</td>
<td>65.8%</td>
</tr>
<tr>
<td>Radio</td>
<td>54.9%</td>
<td>51.1%</td>
<td>41.6%</td>
</tr>
<tr>
<td>Daily</td>
<td>58.4%</td>
<td>53.6%</td>
<td>46.4%</td>
</tr>
<tr>
<td>Weekend</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Print media</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Households that purchased daily newspapers</td>
<td>9.8%</td>
<td>8.3%</td>
<td>5.8%</td>
</tr>
</tbody>
</table>

Source: CBS (for television and households that purchased daily newspapers); TGI (for radio and print media/daily-weekend)

Content preferences

*How do you prefer to get your news update?*

Source: Digit Survey for IDC Herzliya
The global trend of declining print affects Israel, too. Daily and weekend newspapers alike show a similar tendency (with some advantage to the latter). The declines are statistically significant. Eitan Kassif, CEO of Kantar Media Israel, a survey company, explains that the overall reading trend is calculated based on reading of all newspapers (meaning that overlaps are not included in the figures). Consequently, a significant share of the country’s readers has stopped reading newspapers and consume instead information from other platforms (social networks) or in different formats (mobile push notes).[10]

This trend is also valid for television consumption. Television still enjoys solid audience popularity, but also shows stagnation in advertising sales, which for the first time in 2018 evened up with the growing digital advertising spending. (See Key Funders in this report) 2020, with the COVID-19 pandemic, was a good year for television, which was not affected at all by the crisis and attracted 39% of the 2020 advertising pie pie – compared to 36% in the year before. Given that 6.6 million Israelis used the internet across sectors and ages (13+ years old), accessing 8 Gigabytes a day, with internet content consumption on mobile phones and online radio listenership up between 2017 and 2019 by 90% and 50%, respectively, investments in online enterprises are expected to further grow. The expenditure on digital advertising rose by 6% in 2020. This is a more moderate increase compared to 12% in 2019, but it is still, together with television the only two areas which were not impacted by the crisis.[11]

Similar to previous years, the Israel Democracy Institute, a Jerusalem-based think tank, found a broad gap in the degree of trust between the Jewish and Arab citizens of Israel in the various Israeli public institutions. In 2018, this gap widened to a high record level. The level of trust in the media among both Jews and Arabs showed a slight increase in 2018 compared to the previous year, to 33% (Jews) and 18.5% (Arabs). Yet, media was nearly at the bottom of the heap when it comes to public trust, according to the Democracy Index: it ranked sixth out of eight public institutions.[12]

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[10] Interview of the author with Eitan Kassif, July 2019. All TGI data presented in this report is courtesy of Kantar Media Israel.


According to Digit Survey, the trust in all journalists who work in different media platforms (television, radio, digital and print) registered a drop of 12% between 2017 and 2018 (though trust in radio journalists increased by 4% the same year).[13] The way people perceive the professionalism of journalists varies along different media platforms as following: television news (25%), radio (9%), daily newspapers (8%) and internet journalists (6%).[14]

While an increasing number of Israelis prefer to get their news updates online, they have a low trust in internet journalists: only 50% believe that journalists’ tweets are reliable. Moreover, Israelis are less inclined to opt for news updates via social networks, a trend that is to some extent contradictory: if people trust the internet less, why would they choose it as their main channel to consume news? The answer probably lies in the nature of digital culture: the digital fingerprint in our lives produces rigid habits because of its great availability and immediacy. In addition, the internet provides a sense of control by offering a variety of opinions and sources of information that the reasonable customer thinks can be ascertained and interpreted.

**POPULAR NEWS MEDIA**

**Key Players**

**Television**

The Second Authority for Television and Radio is a statutory corporation, responsible, since its establishment in 1990 by the Knesset (Israel’s Parliament), for regulating and supervising commercial television and radio broadcasts in Israel. (See more about regulation of broadcasting in Government, Politics and Regulation chapter of the Media Influence matrix: Israel report.)

The Second Authority regulates the two major operators of commercial television channels in Israel: Keshet 12 and Reshet 13.[15] Both have been in operation since the early 1990s when commercial television was launched in Israel. Operating as franchisees, they used one frequency (held at the time to Channel 2, now defunct) by rotation. In January 2002, Channel 10, another commercial television player, was licensed and began broadcasting, bringing more competition to the field. In 2017, following then newly introduced regulations, Channel 2 split out and the two broadcasters (Keshet and Reshet) were granted their own standalone broadcast licenses. Channel 10 continued to operate in parallel as a third broadcaster. The three broadcasters engaged in an aggressive competition for advertising revenue that eventually prompted Channel 10 to merge with Reshet 13 in 2018.[16]

---

[14] The survey question was: “Which one from among the following would you consider the most professional and reliable journalists: radio, TV, internet, or newspaper affiliated journalists?”
[15] Since March 2018 The Second Authority also regulates channel 9 (in Russian), channel 24 (music), Hala TV (in Arabic), and Channel 20 (Jewish tradition).
Owned by Keshet Media Group, which also controls the popular news portal Mako, Keshet 12 is by far the most popular and powerful broadcaster in Israel, commanding 44% of the audience. It boasts leading ratings and original productions including popular entertainment shows and drama such as the singing reality competition HaKokhav HaBa (Rising Star) or the acclaimed Hatufim (Prisoners of War, aka Homeland), an Israeli television drama series that has become successful worldwide. Keshet Media Group is controlled by some of Israel’s richest families, including the Tshuva family (whose worth in 2018 was US$ 4.15bn and who is invested in a slew of industries including gas, infrastructure and car dealerships) and the Wertheim family (the holder of the Coca Cola franchise in Israel, a family whose worth in 2018 was US$ 1.8bn).[17]

Reshet 13 comes second in audience ratings. Although it is considered one of the most successful channels in the country, it has lower ratings than Keshet 12 and suffers from a budget deficit. Reshet 13 has an average 35% audience share on prime time.[18] Up until recently, the majority stake in Reshet 13 was controlled by Len Blavatnik, a businessman with a fortune of US$ 17.3bn made after the disintegration of the Soviet Union, who is also an investor in the chemical behemoth LyondellBasell Industries, Warner Music and the sports streaming service DAZN.[19] A donor to both the Republican and Democratic parties in the United States, Blavatnik was known to be one of the close friends and supporters of Israel’s former Prime Minister Benjamin Netanyahu. Since January 2021, the majority owner of RGE is Udi Recanati of the Recanati family.

Channel 20, a Jewish heritage channel, broadcasts news and culture programs, and identifies politically as a right-wing channel.[20] With evening ratings of less than 1%, it is not considered a key player in the broadcast market.[21] Because of such low ratings, Channel 20 can hardly survive on advertising revenues. This extremely low share prompted the channel to quit the Israel Audience Research Board (IARB), the nonprofit body that measures television ratings via people-meters. Channel 20’s owners are the Mirilashvili family, tycoons whose motivation to keep the channel afloat are unclear since the channel is simply loss-incurring and constantly needs financial backing.[22] Tellingly, Channel 20 was one of the few channels that PM Netanyahu, known for his old tendency to refrain from talking to news media, agreed to give interviews to.[23] A series of leaks of recorded conversations showed that Netanyahu had relations with the Mirilashvili, intervening on their behalf in the media market in spite of an alarming conflict of interests.[24] Yitzhak Mirilashvili, the controlling stakeholder in Channel 20,

[22] Interview by the author with Nati Tuker of The Marker, October 2019.
[23] The channel was fined for broadcasting current affairs and news programs instead of heritage programs, which the regulator originally licensed them to do. See Nati Tuker, "Mosfikatim vezehel me'amotza atzumim" (Indecisive politicians entangled Channel 20 with closing threats), 17 July 2017, available (in Hebrew) at https://www.themarker.com/advertising/1.4425233 (accessed on 30 August 2019).
was the co-founder of VKontakte, the most popular social media targeting Russian speaking people. With his father, the oligarch Michael Mirilashvili, they are implicated in investigations of money laundering and fraud.[25]

The public channel Kan 11 is managed by the Israeli Public Broadcasting Corporation (IPBC aka Kan), a relatively new statutory body that replaced the defunct Israeli Broadcasting Authority (IBA). In spite of a weakening general viewership since 2017 when it launched broadcasting, Kan 11 is mainly popular among people over 65 years old.[26] Kan also runs a massive digital platform that brings together IPBC’s diverse content (television programming, radio and podcasts). Following a long period of disagreements, contending that IARB ignores measuring Kan’s digital traffic, the corporation’s executives announced that, as of December 2019, IPBC opted out of the IARB traditional people-meter rating system, looking instead for a system that will measure its content across all its media and provide solid figures that are crucial for advertisers when they decide where to spend their budgets.[27]

Channel 9 (launched in 2002) is a Russian commercial channel catering to new and old Russian speaking immigrants.[28] Throughout most of its years of operation, the channel suffered losses. In its early years it was held by the billionaire Lev Leviev, a Jewish businessman of Uzbek Bukhari origin who made his fortune in the diamond business and later in real estate. Currently the channel is owned by Alexander Levin, who heads the Stockholm-based TeleAlliance Media Holding AB, a conglomerate of production and media companies that work for the leading television channels in Russia and Ukraine. Levin has also worked for Vladimir Gusinsky, a Russian media tycoon who ran the television channel NTV, the newspaper Sevodnya and the radio station Echo of Moscow, among other media outlets. Levin served as Chief Producer and CEO of some of Russia’s most popular television channels such as NTV[29] and TV6. Since acquiring the Israeli Channel 9 from Lev Leviev in 2013, a deal that made him an Israeli citizen, Levin has invested tens of millions of shekels in the cable station.[30] Channel 9’s CEO is Yuri Kaganovich.

[28] In the 30 years since the disintegration of the former Soviet Union, Israel has experienced a massive wave of immigration from that region that has brought more than one million immigrants to the country. By the end of 2014 the Russian community accounted for 10% of Israel’s population (see more in Marina Sheps, "לשעבר - המועצות ברית עולי אוכלוסיית על נבחרים נתונים" (Selected data on formerly SSSR immigrants) in “Hed, the New Ulpan”, issue 106, Fall 2016).
[29] Levin was a producer for NTV, which was founded by Gusinsky who was also involved in the Israeli media market as he owned 27% of Maariv newspaper shares until 2008.
**Television power**

*Most prominent television channels in Israel, by audience share, 2013-2017*

Note: The remaining share (to 100%) is accounted for by other channels (which IARB categorizes as “miscellaneous”). They include cable and satellite channels like National Geographic or Al Jazeera, downloads of content watched on TV, Video on Demand (VoD) content and content from game consoles. The data refers to the average daily share for individuals aged 18+. The data in these tables are presented to reflect regulatory changes in the market.

<table>
<thead>
<tr>
<th></th>
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<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Channel 1</td>
<td>Total</td>
<td>2.9</td>
<td>3.7</td>
<td>3.3</td>
<td>2.9</td>
<td>2.9</td>
<td>IBA</td>
<td>Government</td>
</tr>
<tr>
<td></td>
<td>Jewish only</td>
<td>3.3</td>
<td>4.2</td>
<td>3.8</td>
<td>3.3</td>
<td>3.5</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Channel 2</td>
<td>Total</td>
<td>18.7</td>
<td>20.0</td>
<td>203.3</td>
<td>18.8</td>
<td>16.8</td>
<td>Reshet and Keshet*</td>
<td>Private ownership changed in time (Reshet/Keshet shareholders)</td>
</tr>
<tr>
<td></td>
<td>Jewish only</td>
<td>21.4</td>
<td>23.3</td>
<td>23.3</td>
<td>21.7</td>
<td>20.1</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Channel 10**</td>
<td>Total</td>
<td>8.5</td>
<td>10.3</td>
<td>9.9</td>
<td>10.1</td>
<td>9.5</td>
<td>RGE</td>
<td>Shareholders in 2017: Arnon Milchan, Yossi Maiman, and RGE group composed of the Recanati family, Len Blavatnik, and Aviv Giladi</td>
</tr>
<tr>
<td></td>
<td>Jewish only</td>
<td>9.4</td>
<td>11.6</td>
<td>11.0</td>
<td>10.9</td>
<td>10.2</td>
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<td>Channel 20</td>
<td>Total</td>
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<td>0.5</td>
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<td>0.7</td>
<td>Kof Dalet (104) Ltd</td>
<td>Yitzhak Mirilashvili</td>
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<tr>
<td></td>
<td>Jewish only</td>
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<td>n/a</td>
<td>0.6</td>
<td>0.7</td>
<td>0.9</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Channel 9</td>
<td>Entire</td>
<td>1.8</td>
<td>2.6</td>
<td>1.8</td>
<td>1.1</td>
<td>1.2</td>
<td>Telealliance Media Holdings AB</td>
<td>Alexander Levin</td>
</tr>
<tr>
<td></td>
<td>Jewish only</td>
<td>1.8</td>
<td>2.7</td>
<td>1.9</td>
<td>1.2</td>
<td>1.4</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

*shared broadcasting time; **now defunct; n/a: not available
Source: IARB
## Most prominent television channels in Israel, by audience share, Nov 2017-Jan 2019

<table>
<thead>
<tr>
<th>Channel</th>
<th>Population</th>
<th>Audience share</th>
<th>Operating company</th>
<th>Ownership/control</th>
</tr>
</thead>
<tbody>
<tr>
<td>Channel 1</td>
<td>Total</td>
<td>3.7</td>
<td>IBA</td>
<td>Government</td>
</tr>
<tr>
<td></td>
<td>Jewish only</td>
<td>4.3</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Keshet 12</td>
<td>Total</td>
<td>12.5</td>
<td>Keshet Media Group</td>
<td>Wertheim family (51%), Tshuva family (20%), Lemelbaum family (15.3%), William Nagel (7.7%), Alex Giladi (5.9%)</td>
</tr>
<tr>
<td></td>
<td>Jewish only</td>
<td>14.9</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Reshet 13</td>
<td>Total</td>
<td>10.5</td>
<td>Reshet</td>
<td>Udi Angel, Strauss-Elite, Endemol, Idan Ofer</td>
</tr>
<tr>
<td></td>
<td>Jewish only</td>
<td>12.2</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Channel 10*</td>
<td>Total</td>
<td>7</td>
<td>RGE</td>
<td>Yossi Maiman (33%), Arnon Milchan (16%), RGE (51%) controlled by Len Blavatnik, Udi Recanati, Aviv Giladi</td>
</tr>
<tr>
<td></td>
<td>Jewish only</td>
<td>7.4</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Channel 20</td>
<td>Total</td>
<td>0.6</td>
<td>Kof Dalet (104) Ltd</td>
<td>Yitzhak Mirilashvili</td>
</tr>
<tr>
<td></td>
<td>Jewish only</td>
<td>0.8</td>
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<td></td>
</tr>
<tr>
<td>Channel 9</td>
<td>Total</td>
<td>1.2</td>
<td>Teleague Media Holdings AB</td>
<td>Alexander Levin</td>
</tr>
<tr>
<td></td>
<td>Jewish only</td>
<td>1.3</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Note: The period in the aftermath of Channel 2 split into two separate channels: Keshet 12 and Reshet 13

*now defunct
Source: IARB

## Most prominent television channels in Israel, by audience share, Jan 2019-Oct 2019

<table>
<thead>
<tr>
<th>Channel</th>
<th>Population</th>
<th>Nov 2017 – Jan 2019</th>
<th>Operating company</th>
<th>Ownership/control</th>
</tr>
</thead>
<tbody>
<tr>
<td>Kan 11</td>
<td>Total</td>
<td>3.7</td>
<td>IBA</td>
<td>Government</td>
</tr>
<tr>
<td></td>
<td>Jewish only</td>
<td>4.1</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Keshet 12</td>
<td>Total</td>
<td>16.7</td>
<td>Keshet Media Group</td>
<td>Wertheim family (51%), Tshuva family (20%), Lemelbaum family (15.3%), William Nagel (7.7%), Alex Giladi (5.9%)</td>
</tr>
<tr>
<td></td>
<td>Jewish only</td>
<td>19.3</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Reshet 13</td>
<td>Total</td>
<td>11.6</td>
<td>Reshet</td>
<td>RGE (68%) (controlled by Len Blavatnik 52%, Udi Recanati 9%, Nadav Topolski 7%), Udi Angel (16%), Strauss-Elite (5%), Endemol (11%)</td>
</tr>
<tr>
<td></td>
<td>Jewish only</td>
<td>12</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Channel 20</td>
<td>Total</td>
<td>0.5</td>
<td>Kof Dalet (104) Ltd</td>
<td>Yitzhak Mirilashvili</td>
</tr>
<tr>
<td></td>
<td>Jewish only</td>
<td>0.6</td>
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<td></td>
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<tr>
<td>Channel 9</td>
<td>Total</td>
<td>1.4</td>
<td>Teleague Media Holdings AB</td>
<td>Alexander Levin</td>
</tr>
<tr>
<td></td>
<td>Jewish only</td>
<td>1.4</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Source: IARB
Radio

Radio in Israel is a very popular medium, with a high listenership despite some downfalls in recent years. There is a strong tradition of radio listening among the Jewish listeners, which dates back to the transition stage from Mandatory Palestine to an independent Israeli state in 1948. Radio is the sole media platform that evokes nostalgic sentiments and people still experience it as a unifying and intimate mediator between community members in Israel.

Due to state centralization, only the public radio gets to broadcast nationwide whereas commercial radio channels air regionally. Moreover, given that Israel is a small country spread over less than 21,000 km², and its population lives mainly around urban areas, people spend hours in urban traffic jams and become a captive radio audience. Notwithstanding these favorable circumstances, since 2016, radio listenership has been going down. In the second half of 2020 the average radio listening rate decreased by about 10% compared to last year - partly since most radio listening was done in vehicles, and traffic decreased dramatically this year due to COVID-19 closures and restrictions on movement. While some experts foresee the beginning of a crisis due to the rise of new digital technologies and online broadcasting, others still believe that radio-listening habits will prevail.

The public radio stations maintain a relatively high popularity. Run by IPBC, the most prominent radio channels in Israel are Kan Bet, Kan 88 and Kan Gimel. Kan Bet broadcasts mostly news and current affairs programs, commanding 21.2% of the audience in 2020. The other two channels are music-focused radios.

Known by its acronym Galatz, the second public broadcasting service is run by the Israeli military. Although they represent a state-sponsored institution, Galatz maintains a tradition of high quality, liberal pluralism and reliable broadcasts. GLGLZ, one of its stations, broadcasting music and traffic reports, had an audience of 26% in 2020. GLGLZ is still the station with the highest listening rates, but it has suffered an 8% drop in annual terms. GLZ, the news and current affairs broadcaster, had an audience share of 17.9% in 2020. Among current affairs radio channels, GLZ has lost the lead to Kan Bet in 2020.

The commercial regional radio stations are operated under the Second Authority regulatory body. Regional radio stations seem to reflect the urban setting they broadcast from as well as the local culture and the most relevant topics to the region they address. Nevertheless, regional radio stations are struggling financially as advertisers seek rather large nationwide radio channels than local ones to air their commercials. Commercial radio stations offer mixed programming combining entertainment, current affairs talk-shows, music, sports programs and political shows as well as a slew of various niche programs. The regional commercial stations have a combined listenership of 31.6%. Eco 99FM owned by Eli Azour and Dudi Weissman is the most popular regional radio station with 8.4% listening rates. In the 2020 survey, it overtook 88FM and is now at the forefront, on par with national stations’ listening rates.

[31] Interview with Nati Tuker, cit.
[33] Interview with Nati Tuker, cit.
[34] Interview with Nati Tuker, cit.
Who’s listening?

*Most prominent radio stations in Israel, by audience share (%), 2015-2018*

<table>
<thead>
<tr>
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<td>Kan Kol Israel</td>
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<td>36.8</td>
<td>37.4</td>
<td>35.6</td>
<td>38.1</td>
<td>35.5</td>
<td>IPBC</td>
<td>Government</td>
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<tr>
<td>Galatz</td>
<td>44.9</td>
<td>45.5</td>
<td>44.1</td>
<td>42.6</td>
<td>40.9</td>
<td>43.9</td>
<td>Israel Defense Forces (IDF)</td>
<td>Military</td>
</tr>
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<td>Regional commercial radio</td>
<td>34.8</td>
<td>34.1</td>
<td>31.8</td>
<td>31.6</td>
<td>31.2</td>
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<td>The Second Authority for Television and Radio</td>
<td>Government</td>
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<td>Individual stations</td>
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<tr>
<td>GLGLZ*</td>
<td>34.9</td>
<td>35.4</td>
<td>34.1</td>
<td>33.6</td>
<td>27.9</td>
<td>26</td>
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<td>Military</td>
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<td>GLZ</td>
<td>23.8</td>
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<td>Military</td>
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<td>21.2</td>
<td>IPBC</td>
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<td>Kan Gimmel*</td>
<td>14.1</td>
<td>15.8</td>
<td>15.8</td>
<td>13.7</td>
<td>n/a</td>
<td>14.3</td>
<td>Government [Israel Broadcasting corporation]</td>
<td>Government</td>
</tr>
<tr>
<td>Kan 88*</td>
<td>7.3</td>
<td>7.3</td>
<td>8.0</td>
<td>9.1</td>
<td>n/a</td>
<td>7.7</td>
<td>Government [Israel Broadcasting corporation]</td>
<td>Government</td>
</tr>
<tr>
<td>103 FM</td>
<td>7.7</td>
<td>9.6</td>
<td>9.9</td>
<td>8.6</td>
<td>n/a</td>
<td>n/a</td>
<td>Mirkaei Tikshoret</td>
<td>Eli Azur</td>
</tr>
<tr>
<td>102 FM (Tel Aviv Radio)</td>
<td>3.9</td>
<td>3.4</td>
<td>3.2</td>
<td>3.2</td>
<td>n/a</td>
<td>n/a</td>
<td>Ba Tzi 77</td>
<td>Yossef Saban, Zvi Shalom, Danny Nishlis[35] and Dan Arnon</td>
</tr>
<tr>
<td>101 FM (Jerusalem Radio)</td>
<td>2.2</td>
<td>2.9</td>
<td>3.2</td>
<td>2.5</td>
<td>n/a</td>
<td>n/a</td>
<td>David Astenglob</td>
<td>David Astenglob</td>
</tr>
<tr>
<td>107.5 FM (Haifa Radio)</td>
<td>2.9</td>
<td>3.0</td>
<td>3.1</td>
<td>2.1</td>
<td>n/a</td>
<td>n/a</td>
<td>Danny Nishlis and Dan Arnon</td>
<td></td>
</tr>
</tbody>
</table>

Note: the data refer to average mid-week listenership daily rate in the country; *music-focused
Both 2019, 2020 data refer to a half-year average measured between the months July and December 2019, 2020 respectively.[36]
Source: TGI Kantar Media

Print Media

The publishing tradition of historical Jewish press in Europe and in Mandatory Palestine eventually diffused to the young Israeli state with dozens of publications and newspapers. Historically, the political realities in the country, and the specificities of the Middle East region, created a culture of urgency and crisis that pushes people to intensively consume news and current affairs and try to be as politically informed as possible.

The global downfall of print media, as a result of the technological advances, did not spare Israel. On an annual basis, all daily newspapers in 2020 recorded significant declines, ranging from 18% to 38% on average, with the exception of the Globes newspaper which fell by only 2% [37]. Today, most of the newspapers in Israel suffer significant budget deficits and have a declining ability to maintain high standards in journalism.

The dominant newspapers that have so far survived these challenges are all nationwide publications, publishing either on weekdays or weekends. The newsprint media market is dominated by five daily newspapers, seven weekend newspapers and three financial newspapers.

Israel Hayom, a free-of-charge daily newspaper, penetrated the Israeli market in 2007 and aggressively managed to conquer the charts with the highest circulation figures in the country. To attract a larger readership, the paper exhibits a light and concise writing style in colloquial Hebrew, which deals with a variety of topics ranging from current affairs and economics to culture, sports and gossip. Founded and exclusively owned by the late American-Jewish tycoon Sheldon Adelson, Israel Hayom (meaning “Israel Today”) never concealed its right-wing inclinations. However, it slowly became crystal clear that the paper has been actually serving then-PM Netanyahu, especially his election campaign in 2009.[38] In 2013 the investigative journalism program The Source, produced by Raviv Druker, a leading critical journalist, revealed the depth of the relationship between Adelson and Netanyahu.[39] The program showed how far the editor-in-chief of Israel Hayom would go to attack critics of Netanyahu and his family. The booming success of this populist newspaper and the ongoing right-wing radicalization processes of the Israeli public (alongside recurrent re-elections of PM Netanyahu), could be sociologically interpreted as highly correlated.

Yedioth Ahronoth Group is a media powerhouse that encompasses magazines, newspapers, news portals and lifestyle websites, publishers and printing houses.[40] Calcalist, its financial publication, is the most read financial newspaper, partly thanks to the Yedioth Ahronoth’s circulation volume. Yedioth Ahronoth newspaper, the flagship asset of the group, was first published in 1939. Until Israel Hayom’s launch, in 2007, it enjoyed the highest exposure rates and influence in the country. The newspaper’s publisher, Arnon (Noni) Mozes, a third generation to the newspaper private ownership, is a controversial figure for his allegedly corrupt journalistic

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[38] Oren Persico, "At Avigdor’s yard," The Seventh Eye, 10 February 2009, available online (in Hebrew) at https://www.the7eye.org.il/27356 (accessed on 29 October 2019).
[39] The Source on Channel 10, 4 February 2013. See also: David Avraham, "The Source" investigation: This is how Israel Hayom’s system works, Walla, 5 February 2013, available online (in Hebrew) at https://b.walla.co.il/item/2613762 (accessed on 28 October 2019).
[40] In October 2020, it was announced that Yedioth’s Pnai-Plus, the leisure and culture weekly and also its XNET lifestyle portal would close by the end of the year. The closure of both was against the background of the acute economic crisis caused by the competition with the freebie Israel Hayom, and the repercussions of the COVID-19 crisis.
norms. His involvement in Case 2000 bribery allegations with then-Prime Minister Netanyahu is now under court investigation.[41]

Haaretz newspaper, part of the Shoken group, is comparable to the elite print publications in Western countries (such as the American New York Times or the French Le Monde). Founded in 1919, it is the oldest operating newspaper in Israel. It is printed on large pages with minute scrutiny to serious analysis of newsworthy topics. The newspaper is known for its left-leaning and liberal positions on domestic and foreign issues. Together with The Marker, its liberal and progressive financial offshoot, the two newspapers are perceived to set the journalistic agenda in the country.

Maariv newspaper had gone through many upheavals through the years. Its inception in 1948 by Azriel Karlibach and a group of retired Yedioth Ahronoth journalists, had followed a chain of market “rescues”: starting with its salvage, after a first downfall in the late 1980s, by the media tycoon Robert Maxwell and his Mirror Holdings, to be followed later by the millionaire Ofer Nimrodi (who got involved in criminal cases in wiretapping and industrial espionage in the media market), and eventually by Eli Azur (owner of Jerusalem Post Group). Nevertheless, Maariv remained a key player in the Israeli media landscape. During the 1990s Maariv enjoyed rather high popularity keeping close pace with Yedioth Ahronoth. Its second downfall began in the early 2000s when it was faced with financial hardships and popularity erosion that was about to peak upon launching the new freebie Israel Hayom.[42] Since 2014 the newspaper has been in the hands of Eli Azur, owner of several media assets ranging from radio stations to a sport agency. Azur publishes Maariv Haboker as a free-of-charge paper and the weekly Sofshavua.

In 2020, Israel Today continued to lead with an annual exposure rate of 23.7%, reflecting a decline of 23% compared to 2019.

In the weekend press segment, the power balance between the newspapers was broken, and Yedioth Ahronoth took the lead over Israel Hayom. The exposure to Yedioth Ahronoth over the weekend in annual terms was 27.1%, compared to 24.8% for Israel Today. In annual terms, the decrease of Yedioth was 12%, and Israel Hayom 20%.

Haaretz also reported a decrease in 2020 exposure: from 4.9% to 4%, reflecting a decrease of 18%.

Exposure rates to the economic press were also on a downward trend, with Calcalist being the main victim, recording an annual decline of 14%, from 11.1% to 9.6% exposure rate. The Marker records an annual decline of 6%, while Globes records a decline of only 2%.[43]

Readership preferences

Most popular daily newspapers in Israel, 2018

<table>
<thead>
<tr>
<th>Publication</th>
<th>Director</th>
<th>Editor-in-chief</th>
<th>Circulation</th>
<th>Midweek Exposure Rate 2018</th>
<th>Publisher</th>
<th>Ownership</th>
</tr>
</thead>
<tbody>
<tr>
<td>Israel Hayom*</td>
<td>Amir Finkelstein</td>
<td>Boaz Bismuth</td>
<td>175,000**[44]</td>
<td>29.0</td>
<td>Miriam Adelson</td>
<td>Media LLC Israeli (100%)</td>
</tr>
<tr>
<td>Yedioth Ahronoth</td>
<td>None***</td>
<td>Neta Livne</td>
<td>n/a</td>
<td>25.7</td>
<td>Yedioth Ahronoth Group</td>
<td>Mozes Family (85.8%), Baron-Fishman Communications (14.2%)</td>
</tr>
<tr>
<td>Maariv Haboker*</td>
<td>Tzachi Shoaka</td>
<td>Golan Bar Yosef</td>
<td>130,000e</td>
<td>4.1</td>
<td>Jerusalem Post Group</td>
<td>Eli Azur</td>
</tr>
<tr>
<td>Haaretz</td>
<td>Rami Guez</td>
<td>Aluf Ben</td>
<td>110,000</td>
<td>4.7</td>
<td>Haaretz Group</td>
<td>Schocken Family (60%), M. DuMont Schauber (20%), Leonid Nevzlin (20%)</td>
</tr>
<tr>
<td>Maariv Hashavua</td>
<td>-</td>
<td>Doron Cohen &amp; Golan Bar Yosef Eds.</td>
<td>150,000e</td>
<td>3.0</td>
<td>Jerusalem Post Group</td>
<td>Eli Azur</td>
</tr>
</tbody>
</table>

Financial newspapers

<table>
<thead>
<tr>
<th>Publication</th>
<th>Director</th>
<th>Editor-in-chief</th>
<th>Circulation</th>
<th>Midweek Exposure Rate 2018</th>
<th>Publisher</th>
<th>Ownership</th>
</tr>
</thead>
<tbody>
<tr>
<td>Calcalist</td>
<td>-</td>
<td>Yoel Esteron</td>
<td>n/a</td>
<td>9.9</td>
<td>Yedioth Ahronoth Group</td>
<td>Mozes Family (85.8%), Baron-Fishman Communications (14.2%)</td>
</tr>
<tr>
<td>The Marker</td>
<td>-</td>
<td>Guy Rolnik &amp; Sami Peretz</td>
<td>n/a</td>
<td>5.0</td>
<td>Haaretz Group</td>
<td>Schocken Family (60%), M. DuMont Schauber (20%), Leonid Nevzlin (20%)</td>
</tr>
<tr>
<td>Globes</td>
<td>Alona Bar-On</td>
<td>Naama Sikuler</td>
<td>n/a</td>
<td>4.8</td>
<td>Globes Publisher Itonut</td>
<td>Monitit Group: Alona Bar-On (50%), Anat Agmon (50%)</td>
</tr>
</tbody>
</table>

Note: all the newspapers in the table have nationwide coverage;
*distributed free-of-charge;
**according to Israel Hayom own data for weekdays;
***Mozes did not appoint a director to the newspaper, dispersing management responsibilities among VPs;
e: estimate from The Marker;
n/a: not available
Source: CMDS research with data from Kantar Media TGI 2018 (for exposure rate)

Online News

With 82% of the Israeli population connected to the internet and a dramatic annual increase in internet users since January 2018, there is a growing need and desire for consuming content through digital media. News portals, social media sites and content sharing sites including Facebook, Google and YouTube, text messaging apps like WhatsApp, Video-on-Demand (VOD) platforms, torrent download sites, and software such as Popcorn Time and Kodi are growing in popularity. Working around the clock, “all things digital” are available through countless devices at home or on the go.

This decentralized feature of the internet provides a much higher exposure to content distributed through digital platforms, which consequently attract increasing ad revenues. Nevertheless, along with advertisers, politicians use the power embedded in digital platforms: virtual masses are converted into consumers of ideas and sentiments and provide a fertile ground for political influence and manipulation.

Most news portals in Israel show growing weekly exposure, but media groups tend to dominate the segment. The ten most popular news portals are all offshoots of larger media outlets, be they leading Israeli newspapers (such as Ynet and Haaretz sites) or commercial television channels (such as Mako of Keshet 12 and Reshet-TV of Reshet 13). Walla!News is the only unicorn that started as an autonomous website and was subsequently bought by Bezeq, an Israeli telecommunications giant that controls along with other telecommunication infrastructures the Israeli landline market. Bezeq also owns Yes TV, the sole direct broadcast satellite television provider in Israel.
### Online pastimes

**Most popular news sites in Israel, by exposure rate, 2018-2019**

<table>
<thead>
<tr>
<th>Website</th>
<th>Weekly exposure rate</th>
<th>Number of users (in ,000)</th>
<th>Operating company</th>
<th>Owner</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>H2 2018</td>
<td>H1 2019</td>
<td>H2 2018</td>
<td>H1 2019</td>
</tr>
<tr>
<td>Ynet</td>
<td>43.5%</td>
<td>46.1%</td>
<td>1,929</td>
<td>2,044</td>
</tr>
<tr>
<td>Walla!</td>
<td>36.6%</td>
<td>32.4%</td>
<td>1,624</td>
<td>1,438</td>
</tr>
<tr>
<td>Mako</td>
<td>16.2%</td>
<td>16.3%</td>
<td>717</td>
<td>725</td>
</tr>
<tr>
<td>Israel Hayom</td>
<td>9.8%</td>
<td>11.5%</td>
<td>436</td>
<td>508</td>
</tr>
<tr>
<td>Reshet13</td>
<td>8.0%</td>
<td>9.0%</td>
<td>656</td>
<td>401</td>
</tr>
<tr>
<td>Globes</td>
<td>7.7%</td>
<td>8.0%</td>
<td>640</td>
<td>356</td>
</tr>
<tr>
<td>The Marker</td>
<td>7.4%</td>
<td>7.2%</td>
<td>328</td>
<td>321</td>
</tr>
<tr>
<td>Calcalist</td>
<td>6.1%</td>
<td>6.6%</td>
<td>272</td>
<td>292</td>
</tr>
<tr>
<td>Haaretz</td>
<td>5.6%</td>
<td>5.9%</td>
<td>247</td>
<td>259</td>
</tr>
<tr>
<td>Maariv</td>
<td>4.5%</td>
<td>4.9%</td>
<td>199</td>
<td>216</td>
</tr>
</tbody>
</table>

Note: weekly exposure to news portals (H2: second half of 2018, H1: first half of 2019).
Source: Courtesy of Kantar Media Israel and Ifat Media Analysis
The Israeli local media market seems at first glance to be a vibrant and diverse public sphere, with dozens of media outlets satisfactorily covering cities and regions. Yet, looked up-close, this is not entirely the case.

First, local television broadcasting hardly exists. There is some community footage and programs on cable television that fill the local vacuum only partially, but this is unrecognized by the Israeli Government Press Office (GPO).

Second, local print media passed their golden age of the 1990s when they used to be influential, inquisitive, able to drive the agenda and pioneering provocative and controversial coverage of topics of local and even national relevance. Since the early 2000s, local print media have been losing the journalistic momentum, becoming a center of dispute between those who think they still bear significance to local communities and those who see these publications as nothing else than advertising brochures. Some contend that the local print newspapers are actually extinct. According to other experts, the fact that these publications are being handed out free-of-charge in distribution points, pigeonholes or attached to nationwide publications does not mean that they are insignificant.

Although a multitude of different publications is circulated in each town, the main local magazines are affiliated with big media networks like Yedioth Ahronoth, Maariv or the Shoken group (Haaretz). Usually they are attached to and distributed with their nationwide “parent” publications, within the weekend edition. The Yedioth Ahronoth group runs a network of 27 local magazines (covering most of the country) from which Yedioth Jerusalem and Yedioth Negev are the only ones sold at newsstands, with the rest being freebies. Maariv runs the production and distribution of four freebies, and the Shoken group (Haaretz) publishes seven major publications in 14 local versions and distributes them for free through various sales points.

[45] GPO operates on behalf of the Prime Minister’s Office. Its responsibilities include facilitating appropriate media coverage of key factors in Israel and issuing press cards for permanently stationed and visiting journalists and other media personnel (see more details in the Government and Regulation chapter of Media Influence Matrix: Israel). On the community broadcasts one can watch end-of-year parties of the city high-schools or new cultural productions in the city’s community center, for example. (Interview of the author with Orna Adelberg Kasher, Head of Hebrew language media department at GPO, 28 November 2019.)


[47] Interview with Nati Tucker, cit.

[48] Interview with Nati Tucker cit.; See exchanges at the closing panel of the Local Media Conference in Jerusalem, 26 April 2018, organized by GPO. The Panel was recorded and is available online at: https://www.facebook.com/GovernmentPressOffice/videos/2030748500287380/ (accessed on 15 April 2020).

[49] Other ownership models for the local press are either independently owned newspapers (like the Russian Negev Info), or papers that are part of a local publishing network (such as the Local network and portal, www.local.co.il).

[50] Sale price: ILS 5.70 (Negev), ILS 6.80 (Jerusalem), alongside free distribution among the nationwide newspapers’ subscribers (according to location).

[51] Distributed to residents’ post boxes, and in public places within: Tel Aviv, Givatayim and Ramat-gan, Petah-Tikva and Be’er-Sheva.

[52] Interview with Orna Adelberg Kasher, cit.
These newspapers seem to be first and foremost economic ventures, designed to produce revenues for their “parent” national newspaper by attracting local advertising money.\[53\] Their evolution, starting in a printed billboard format, then gradually adding city services content, up to their formation as an independent reporting body, indicates the cautious balance needed in their working environment: from the outset, local media outlets are more exposed to economic impact, considering the close vicinity and potential friction points with those locality members whom they cover. Given the scarce resources available to them and the financial expectations of their “parent” media network, their birth as economic enterprises raises a constant conflict of interests with the advertisers they cover, be they private businesses, municipalities, or mayors themselves.\[54\] A recent example was the conviction of the former mayor of Ashkelon, Itamar Shimony. In November 2019 Shimony was accused of corrupt relations with a businessman that among other faults bought a local opposition newspaper and a website just to shut them down the following day because of their negative coverage of Mayor Shimony.\[55\]

Third, in line with the global trend of shrinking print media, Israeli local press is also in constant withdrawal, which leaves the floor open for digital forms of local communication to step in. In practice, local social media and content sites are now available online, including blogs, forums, and Facebook groups that provide all sorts of local information. Some of these media define themselves as newspapers but are not committed to the ongoing supply of news content, despite addressing local needs. Thus, they pose competition to the established digital news and print local media.\[56\] Therefore, the GPO set up an advisory public committee that updated the rules for digital media certification.\[57\] (For more details see the Government and Regulation chapter in Media Influence Matrix: Israel.)

There are three types of digital journalism at local level in Israel: 1) The complete digital copy of printed local newspapers; 2) The internet version (website) that operates alongside the printed

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[53] Yair Levy, "מקומימשבר (Local Crisis), The Seventh Eye , 1 January 2005, available (in Hebrew) at https://www.the7eye.org.il/29411 (accessed on 28 November 2019). For example, 32 out of the 56 printed pages (57%) of the 2 January 2020 edition of Haifa Kolbo newspaper consisted of advertisements and marketing content.


version. The former is produced by the paper’s journalists and use the newspaper’s headlines, but constantly updates and shares online interactive content with the readers; 3) A digital platform that is published independently without a link to any printed version.[58]

The digital media that is focused on local issues, like the local print media, are economically driven. They are targeting for revenue some local shopkeepers, insurance agents, mechanics, restaurateurs and other small to medium-sized advertisers, for whom the cost of a national newspaper ad is unaffordable (and that do not need national exposure anyways).[59]

Fourth, local communities are also served by 16 commercial regional (and sectorial) radio stations that are run by private owners, and have been in operation since the mid-1990s. They are regulated by the Second Authority for Television and Radio.[60] While these radio stations claim to have solid and loyal local listenership in certain geographic regions, their ad revenues are insignificant, forcing them to rely on large nationwide ad campaigns.[61] They are notoriously susceptible to intrigues and corruption due to too close relations between local political figures and the stations’ owners.[62] The late Danny Nishlis, owner of Radio Haifa, was also a member of Haifa’s city council and his family members were connected professionally to Haifa’s municipality.[63] David Ben Basat, owner of two radio stations (with three frequencies, one of which is used to reach Russian listeners), is also well connected politically and gives disproportionate exposure to politicians on his radio channels. It is also known that some of the municipalities give radio stations various privileges such as discounts on taxes and other procedural benefits.[64]

Finally, local media in Israel have been characterized by two simultaneous processes: a continuous increase in the number of media channels and platforms in parallel with a decrease of the number of owners controlling these channels. Consequently, numerous friction points arise around political and financial interests. Both processes have profound implications for media diversity and pluralism.[65] Another common problem faced by all local media in Israel including print, online and radio is the decline in production of local content (which is the raison d’être of these media in the first place). Financial hardships and manpower cuts make these media dependent on content produced in the main offices of their media networks, which are usually based in Tel Aviv, and syndicated to all regional media, a process which leads to a significant decline of local news output.[66]

[60] A total of 12 regional stations broadcast to geographically designated audiences; three sectorial stations broadcast to religious, orthodox and Arabic audiences; one station broadcasts to Judea and Samaria region.
[61] Interview with Nati Tuker, cit.
[62] Interview with Nati Tuker, cit.
[64] Interview with Nati Tuker, cit.
Funding Trends

Television

Television in Israel continues to be funded primarily by advertising, its business model drawing almost entirely on ad sales. As of 2019, commercial television in Israel has been confronted with great challenges. The merger of Channel 10 and the Reshet franchise in late 2018, which shrank the commercial television sector from three to two large players, made economic sense, allowing television channels to improve their business by pulling in more ad revenue. On the other hand, the entry of over-the-top (OTT) media streaming services such as the American-owned Netflix and Amazon Prime, which are aggressively marketed by Partner and Cellcom TV, Israel’s largest telecommunications companies, is expected to harm the ratings of commercial channels in the long run. Partner TV, for example, is planning to introduce a targeted advertising system for its clients, which is likely to take away some of the ad revenue from commercial television channels.

These shifts, largely triggered by the technological changes, are eroding the traditional business model for television, which is about to resemble more the business dynamic of digital media. Advertisers, who already use techniques and technologies to target more accurately their audiences on digital media, will most likely strive to switch to a similar model on television. Israeli television is thus expected sooner or later to embrace "programmatic advertising." Until then, it will try to diversify its sources of revenues, adopting result-driven models of payment, or enter into media partnerships with potential clients.

The year 2018 was a year of reckoning when pessimistic forecasts about media proved right: the Israeli advertising market cannot sustain three broadcast channels, seven days a week. Thus, the attempt to divide the broadcast frequency spectrum led to the merger of the two major channels. Following this process, the Kesht franchise stood out in 2018 with a 30% increase of its audience share (that obviously led to higher ad income). In contrast, the merged Channel 10 and Reshet franchise had a difficult 2018: Channel 10 lost about a third of its market share; Reshet’s audience also shrank. Notwithstanding these dramatic restructuring processes, the Kan 11 public channel had a rather good year. It doubled the number of sponsorships and the Gross Rating Points (GRP), compared with 2017, thanks in part to the World Cup and the Eurovision Song Contest, events for which it had a monopoly on broadcasting rights. Channel 20 and Channel 9 also showed growth in their GRP that year.

[67] Interview of the author with Talma Biro, CEO of Israeli Marketing association, 11 November 2019
[68] A technology-automated and data-driven method of buying and delivering ads against television content. This includes digital television ads served across the web, mobile devices, and connected TVs, as well as linear television ads served across set-top boxes. See more at https://www.thinkwithgoogle.com/marketing-resources/programmatic/evolution-of-tv-programmatic-tv/ (accessed on 15 April 2020).
[69] A model that includes extra fees for successful campaigns that television broadcasters collect from advertising companies, based on a priori fixed criteria: Racheli Bindman, (Reshet wants a share of the advertisers revenues), Calcalist, 28, January 2019, available online at https://www.calcalist.co.il/marketing/articles/0,7340,L-3755097,00.html (in Hebrew) (accessed on 2 November 2019).
[70] Such partnerships materialize when a broadcaster partners with an advertising company or even with a commercial company in another market (be it food, cosmetics or pharmaceuticals). The CEO of the Israeli marketing association, Talma Biro, stressed that such forms of partnership are rather remote option in the Israeli media market, but worth keeping in mind the potential such models have.
The television market in Israel lacks financial transparency. Companies do not release financial data and there is no public registry that would collect and publish this information.

What is known though is that television is not a lucrative sector. The main television channels in the country are loss-incurring companies. In 2018, Keshet Media Group, Channel 10 and Reshet Media incurred losses upwards ILS 190m (€49.1m) combined. That is a strong indication that owners of television companies do not see their media as businesses, but rather as tools to pursue some of their other interests.

The value of the company running Keshet was ILS 90m (€23.3m) in 2018, according to documents related to a lawsuit in which Keshet was involved. The same documents show that Keshet’s shareholders consider the company a “reward property,” which means an asset whose holder has non-economic benefits, similar to investments in a football team intended solely for entertainment or influence purposes.[71]

### Net earnings of main television operators, 2017-2018

<table>
<thead>
<tr>
<th>Year</th>
<th>Keshet Media Group</th>
<th>Channel 10</th>
<th>Reshet Media</th>
</tr>
</thead>
<tbody>
<tr>
<td>2017</td>
<td>-117.6 ILS m</td>
<td>-30.4 € m</td>
<td>-30 ILS m</td>
</tr>
<tr>
<td>2018</td>
<td>-40 ILS m</td>
<td>-10.3 € m</td>
<td>-50 ILS m</td>
</tr>
</tbody>
</table>

n/a: not available

Source: CMDS research based on data from public records

### Radio

Like television, radio relies on advertising to cover its operations. In 2018, the total ad revenues generated by the radio sector increased by an impressive 20% year on year, mainly thanks to a solution to a technological problem that had occurred a year earlier at the public radio Kan. In 2017, Kan moved its account from the advertising agency Shapam to Target Spirit, a competitor. During the transition, a malfunction in the public radio information systems prevented Kan to sell ads for nearly two and a half months, leading to a decline of 18% in the overall ad sales.

Radio has a relatively stable business model, anchored in advertising. Because it is an effective medium preferred for promotional and basic advertising at a reasonable cost, radio offers numerous options for advertising and sponsorships broadcasts.

Like television companies, radio operators do not publish data about their economic performance.

**Print and Online Media**

The year 2018 was a challenging year for the Israeli print media. It saw a double-digit decline in sales of column-inches for major newspapers, journals and local magazines. In a move to generate revenue and cut expenses, newspapers continued to offer bonuses and discounts to advertisers while some of them slashed the number of their pages.

Similar to what is happening in the entire western world, the print media sector in Israel is faced with a massive decline in readership and advertising. That has prompted most of the country’s publishers to focus more on the internet as way to recoup some of the losses suffered from print. Nevertheless, 2018 was not a rosy year for the digital platforms run by newspaper publishers. Direct media buying of “display ads” decreased by a similar rate to the decline in print advertising.

Faced with the crisis of their traditional business model and inspired by experiences elsewhere, publishers in Israel have also been experimenting with other forms of monetization, paywalls being one of them. To date, the paywall model has worked best in two cases: high-quality newspapers that feel confident about the added value they create for their readers, and professional journals that are used for people in their work. The newspaper that pioneered paywall in Israel was Haaretz. In mid-2012, it introduced a paywall function on its English website, followed in 2013 by its Hebrew website. In mid-2018, the website of the business newspaper The Marker was also put behind a paywall.

One of the biggest challenges related to paywalls that publishers have been faced with is the need to “educate the market” and convince readers to pay for online content, which has been available for some 20 years free-of-charge. Attitudes to paying for online content differ by age groups. Older people prefer to buy the daily newspaper whereas younger consumers subscribe to the weekend edition. Digital subscribers make the youngest age group. Thus, experts believe that each product of the publishing houses targets different audiences, and that the digital platform is not a perfect replacement for print but complements it in many aspects.

The future of the paywall model remains a controversial topic among professionals. Some of them believe that customers will grow accustomed to paywalls while others contend that, with limited financial resources, the average user will have to choose between multiple paid platforms, which will have a detrimental effect on revenues.

In Israel only three online news media have applied the paywall model to date. Haaretz Group reached in 2020 a high record (for Israeli standards) of 72,000 paying digital subscribers for all three of its digital products: Haaretz in Hebrew, Haaretz in English, and its financial brand The Marker. Lior Kodner, Managing Editor & Chief Digital Officer of Haaretz said that the websites of the Haaretz Group are visited by 11 million to 14 million people a month. Nearly 70% of them are mobile users. Kodner also revealed that, for the first time, in 2019 the revenue from digital subscriptions was higher than digital advertising revenue. One of the benefits of subscription

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[72] Internet media buying is the purchase of audience-targeted time and advertising space to convey a marketing message online. It is based on negotiating the price and location of digital ads for optimal exposure and results.
revenue is that it gives the media outlet stability. Yet, Kodner said, digital subscription revenue cannot be yet relied upon to cover the costs related to the entire Haaretz group’s operations. If the number reaches 100,000 digital subscribers (including the weekend newspaper), Haaretz will be able survive financially. The transparency of Haaretz’s browsing data is highly exceptional in Israel. All its competitors regard such data as a trade secret.

In February 2019, Ynet adopted the paywall model with its premium digital product Ynet Plus, which gives access to extra interviews, reviews, op-eds and articles alongside the free running Ynet website. Paid subscription also gives access to some articles that appeared in the print version of Yedioth Ahronoth.[73]

Yomyom in Eilat (Daily in Eilat) is the first local news site in Israel to establish a paywall based on subscriptions.[74] The new website went live on 6 January 2020. The newspaper’s archives and some of the latest site content are accessible upon payment. All the content on the website is to be gradually put behind the paywall. The website is updated on a daily and weekly basis.

**Paywalls in Israel**

*Offering of the three main subscription-based news portals in Israel*

<table>
<thead>
<tr>
<th>Portal</th>
<th>ILS</th>
<th>€</th>
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<tr>
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<td></td>
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<tr>
<td>Digital Haaretz (Hebrew) + The Marker (monthly)</td>
<td>70</td>
<td>18</td>
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n/a: not available  
Source: CMDS research

In addition to the mainstream media, Israel saw in the past decade the appearance of several new media initiatives, some of them being a reaction to Netanyahu’s return to power as Prime Minister for four consecutive terms. Because of Netanyahu’s obsession with controlling the media and his bold attempts to influence public opinion,[75] some of these new initiatives looked for alternative funding and distribution models and, above all, thronged to show a deep commitment to the public rather than to publishers, politicians and corporate funders. In the

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poisonous atmosphere created by the links between politics, capital and media, which climaxed in the 2019 indictments against Netanyahu, new journalistic projects popped up.

One of them is Zman Israel,[76] a new digital news website of the Times of Israel group that was co-founded in 2012 by journalist David Horowitz, former editor of the Jerusalem Post, and billionaire Seth Klarman who has an estimated fortune of US$ 1.5bn. Klarman is an American businessman specializing in investment management and hedge funds. He is considered, alongside Warren Buffett, one of the biggest value investors of our times. The fund he manages has US$ 31 billion worth of assets. At the launch of the Times of Israel, Klarman declared that he would not interfere with the journalistic policies of the website, and that any profit he would make from the venture would contribute to the citizens of Israel. Politically, Klarman has previously supported Republican Party candidates in the United States, but in 2016 he contributed to Hillary Clinton’s campaign while personally criticizing Donald Trump. Later he announced his support for Republican candidates, and in the last election for the U.S. Congress he contributed to Democratic candidates.

The main media venture of the Times of Israel group is the “parent” English-language news website the Times of Israel that is catering to the global Jewish audience. It is published also in Persian, French and Arabic versions. According to SimilarWeb, an analytics company, the Times of Israel has a greater number of visitors than its competitors, Haaretz in English, and the Jerusalem Post.[77] In media circles it is perceived as a newspaper with journalistic backbone that is not skewed to the interests of politicians or corporations from Israel or abroad. Zman Israel, its Hebrew extension, addresses the general Israeli public. It is the first online newspaper entering the press market in over a decade.[78] The last time a Hebrew language media outlet with such a strong financial backdrop was launched in Israel was in 2007 when Sheldon Adelson (whose fortune is an estimated US$ 35bn) founded Israel Hayom. Both Zman Israel and the Times of Israel draw their income from advertising.

Other independent media projects have sprouted in Israel, some with an ethical message that stresses how their funding resources differ from mainstream media. These outlets are rather based on crowdsourcing, voluntary work, institutional international donations, paid memberships, project-based funding, and their own private capital (that comes with transparency around financial resources and their owners’ agendas).

The four most influential among the dozens newly emerged media initiatives have a loyal body of followers and are significant in setting clear benchmarks to the quality of Israeli journalism. Most of the alternative media outlets are registered as NGOs and some function as independent newspapers. They have relatively small budgets, staff and digital traffic but manage to produce relevant investigative stories.

The Seventh Eye is a leading independent and investigative magazine, and the only one devoted entirely to journalism, media, freedom of speech and transparency. It was founded in 1996 as a journal but was closed and relaunched as a website in 2008. Its staff and contributing writers publish exclusive news, views, analysis and investigative reporting on a daily basis.

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[76] Literally translates from Hebrew as “the time of Israel”.
[78] Channel 20 is yet another new player, but in the television market. Channel 20 fostered a pro-Netanyahu, right-wing agenda that supports the ongoing ruling regime, partly as a reaction to the backlash of democratic media streams that began to flow undersurface. (See more about Channel 20 under Television in Key Players in this report.)
As the media market consists mostly of privately owned enterprises that are exempted from disclosing financial or business information, The Seventh Eye plays a significant democratic role in shedding light on these dark corners, covering otherwise ignored firms, interests, media groups, and financial data. According to their legal counsel, Elad Man, The Seventh Eye’s sources of funding are always publicly available.[79] Their 2018 income amounted to ILS 790,000 (€205,000), which came mainly from readers’ voluntary donations on the website, the New Israeli Fund donation (about a third of their yearly budget), online sales of The Seventh Eye T-shirts and Media Ownership maps, and fees for participation in thematic seminars and conferences organized by the outlet. They also organize seasonal crowdfunding events (i.e. rock concerts) or campaigns.[80] In 2018, they netted ILS 18,718 (€4,860).

Shakuf (reads: Transparent) presents itself as a public-owned journalistic body, the first media project in Israel that is wholly and directly owned by the public, and acts upon its direction. Shakuf was established by journalist Tomer Avital and works to promote transparency and reduce corruption among lawmakers and in Israel’s executive bodies. The project is focused on conducting investigations and activating private investigators to promote transparency and reveal hidden interests and financial connections. The project publishes information about the Knesset members from all over the political spectrum.[81] In 2018, it had a budget of ILS 519,478 (€134,000) and losses of ILS 43,294 (€11,228).[82]

Shakuf is the result of a merger between the 100 Days of Transparency and the Investigations Fund, which operated as separate entities until 2018. Upon completion of the merger, Shakuf became a media outlet that operates based on the full economic support of its proponents, and on an editorial policy model where their supporters vote for the topics to be investigated. It does not take ad revenues or government money. All its funding comes entirely from individuals whose contributions cannot exceed ILS 1,000 (€250), a limit that is aimed to prevent dependency on one funder. The constant supporters (with whatever monthly funding sum) are considered Shakuf’s publishers. They are the ones who determine the topics for investigation and areas of coverage. Shakuf has some 1,600 financial supporters a month who transfer monthly, via direct debit, a total of ILS 62,832 (€16,300) combined.

In September 2020, The Seventh Eye and Shakuf have announced their unification, which will operate according to the “publishers’ model”: full reliance on public support “from the first to the last Shekel”. [83]

The Hottest Place in Hell (reads: HaMakom) is an acclaimed award-winning news and op-ed-independent website that focuses on current social topics. It is in the journalistic forefront of issues such as #metoo, police brutality, social inequality, racism and labor rights. Their journalistic coverage relies mainly on a female workforce, and they are committed to expose systemic corruption and to amplify marginalized voices of society.

[80] Li-or Averbach, “פעילותו להננציח ישים 170,000 שקל תרומותינויים filament“ (The Seventh Eye mobilized 170,000 ILS, to promise continuation of its activity), Globes, 28 April 2015, available (in Hebrew) at https://www.globes.co.il/news/article.aspx?id=1001031260 (accessed on 2 October 2019)
[81] Nir Ben Zvi, Shakuf’s president spoke at a roundtable discussion at the First Independent Journalism conference, organized by The Seventh Eye, on 30 November 2018.
The website was launched in 2013 by journalist Einat Fishbein, after leaving Yedioth Ahronoth, and Irit Dolev, who created and edited television series on Channel 2, and produced the flagship current affairs program on the popular GLZ public radio station (Ma Bo’Er). Its business model is based on self-investment from the publishers and crowdsourcing. It manages an annual budget of ILS 1.2m (€310,000). Since its foundation, the site has managed to raise the equivalent of 25% of its annual budget from readers through seasonal campaigns,[84] sales of logo-ed merchandise,[85] and a monthly subscription model. The website collaborates with similar independent websites such as The Seventh Eye and +972.

**Local Call** (reads: *Sikha Mekomit*) is a Hebrew-language culture, news and commentary site that is run by a team of journalists and photographers. It is an activist left-wing initiative that is committed to democracy, peace, equality, social justice, transparency, freedom of information, and known for its bold resistance against the Occupation. They proclaim reporting without serving any party, political movement or social platform.

It was co-founded in 2014 by three groups: the popular +972 website in English, which has been operated since 2011 by a group of Israeli and Palestinian bloggers and activists; The Just Vision organization, which produces documentary films and media content related to the Israeli-Palestinian conflict; and the ActiveStills Collective, a group of press photographers, documenting happenings and life stories in Israel and the Palestinian Authority.

The website is trying to build a business model based on a variety of financial sources.[86] Thus, in 2018 the whole operation was running on a budget of ILS 1.97m (€510,970), coming from crowdfunding (ILS 732,000), advertisements (ILS 3,400) and donations (1,971,000).[87] Their 2018 yearly profit was ILS 34,735 (€8,182). Local Call and +972 seem to have the highest volume of donations among all the Israeli independent websites.[88]
current affairs and news production) has 455,000 viewers daily (from the general population). It is a very influential outlet among decision-makers, politicians and the general public.[90]

Much of the investigation in the criminal cases against then-PM Netanyahu (and his interventions in the media) was documented and reported in this news program, mainly by Guy Peleg, an acclaimed investigative journalist. Netanyahu, who for years has had a love-hate relationship with the media, but also developed a long antipathy towards Keshet called on people to boycott the channel and criticized its managers. Netanyahu labeled Peleg’s reports as “fake news”.[91]

News 12 has a digital presence in two formats: in the news section of the third most popular Mako portal (16.3% exposure in the first half of 2019), which is a general content website of the Keshet 12 group; and in a dedicated News 12 app. After finally establishing its position as the top news company on television, News 12 set up a new goal, which is to become the leading news company in digital as well. For this purpose, it converted its old app into a new website called N12, which is set to become a significant digital platform that would effectively compete with Ynet, the largest news portal in Israel today.[92] On 25 March 2021, the site was launched.

Another notable influential news media actor is in the process of becoming a rating disaster. In January 2019, the defunct Channel 10 and Reshet owners (the old partner of Keshet in the News Company) were merged into Reshet 13. Channel 10, considered to have significant expertise in current affairs and known for being critical and oppositional, said farewell to its viewers and merged into a rebranded news company, News 13. During the first days after the merger, the evening newscast was losing in the rating charts to Keshet 12, albeit in minor steps. But in the following five months, the gaps grew significantly until its ratings almost matched those of Kan 11, the less popular public outlet. It seems like the complex challenge of maintaining News 13 identity as a biting and critical news company alongside achievements in the viewing tables, is yet to overcome.[93] Failure to achieve these targets will be pricey for the Israeli public as well.

Kan News is the name of the news division of the IPBC. The division was formed to provide news content to the digital platform, the television and radio stations of the public corporation. In its television segment, although the evening newscast grapples with low ratings (4%), IPBC’s executives insist that online news content receives much higher traffic. Indeed, the number of subscribers to the Kan News (on YouTube) exceeds 229,000 and the number of Facebook followers is close to 327,680, figures close to those of the evening edition of the commercial News 13.[94]

Kan, a newly born corporation, focuses on branding itself as a dynamic high-quality video broadcaster, and is in search of better impact measurement systems. The occasional warm acceptance of its productions by media critics brings about improved performance and increase

On radio, IPBC performs much better in ratings than its competitors. According to data from the TGI survey, released in July 2019, altogether, IPBC’s eight radio stations listenership rating adds up to 35.6%. IPBC’s flagship news station Kan Bet received more than 20% exposure in 2019 and 2020. It is the only station out of the eight that is produced under the news division. The rest of them are managed by the radio division. Kan Bet station broadcasts nationwide news and current affairs programs, which are very influential and listened in the Jerusalem circles among policy makers, Knesset politicians, and interested public. It is perceived as a reliable and high-quality broadcaster.

Other influential radio stations are the public, military-controlled, stations GLZ and Glglz, which are unique platforms for the following reasons: on the one hand, they represent a state-sponsored organization while on the other hand they maintain a tradition of high quality, pluralistic and reliable broadcasting, enjoying high popularity across all age groups. Glglz broadcasts music and traffic reports while GLZ is focused on news, culture, education, politics and current affairs. The combined listenership of the two stations reaches more than 43%. They share a news bulletin broadcast every hour.

One of the unique features of the military stations is their way of integrating regular service soldiers in content production in different roles, like narrators, reporters, editors, anchormen and more. IDF civil employees, who are respected and skilled journalists, are part of the professional staff. This combination has made the stations a “greenhouse” for journalists and media professionals who are integrated into civilian media and make successful careers. Several veteran journalists of the station have launched their own political careers. They include Merav Michaeli (Labor party), Nitzan Horowitz (Meretz party), former station commander Nachman Shai (Kadima and Labor parties), and Shelly Yechimovitch (Labor).

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In the print media, the two largest publishers, Israel Hayom and Yedioth Ahronoth are said to exert huge influence in politics, on public perceptions of democracy, and in the media market. The extent of their influence requires deeper investigation. The freely distributed Israel Hayom used to be very influential mainly thanks to its high circulation numbers and its reputation as a right-wing agenda promoter in the hands of the billionaires Miriam and the late Sheldon Adelson. Being the most popular tabloid in the country (29.4% of the public between July 2018 and June 2019) along with the bold support of the Netanyahu regime, based on the personal friendship of the Adelsons with the then-PM and his wife, Israel Hayom was a first-class influencer on public opinion, yet in a somewhat troubling manner. The friendship between the publisher’s patrons, the Adelson couple, and then-PM Netanyahu and his wife, had cooled down following the leaked quid pro quo deal between Netanyahu and Yedioth Ahronoth publisher Noni Mozes, to legally weaken Israel Hayom in return for more favorable coverage.

The Yedioth Ahronoth group, a media conglomerate, is also a very powerful player in the Israeli press, having dominated the readership charts for decades, until Israel Hayom penetrated the market (25.3% exposure between July 2018 to June 2019). Together with its popular news portal Ynet, Yedioth Ahronoth is a public opinion influencer with an irreplaceable reputation and technical capabilities of packing news in an attractive and digestible way. Nevertheless, the obsession of its publisher Noni Mozes to curb the sharp decline in revenue by fighting competition from other outlets or improving incomes through endorsing economic and political support pushed him to extreme forms of interference in the editorial work of his media. He thus nurtured an ethical environment in which hidden advertising and flattering content flourished, aimed to please large advertisers and powerful tycoons.[97] On top of that, in November 2019, the Attorney General Avichai Mandelblit announced charges against Mozes due to his involvement, with Netanyahu, in a corruption deal.

Haaretz newspaper and website (available to subscribers) is not on the influential media list because it lacks high circulation numbers. Yet, as a rather small operation (4.3% exposure rate, some 110,000 subscribers), Haaretz reaches out to many more people than what its circulation indicates. It is a declared left-wing agenda promoting newspaper whose op-eds, columns, reviews and articles are consumed by many politicians, academics, writers, and people in the Israeli cultural field. Traditionally it comes out in a broadsheet format and cooperates with the New York Times, being its exclusive distributor in the country. Haaretz enjoys the reputation of an intellectual, investigative, trusted news producer. It is proud of being an original, liberal voice, that shapes and promotes an independent public agenda based on values of respect for human and civil rights, cultural breadth, aspiration for peace, separation of state from religion and resistance to religious coercion.[98]

An influential online news media outlet (other than the websites of the largest newspapers discussed above), is Walla!News, the second most visited news portal in Israel (32.4%) after Ynet (46%), according to figures for the first half of 2019. Walla!News is known for its role in the criminal case 4000. At the center of this case is the suspicion that Netanyahu made important regulatory decisions in favor of the Bezeq Group in exchange for promises by Shaul Elovitch, the former controlling shareholder of Bezeq and Walla!News, that his media would provide sympathetic and positive coverage of Netanyahu and his family. In December 2020, the Attorney General announced his decision to summon Bezeq and Walla for a hearing before filing

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an indictment[99] The Elovitch-controlled media group was held by the main bank creditors until it was sold to cover its debts. In June 2019, a deal worth ILS 485 M (€121M) was signed, under which the Searchlight Foundation and the Forrer Family bought 75% of B Communications, that make 26.3% out of Bezeq shares.

### Arabic Language News Media

One of the systemic failures stemming from the political situation in Israel is the lack of representation of Arab citizens and Arabic language in the country’s mainstream media, as well as a weak representation of Arab media consumption preferences in the regular rating or exposure surveys.[100] A study on media consumption habits of the Arab society conducted between December 2017 and January 2018 by the Government Advertising Bureau (Lapam)[101] revealed that exposure to Israeli media in Hebrew and Arabic alike has decreased in favor of Arabic language media from the Arab World. The only Israeli medium, in fact, that grows steadily consists of websites in Arabic.[102]

The most popular Arab site after the global giants Facebook, Google and YouTube (90% exposure to each of them in Israel) is Panet, with about 50% exposure, the same as in past years, according to Lapam. Panet (abbreviation of Panorama Net) is a news portal in Arabic dedicated exclusively to the Arab population. Bassam Jaber is the owner of Panorama Group, the leading media group in the Arab sector, which includes the Panorama newspaper, the Panet website, the Hala-TV channel and Niswan Women’s Portal. The Lapam study showed Panet’s exposure rate was higher among women and among respondents who live in the central and southern regions of Israel.

Panet is followed by the Hebrew Ynet website with a 23% exposure rate and the Arab website Bukra with a 17% exposure rate. The audience of Bukra tends to be highly educated. In print, the Arab population goes for Hebrew-language newspapers. Yedioth Ahrnonoth led with about 22% exposure over the Arabic language Panorama (19%) and Kul Al Arab (16%). Only 12% of the respondents in the CBS survey were exposed to Israel Hayom, which, however, received among the general Arab public the same or even higher exposure rates than Yedioth Ahrnonoth. In East Jerusalem, the Palestinian newspaper Al-Quds (20%) led on Yedioth Ahrnonoth (15%), but surprisingly enough, the third place was taken by the Zionist right-wing Israel Hayom (6%).

On radio preferences the Arabic regional A-Shams station is leading (19%) over IPBC’s Arabic language broadcasting station Kan Makan (17%). Out of Hebrew language radio stations, Kan Bet (6%) led over the news military station GLZ, which got only 2% exposure.

In the realm of television, the old Keshet channel (before it turned to Keshet 12), was the most viewed one. Since Lapam studied only Israeli media outlets, it ignored the Arabic language satellite channels, which attract a large proportion of viewers in Israel’s Arab society.

[100] Although the Arab population accounts for some 20% of Israel’s population, the representation of Israeli-Arabs in daily news and talkshows across popular media in 2018 amounted to merely 2.9%, and in those only 16% were Arab women.
[101] The study was run by Nielsen Group and the New Wave for Lapam.
Russian Language News Media[103]

The great wave of aliya (Jewish immigration to Israel) from the Former Soviet Union (FSU), which began with the Union’s collapse at the end of the 1980s, led to a dramatic increase in the number of Russian speakers with specific cultural and economic preferences. In one year, between 1989 and December 1990, around 200,000 immigrants arrived, more than the overall sum of immigrants from the Union of Soviet Socialist Republics (USSR) who arrived throughout the entire 1970s (170,000 people).[104]

According to 2015 CBS data, some 45% of the Russian-speaking immigrants who arrived in the country from the 1970s have mastered the Hebrew language at intermediate and lower levels, and 53% barely read Hebrew. Moreover, some 75% of the 1.1 million people who arrived until 2019 still want to consume Russian-language content, regardless of their Hebrew languages skills. [105] Today, Russian language media consumers comprise more than half a million people. Nevertheless, they do not manage to financially sustain the Russian language outlets, which suffer major deficits.

The most influential Russian language outlets are the following:

- **Vesti**, a weekly newspaper of the Yedioth Ahronoth group, was considered the leading brand in the Russian press industry in Israel for about 26 years. Since early 2019 it entirely moved its journalistic activities to a digital platform and closed the printed version. Along with original content, it publishes translations of articles and columns written for Yedioth Ahronoth. Consistently, Vesti’s agenda has been promoting the Russian nationalist Knesset member, Avigdor Lieberman, and his right-wing party. The media group, controlled by Arnon (Noni) Moses, purchased in early 2015 the rival website Yazrus for ILS 100,000 (€24,000) and closed it without explanation two years later. One year after Vesti went exclusively digital, Yedioth Ahronoth’s Russian-language website recorded nearly 1.5 million unique visitors every month and more than 100,000 followers on Facebook.[106]

- **Novosti Nedeli** is a weekly newspaper from the Maariv and Jerusalem Post Group. Established in 1989, it includes original content, along with Russian translations of articles and articles from Maariv and the Jerusalem Post under the editorship of Leonid Blutzerkowski. The group’s owner, Eli Azur controls other weekly newspapers in Russian including Echo, Scarlet and Lauch.

- **Channel 9** is a Russian commercial television channel. Since it launched in 2002, it has been the only one of its kind in Israel. During most of its operation years, it suffered losses. In its early years, it was owned by oligarch Lev Levev. Today, it is controlled by Alexander Levin who has produced programs in Russia. (See more in Television under Key Players in this report)

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The Newsru news site is the Israeli branch of Newsru.com. Established in 2005, it is considered under Yevgeny Finkel’s editorship the most popular website among Israeli websites in Russian language. Its owner, Vladimir Gusinsky, previously owned the international television network RTVi, NTV channel, Russian newspaper Sevodnia and some of the shares in Maariv Newspaper. Gusinsky controls Newsru through the American Media New LLC Internet. In addition to news, the site also includes content on culture, entertainment and sports.

The Detaly News site was founded in 2017 by Leonid Nevzlin, a minority shareholder in Haaretz and publisher of the journal Liberal. Nevzlin owns 95% of the website’s shares, alongside his confidant Eric Wolf, who owns the remaining 5%. Under Emil Schlimovich’s editorship, the site operates alongside Haaretz, and translates original content specifically written for Haaretz.

Kan Reka Immigration and Integration Radio is a public station established in 1991 as part of Kol Israel (Israel Broadcasting Authority). It is now operated by the IPBC Kan. The station broadcasts current affairs in various languages, most notably in Russian.

Pervoe Radio is a commercial regional radio station, which was set up in 2001 and is available around the center of the country. The station mainly broadcasts popular music in Russian, but also current affairs programs. It is owned by David Ben Basat, owner of Radius 100FM and Radio Lev Hamedina.

KEY FUNDERS

Non-Governmental Funders

Advertising

Advertising continues to provide the lion’s share of income for the whole media industry in Israel.[107] Over the last decades, after the termination of state monopoly, the advertising sector has experienced constant growth. In 2018, advertising spending exceeded €985m, which was an annual increase of more than 4% compared to the previous year, according to data from Israeli Marketing Association.

The COVID-19 crisis, nevertheless, changed this rising tendency. In 2020 the advertising pie fell by 7% from 2019. Although it seems like a dramatic decline, relatively to the extent of private consumption drop in Israel, which fell by 10.1% in the first three quarters of the year, it is a moderate fall. Revenue from the advertising industry amounted to around €1.06 billion that year.[108]

[107] Interview with Liat Ziv, former Partner and Director of Strategy and Business Development at the Geller Nesis Publicis (now merged into Publicis Israel), May 2019
Although commercial television received high ratings along 2020 and won about 40% of the advertising pie, its revenues increased by only 1%. The media companies that suffered the hardest blow were radio stations, the print press and billboard companies - with a dramatic drop of tens of percent in their advertising volume. Above all the cinema segment, which was completely shut down for most of 2020 had suffered the most severe damage.

The most notable recent trend is the growth of the share of digital and television in the advertising pie, which together made up 82% in 2020, compared to 74 in 2019, leaving the rest of the segments with only 18% of the pie. Reshet 13 saw a significant increase in rating data especially during prime time when programs such as Big Brother and Survival were broadcast. The channel received high exposure, which was reflected in the sale of sponsorships.

The channels that have suffered the most were Channel 20 and Channel 24, with sharp declines in advertising budgets. Following the shutdown of the entire sports industry, the sports channels were also severely damaged in the first months of the pandemic closure, but upon returning to activity, they gained increased rating that allowed selling advertising and sponsorships.\[110\]

\[109\] See more at https://www.boi.org.il/he/Markets/ForeignCurrencyMarket/Pages/average.aspx (accessed on 25 October 2019).

\[110\] Refaella Goichman, 1 February, 2021, cit.
Digital advertising has been growing steadily in the country, driven first by the tech giants Google and Facebook, and secondly by the increasing appetite of the Israeli public for digital content. Many companies are launching digital products and services that need digital advertising support. In 2018, the categories most looked for by advertisers were mobile display, Facebook ads, influencers and micro-celebrities.

In June 2019, Bakara, a valued media company specializing in monitoring the performance of dozens of the biggest advertisers in the market, exposed how dominant the internet giants Facebook and Google became in the local market.[112] The figures published by Bakara created a turmoil in the ad business. Its data indicated that 62% of digital budgets are directed to Google and Facebook. Google leads with 22% of the total ad budgets (not including sales by the Google-owned YouTube) spent in Israel. YouTube alone holds the second place with 17% of digital advertising budgets in the country. Thus, Google holds almost 40% of the digital advertising market in Israel. Facebook has also made inroads in the Israeli ad market. The company holds 15% of digital advertising in Israel, with its main part likely to be commanded by video. In addition, 8% of digital advertising is directed to Instagram, another platform owned by Facebook since 2012. The company, has seen a significant surge in the volume of advertising in Israel over the past two years.[113]

Given that the advertising market in Israel is worth above ILS 4bn a year, according to Ifat Media Analysis, the share of Google and Facebook combined is valued at some ILS 900m, according to Bakara (22.5% of the annual worth). However, the ad income that Google and Facebook make in Israel is probably much higher. Bakara based its analysis on big advertiser data, but Google and Facebook benefit financially from countless small, local or niche advertisers that use the

### Table: Spending breakdown, by media segment, 2016-2018

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</tr>
<tr>
<td>Television</td>
<td>1,419</td>
<td>37%</td>
<td>1,476</td>
<td>37%</td>
<td>1,491</td>
</tr>
<tr>
<td>Digital</td>
<td>1,176</td>
<td>30%</td>
<td>1,329</td>
<td>33%</td>
<td>1,488</td>
</tr>
<tr>
<td>Print</td>
<td>708</td>
<td>18%</td>
<td>623</td>
<td>16%</td>
<td>548</td>
</tr>
<tr>
<td>Outdoor</td>
<td>260</td>
<td>7%</td>
<td>283</td>
<td>7%</td>
<td>294</td>
</tr>
<tr>
<td>Radio</td>
<td>272</td>
<td>7%</td>
<td>223</td>
<td>6%</td>
<td>312*</td>
</tr>
<tr>
<td>Cinema</td>
<td>45</td>
<td>1%</td>
<td>46</td>
<td>1%</td>
<td>45</td>
</tr>
<tr>
<td>Total</td>
<td>3,880</td>
<td>100%</td>
<td>3,980</td>
<td>100%</td>
<td>4,178</td>
</tr>
</tbody>
</table>

*The figure was calculated according to a new methodology that included ad spend on GLZ and GLGLZ, channels owned by the IDF military, which were not canvassed in previous years.

**Ifat Media Analysis[111]

Source: CMDS based on data from the Knesset Research & Information Center, Israeli Marketing Association, Central Bureau of Statistics Israel

In June 2019, Bakara, a valued media company specializing in monitoring the performance of dozens of the biggest advertisers in the market, exposed how dominant the internet giants Facebook and Google became in the local market.[112] The figures published by Bakara created a turmoil in the ad business. Its data indicated that 62% of digital budgets are directed to Google and Facebook. Google leads with 22% of the total ad budgets (not including sales by the Google-owned YouTube) spent in Israel. YouTube alone holds the second place with 17% of digital advertising budgets in the country. Thus, Google holds almost 40% of the digital advertising market in Israel. Facebook has also made inroads in the Israeli ad market. The company holds 15% of digital advertising in Israel, with its main part likely to be commanded by video. In addition, 8% of digital advertising is directed to Instagram, another platform owned by Facebook since 2012. The company, has seen a significant surge in the volume of advertising in Israel over the past two years.[113]


[113] According to Bakara, in 2017, Instagram’s volume of advertising in Israel reached only 1.7%.
segmentation capabilities of the internet giants to reach targeted audiences and pay them for the service. All these advertisers prefer Google and Facebook as advertising platforms.

The constantly growing sector of video advertising is dominated as aforesaid by YouTube, Facebook, and Artimedia, a domestically owned digital ad platforms that worked with the leading Israeli content sites to sell space on their existing “video assets.”[114] According to Bakara, almost 70% of ad budgets in Israel are spent on video content as following: 47% on television, 20% on digital video and 2% on cinema. Video advertising offers a cheaper advertising option to small and medium-sized customers that cannot afford the high price of advertising on commercial television.

In the first half of 2019, the digital advertising market continued to grow thanks both to the further development of the digital sector and to the two rounds of national elections, in April and September, when ad spend increased massively. One event that is likely to significantly affect the digital advertising market in the future was the entry of the e-commerce giant Amazon in August 2018, to online advertising and the launch of its Israeli retail site.[115]

Expenditure on digital advertising rose by 6% in 2020 - a more moderate increase compared to 12% in 2019 - but the bottom line is that it was not affected by the Covid-19 crisis. During the year, digital advertising accounted for 43.5% of the advertising share in Israel - a significant increase compared to 36% of the expenditure in 2019. However, total advertising revenues increased by NIS 100 million.[116]

Deepest pockets

*The largest advertisers in Israel, 2018*

<table>
<thead>
<tr>
<th>Industry</th>
<th>Industry, total (£m)</th>
<th>Key spenders</th>
<th>Change, year on year (2018/2017)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Retailers and marketing chains</td>
<td>62.2</td>
<td>Superfarm, Sufersal, Hamashbir-Lazranch</td>
<td>-11%</td>
</tr>
<tr>
<td>Government ministries</td>
<td>42.9</td>
<td>Ministry of Transport, Ministry of Education, Ministry of Economy</td>
<td>5%</td>
</tr>
<tr>
<td>Furnishing and home design</td>
<td>40.5</td>
<td>Ikea, Nicoletti, Semel Kitchens</td>
<td>-2%</td>
</tr>
<tr>
<td>Television broadcasting</td>
<td>35.9</td>
<td>Yes, Cellcom, Partner TV</td>
<td>4%</td>
</tr>
<tr>
<td>Mass-market cars</td>
<td>32.8</td>
<td>Kia, Dacia, Subaru</td>
<td>-28%</td>
</tr>
<tr>
<td>Electric appliances</td>
<td>32.8</td>
<td>Tornado, Electra, Newpan</td>
<td>-21%</td>
</tr>
</tbody>
</table>

Source: Israeli Marketing Association

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[114] Artimedia manages sales and production of ads on interactive videos. Their business partners include Mako (Keshet 12), Reshet 13, Haaretz, Globes, Channel 20, The Marker, Israel Hayom, Walla and Calcalist.

[115] Experts foresee Amazon’s recent purchase of Sizmek, a relatively small online advertising shop, as a big step in Amazon’s strategy to step up its competition with Google and Facebook on the digital advertising market. Amazon is expected to use its huge database of personal information on online buyers that it constantly collects as a competitive edge.

The most prominent 2020 advertisers on Television were the retailers Strauss, Procter & Gamble, Tnuva and the Ministry of Health.[117]

**Hidden Advertising**

The most problematic financial practice in the Israeli media is hidden advertising, which is a recent phenomenon. A form of indirect advertising, hidden advertising is a practice where commercial products or political interests are advertised without being labeled as such. Although media executives and advertisers often feel uneasy about hidden advertising, they accept it as it is essential for their bottom line. Decisions about signing such tricky deals border the fine line between commercial interests and editorial principles that include ethics – and integrity – related norms.

However, in a small country whose print media sector is sinking and where most of the media outlets are concentrated in the hands of a few oligarchs who control corporations from many other industries, the spread of hidden advertising practices is worrisome. Both international and local corporations as well as political groups and parties invest in hidden advertising to market their products, services and ideologies.[118]

For example, in 2017 Walla!News, one of Israel’s major news portals, published a series of articles sponsored by Philip Morris, a tobacco manufacturing colossus, which praised a new cigarette (IQOS) and the Philip Morris brand itself. Legislation in Israel restricts advertising of tobacco products.[119] In a separate case, Keshet 12, Israel’s largest commercial television channel by audience, broadcast in a financial news program an interview with an actor who wore a shirt advertising his participation in an ad campaign for the beverage producer Prigat, which is owned by the Wertheim family who are also shareholders in Keshet 12.[120] Its rival, Reshet TV allowed “planted” references to the fizzy drink Coca-Cola in X-Factor, a popular reality show.[121]

Print media also engage in such practices on a regular basis. Yedioth Ahronoth newspaper once published a whole page advertising Bank Hapoalim that was disguised as editorial content. The page was paid for by the bank, which also controls roughly a third of the newspaper’s shares.[122] In yet another example, in 2019, the newspaper Maariv published an interview with the head of Noble Energy Israel, David L. Stover, focused on a new gas production project. The interview, however, did not touch upon the tough questions of environmental damages and human risks but was actually designed as a Public Relations (PR) platform for the gas corporation. It later transpired that the company had sponsored a conference organized by Maariv that week.[123]

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[121] Ido Keinan, “יאוש ממקפות על הרשות השמיני” (Reshet curls its lip at the Second Authority), The Seventh Eye, 29 October 2018, available online (in Hebrew) at https://www.the7eye.org.il/82993 (accessed on 20 September 2019).
Acquisition of journalistic content by government agencies is a relatively new and flourishing phenomenon in the Israeli media landscape, which has also been prompted by the economic crisis that affected the media business. The Yedioth Ahronoth group is one of the media companies known to have embraced this practice, turning it into a constant revenue stream. Government ministries in recent years have become increasingly sophisticated in the formats of surreptitious advertising they use. For example, the Ministry of Education sponsored in 2015 a campaign to promote its former minister Shai Piron, with ads masked as editorial content featured in the Yedioth Ahronoth newspaper and its popular YNet website. Mako, another popular news portal, which belongs to Keshet TV, in 2017 published articles overtly supporting a campaign of the Integration Ministry aimed to deter Israelis from leaving the country.

Hidden advertising is also popular among government-controlled companies such as Israel Railways, Israel Aerospace Industries, Mekorot-Israel National Water company and the Haifa Port. They allocate high budgets to disseminate propaganda that often waxes lyrical about the ministers in charge. Unlike government ministries, which are not explicitly forbidden from buying ads, government-controlled companies are not legally allowed to “collaborate” with media outlets.

Philanthropy funding in Israeli media accounts for roughly 22% of the total foreign donor money spent in the Middle East, according to estimates by CMDS based on data from Media Impact Funders (MIF), an NGO that tracks philanthropy money in journalism. The impact of donor money on journalism or media freedom is, however, questionable as minorities continue to be underrepresented in the media, and the relations between high officials, politicians, tycoons and journalists are marred by corruption and undue influence.

Overall, the value of philanthropy spending in the media in Israel remains very low. Between 2009 and 2020, a total of US$15.5m in foreign donor money was invested in the country’s media, according to MIF. That accounts for less than 2% of the advertising market in a single year in Israel. Of the entire donor funding in the media in Israel, the biggest amount, some US$ 6.9m, was spent on content and platforms, followed by investments in telecommunications and projects related to media access and policy. Grants dedicated to journalism per se were worth US$ 1.3m.

The key philanthropies in Israel’s media are U.S. based foundations, with some Jewish or Zionist connections, identity or objectives. The Leona and Harry Helmsley Charitable Trust makes the largest funder by far, investing in telecommunications in health centers, and in Tel Aviv University; it accounts for nearly half of the total value of the Israeli grants received in the last decade. The New Israeli Fund (NIF) a U.S.-based foundation that operates from Israel, comes

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[124] Itamar Baz, "כבודים לא נשים (Well done (former) minister), The Seventh Eye, 22 January 2015, available online (in Hebrew) at https://www.the7eye.org.il/144099 (accessed on 3 September 2019).

[125] Itamar Baz, "権益をも取る（You deserve money from the state), The Seventh Eye, 9 March 2017, available online (in Hebrew) at https://www.the7eye.org.il/239341 (accessed on 3 September 2019).

[126] Itamar Baz, "תומכים או תומכים? (Sponsorship is sponsorship, no matter how it’s presented), The Seventh Eye, 1 February 2016, available online (in Hebrew) at https://www.the7eye.org.il/190802 (accessed on 3 September 2019).

[127] Data from MIF shows that philanthropy money in the Middle East totals US$ 69.9m, of which US$ 15.5m were spent in Israel.

[128] Oren Persico, "ב-return to the missing piece (Bringing Back the missing piece), The Seventh Eye, 17 October 2019, available online (in Hebrew) at https://www.the7eye.org.il/347252 (accessed on 18 October 2019).
second, with a total investment of US$ 2.3m and a record high number of 49 grants. The NIF constantly raises controversies in the country and is the focus of intense criticism from right-wing organizations and non-liberal political institutions. In April 2018, following a government-run deportation campaign against African refugees, then-Prime Minister Netanyahu posted on his Facebook page: “The NIF is a foreign organization that receives funding from foreign governments and hostile parties to Israel, such as George Soros’ funds. Its ultimate goal is to erase Israel’s Jewish character and make it a state of all its citizens, alongside a Palestinian nation-state free of Jews... whose capital is Jerusalem.”

Among other things, the NIF supports some important journalistic initiatives such as The Seventh Eye, a media investigative website, the +972 digital platform of citizen journalism that covers Israel-related and Middle Eastern topics, The Whistle, a platform that seeks to find fake and inaccurate information in the media, and Social TV, which covers marginalized socio-economic and political stories.

It is but a few donors that are not based in the U.S. that support media in Israel. They come from England, Lebanon, Norway and Denmark. Only three donor organizations identify themselves as specifically focused on women issues, and just two give grants for the Arab community, a surprisingly low number given the marginalization of Arab and Palestinian society in the country and their challenged freedom of speech.

Local donations raised for general causes account for about 50% of the country’s philanthropy. Donations oriented specifically to media and communication organizations are underrepresented or insufficiently recorded in the latest survey of the Central Bureau of Statistics.

State Funding

The state funds public media in Israel by allocating subsidies channeled directly from the state budget. In addition, the State of Israel operates its own advertising agency, (Government Advertising Bureau, known as Lapam), which handles all the marketing deals of the government, including public and social campaigns for a wide range of public and government-run organizations.

The Israeli public media consist of two wings: Broadcasting, digital platforms and publications run by the military (Israel Defense Forces, IDF), and television and radio broadcasting run by the Israeli Public Broadcasting Corporation (IPBC). Both groups have gone through multiple changes in the last decade.

The most dominant service from the military media group is GLZ, a popular radio news station, which is a unique hybrid outlet in the world of public media: although it is operated jointly by the Israeli military and the Ministry of Defense (MoD) with some IPBC regulatory affiliation, it is surprisingly renowned for its relatively neutral, liberal and reliable news reports and quality


[130] Full disclosure: This report is part of the Media Influence Matrix project run by the Center for Media, Data & Society (CMDS), a research center at Central European University, which is a private school founded by Soros. Media Influence Matrix is a research project run independently by CMDS’ experts.

radio programming. However, it was not easy to keep GLZ away from political interests and attempts by ministers of defense (like Avigdor Liberman) to fully subordinate the station to the MoD budget, which would have endangered the station’s autonomy and its public interest focus.[132]

Although the GLZ budget is considered classified, and the amounts it gets from the MoD are kept confidential, in 2016 the Movement for Freedom of Information managed to obtain some financial data from IDF’s press department.[133] In recent years, GLZ has managed to increase its ad revenues, which are close to €8.6m a year. The instructions of the Attorney General stipulate that some mechanisms should be established to ensure the needed budget to operate the station.[134]

The Israeli public media consist of two wings: Broadcasting, digital platforms and publications run by the military (Israel Defense Forces, IDF), and television and radio broadcasting run by the Israeli Public Broadcasting Corporation (IPBC). Both groups have gone through multiple changes in the last decade.

Money for military voices

*Budget of GLZ, 2011-2014*

<table>
<thead>
<tr>
<th></th>
<th>2011</th>
<th>2012</th>
<th>2013</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>Expenses (€m)</td>
<td>8.27</td>
<td>8.9</td>
<td>9.78</td>
<td>9.14</td>
</tr>
<tr>
<td>Advertising revenue (€m)</td>
<td>n/a</td>
<td>n/a</td>
<td>n/a</td>
<td>318*</td>
</tr>
<tr>
<td>Staff (number of employees)</td>
<td>n/a</td>
<td>n/a</td>
<td>n/a</td>
<td>318*</td>
</tr>
</tbody>
</table>

n/a: not available;
* of whom 168 soldiers

Source: IDF

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IPBC distributes its productions across various platforms in television, radio, its Kan internet website, and on social networks including Facebook, YouTube, Spotify and Instagram. It also has car and mobile apps. IPBC operates three television channels, eight radio stations, and produces a cornucopia of digital content packages including podcasts, network series and video content.

Its main television channel is Kan 11, which broadcasts mainly news, current affairs and cultural programs, entertainment, satire and investigative journalism. IPBC also operates Kan Educational TV, a dedicated channel for children and youth, and Makan 33, an Arabic language channel focused on news and cultural programs.

The radio section consists of the following stations:

- **News**
  - Kan Bet: one of the most popular stations that specializes in broadcast news and current affairs

- **Music**
  - Kan 88: music channel focused on rock, jazz and indie
  - Kan Gimel: focused on Hebrew music
  - Kan Kol HaMusica: focused on classical music

- **Broadcasts in languages other than Hebrew**
  - Makan Radio (Arabic)
  - Vois Farsi (Persian)
  - Reka (nine languages including Russian, Amharic, Georgian and Yiddish)

- **Culture**
  - Kan Tarbut

Although the IPBC budget is more transparent and exposed to public scrutiny than its military counterpart GLZ, the corporation does not specify how this budget is divided between its broadcasting bodies.[135]

Israel’s Media Watch Association (Ladaat) has made a legal petition demanding a court to order IPBC to disclose its financial data on advertising revenue broken down by the various radio stations that it owns.[136] Ladaat wanted to know how much of the amount received from advertising (which was 11% of the total IPBC budget in 2018) came from the various government offices as well as how much money each of the public radio stations earned. IPBC responded by claiming that advertising data are a “trade secret” and therefore it does not have to publish those figures.

According to Ladaat, public financing allows IPBC to sell advertisements at market-breaking prices, making it, in fact, difficult for private radio stations to sell advertising at profitable prices. Ladaat argued that Israel is the only democracy in the world without a nationwide private radio station broadcaster, a result of the power that the public radio corporation has in the advertising market.

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The IPBC was legally established in 2015 to substitute the complicated and malfunctioning predecessor, Israeli Broadcast Authority (IBA). Since IPBC began its broadcasting only in May 2017, the financial reports reflect the newly introduced budgetary process, explicating the big income leaps across these years. In the early days of the historical IBA, which founded the public radio in 1948, a fee payment system was adopted to financially support its operation. Imposed by the IBA law, the fee was paid directly from the public to the broadcaster. It was levied on every household that held a television set in Israel, apart from a few groups who were eligible for discounts.

A High Court ruling from 1992 interpreted this toll to be a service fee rather than a tax.[137] Yet, the IBA had then to obtain the approval of the Parliament’s Finance Committee for its planned budget and for deciding about the level of the fee. Having the power to delay the collection of fees, the Finance Committee was in the position to put pressure on IBA, which impaired its independence. IBA operated a special Collection Division, which invested great efforts and money in collecting the fee.

The shortcomings of the system (related mainly to IBA’s limited financial autonomy and the method used, costly and corrupt, to collect the television fee), attracted official and public criticism of the IBA financing model. It was blamed for operating as a “poll tax” levied regardless of the citizen’s financial situation. Some parts of the population, especially people with disabilities, were, in theory, exempted from paying the fee, but in reality, they constantly struggled with IBA’s debt collectors.[138]

In February 2014, the Parliament’s Finance Committee revealed the amounts that IBA paid lawyers to serve as debt collectors (payments that were covered in part by public funds).[139] Along the years Israeli public got outraged by the television fees as a result of the critical journalistic coverage of these fees. They often reacted either by sending complaints to IBA, the Ministry of Communication and the State Comptroller office, sharing criticism on social networks, or, passively, by just ignoring the obligation to pay the fee.[140] The television fee was cancelled as of April 2015, in line with a decision made by the Knesset in July 2014.

The radio fee, to finance the public service radio, imposed through the Traffic Ordinance Law, is collected through the annual vehicle license fee, and is transferred to the IPBC (until 2017 it was sent straight to the IBA). This fee is still in place, being the main source of funding for the public radio broadcasting.[141]

From the main IPBC budget, the news department is being annually allocated ILS 160M (€37.7m), which is roughly twice as big as the budget of news production on commercial channels. In 2015, for example, the news department at the old Channel 2 had a budget of ILS

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[137] HJC 474/89 Dr. Oded Kariv Vs. IBA
88m. It should be noted that IPBC spends some ILS 25m from its news department budget to produce news in Arabic, a public commitment to the Arab citizens (which commercial stations are unfortunately free to avoid). On top of that, the budget of the IPBC news department also covers costs related to production of digital news, and to the operation of the radio station Kan Bet (whose budget is estimated at ILS 18m a year).[142]

IPBC also generates revenues from advertising sales, but that is a marginal source of income, accounting for less than 10% of the company’s yearly budget. By law, the broadcaster must comply with a set of restrictions on sponsorship, public messages and advertising. These rules prohibit violation of good taste or hurting the public’s feelings or its wellbeing.[143] Such strict rules and drastic internal inspections within the corporation often scare off advertisers interested in spending money on IPBC’s platforms. Following a tender, in November 2016 IPBC selected Target Spirit, of the Target Market Group, to market the Corporation’s airtime on television, radio and digital platforms.

Public media accounts

Income of Israeli Public Broadcasting Corporation (IPBC), 2015-2018

<table>
<thead>
<tr>
<th>Year</th>
<th>Total income</th>
<th>License fee</th>
<th>Advertising</th>
<th>State financing*</th>
<th>Other sources</th>
</tr>
</thead>
<tbody>
<tr>
<td>2015</td>
<td>ILS 15,000,000</td>
<td>-</td>
<td>-</td>
<td>15,000,000</td>
<td>-</td>
</tr>
<tr>
<td></td>
<td>US$ 3,865,980</td>
<td>-</td>
<td>-</td>
<td>3,865,980</td>
<td>-</td>
</tr>
<tr>
<td></td>
<td>€ 3,480,300</td>
<td>-</td>
<td>-</td>
<td>3,480,300</td>
<td>-</td>
</tr>
<tr>
<td>2016</td>
<td>ILS 232,444,000</td>
<td>-</td>
<td>-</td>
<td>232,444,000</td>
<td>-</td>
</tr>
<tr>
<td></td>
<td>US$ 60,532,300</td>
<td>-</td>
<td>-</td>
<td>60,532,300</td>
<td>-</td>
</tr>
<tr>
<td></td>
<td>€ 54,821,700</td>
<td>-</td>
<td>-</td>
<td>54,821,700</td>
<td>-</td>
</tr>
<tr>
<td>2017</td>
<td>ILS 622,565,000</td>
<td>-</td>
<td>30,946,000</td>
<td>591,313,000</td>
<td>306,000</td>
</tr>
<tr>
<td></td>
<td>US$ 173,416,434</td>
<td>-</td>
<td>8,620,055</td>
<td>164,711,142</td>
<td>85,236</td>
</tr>
<tr>
<td></td>
<td>€ 153,341,133</td>
<td>-</td>
<td>7,622,167</td>
<td>145,643,596</td>
<td>75,370</td>
</tr>
<tr>
<td>2018</td>
<td>ILS 791,198,000</td>
<td>3,371,000</td>
<td>90,107,000</td>
<td>696,671,000</td>
<td>1,049,000</td>
</tr>
<tr>
<td></td>
<td>US$ 220,389,415</td>
<td>939,000</td>
<td>25,099,442</td>
<td>194,058,774</td>
<td>292,200</td>
</tr>
<tr>
<td></td>
<td>€ 186,603,300</td>
<td>795,100</td>
<td>21,251,650</td>
<td>164,309,200</td>
<td>247,400</td>
</tr>
<tr>
<td>2019</td>
<td>ILS 748,919,000</td>
<td>2,543,000</td>
<td>77,673,000</td>
<td>761,319,000</td>
<td>1,400,000</td>
</tr>
<tr>
<td></td>
<td>US$ 164,597,582</td>
<td>558,901</td>
<td>17,070,989</td>
<td>167,322,857</td>
<td>307,692</td>
</tr>
<tr>
<td></td>
<td>€ 187,698,997</td>
<td>637,343</td>
<td>19,466,917</td>
<td>190,806,766</td>
<td>350,877</td>
</tr>
<tr>
<td>2020</td>
<td>ILS 727,977,000</td>
<td>1,278,000</td>
<td>56,898,000</td>
<td>687,090,000</td>
<td>1,485,000</td>
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<tr>
<td></td>
<td>US$ 211,621,220</td>
<td>371,511</td>
<td>16,540,116</td>
<td>199,735,465</td>
<td>431,686</td>
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<tr>
<td></td>
<td>€ 185,708,418</td>
<td>326,020</td>
<td>14,514,795</td>
<td>175,278,061</td>
<td>378,826</td>
</tr>
</tbody>
</table>

Note: The budget covers television, digital and radio
*Channeled through the Ministry of Transport (annual vehicle license fee)
Source: IPBC Financial Reports

[142] Noa Price, "’אבי מייסד לשנים 1-2018: תקציב הרדיו הפדרלי במקביל ל-
https://main.knesset.gov.il/Activity/Legislation/Laws/Pages/LawPrimary.aspx?t=lawlaws&st=lawlaws&lawitemid=2002322
The Rating Committee, which has provided television ratings for both public and commercial television in Israel during the last 22 years, has often pointed to the unsatisfactory performance of the public television (IBA, back then), implying that a restructuring of the broadcaster’s regulatory regime was needed; and yet, five months after operating under the newly established IPBC, the ratings of the public television primetime programming and of the Evening Newscast (Mabat) didn’t significantly improve.[144]

In spite of its mediocre television ratings, one of IPBC’s strengths seems to be the audience share of its digital broadcasting platform.[145] Thus, following ongoing deliberations, in May 2019 the IPBC announced its withdrawal from the Israeli Rating Committee, arguing that its people-meter method is outdated, unable to capture the changes in viewing habits in recent years, within and without Israel. In addition, IPBC claimed that the Rating Committee does not reflect the overall viewing data of its digital content and does not represent the entire population. Hence, being measured by the Committee risks creating a misleading representation of IPBC’s audience share, thus inflicting heavy damages on the corporation.[146]

One of Kan 11’s highest ratings ever (35%) was recorded on 12 May 2018, during the Eurovision Song Contest in Lisbon where the song of the Israeli participant Netta Barzilai, Toy, won the competition. Another high figure (37.2%) was recorded on 15 July 2018 when the 2018 football World Cup finals were broadcast. That said, the average Kan 11 television rating was around 2.6% between May and October 2017.[147]

It is not totally clear why IPBC is so fussy about its rating data.[148] It seems almost like a personal motivation of its determined executives (Eldad Kovlantz and his management) to produce better results, both in quantity and quality, than IPBC’s predecessor, as a way to justify the reform of the public broadcasting. Secondly, IPBC’s anxiety about ratings indicates that the broadcaster is trying to send a message of modernization and renovation, which it expects to resonate with younger audiences that it wants to attract on its various platforms. The drive to improve ratings has also to do with the company’s desire to increase its financial resources to be able to finance original Israeli productions of high-quality.[149]

[144] During IPBC’s first five broadcasting months (June-October 2017) television ratings stood at 2.6% in primetime, and 4.3% for the evening newscast. The average ratings of its predecessor, IBA, were 2.6% in primetime and 3.8% for its evening newscast. See: The Whistle Fact check, “Why is Kan 11’s rating lower than IBA’s?” (Ayoob Kara Minister of Communications: “Even the IPBC rating went lower than what it was under IBA”), The Whistle, 17 November 2017, available online (in Hebrew) at https://thewhistle.globes.co.il/feed/6a0JDdOyLN (accessed on 10 May 2020); and Jonathan Kaitan, “IPBC fails to leave IBA’s data behind”, Calcalist, 14 May 2018, available online (in Hebrew) at https://www.globes.co.il/news/article.aspx?id=1001233776 (accessed on 20 November 2019).
[146] Avoir Abou, “IPBC retired but the rating is still measured), Calcalist, 1 January 2020, available online (in Hebrew) at https://www.calcalist.co.il/business/articles/0,7340,L-3776844,00.html (accessed on 2 January 2020).
[147] There are two ways in which the Rating Committee “cuts” the data along different operationalizations of the sampled group. One is by measuring Jewish households, and the second, by measuring all viewers from the entire society, above 4 years old. Obviously, the second one shows significantly lower results than the first. According to the Rating Committee, the yearly average (all years 2017-2019) of Kan 11, if calculated with the second operationalization, would stand at 0.4%, according to Kantar Israel and IARB.
[149] According to Globes, the corporation also plans to establish a fund to which the money from the digital ads will be transferred and then returned to the market of original content. (Anat Bein-Leibovitz, “You can’t ask that...,” cit.)
In fact, IPBC’s productions are generally perceived to be of high-quality, with an increasing number of people consuming the broadcaster’s content. Notably, the corporation has also managed in recent years to attract many talented television and radio professionals to its current affairs, news programs and talkshows.[150]

As of January 2020, IPBC has officially refused to acknowledge the data published by the Rating Committee, and opted for an independent rating measurement system, which will measure content across all its platforms (radio, television and digital), and provide one numerical figure that weighs them.[151] The corporation expects the ad revenue to grow as well, and, along with it, its influence and power in setting the public agenda.

On radio, IPBC performs much better, according to data from the latest TGI survey, released in January 2021. The overall audience of IPBC’s flagship news station Kan Bet, recorded an annual 10% increase throughout 2020 compared to 2019.[152]

Besides public media, the government also spends money on advertising in media outlets and digital platforms. The government’s ad campaigns are managed through Lapam, a unit of the Ministry of Finance that manages the design and supply of advertising services for government ministries, statutory authorities, government-run companies, public institutions and government-supported bodies.

The total amount of Lapam expenditure on advertising (in all media segments) was approximately NIS 203 million in 2020—about a 5.1% increase compared with 2015.[153]

In the last five years, Lapam’s main expenditure has been on television advertising. In recent years, most of the increase in expenditure has been allocated to Digital media advertising (an increase of 78% compared to 2015) and to billboard advertising (about NIS 10 million in 2019). During the first five months of 2020, the main expenditure went also to television (40%) and Digital (33%). The total expenditure on publications in the media was about NIS 88 M.

In addition, the total amount of expenditure on publications related to COVID-19 in all media segments was about NIS 57 million (gross), of which the total expenditure on advertising for population sectors and other languages was about NIS 11.7 million (which is about 20.5%) of the total expenditure on publications in this period.

Lapam has been at the heart of controversy for years as the big agencies in the advertising business wish to get rid of it and take over the yearly government advertising budget, of around ILS 170m.[154] Private companies argue that Lapam is wasteful and lacks transparency, and,

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[153] Obligatory advertising” includes announcements about tenders, planning and construction notices, wills and inheritances, official receivership notices, legal notices and the like. According to data provided by Lapam, from 2016 to 2020, the rate of expenditure on the publication of obligatory advertisements by law is approximately 70% of the total expenditure on press advertising.

therefore, must be liquidated or, at least, forced to give up its monopoly and compete with other players for government advertising budgets, which would lead to more competitive prices.

**Government money in the media**

*Lapam’s Advertising spend by share and cost in the media in Israel, from 2015 to May 2020, in million NIS*

<table>
<thead>
<tr>
<th>Year</th>
<th>Media segment</th>
<th>2015 Spending (in ILS m)</th>
<th>2015 Share (%) of total</th>
<th>2016 Spending (in ILS m)</th>
<th>2016 Share (%) of total</th>
<th>2017 Spending (in ILS m)</th>
<th>2017 Share (%) of total</th>
<th>2018 Spending (in ILS m)</th>
<th>2018 Share (%) of total</th>
<th>2019 Spending (in ILS m)</th>
<th>2019 Share (%) of total</th>
<th>Jan-May 2020 Spending (in ILS m)</th>
<th>Jan-May 2020 Share (%) of total</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Television</td>
<td>68</td>
<td>40%</td>
<td>62</td>
<td>37%</td>
<td>69</td>
<td>33%</td>
<td>71.46</td>
<td>33%</td>
<td>65</td>
<td>32%</td>
<td>35.37</td>
<td>40%</td>
</tr>
<tr>
<td></td>
<td>Press</td>
<td>37</td>
<td>22%</td>
<td>42</td>
<td>25%</td>
<td>48</td>
<td>23%</td>
<td>43.72</td>
<td>20.5%</td>
<td>37</td>
<td>18%</td>
<td>12.42</td>
<td>14%</td>
</tr>
<tr>
<td></td>
<td>Digital/Internet</td>
<td>26.5</td>
<td>21%</td>
<td>34</td>
<td>20%</td>
<td>54</td>
<td>26%</td>
<td>59.78</td>
<td>26%</td>
<td>65</td>
<td>32%</td>
<td>29.22</td>
<td>33%</td>
</tr>
<tr>
<td></td>
<td>Cinema</td>
<td>0.24</td>
<td>1%</td>
<td>2</td>
<td>1%</td>
<td>2</td>
<td>1%</td>
<td>2.17</td>
<td>1%</td>
<td>2.0</td>
<td>1%</td>
<td>0.109</td>
<td>0%</td>
</tr>
<tr>
<td></td>
<td>Radio</td>
<td>26</td>
<td>15%</td>
<td>26</td>
<td>15%</td>
<td>28</td>
<td>13%</td>
<td>26</td>
<td>12%</td>
<td>24</td>
<td>12%</td>
<td>7.57</td>
<td>9%</td>
</tr>
<tr>
<td></td>
<td>Outdoors</td>
<td>2.5</td>
<td>1%</td>
<td>3.5</td>
<td>2%</td>
<td>9</td>
<td>4%</td>
<td>11.5</td>
<td>5.5%</td>
<td>10</td>
<td>5%</td>
<td>3.57</td>
<td>4%</td>
</tr>
<tr>
<td></td>
<td>Total</td>
<td>170.4</td>
<td>100%</td>
<td>169.50</td>
<td>100%</td>
<td>210</td>
<td>100%</td>
<td>203</td>
<td>100%</td>
<td>203</td>
<td>100%</td>
<td>88.28</td>
<td>100%</td>
</tr>
</tbody>
</table>

Source: Knesset Research and Information Center [155]

In spite of the controversies surrounding its operation, Lapam doesn’t have real political influence in the media.[156] Doubts, however, have arisen as responsibility for Lapam’s budget (ILS 300m for advertising both within and without Israel) was transferred in June 2016 from the Ministry of Communications to the administration of Miri Regev, the former (Likud party) Minister of Culture, who is known for her extreme political prioritization and bias in allocating resources under her administration.[157] Nevertheless, the Ministry of Culture is staffed by a body of professionals that is trusted to prevent potential influence in the media through funding. Instances of political interference are more to do with issues such as the airtime politicians overuse in various media outlets. Ministers usually take advantage of state advertising to get publicity, make themselves the center of interest and brag about their achievements rather than influence these media outlets.[158]

Nonetheless, Lapam has the power to greatly affect the financial sustainability of some media outlets, especially Jewish Orthodox and Arab media, whose sources of income are particularly low due to the economic situation in these societies. It is important to acknowledge though that Arab media specifically are being constantly discriminated by Lapam. Despite controlling a vast amount of the money in the ad market, it turns out that Lapam devotes only 5% of all its advertising budgets to ads in Arabic even though the percentage of Arab citizens in the country is about 21%.[159] That means that state bodies, via Lapam, invest only about a quarter out of the budget they are supposed to allocate to Arabic language advertisements.[160] In this case, state funding becomes a tool to indirectly distort the Israeli media market.

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[156] Interview with Nati Tuker, cit.


[158] Interview with Nati Tuker, cit.

[159] According to data provided to the Knesset Research Center (throughout 2013-2015).

Technology, Public Sphere and Journalism
Israel is holding on to its branded self-image of a "high tech nation" but the justifications for that regarding the telecommunications field are slightly outdated. In recent years corporate losses deepened, cash flows were negative, competition intensified, and the industry’s regulator, the Ministry of Communications (MOC), kept making serious mistakes by letting Israel lag behind global infrastructure innovations. This has to do partly with the complicated and unstable political structure: two transitional governments and five different ministers who headed the MOC within merely four years (February 2017 to the elections in March 2021).

Although internet penetration rate in Israel stands at 88%, internet infrastructure, and notably the roll-out of fiber-optics, was not properly regulated until December 2020. Therefore, among other things, Israel’s internet speed was in decline in comparison to OECD countries, although it is expected to rise in mid-2021. Moreover, frequencies for 5G network deployment have been allocated only as late as August 2020, in significant delay compared to technologically progressed countries.

Following global trends, Israelis draw on different technological means to use the internet, and especially to consume media. While fixed telephony demand is in decline, smartphones took over the market with 88% of smartphone ownership.

Israel records a specific digital divide among marginalized groups like the Arab population and ultra-Orthodox (Haredi) Jews. Together with the 65+ age group, these three main sectors are susceptible to be affected by digital illiteracy.

The international technology conglomerates that control the Israeli market are Facebook (with its daughter company WhatsApp) in the field of messaging applications and social media, and Google Chrome browser, while the operating system (OS) market is dominated by Microsoft (on desktop) and Google (Android on mobile). The four main Israeli groups operating in the communications market are: Bezeq, HOT, Cellcom and Partner. They are all active in five telecom segments and market them in bundle packages for relatively low prices: cellular, fixed (telephony and internet) infrastructure, internet providing, international calls and multichannel TV. This highly saturated and competitive market has damaged the revenues and future incentives of these companies to invest in cutting-edge infrastructure.

Israelis get most of their political information from online news sites. Some 76% of the public in Israel consume news content on social media at least once a day (40% of Jews and 66% of Arabs). The leading social media platforms are YouTube, Facebook and Twitter; they make a central source for the dissemination of politics, and have significant power in shaping public opinion. Nevertheless, “fake news” is also circulating fast and efficiently on these platforms, making disinformation a troubling phenomenon for Israeli society. Few journalistic initiatives took upon themselves the responsibility for public fact-checking.

Traditional media struggles with fragile financial sustainability and business models. Given the populist effect that fake news has on consumers and, consequentially, on revenues, it is risky to rely on traditional media solely, in this matter.
Following global trends, Israelis draw on different technological means to use the internet, and especially to consume media. While the good old fixed telephony demand is in decline, smartphones took over the market with 88% of smartphone ownership.\[1\] Internet use among the Israeli population also stands at 88% (similar to the U.S. rate).\[2\]

The technology conglomerates that control the Israeli market are Facebook (social media) and Google Chrome (browser market) while the operating system (OS) market is ruled by Microsoft (on desktop) and Google (Android on mobile).

Israel is holding on to its marketed image of a technologically advanced high-tech nation but in fact it lags behind global trends. Despite price and service competitiveness in mobile and internet market offers, Israel’s internet speed is in decline in comparison to OECD countries. Moreover, Israel faces a specific digital divide among minority groups such as the Arab citizens and Orthodox Jews. Together with 65+ age group, these three main groups are the most affected by digital illiteracy.

Fixed telephony usage in Israel is seeing a steady decline. From 76.4% of the households owning at least one landline in 2013, the share of households with landlines decreased to 56% in 2018.\[3\] Bezeq Telecommunication started operating in 1984 as a government monopoly. Being the sole player in the landline infrastructure deployment market, in colloquial Hebrew, the word “Bezeq” became almost synonymous with the word “telephone.” Although it is still the largest Israeli company in the field of landline communications, the growing competition in the telephony industry has eroded its monopoly, and made landline phone in many households redundant.\[4\] Until recently\[5\] Bezeq was committed to universal coverage, namely, to reach every home in Israel, be it at the center or the periphery.\[6\]

Mobile communications in Israel appeared in the market around 1985, when Motorola-Tadiran received the first license to provide cellular phone services and established together Pelephone, the first mobile operator company in Israel.\[7\] The technology was analog, which made for a very inefficient use of the allocated frequencies. The number of base stations required to

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[3] The Israeli Central Bureau of Statistic (CBS) last measurement was made in 2018 and was published in the Statistical Abstract of Israel 2020.


support the network was low, but the transmission was at high intensity compared to what is common for example in GSM (2G), which was introduced in 1999. It took a while until 4G networks were deployed, around 2014. None of the existing mobile companies today has yet fully deployed 4G networks in Israel. In fact, one of the best kept secrets in the mobile telephony industry in Israel is the overall coverage.[8]

According to CBS data, in 2018, there were about 10 million mobile subscribers in Israel, a country with a population of 8.9 million.[9] More and more decision-makers argue that the Israeli mobile market has reached too high a level of competitiveness (see Technology Companies and Government in this chapter). The data that most reflect this tendency is mobile portability, which is the rate of customers who migrate between companies at a given time. During 2018, some 40% of the mobile telephony customers in Israel changed providers, which meant four million crossings between companies. Every such move eroded the companies’ revenue, not only because the competitor’s price was lower, but because there are significant additional costs around customer acquisition, such as paying a commission to the marketer who recruited the customer.[10]

Thus in 2018, all mobile operators recorded a loss. None of them managed to raise the monthly revenue per user (ARPU), and the companies’ shares plunged.[11] The consequence of this trend was a reduction in the companies’ further investments in infrastructure. In turn, Israel lags behind global trends.[12]

Since the cellular market was reformed in 2011 with the aim of promoting provider transparency and competitiveness, consumer prices fell by about 50% between 2011 and 2017. In the first quarter of 2018, the moderate erosion tendency in ARPU continued (except Cellcom that went slightly up due to rising of prices). The price of mobile phone subscriptions is low on average relatively to other countries, ranging from €6 to €12.5 a month (and was also rather low even before the reform).[13]

The minimal package includes unlimited minutes for calls, up to 3,000 SMS, and free internet up to 50 GB, given a minimum of two years of subscription. The use of pre-paid SIM cards has a minimal cost of around €6.5 a month for either 1,000 minutes, 1,000 texts and 1 GB data (limited for two days), or 5GB of internet use solely (limited for 14 days).

This low pricing system creates an anomaly in the market. Some of the players with long-term goals plan to enter the 5G market in due time. Thus, their pricing must incorporate the necessary costs for future infrastructure investments. Other companies, on the contrary, are satisfied with operating on 4G only and are thus able to price their services much lower, based only on the current market situation. This anomaly creates a troubling situation whereby the big strategic players are undermined by smaller players and they find it difficult to finance future investments.[14]

A mobile revolution

Overview of telephony penetration in Israel, 2013-2018

<table>
<thead>
<tr>
<th>Indicator</th>
<th>2013</th>
<th>2014</th>
<th>2015</th>
<th>2016</th>
<th>2017</th>
<th>2018*</th>
</tr>
</thead>
<tbody>
<tr>
<td>Minimum one fixed telephone line subscription (percentage of total households)</td>
<td>76.4</td>
<td>72.9</td>
<td>69.2</td>
<td>65</td>
<td>62.1</td>
<td>56</td>
</tr>
<tr>
<td>Ownership of at least one mobile phone (percentage of total households)</td>
<td>95.2</td>
<td>96.1</td>
<td>96.9</td>
<td>97.1</td>
<td>97.3</td>
<td>97.9</td>
</tr>
</tbody>
</table>

*The last CBS 2020 abstract is recording data collected in 2018.
Source: Israel Central Bureau of Statistics (CBS) Yearly Abstracts

The “high tech nation” image, attached to Israel since the 1990s for its technological innovation and progress, seems to lose its grounding. According to the latest data, it appears that since the beginning of 2019, customers in Israel experience a decrease in internet speed. Moreover, the new COVID-19 crisis also showed that the existing broadband simply does not withstand the load. The Corona lockdowns revealed major failures in the communications market. Entire sectors that required communication services were unable to receive them. There was no broadband connectivity in the city of Elad and other ultra-Orthodox neighborhoods, for example. The problem was so serious that the State of Israel had to ask YouTube and Netflix during the closure to reduce broadcast quality, to avoid server collapse.[15]

The average mobile browsing speed in Israel in March 2020, at the tide of the “corona closure” according to SpeedTest (OOkla), was 19.17 Mbps for download, and 10.19 Mbps for upload (which ranked as low as 96 in the world). For fixed broadband it was 82.01 Mbps for download and 17.67 Mbps for upload (ranked 37 in the world). For the sake of comparison, in October 2020 Israel’s rank went up thanks to less massive use between lockdowns (ranked 86 in mobile broadband and 32 in fixed).[16] Aside from the irregular relative increases, Israel experiences an ongoing and significant downfall since 2016.[17]

In general, Israel internet connectivity tends to follow the EU average penetration rate, which is fairly high. In 2017, individuals’ connectivity rate had even slightly surpassed the European average, but in the realm of households, EU connectivity was higher by 6.5 p.p.

[17] See: "השתלד אל השער" (The chart does not lie: surfing speed in Israel is declining), People and Computers, https://www.pc.co.il/featured/303713/ (in Hebrew), accessed 1 December 2020. That should take into account the fact that in early 2016 OpenSignal ranked Israel fourth in the world in 4G mobile Internet speed, and in 2011 even ranked Pelephone as the world’s fastest mobile network in iPhone browsing. In 2016 Akamai Internet Connectivity Report recorded that page load time in Israel was the lowest at 1364 milliseconds, which ranked it first in the world, while loading time of a mobile page took 937 milliseconds, ranking Israel second in world back then. (See Israel Internet Association report 31 December 2016: available (in Hebrew) at https://www.isoc.org.il/sts-data/22344 (accessed 5 October 2020).
Despite the similarity between Israel and OECD average in the general trends of internet use, data regarding mobile broadband subscription rate (MBS) point to some differences. In 2013, Israel MBS connectivity met the OECD average, but fell significantly in the following years. It was only during 2019 when it hit and surpassed OECD’s average again. Since 2017, Israel made a leap of almost 58% in mobile broadband subscription rate, thus exceeding OECD average by 14.7% in early 2020.

There are thousands of technology companies and about 899 startup enterprises established in Israel in the last decade, placing it 14th in the world by number of startups.[18] However, a big part of Israeli society is not taking part in this technological world. About a quarter of the population in Israel in 2019 (around 3.1 million adults) lacked or had low digital literacy and accessibility to advanced infrastructure and peripherals.[19] The ability to use these tools may reduce social disparities and encourage financial growth, and thus makes an important policy objective.

Israel’s social disparities in computer and internet use are related to background characteristics such as education, income, religiosity, and nationality. They are noticeable among underprivileged populations in the geographical and social periphery of Israel, but there are three groups in which it is particularly reflected among adults: ultra-Orthodox Jews, the Arab population and the elderly (aged 65 and over).

Other key differences in digital use revolve mainly around age, ethnicity, education and income. The rate of internet users (aged 20+) is higher than that of computer users and related to evolving surfing habits via mobile phones. There is an inverse correlation between age and digital uses: the higher the age of respondents, the lower the internet and computer use. The gender differences in the frequency of digital use are negligible to non-existent in Israel. While

the gap between Jews and Arabs in the daily rate of internet use is relatively small (82% compared to 77%, respectively), there is a considerable gap in the rate of computer use among the same groups (77% Jews compared to 46% among Arabs).

In general, higher levels of education correlate with higher rate of daily internet and computer use, with 94% use (of both computer and internet) rate among academics vs 53% computer use and 74% internet use among those who did not complete matriculation exams.

As the level of income per person in a household increases, so does the daily internet usage rate with 61% in low income households (around €500 per person) vs 96% in higher earning households (above €1,000 per person).

Another factor influencing technology use that is typical of Israel is individuals’ self-definition (aka degree) of religiosity among the Jewish population. This religious self-definition is spread out across society and entails different lifestyles, cultural and social features. Obviously, it carries implications for the digital divide.

Separation and conservatism are two key characteristics of ultra-Orthodox society. Innovation and technology pose a threat to its traditional lifestyles and world views. Therefore alongside other barriers such as accessible infrastructure, lack of knowledge of English, fear of non-“Kosher” contents and limited economic resources, the powerful rabbinical authorities of the community generally oppose digital progress. Thus, among the ultra-Orthodox, the rate of daily computer users is higher than that of daily internet users. The rate of ultra-Orthodox sector members who reported a daily internet use was 37%, compared to about 80% among the religious and the traditional groups, and 92% among seculars.

Likewise, among members of other religions there is a similar link between self-definition of religiosity and computer and internet daily usage patterns: 72% usage among non-Jews who define themselves “very religious or religious” compared to 85% among non-Jews who are “not so religious”, or “secular.”
In line with global trends, Israelis also use the internet as a means of extending their social, economic, civic and political lives. Jews report greater use of the internet than Arabs, for the above mentioned uses.[21] Information search and participating in social networks are the most common uses by both. The rate of Jews who use the internet for making online payments, shopping, and receiving government services is more than double the rate of Arabs who use the internet for these purposes.

![Internet usage rate for various purposes in Israel, by nationality, aged 20+, 2019](image)

Source: CMDS, the Knesset Research and Information Center

Desktop computers and mobile phones were the most used devices, more than tablets, during 2020. Nevertheless, the first two were almost equally popular. Tablets’ popularity kept a low, yet stable share (of maximum 2%) throughout the year. Desktops lost (and mobile devices gained) about 15% between January and December 2020, according to StatCounter.[22]

[21] The sectorial nature of Israeli society and the different attitude of the establishment to the different sectors, is also reflected in statistical publications. These publications about the digital divide tend to not aggregate data from the general population, but rather divide it to its segments, mainly Jewish and Arab.

Windows platforms led the Israeli desktop OS market with about 84% on average, throughout 2020. Apple products’ popularity lagged behind while dropping from 14% to 9% by the end of the year. In the mobile device market, over the years Apple and Google have eliminated any potential competitor while gradually becoming similar to each other. Neither is superior in terms of features or app availability, but each OS has different goals, and a different profit model.

Google plays on market-share volumes: it distributes Android as an open source OS, and once enough people have it in hand, Google can produce revenues from ads. Apple though is a hardware player, generating its earnings from the sale of devices. Over the years, Apple has managed to maintain a steady average income from iPhone devices in Israel.[24] Thus, although both dominate the market, Android mobile phones loom large in the Israeli market (around 78%). For tablets, Apple is still the preferred vendor with its iOS (between 56%-62%).

The OS game

Operating System market share (%) in Israel, December 2020

<table>
<thead>
<tr>
<th>OS</th>
<th>Windows</th>
<th>Android</th>
<th>iOS</th>
<th>OS X</th>
<th>Linux</th>
</tr>
</thead>
<tbody>
<tr>
<td>All platforms</td>
<td>36.2</td>
<td>44.5</td>
<td>14.06</td>
<td>3.9</td>
<td>0.6</td>
</tr>
<tr>
<td>Desktop</td>
<td>87.62</td>
<td>0</td>
<td>0</td>
<td>9.45</td>
<td>1.44</td>
</tr>
<tr>
<td>Mobile</td>
<td>0</td>
<td>76.94</td>
<td>22.89</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Tablet</td>
<td>0.01</td>
<td>44.5</td>
<td>55.4</td>
<td>0</td>
<td>0</td>
</tr>
</tbody>
</table>

Source: StatCounter, Israel 2020

More than 12 years have passed since Google released the first version of the Chrome browser, which immediately became a direct competitor to Microsoft’s IE and Mozilla’s Firefox. Today, Google's Chrome, despite not a default built-in Windows’ browser, has the largest market share by a considerable margin in Israel. Opera, Apple’s Safari, and even smaller browsers are far behind, with tiny market shares.

While Safari is the second most used browser on mobiles and tablets, it is lagging behind on desktops where Microsoft Edge and Firefox overtakes it by a few percentage points. On mobile devices Samsung Internet comes third, probably because it is pre-installed in the popular Samsung Galaxy devices. Internet Explorer, which has reached an unprecedented low in usage popularity (falling from 70% to less than 1% in about a decade), is likely to become extinct also in Israel, following Microsoft’s announcement that it will end support for IE 11 in all its applications and services in mid-2021. Microsoft’s decision comes as part of its efforts to produce a worthy successor, in the form of Microsoft Edge, which will work on Chromium and will have the ability to compete with its successful Google Chrome counterpart.[25]

The browser game

Browser market share (%) in Israel, December 2020

<table>
<thead>
<tr>
<th>Browser</th>
<th>Chrome</th>
<th>Safari</th>
<th>Samsung Internet</th>
<th>Firefox</th>
<th>Edge</th>
<th>Explorer (IE)</th>
<th>Opera</th>
<th>Other</th>
</tr>
</thead>
<tbody>
<tr>
<td>All platforms</td>
<td>71.8</td>
<td>14.08</td>
<td>6.78</td>
<td>2.24</td>
<td>2.08</td>
<td>0.93</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Desktop</td>
<td>80.57</td>
<td>3.86</td>
<td>0</td>
<td>5</td>
<td>5.04</td>
<td>2.26</td>
<td>1.62</td>
<td></td>
</tr>
<tr>
<td>Mobile</td>
<td>66.3</td>
<td>20.58</td>
<td>11.9</td>
<td>0.29</td>
<td>0.07</td>
<td>0</td>
<td>0.37</td>
<td></td>
</tr>
<tr>
<td>Tablet</td>
<td>49.9</td>
<td>41.7</td>
<td>0</td>
<td>0.21</td>
<td>0</td>
<td>0</td>
<td>0.36</td>
<td>Android: 7.23</td>
</tr>
</tbody>
</table>

Source: StatCounter, Israel 2020

Google controls more than 90% of the Israeli search engine market, as it does in the rest of the Western world. A search engine like Google ostensibly grants access to any information whatsoever. However, studies have shown that search engines influence the political choices consumers make because of the great trust they have in ranking results. Research of the field also found that a systematic bias in search results can change the minds of up to 20% of undecided voters; and this can be much higher in specific demographic groups, thus having the power to influence election results.[26] This effect is especially significant in countries that are dominated by a single search engine, like that of Google.

There are plenty of alternative search engines out there in Israel but they are less known and their market share is almost insignificant.

| Search Engine market share (%) in Israel, December 2020 |
|----------------------------------------|--------|--------|--------|--------|--------|
| Search Engine             | Google | Bing  | Yahoo! | DuckDuck Go | Yandex Ru |
| All platforms             | 97.7   | 1.07  | 0.38   | 0.14   | 0.61   |
| Desktop                   | 93.8   | 3.81  | 0.9    | 0.26   | 0.87   |
| Mobile                    | 99     | 0.09  | 0.19   | 0.09   | 0.52   |
| Tablet                    | 98.15  | 0.37  | 0.77   | 0.15   | 0.38   |

Source: StatCounter, Israel 2020

Israel has a long open-source tradition, home to some of the world’s leading code developers. Among them are JFrog, Elastic and Redis Labs, which have grown to be international companies operating from their Israeli base. In recent years, open-sourced codes acquired even a higher status when not only startups have adopted it, but also larger organizations, including government ministries and the army.[27]

Nevertheless, despite the popularity of Android devices and the fact that nowadays there are probably more hardware and services that run on open-source software than on Microsoft, the individual user is still less inclined to choose open-source engines and software voluntarily.

Open source software’s advantages such as cost cutting, freedom from business dependency and program transparency continue to be weakened by technological fear and what experts call the “fragile security” myth. While it is true that open-source software is more susceptible to hacking and malware, having the software code open means that the possible solutions to cracks are multiple, adequate, and immediate.[28]

In Israel there are about six million social network users (70% penetration rate) who spend about two hours a day on social media.

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[27] Oren Yunger, “פניה מועדות וולאן לעולם בישראל נמצאת היכן: פורט פלאט (Open source: Where is Israel compared to the world and where is it headed?) Calcalist, 30 August 2020, available online (in Hebrew) at: https://www.calcalist.co.il/internet/articles/0,7340,L-3847212,00.html (accessed 13 November 2020).
Surprisingly enough, it is not Facebook that dominates the digital social habits of Israelis, but rather WhatsApp leads the mobile messaging market with its free app. YouTube comes second with an almost equal use rate. FB is rated only third on this ranking, but it targets a general audience who uses it for personal, professional, commercial, and ideological purposes. Instagram has a decent half of the market share. It is considered more prestigious than FB and oftentimes also serves as an outlet for the artistic and creative aspirations of its users. Since it focuses on the visual rather than the verbal, it is very popular among trend leaders, fashion professionals, photographers, celebrities, and actors. Twitter is usually perceived as more professional and of higher prestige; it is often used by politicians and journalists.
PROFILES OF KEY PLAYERS

Internet & Mobile

Key players in the Israeli internet and mobile market, breakdown by services

<table>
<thead>
<tr>
<th>Company</th>
<th>Email service</th>
<th>Messaging and VoIP</th>
<th>Mobile ecosystems</th>
<th>Search</th>
<th>Social network &amp; blog</th>
<th>Video &amp; photo</th>
<th>Cloud Services</th>
</tr>
</thead>
<tbody>
<tr>
<td>Apple</td>
<td>+</td>
<td>+</td>
<td>+</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Facebook</td>
<td></td>
<td>+</td>
<td></td>
<td>+</td>
<td></td>
<td>+</td>
<td></td>
</tr>
<tr>
<td>WhatsApp</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>+</td>
<td></td>
</tr>
<tr>
<td>Google</td>
<td>+</td>
<td>+</td>
<td>+</td>
<td>+</td>
<td></td>
<td>+</td>
<td></td>
</tr>
<tr>
<td>YouTube</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>+</td>
<td></td>
</tr>
<tr>
<td>Microsoft</td>
<td>+</td>
<td>+</td>
<td></td>
<td>+</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Samsung</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>+</td>
<td></td>
</tr>
</tbody>
</table>

Source: StatCounter, Israel 2020

Facebook

The history of Facebook Israel goes back to 2010 when it was founded as a startup company named Onavo Mobile by Roy Tiger and Guy Rosen. In October 2013, Facebook purchased Onavo for an estimated US$ 150m, changed the company’s name to Facebook Israel and set up its development center in Tel-Aviv. Onavo’s founders, Tiger and Rosen, have since taken senior positions at Facebook’s Silicon Valley headquarters. Since 2016, Facebook Israel’s R&D center has grown from 85 to over 250 engineers. Among other things, it leads the development of Facebook’s Lite app and the company’s Express Wi-Fi project, which aims to connect underdeveloped countries to the internet.

Adi Soffer Teeni has served as Facebook Israel’s CEO since 2014, coordinating the company’s marketing, advertising, and commerce activities with its about 100 employees.

There is no financial information about Facebook’s operation in Israel. Facebook has about 18 trademarks in Israel, but the global WhatsApp, which it purchased in 2014, seems to have the greatest significance for Israelis: according to the 2019 Bezeq’s annual internet report, WhatsApp is the most popular app in the country; 91% of Israelis were using it.[29] In January 2020, WhatsApp announced globally to its two billion users that as of February 8, 2021 it was changing the way it would share its information with Facebook. The message appeared for every user and those who refused to approve the new terms of use were warned they would be blocked. In Israel, not only private persons but state institutions and functionaries are very dependent on

WhatsApp; military and police units, without official permission, communicate on the app, and doctors and medical staffs in hospitals use it to discuss patients’ private medical information. WhatsApp’s new policy has special privacy implications for local users.[30]

Google

Google has been operating in Israel since 2005. It employs 800 people in the country. Its local business was established by Meir Brand, who now serves as Vice President of Google Global, and Director of Emerging Markets at EMEA countries (Russia, Middle East and Africa). Since 2017, Barak Regev has been serving as CEO of Google’s Israeli branch.

Google has extensive research and development activity in Israel. In 2006, two Google R&D centers were established in Haifa and Tel Aviv, later merged into a Strategic R&D center, led by Prof. Yossi Matias. The center has developed several features in Google products, among them ‘Google Suggest’, the ability to add layers to YouTube, Google Trends and Google Visualization mechanisms. It had several collaborations with Israeli national institutions such as the Antiquities Authority, the National Museum and Yad Vashem museum.

In June 2013, Google purchased Waze Mobile, the app operator, for US$ 966m, keeping the Waze development center in Israel.

One of the biggest unknown variables in the advertising market in Israel is how much Google makes on the local market. In the absence of any official reporting, their turnover and revenues remain in the realm of experts’ estimates.[31] TheMarker, a financial newspaper in Israel, estimated in late 2018 that Google’s local revenues are slightly higher than EMEA average and reach about ILS 600m (US$ 167m) a year.

Estimates that Google’s operation in Israel is more profitable than the global average, and certainly more than the average in EMEA, are also based on data about the global use of different Google platforms. For example, Google’s search engine market share in Israel reached more than 97% in September 2018, compared to a world average use of 92.3%.

Secondly, the estimates are based on the extent of YouTube use in Israel, a channel that accounts for a significant share of the company’s revenues. In 2018, YouTube revealed that there were 3.5 million unique users monthly in Israel, which represented more than half of the Israeli population. Hence the volume of YouTube’s revenue from the Israeli market is probably higher than the global average.[32]

Google and Facebook both have been making great efforts to disconnect themselves from their commercial activity in Israel. For tax purposes they argue that they do not have a permanent establishment in Israel, but in Ireland. In fact, they pay 0% corporate tax and income tax in

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[32] Nati Tuker, Our click worths a lot..., cit.
Israel, justifying this by Ireland’s tax policy. Local experts say that this exemption gives them an advantage over the rest of the competitors in the local market, reducing significant revenues in the state coffers and preventing the companies that purchase their products from recording their expenses for tax deductions.[33]

**Telecommunications**

In recent years, the Israeli market has been saturated with communications companies that operate simultaneously in several telecom sectors: fixed and mobile telephony, fixed and mobile internet services, multi-channel television and international calls. It is a competitive market, even too competitive some would say, in a way which endangers either the existence of some operators or the motivation of infrastructure providers to invest in advanced networks.[34] The four main groups operating in the communications market are Bezeq, HOT, Cellcom and Partner.[35]

**The Telecom Giants**

*Financial data for the leading telecom brands 2017-2020/1 ($ million)*

<table>
<thead>
<tr>
<th></th>
<th>Net profit/loss (US$ m)</th>
<th>Ownership</th>
<th>Country of ownership</th>
<th>Internet subscriber rate</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>2017</td>
<td>2018</td>
<td>2019</td>
<td>2020</td>
</tr>
<tr>
<td><strong>Bezeq</strong></td>
<td>343</td>
<td>-296</td>
<td>-305.3</td>
<td>94.8</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
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<td></td>
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<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Hot</strong></td>
<td>324</td>
<td>n/a</td>
<td>n/a</td>
<td>n/a</td>
</tr>
<tr>
<td><strong>Cellcom</strong></td>
<td>31</td>
<td>-17.7</td>
<td>-30</td>
<td>-12.3</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Partner</strong></td>
<td>31.6</td>
<td>15.5</td>
<td>5.3</td>
<td>2.8</td>
</tr>
</tbody>
</table>

Note: HOT’s company data is from 2017 (except for the rate of internet subscribers). The rate of internet subscriptions to service provider companies (which have no fixed infrastructure) rose to about 26% in 2019, mainly concomitantly with the decrease in the rate of Bezeq’s subscriptions, following the “wholesale market reform.” The sums are calculated based on the yearly average exchange rate, published by the Bank of Israel.

n/a: not available
Source: Knesset Research and Information Center

The four main groups are active in five telecom segments. In the fixed infrastructure sector, there are mainly two groups, Bezeq and HOT, but Cellcom and Partner have also begun to deploy optical fiber.

[33] Omer Sharvit, "לא יהיה עוד שוק חברתי" (They just don’t deal with it here), The 7th Eye, 5 April 2016, available (in Hebrew) at https://www.the7eye.org.il/199299 (accessed 2 October 2020).
[34] Botosh, Goldsmith and Eisenkot, Fiber-based Internet infrastructures..., *cit*.
[35] There are other market players in Israel that are not part of one of the communication groups mentioned above, such as Golan Telecom and WE4G-Exfon, as well as Mobile virtual network operators (MVNOs) in the mobile segment, international services operators and ISPs, including wholesale market providers. In this regard, a ”group” is characterized by a close relationship that results from the shareholders’ identity, although in some groups a corporate, accounting or marketing separation between the group’s entities is maintained.
Bezeq Group is the oldest Israeli telecom player and has the largest share in the fixed communications market. According to the Ministry of Communications (MOC), it is the most dominant company, due to its ownership of a passive infrastructure system providing nearly nationwide coverage (since 1984). This infrastructure allows Bezeq to easily expand further without the necessary costs and approvals required from other companies. This asset gives it a great competitive advantage.

In the mobile communications sector, Bezeq operates through the Pelephone company. Bezeq joined as a partner in Pelephone in 1994 and currently fully owns it. Pelephone has a 3G and 4G cellular network nationwide without sharing with other operators. Until Cellcom entered the mobile market in 1994, Pelephone was the sole mobile player in Israel.

Cellcom Group entered the market in 1994 after winning an MOC frequency tender. The group has a 3G and 4G mobile network nationwide, and optical fibers are connected between its mobile antennas.

Since 2015, with the launch of the “wholesale market reform” (see details in the Technology and Government section), Cellcom has been marketing fixed internet infrastructure services by purchasing access from Bezeq (BSA service). In 2017, the company began deploying optical fiber infrastructure by using Bezeq’s passive infrastructure system.

Partner Group entered the market in 1998 following an MOC frequency tender, which made it the third competitor in the mobile segment. As of 2015, like Cellcom, Partner company has been marketing fixed-line internet infrastructure services by acquiring access from Bezeq (BSA). In addition, with the “wholesale market reform,” the company also started deploying fiber-optic infrastructure on Bezeq’s passive system. The Group has a nationwide mobile network and a joint corporation with Hot Mobile.

HOT Group also entered the mobile communications market after it won a frequency tender in 2012. The group has a 3G and 4G mobile network (operated as HOT mobile, formerly under the
According to the MOC, HOT’s passive infrastructure system is partial and reaches about a third of households in Israel. In the rest of the areas, it is either threading the cables in the ground without passive piping or uses Bezeq’s passive network (see footnote 40). This network provides television services, internet connection and landline telephony. The maximum download rate using this infrastructure reaches about 500 MBs (after mid-2019).

Gad Peretz, "השוק של המוצרים העיוותים七星אלה: התקשורת בתחום הרגולטורים לידע (, "For the information of the communication regulators: these are the seven main market failures), Globes, 9 January 2020 https://www.globes.co.il/news/article.aspx?did=1001314160 (accessed 2 December 2020).

The Ministry of Communication (MOC), the main regulator in the telecom market, has been failing repeatedly in recent years to promote public interest in the field. Since February 2017, due to the political instability in Israel, seven ministers have already been stepping in office, most of whom have been serving for only a few months, including the present minister, MK Yoaz Handel. In the absence of an effective minister, the professional echelon takes over powerfully and operates almost unsupervised while heavy regulation strangles market initiatives.

The last decade saw several reforms in the telecom market that are believed to have led to a major market failure. The two most prominent ones are the following. In the mobile segment, 2011 was a year of transformation when virtual operators received license to enter the already small market, while granting yet another operator’s concession (Golan Telecom). This was a significant competition accelerator.

In the fixed communications segment, a 2015 amendment, named “the wholesale market reform,” has increased competition even more. Bezeq Group was most significantly affected by the consequences of this reform. By 2020, about 26% of internet subscribers were connected through non-infrastructure companies that purchase wholesale market services from infrastructure owners. By endorsing the use of Bezeq’s passive infrastructure, the other companies could deploy fiber-optics infrastructure quickly and at low costs.

According to telecom experts and the companies themselves, this situation brought about large losses in recent years, which in turn made it difficult for the companies to further invest in advanced infrastructure.

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[38] Gad Peretz, "ידיית握手תרותיו של המוקף: הלא שביעתי mutuallyThrowable לשון תמים (, "For the information of the communication regulators: these are the seven main market failures), Globes, 9 January 2020 https://www.globes.co.il/news/article.aspx?did=1001314160 (accessed 2 December 2020).

[39] Mostly, it is the roll-out of fiber-optics and 5G network that has been delayed in Israel.

[40] The mobile companies have not yet fully launched the 4G network throughout the country.

[41] Since then companies without their own mobile infrastructure could operate and offer services to customers. This has led to heavy competition in this market and to extremely low mobile consumer prices (second lowest in the world after India).

[42] The reform stipulated that a domestic operator (DOP) will allow another DOP to use its passive infrastructure to deploy cables or fiber-optics.

[43] Mostly, it is the roll-out of fiber-optics and 5G network that has been delayed in Israel.
Thus, after lagging behind global trends with low mobile internet speed and following years of deliberations, two major developments have been recorded in the field.

On 29 September 2020, for the first time in Israel, the MOC granted mobile operators that won the frequency tender licenses to operate 5G networks. In addition, the Tenders Committee for 5G Frequencies has been expanded to allocate additional frequencies, thus preparing for mobile use increase and massive information transmission (planning ahead, before these infrastructures get overloaded). At the same time, the MOC, in collaboration with the Innovation Authority (Ministry of Economy), promotes the development of 5G-based technology apps. For this purpose, a call was published for startup companies and the Israeli technology industry to provide economic incentives of about ILS 10m for R&D in 5G environments.[44]

Later in 2020, the Knesset plenum approved the Communications Law’s outline for the deployment of fiber-optics in Israel.[45] The amendment includes a significant relief for Bezeq: it will not be required to offer fiber-optics coverage throughout Israel but will be able to select “statistical areas” which to cover. It is estimated that Bezeq will eventually lay out in about 80% of households in Israel.[46] The solution for the remaining 20% of households is to have the government to establish a fund that will be financed by the telecom companies with about ILS 90m a year. Bezeq, which holds about 50% of the communications market’s revenues, will finance half of the fund.[47]

Telecom giants usually do not use powerful leverages with policymakers in Israel but do lobby through traditional channels for their interests. Yet, Bezeq again is an exception to the rule. The group was under scrutiny by the Securities Authority and the State Comptroller regarding an allegedly facilitating regulatory policy it was granted by the MOC, thanks to the friendship between Shaul Elovitch, Bezeq’s former owner, and then-Prime Minister Benjamin Netanyahu. In December 2020, an indictment was filed against Elovitch and Bezeq executives in two sub-cases. (See the Walla! Bezeq and the 4000-case review in Funding Journalism in the Media Influence Matrix: Israel)[48] Netanyahu’s direct involvement is also under court procedures.

Since that incident, Bezeq has been slowly recovering thanks to a series of maneuvers attributed mainly to its former Chairman Shlomo Rodav.[49] The new owners of Bezeq, the Searchlight Fund and David Forer, had expected to restore stability to the company, but Rodav resigned due to disagreements with Searchlight Fund. The Bezeq Group is still faced with major decisions regarding the group’s restructuring.[50]

[46] HOT will also be required to lay out fiber in only about 30% of households.
[48] In the framework of this investigation, a number of cases were at stake and involved senior executives in Elovitch’s Bezeq conglomerate (from Yes, Walla! and Spacecom), as well as a number of civil servants related by virtue of their position in work relations with Bezeq. The allegations are of criminal offenses, including misleading statements, fraud and breach of trust in the corporation, and offenses of obstruction of justice.
[50] Rodev has led several strategic moves, some of which have not yet matured. The significant move was to consolidate the activities of Bezeq’s subsidiaries, as a step of saving and efficiency. In addition, he led large erasures in the value of Bezeq’s subsidiaries and its tax asset (worth NIS 1.2 billion) from Yes after it could not be materialized. See: Nati Tuker,”דרס הכווך: יא רו מיסק תפועה (Drama in Bezeq: Chairman Shlomo Rodev resigns), The Marker, 22 June 2020, available (in Hebrew) at https://www.themaker.com/markets/1.8939634 (accessed 6 November 2020).
[48] In the framework of this investigation, a number of cases were at stake and involved senior executives in Elovitch’s Bezeq conglomerate (from Yes, Walla! and Spacecom), as well as a number of civil servants related by virtue of their position in work relations with Bezeq. The allegations are of criminal offenses, including misleading statements, fraud and breach of trust in the corporation, and offenses of obstruction of justice.
[48] In the framework of this investigation, a number of cases were at stake and involved senior executives in Elovitch’s Bezeq conglomerate (from Yes, Walla! and Spacecom), as well as a number of civil servants related by virtue of their position in work relations with Bezeq. The allegations are of criminal offenses, including misleading statements, fraud and breach of trust in the corporation, and offenses of obstruction of justice.
Rami Levy Communications is a public company controlled by businessman Rami Levy who made his fortune from a supermarket chain, the third largest in Israel today. The communications company he owns operates an MVNO on an existing Pelephone infrastructure. It was founded in 2011 along with the introduction of the above-mentioned virtual operator reform, signed by the then Minister of Communications, Moshe Kahlon (Likud party member). Levy always kept a close relationship with Kahlon and the Likud ruling party. Although Moshe Kahlon retired from the political life in March 2020 after serving in the past as Minister of Communications, finance and welfare, his friendship with Rami Levy is a well-known fact and it is not inconceivable that it did not undermine Levy’s interests, to say the least.[51]

Rami Levy was also a member of the Jerusalem City Council on behalf of the Likud Party (under Netanyahu’s primary). Levy featured three times in Netanyahu and the Likud’s election campaigns (2013, 2015 and 2020).[52] In 2015, he was chosen by the Ministerial Committee (of Netanyahu’s coalition) to light the Independence Day beacon, a public national symbolic ritual that few and far between have been honored with.

On 30 November 2020, a serious indictment was filed against Levy’s communications company, against its manager Ophir Atias, Rami Levy’s nephew, and against Shlomo Julian, the company’s security officer, for invasion of privacy and illegally tracking employees, customers, and journalists. The case against Rami Levy himself, who was investigated in the matter, has been closed.

TECH AND JOURNALISM

Social Media

Israelis get most of their information on political issues from online news sites, while television news consumption comes second. Surprisingly, social networks largely surpass both radio and print in news consumption: 76% of the public in Israel consume news content on social networks at least once a day; 40% of Jews and 66% of Arabs indicated that this is one of their favorite media outlets for news and current affairs.[53]

WhatsApp was the leading messaging app in 2019 (91% users) followed by Facebook, its mother company, with 81%. Hence, Facebook plays a major role as a super-disseminator for media content providers. Facebook continued to establish itself as a community and less of a personal network, with an average of 16 groups per person. Facebook age patterns confirm that it addresses more the adult audience (85%), with 50% of Internet-using teenagers saying they were active on its platform.

The most followed news media pages on Facebook present a picture of a wide palette of interests and preferences in Israeli media. They also reflect the complexity of Israeli society. A mix of languages, religions and media operations (digital, print and television) feature among the top 10 outlets. An illustration of this complexity is Panet and Bokra, two Arabic websites that surpass the Israeli-Hebrew-Jewish outlets with the highest number of followers, which are probably accessed from within and without the country. Yet, considering the Arabs’ share in the population (around 21.1%, 1.9 million in 2020) this is an expression of a complete mistrust among them in the Hebrew-speaking dominant media operations in Israel.

Another remarkable reflection of societal complexity could be seen in the popular God TV (Shelanu), a global evangelical pro-Zionist and right-wing network. It had an operation in Israel and won a broadcasting license under HOT cable television but went off air and was banned by the MOC, following an accusation of illegal proselytizing. They were accused of missionary targeting of the Jewish audience and not just Christians, in contravention to their original license.

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[55] Instagram came third with 52% followers. After WhatsApp, Instagram is the leading app among teens (81%). Tik Tok app has become more prominent, especially among young audiences, considering that 60% of the children in Israel are already active online. (Bezeq Digital life 2019-20 report, cit.)
the accusations and the ban probably raised the support among their potential audiences).\[57\]
This is another way of realizing how much conservative evangelical Christians, supporters of Trump and Netanyahu, brand themselves as ardent fans of Israel and what a significant role their huge numbers play in disseminating information, within and without the country.\[58\]

Israeli Jewish media in English is also very popular, as it caters for English speakers in the country but also to Jewish communities and other English speakers abroad.

The rest of the most popular Facebook pages represent the leading Hebrew media operations in Israel (be it print or television), which correlates with their popularity rates: Yedioth Aharonot and its digital platform Ynet, Mako, the digital portal of Reshet 12 (channel TV) and “story” (Sipur) a documentary/current affair production by Reshet 13 (TV), and the Walla!News platform, which is a Bezeq subsidiary. Interestingly, radio stations are not included in this list, which means that current affairs and cultural broadcasts produced by the central radio stations are less attractive to an audience that prefers quick and visual content.

**Most popular Israeli media pages on Facebook, January 2021**

<table>
<thead>
<tr>
<th>Media Page</th>
<th>Number of Facebook followers</th>
</tr>
</thead>
<tbody>
<tr>
<td>Panet Israel (Arabic)</td>
<td>1,893,863</td>
</tr>
<tr>
<td>GOD TV (Evangelical Hebrew/English)</td>
<td>1,654,518</td>
</tr>
<tr>
<td>Bokra Net (Arabic)</td>
<td>1,561,375</td>
</tr>
<tr>
<td>Ynet (Hebrew)</td>
<td>1,201,995</td>
</tr>
<tr>
<td>The Times of Israel (English)</td>
<td>1,095,047</td>
</tr>
<tr>
<td>The Jerusalem Post (English)</td>
<td>972,748</td>
</tr>
<tr>
<td>Yedioth Aharonot (Hebrew)</td>
<td>911,490</td>
</tr>
<tr>
<td>Mako (Hebrew) Keshet 12</td>
<td>846,695</td>
</tr>
<tr>
<td>“Story” (Hebrew) Reshet 13</td>
<td>830,912</td>
</tr>
<tr>
<td>Walla! News (Hebrew)</td>
<td>806,504</td>
</tr>
</tbody>
</table>

Source: Socialbakers

The Israeli YouTube features the country’s largest media groups that operate in the video/television content segment (Bezeq, Hot, Cellcom and Partner). Children’s channels are dominating the list of the most popular YouTube channels in Israel, the list (six out of the top 10).\[59\]

HOT TV features high with its original productions and broadcasts for children (HOTVOD Young, Hop, and Luli channels). The Baby channel, known as the most successful Israeli content venture in the world, is now owned by Fox media giant.\[60\] The Baby channel broadcasts to 70 million households worldwide and in Israel it is distributed through HOT, Yes (Bezeq), Partner,

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\[58\] Jerusalem Prayer Team for example, another Evangelical operation, is the most popular in Facebook’s “all pages” media with about 74.3 million followers, from within and without the country. See Socialbakers, “all media pages”, Israel, January 2021. \[59\] This might be the result of the Covid-19 crisis, due to a full country lockdown, having the education system completely closed throughout January 2021. Yet, it also highlights an interesting social tendency that has commercial and cultural implications.

\[60\] Li-Or Averbach, ”เคץ הרקיע חיוב לחדש התרבות הישראלית באמצעות ביטוי מקוון (This is how Baby Channel became the most successful Israeli content venture in the world), Globes, 4 January, 2016. Available (in Hebrew) at https://www.globes.co.il/news/article.aspx?id=1001092800 (accessed 20 January 2020).
and Cellcom. The international Disney Channel has an Israeli operation that broadcasts the company’s production in Hebrew, but also produces original content. It is distributed through HOT, Yes and Cellcom TV.

The multichannel Yes and Cellcom TV are more popular than Partner TV, which is not to be found on this list, but as a minor distributor of channels or programs. The Israeli public broadcaster Kan’s popularity beats in popularity other news productions in the country, and Reshet media overrides Keshet 12, which is not to be found on the list.

The motion picture

Most watched media YouTube channels, January 2021

<table>
<thead>
<tr>
<th>Outlet</th>
<th>Number of subscribers</th>
<th>Total views of uploaded videos</th>
</tr>
</thead>
<tbody>
<tr>
<td>HotVODyoung (kids)</td>
<td>441,000</td>
<td>522,773,768</td>
</tr>
<tr>
<td>Baby Channel (kids)</td>
<td>459,000</td>
<td>448,994,262</td>
</tr>
<tr>
<td>Disney channel (kids)</td>
<td>871,000</td>
<td>448,375,677</td>
</tr>
<tr>
<td>Hop Channel (kids)</td>
<td>419,000</td>
<td>352,203,784</td>
</tr>
<tr>
<td>Yes TV</td>
<td>496,000</td>
<td>351,486,223</td>
</tr>
<tr>
<td>Reshet 13</td>
<td>405,000</td>
<td>324,405,673</td>
</tr>
<tr>
<td>Kan educational (kids)</td>
<td>224,000</td>
<td>241,704,790</td>
</tr>
<tr>
<td>Kan News</td>
<td>215,000</td>
<td>233,794,795</td>
</tr>
<tr>
<td>TV Luli (kids)</td>
<td>227,000</td>
<td>138,632,424</td>
</tr>
<tr>
<td>Celcom TV</td>
<td>126,000</td>
<td>47,317,911</td>
</tr>
</tbody>
</table>

Source: Socialbakers

Twitter is the sixth most popular app in Israel (15%) and does not come close to Facebook’s huge penetration rate. The media outlets in Israel are aware of the social benefits coming from using Twitter and operate accounts that spread information about what is published on their websites. Nevertheless, they still avoid using Twitter as a tool for creating and managing a space for public discussion. In doing so they are replicating the outdated logic of print media, according to which the newspaper publishes stories that the audience reads, without a solid intention to foster debate around them.

Twitter enables the creation of an infinite number of fake profiles, run by a handful of people or automated software. In recent years, journalistic investigations have managed to verify that the source of thousands of pro-Netanyahu active profiles are in fact based in other countries, and that an automated bot-like software operates some of them. Profiles with random usernames (@x4gtf85k9m) passionately insult anyone who dares to claim that Netanyahu is wrong, wishing cancer to journalists and calling the military and police to suppress anti-Netanyahu protesters. Common people have no way of finding out who runs these profiles. Over time they created a feeling that behind Netanyahu stands an authentic and large popular movement, with an army of ardent supporters.[61]

[61] Yuval Dror, “ל悱י משתח moden ממק רחיבק פוש רח תחתון” (Why does the user @x4gtf85k9m fiercely defend Netanyahu?), Haaretz, 8 October, 2020, available (in Hebrew) at https://www.haaretz.co.il/opinions/premium-1.9215772 (accessed 8 October 2020).
On a different note, recently, a public victory over Twitter was recorded as part of an important decision of the Tel Aviv District Court, which enabled Israelis to sue international corporations from within the country. The lawsuit specified that international companies which trade in different countries around the globe should expect to be sued in the countries where they provide services. This is despite the opposition from Twitter that wants to discuss legal claims abroad.[62]

The most followed news media accounts on the Israeli Twitter include some of the most popular media outlets in the country. The leading ones are the three English-speaking digital newspapers the Jerusalem Post, Haaretz.com and the Times of Israel. Haaretz.co.il and its financial arm The Marker have always been strong on Twitter and surpass the other Hebrew speaking dailies’ digital platforms. The leading televised news channels are Reshet 13 and Kan News, and the leading portals by TV broadcasters, the public KAN and commercial Mako (Keshet 12) are popular. The military GLZ radio station is the most tweeted radio operation.

### Ranking of the most popular media on Twitter in Israel, January 2021

<table>
<thead>
<tr>
<th>Media Outlet</th>
<th>Number of Followers</th>
</tr>
</thead>
<tbody>
<tr>
<td>The Jerusalem Post</td>
<td>485,463</td>
</tr>
<tr>
<td>Haaretz.com</td>
<td>390,915</td>
</tr>
<tr>
<td>The Times of Israel</td>
<td>317,046</td>
</tr>
<tr>
<td>Channel 13 News</td>
<td>196,079</td>
</tr>
<tr>
<td>Haaretz.co.il</td>
<td>179,315</td>
</tr>
<tr>
<td>The Marker</td>
<td>121,665</td>
</tr>
<tr>
<td>Kan News</td>
<td>95,346</td>
</tr>
<tr>
<td>Kan</td>
<td>92,905</td>
</tr>
<tr>
<td>Mako</td>
<td>91,979</td>
</tr>
<tr>
<td>GLZ radio</td>
<td>87,800</td>
</tr>
</tbody>
</table>

Source: Socialbakers

### Ownership and Financial Relations

Technology companies, except for Bezeq, which has been extensively mentioned above, do not have any ownership or financial links with media content producers.[63] They usually do not financially support media enterprises or journalistic initiatives in the country.


Telecoms

Broadcasting TV has undergone a dramatic change in recent years due to technological developments, while power relations between the actors and the market are still defined by provisions adopted in the 1990s. By law, content-producing channels (commercial and public) must convey their linear transmission to the multi-channel platforms (cable and satellite television providers in Israel, Yes and HOT), free of charge, while their economic model should be based on advertising. Thus, cable and satellite platforms receive the linear broadcast with embedded advertising, as it comes from the commercial channels, and are not allowed to sell advertising themselves, nor to produce news programs.

Linear transmission as it existed in the past has been significantly hampered because it competes with digital video recorders. For example, 82% of households have at least one recorder-converter in the house in Israel, which makes it possible to record broadcast and watch it non-linearly and without ads. On top of that, Partner and Cellcom’s new television platforms are primarily built on full recording capacity, allowing users to watch the program at their own leisure.[64]

At the same time, television advertising competes with superpowers like Facebook, and with tech ad players like Google, which also presented YouTube to advertisers as a TV replacement. Keshet and Reshet see these international giants, including Netflix, as a significant competitor for viewing time (which translates into rating points) and, as a result, for advertising.

According to Keshet and Reshet, the established commercially run television channels (see Funding Journalism in Media Influence Matrix: Israel), the content they produce occupies a major slot in the menu of HOT and Yes platforms. The viewing share of these commercial channels, while distributed on cable and satellite daily primetime, stands at 54.2%. Keshet and Reshet channels refer to the content they produce as an economic asset and intellectual property. They asked the Folkman Committee on Communications Regulation, which recently convened, to change the law accordingly. Those who make use of their content will have to pay regardless of the type of platform used. In addition, the channels seek to force international providers to invest in local content through a fund set up for this purpose.[65]

HOT representatives argued that the company should be allowed to broadcast commercials and news. According to them, such an enabling legal reform will significantly increase their revenues. Thus HOT could guarantee that all additional revenues generated from advertising will be used to fulfill their obligation to produce original content. This means that more money will be injected back into the market by investing it in local content.[66]

In a separate development, in 2014, the Knesset plenum approved the amendment to the Communications Law (section 51C), which extended the principle of net neutrality to all operators in the communications market, including internet access providers, infrastructure companies and multi-channel broadcasting companies.[67]


[65] Anat Bein-Leibovitz, Keshet and Reshet to the Folkman Committee..., cit.

[66] HOT and Yes are required to invest 8% of their total revenue in original content. (Anat Bein-Leibovitz, Keshet and Reshet to the Folkman Committee..., cit.)

In Israel, there is almost no public debate about net neutrality.[68] Except for the Israeli Internet Association (ISOC-IL) that actively works on designing neutrality principles, there is no real lobby of strong companies fighting for or against it, thus the public remains largely unaware of the issue. Cases of violations of net neutrality in Israel are not sufficiently documented.

Nevertheless, in 2019, an international study revealed that the Israeli mobile provider HOT Mobile is slowing down traffic to YouTube. A study by researchers at Northeastern University and Massachusetts-Amherst found that HOT limits YouTube browsing speeds to a maximum of 1.5 megabits per second. According to the data, the speed limit for surfing was identified in 70% of the tests performed in the study.[69]

This slowdown allows providers to use their infrastructure more efficiently and to benefit from broadband allocation to business customers, or to specific online services over others.[70] Although in the HOT case no particular implications for journalism were evident, it could signal a hazardous slippery slope towards internet inequality and de-democratization. What today counts as a slowdown in one video service could later lead to the separation and discrimination of other communication services. Imagine a situation where HOT Mobile decides to allow quick access to the content of news companies related to it, and on the other hand slows down competitors.

The Business of Disinformation

Disinformation becomes a troubling phenomenon for the Israeli society for three reasons.[71]

First, Israelis widely use social media as a source of political information (76%, at least once a day). False news circulates on social media faster and runs deeper than true news.

The second reason lies in the cognitive aspects of disinformation consumption. False information may seem very realistic and more memorable, especially when it evokes deep emotions. In addition, people believe family and friends more than they believe strangers, especially in a collectivist society like Israel. Hence, false information disseminated on social media by relatives is more likely to become part of people’s beliefs and opinions.

Surprisingly though, 58% of the Israeli public think that the mainstream media (press, radio and television) produce more true news than false output. In contrast, less than a quarter of the Israeli public (22% of Jews and 29% of Arabs) think the same about social media. That is a huge gap of trust between institutional media and (low trust in) social networks. The Israeli public is thus exposing a major paradox, using sources of news they do not really believe.

Interestingly, it turns out that users do this because they are self-confident about their ability to identify biased and problematic information, even though studies have shown that can be truly

[68] Net neutrality principles state that network providers will provide the same service for all types of data streamed through them, regardless of the type of website that contains this information, its size, its economic capabilities, its geographical location, its goals and the content it represents. This principle also applies to users: it will receive the same treatment regardless of their location, demographic characteristics or purpose of use.
difficult, and most of them will not be able to tell true from false. This conduct makes the public vulnerable to manipulation to an extent and depth that Israel had never known before.

The third reason stems from the economic factor and the business model of social media platforms (Facebook, Twitter, YouTube and others). To create user engagement as a way to increase their profits, they use algorithms that collect private information and target users based on their behavioral profiles and belief systems. In addition, the pressure points these platforms have on governments to continue to grant them the exemption from liability for what transpires within the platform also serve the economic factor. In the September 2019 elections, it took Facebook a day to close the Likud’s messenger platform for a disturbing post which noted that the Arab citizens of Israel “want to destroy us all - men, women and children.”

Even then, Facebook shut it down only temporarily. This seemingly minor example illustrates the bigger and troubling picture: platforms are far from being neutral players as they benefit from disinformation, according to Prof. Karine Nahon, the president of the Israel Internet Association. Although there has been a process of change among the American legislators in the last two years, with harsh hearings of platforms’ managers, there is still a strong motivation of the latter to promote paid political campaigns over non-paying ones, according to Nahon who added: “When Zuckerberg states that Facebook is the platform of freedom of expression, he neglects to mention that Facebook is the platform for politicians and politics, as long as you have money. Facebook punishes politicians who do not pay for sponsored ads.” These ads, especially if based on populist style, attract clickbaits and could rapidly disseminate fake news or wrong ideas.

Prof. Nahon agrees that the social media companies in Israel indeed try to react more than before against disinformation on their platforms, but they still do not act strongly, transparently or quickly enough. Prof. Nahon anticipates a much deeper regulation of the social platforms in the near future, even at the price of limiting freedom of expression, as “we have reached a stage in time, when red lines should be made clear.”[72]

An INSS paper from 2019 mapped about 20 Israeli startups working on countering disinformation in three different categories: bot network detection; identifying false information and verifying facts; and identifying and preventing the distribution of fake videos and sound (Deepfake).[73] But such products are not mostly intended to address disinformation on social media. Some serve the security and intelligence systems of various countries, and others are intended for commercial organizations that fear the financial and reputation harm that can be triggered by fake news.[74]

There are very few initiatives combating disinformation that originate from institutionalized media in Israel. The prominent ones are The Seventh Eye that serves as a critical media review

[71] Tehilla Shwartz Altshuler, The truth about fake news, cit.

[74] To name a few startups: Cyabra, Communit360, Rootclaim, VineSight, AdVerif.ai and Serelay, ibid.
site, the Whistleblower by Globes newspaper, which also does fact-checking analysis, KAN 11 channel that broadcasts a daily program titled From the Other Side, which focuses on analyzing and exposing gaps between facts and disinformation, and Channel 13 News that recently had an unusual initiative of checking facts live during then-Prime Minister Netanyahu’s speech.[75]

The institutionalized media were supposed to be more aggressive in fighting against disinformation. Yet, since most of them are on a verge of a crash in the absence of a feasible business model, and since they benefit from false news, just as much as social networks do, it does not seem reasonable to rely on them on this matter.

[75] It is still not clear whether Netanyahu’s performance fact check was a one-time deviation from the usually cautious media coverage given to the Prime Minister. See Idan Ring, “فقد شموخنا من معرفة” (Whoever checks, shall have no fear), The Seventh Eye, 6 December 2020, available (in Hebrew) at https://www.the7eye.org.il/397449 (accessed 7 December 2020).
Methodology
This report is part of the Media Influence Matrix project initiated by the Center for Media, Data and Society (CMDS) and run as part of the Media & Power Research Consortium.

The country reports in the Media Influence Matrix series aim to research the changing landscape of:
- government and policy space, with a focus on the changes in the policy and regulatory environment;
- funding, with a focus on the key funding sources of journalism and the impact on editorial coverage;
- technology in the public sphere, with a focus on how technology companies, through activities such as automation and algorithm-based content distribution, impact news media and journalism.

The research focuses on news media, including newly emerged players. The study is neither aimed at exhaustively mapping the entire media industry nor is it intended to target specific media sectors. Instead, it maps the most popular and most influential news media on a country-by-country basis and analyzes their changing relations with politics, government and technology companies.

Researchers are collecting data and information following a common methodology and set of research guidelines (See Methodology & Research Guidelines in Appendix II below). The analysis in these reports is carried out by researchers with experience in the country, under the guidance of a team of editorial supervisors and experts. The reports are reviewed by a team of experts selected by our advisory board.

For each country report, a list of sources used in each chapter of the report is available. In the categorization of technology companies in all country reports we use the methodology of the Ranking Digital Rights project, which divides companies in two groups. The first group, internet and mobile, includes the so-called “mobile ecosystems,” companies that create mobile devices and products. In the second category, telecommunications companies, we include service operators that offer connection and access services such as voice, data or cable connections.

DATA AND INFORMATION COLLECTION FOR THE ISRAEL REPORT

The report is based on:
- Data and information collected in the period May 2019–March 2021 following a common set of research guidelines (See Methodology & Research Guidelines in Appendix II below)
- Interviews with 16 journalists and media experts, mostly based in Israel. The interviews were conducted via WhatsApp calls or correspondence between July 2019 and April 2020, referred to in the list of sources below as “Media Influence Matrix Israel: Journalists Survey” (see the list of interviews in Appendix I)
GOVERNMENT, POLITICS AND REGULATION

LEGAL OVERVIEW

Legal analysis of key laws affecting news media and journalism
Media Influence Matrix Israel: Journalists Interview Series

REGULATORY AUTHORITIES

Analysis of the regulatory environment in Israel focused on the following research questions:

a). What have been the key changes in regulation of news content in the past 5-10 years?
b). Who are the key influencers and most powerful institutions in regulation of news content?
c). How transparent is the regulatory process when it comes to news media?
d). What impact do these influencers have on news media and journalism?
e). What is the role of civil society organizations in the regulatory process?

Operational Aspects

Broadcast Media and Frequency Spectrum

Remit and Tasks

- Official website of Cable and Satellite Broadcasting Council (CSBC)
- Official website of The Frequencies Committee and Ministry of Communication (MOC)
- Official website of The Second Authority for Television and Radio
- Official website of Israeli Public Broadcasting Corporation (IPBC)

Board Composition

- Official website of Cable and Satellite Broadcasting Council (CSBC)
- Official website of The Frequencies Committee and Ministry of Communication (MOC)
- Official website of The Second Authority for Television and Radio
- Official website of Israeli Public Broadcasting Corporation (IPBC)
- Official webpage of Privacy Protection Authority members on the Ministry of Justice portal
- Published journalistic reports and news
- Ministry of Communication reports
- Israel Democracy Institute publications
- Official Government decision publication
**Funding**

- Documents and reports from the Ministry of Communication (MOC)
- Official website of Cable and Satellite Broadcasting Council (CSBC)
- Official website of The Frequencies Committee and Ministry of Communication (MOC)
- Official website of The Second Authority for Television and Radio
- Official website of Israeli Public Broadcasting Corporation (IPBC)
- Hasadna, Workshop for Public Data (online)

**Data Protection Regulators**

- Published journalistic reports and news
- Media Influence Matrix Israel: Journalists Interview Series

**Other Institutions with Regulatory Powers**

- Knesset Official Website: Parliamentary Committees
- Israel Competition Authority (ICA) official website
- Israel National Cyber Directorate official Website
- Citizens’ Empowerment Center in Israel (CECI) website: “A Decay of Ministerial Committees – Comparative Study” (in Hebrew), January 2016
- Published journalistic reports and news.
- Additional Literature: Gabi Siboni, Ido Sivan Sevilla, “Regulation in Cyberspace”, INSS, Memorandum No. 190, April 2019

**Decision-Making Process**

**Key Decision-Makers in Regulation and Policy-Making**

- Media Influence Matrix Israel: Journalists and Media Experts interview series
- Published journalistic reports and news.
- Additional Literature: Dr. Assaf Shapira, "妧זויות בועדות הכנסת" (Citizens in Knesset Committees), Parliament Vol. 66, 15 September 2010

**Transparency of Decision-Making in Media Regulation**

- Published journalistic reports and news
FUNDING JOURNALISM

SOURCES OF FUNDING

Analysis of the key trends in funding journalism focused on the following research questions:

a). What were the main changes in funding news media and journalism in the past 5-10 years?
b). Who are the key funders and owners of news media and journalism?
c). How big is the role of government in funding news media?
d). How are sources of funding affecting independent reporting?
e). Are there any policy implications for journalism funding?

Popular News Media

- Israel Audience Research Board (IARB) reports and publications
- TGI Kantar Media reports
- Media Influence Matrix Israel: Journalists and media experts interview series
- Published journalistic reports, analysis, assessments and news
- Additional literature:
  - Sheps Marina, "Selected data on formerly SSSR immigrants" in "Hed, the New Ulpan", issue 106, Fall 2016

Influential News Media

KEY FUNDERS

Non-Governmental Funders

- Media Influence Matrix Israel: Journalists and media experts interview series
- Israeli Marketing Association reports
- Central Bureau of Statistics Israel reports
- Knesset Research & Information Center data

Government Funding

- IDF nationwide radio stations reports
- Published journalistic reports and news
- Knesset Research and Information Center report
- IPBC Financial Reports and official website
- Media Influence Matrix Israel: Journalists and media experts interview series
TECHNOLOGY, PUBLIC SPHERE AND JOURNALISM

Analysis of the key trends in technology and journalism focused on the following research questions:

a). What are the main changes in news content consumption driven by new technologies?

b). Who are the largest, most influential technology companies?

c). How are the power relations between technology companies and government?

d). How do technology companies influence news media and journalistic content?

TECHNOLOGY OVERVIEW

- Industry reports and statistics: Pew Research Center, Eurostat, World Bank, OECD, Speedtest, DataReportal, Statcounter
- Published journalistic reports, analysis, assessments and news
- Ministry of Communication official website and publications
- The Knesset Research and Information Center data and publications
- Israel Central Bureau of Statistics data (CBS)
- Additional Literature:
  - The Heth Academic Center for Research of Competition and Regulation, COLMAN: “Reform in the Israeli cellular Market,” May 2019
  - Roy Goldsmith, "לצמצומו היצירתייITE Förmeda ליצירת משלהות לחסום (The digital divide and the implementation of government policy to reduce it), Knesset research and Information Center, 15 September 2020"

ROLE OF TECHNOLOGY IN MEDIA AND JOURNALISM

Overview and Profiles of Key Players

- Bezeq media report
- Knesset research and information center
- Published journalistic reports and news

Technology Companies & Government

- Bezeq Digital Life Reports
- Socialbakers data
- Published journalistic reports and news
The Business of Misinformation

- Published journalistic reports and news.
- Additional literature:
  - Israeli Internet Association (ISOC) publication: "ניטינאוליטי הרשת – הזווית הישראלית" (Net Neutrality – the Israeli Angle), 19 December 2017
  - Inbal Orpaz, "טכניות החברה: קולנועי או שוק כשל?terrorism and social media" (Fake news technologies: market Failure or missed opportunity?), INSS, 22 August 2019
  - Tehilla Shwartz Altshuler, "האמת על פשע ניון" (The truth about fake news), IDI, 9 February 2020
APPENDIX I

Israel: Journalists, Media and Legal Experts Survey

Media professionals and journalists interviewed for the report

- Dr. Roy Peled - Haim Striks School of Law, College of Management
- Adv. Elad Man - Legal Counsel for Hatzlacha org and Chairman of the Seventh Eye Committee
- Dvora Zak - Research Manager for Israeli Audience research Board
- Nati Tuker - The Marker
- Shuki Taussig - The Seventh Eye
- Eitan Kassif - Kantar Media
- Guy Yitzhak - Ifat Media Analysis
- Orna Adelberg Kasher - Head of Hebrew Dept. at the Government Press Office
- Guy Rolnik -Haaretz, The Marker
- Talma Biro - CEO, Israeli Marketing Association
- Liat Ziv - Former partner and Director of Strategy Geller Nesis Publicis
- Dr. Tehilla Shwartz Altshuler (Israel Democracy Institute)
- Dean Starkman - CMDs, Central European University, ICIJ
- Adv. Yoram Hacohen - CEO, Israel Internet Association,
- Dr. Haim Wismonsoky - Director of cyber unit in the Israeli State Attorney's
- Adv. Shachar Ben Meir
APPENDIX II: MEDIA INFLUENCE MATRIX

Methodology and Research Guidelines

GOVERNMENT, POLITICS AND REGULATION

LEGAL OVERVIEW

Based on desk research focused on legal reports, analysis of statutes and legal acts, collect information to describe the main laws that affect news media and journalism, identifying the positive and negative impact of these laws on independent media.

REGULATORY AUTHORITIES

Operational Aspects

Broadcast Media and Frequency Spectrum

Remit and tasks

Based on desk research focused on annual reports of regulators, regulatory assessments and statutes of regulators, collect information to describe the most media-relevant tasks of the regulators involved in broadcasting.

Board composition

Based on desk research focused on annual reports of regulators, regulatory assessments and statutes of regulators, as well as articles in news media, collect information to describe the composition of the main decision-making body, focusing on rules on the appointment and sacking of board members; and to profile the members of the current board.

Funding

Based on desk research focused on annual reports of regulators and other regulatory documents, as well as articles in the media, collect financial data to present the annual budget of the regulator for the past five years (or as far back in time as possible), indicating the source of funding.

Print Media Regulators

Remit and tasks

Based on desk research focused on annual reports of regulators, regulatory assessments and statutes of regulators, collect information to describe the most relevant tasks of the regulators covering print media operations.
Board composition

Based on desk research focused on annual reports of regulators, regulatory assessments and statutes of regulators, collect information to describe the composition of the main decision-making body, focusing on rules on the appointment and sacking of board members and to profile the members of the current board.

Funding

Based on desk research focused on annual reports of regulators and other regulatory documents, as well as articles in the media, collect financial data to present the annual budget of the regulator for the past five years (or as far back in time as possible), indicating the source of funding.

Internet Regulators

Remit and tasks

Based on desk research focused on annual reports of regulators, regulatory assessments and statutes of regulators, collect information to describe the most media-relevant tasks of internet regulators, focusing on rules on distribution of online content.

Board composition

Based on desk research focused on annual reports of regulators, regulatory assessments and statutes of regulators, collect information to describe the composition of the main decision-making body, focusing on rules on the appointment and sacking of board members; and to profile the members of the current board.

Funding

Based on desk research focused on annual reports of regulators and other regulatory documents, as well as articles in the media, collect financial data to present the annual budget of the regulator for the past five years (or as far back in time as possible), indicating the source of funding.

If such regulators do not exist, describe what other institutions carry out similar tasks. If there are not such examples, do desk research focused on articles in the media and reports from meetings with experts and interviews with experts, to summarize the key arguments in favor or against regulation of internet content and any describe any plans to do so in the near future.

Data Protection Regulators

Remit and tasks

Based on desk research focused on annual reports of regulators, regulatory assessments and statutes of regulators, collect information to describe the most media-relevant tasks of the data protection regulators.
Board composition

Based on desk research focused on annual reports of regulators, regulatory assessments and statutes of regulators, collect information to describe the composition of the main decision-making body, focusing on rules on the appointment and sacking of board members; and to profile the members of the current board.

Funding

Based on desk research focused on annual reports of regulators and other regulatory documents, as well as articles in the media, collect financial data to present the annual budget of the regulator for the past five years (or as far back in time as possible), indicating the source of funding.

Other Regulators with Powers in News Media

Based on desk research focused on annual reports of regulators, regulatory assessments and statutes of regulators, but also articles in the media and industry reports, collect information to describe other regulators that have competences in the news media segment. They could be antitrust regulators, retail industry watchdogs, advertising self-regulating bodies, etc.

Key sources of information recommended:

For Remit/tasks and Board composition
Statutes and legal acts
Legal studies
Annual reports

For Funding
Government budget documents
Articles in the media

Decision-Making

Key Decision-Makers

Based on desk research that will include articles in the media, and reports by think tanks and policy institutes, as well as interviews with independent media experts and journalists, write short profiles of the key decision-makers in the media policy field, focusing on decision-makers working with the regulatory authorities described under the section Regulatory authorities. Focus on fact-based evidence of the power they exert in the policymaking area.

Transparency in Decision-Making

Based on desk research that will include articles in the media, reports by think tanks and policy institutes, and academic articles and studies, as well as interviews with independent media experts and journalists, describe the main mechanisms in place to ensure transparency of the decision-making process and how they function in practice.
Impact

Based on desk research that will include articles in the media, academic articles and studies, and existing surveys, as well as interviews with representatives of media companies, present case studies of regulatory decisions that directly or indirectly had an impact, both negative and positive, on media and journalism.

Key sources of information recommended:

For Decision-making and Transparency
Articles in the media, academic studies, reports by think tanks and policy institutes
Interviews with local experts and journalists

For Impact
Articles in the media, academic studies, surveys
Interviews with representatives of media companies

INFLUENCERS

Internal

Based on desk research that will include articles in the media and investigative reports as well as interviews with independent media experts and journalists, describe the main influencers in the media policy field, focusing on the following categories (others can be included if relevant in the country), explaining also the key motivations for their interest in the regulatory process:

Industry Players

Companies (news media operators and media-related companies such as advertising and PR agencies and companies totally unrelated to media that exert influence on media regulators)

Civil Society

Civil society groups, including NGOs, professional associations, academic institutions and think tanks, religious groups, community media that influence the regulatory process

Personalities

Journalists, bloggers, artists or other celebrities that have an influence in the media policy and regulation

External

Based on desk research that will include articles in the media, academic articles and studies, reports by think tanks and policy institutes and research conducted by International bodies, describe international bodies, including intergovernmental organizations that can influence the media policy in the country and present cases where they concretely used this influence.
Key sources of information recommended:

For Internal
*Articles in the media, investigative reports*
*Interviews with independent media and political experts, and journalists*

For External
*Articles in the media, academic studies and articles, reports by think tanks and policy institutes, reports by international bodies*

**FUNDING JOURNALISM**

**SHIFTS IN JOURNALISM FUNDING**

**Consumption Trends**

Based on data from reports and statistics issued by trade and professional bodies, describe the forms of media most used to consume news content (focusing on the shifts between television, radio, print and online consumption). Use data for the past five years or as far back in time as possible. The information collected here is used to find causal links between the shifts in consumption patterns and shifts in funding.

**Popular News Media**

In the first part of the chapter, based on data from reports and statistics issued by trade and professional bodies, articles in the media, and content analysis studies, a). **present** the media outlets in a table with audience data for the past five years (or as far back in time as possible) starting with the most popular form of media identified under Consumption trends; b). **analyze** the main shifts in audience share; and c). **describe** the main media channels in the country, focusing on their ownership and type of content, and highlighting any relevant biases, particularly ideological.

In the second part of the chapter, present the turnover and profit of the main media groups under each category (television, radio, print and online) for the past five years (or as far back in time as possible). You can collect these data from:

- Local trade registry or other economic databases in the country
- Annual reports of each company
- Direct requests made to the media companies
- Interviews with company representatives.

If data can’t be found through any of these methods, researchers should look for other financial data (such as tax returns) that could help calculate the turnover and profit information.

Based on the financial data, and using more information from corporate annual reports and articles in the media, **analyze** the financial performance of the media companies focusing on their profitability, focusing on changes in the share of various funding sources (i.e. advertising, subscriptions, grants, donations, etc.) in the total budget.
Influential News Media

Based on data from reports and statistics issued by trade and professional bodies, articles in the media, and content analysis studies, a) identify news media that exert influence among specific groups of people, professions and communities (policymakers, business elites, community leaders, religious communities and any other relevant community in the country); and b) present and analyze them following the same guidance as in Popular news media.

KEY FUNDERS

Non-Governmental

Using data from advertising agency reports, surveys by industry bodies and professional associations, annual reports of philanthropic organizations and political parties, and articles in the media, present the total amount of funding spent in the media in the past five years (or as far back in time as possible) by non-governmental sources, including advertising (overall spend and largest advertisers), philanthropy (overall spend and largest contributions), donations (by political parties or other organizations), and other sources relevant in the country.

Government

Using data from state budget documents and analyses, reports by the national audit authorities, annual reports of public or state media, present the total amount of state expenditure in the media in the past five years (or as far back in time as possible), describing a) the forms in which the funding was allocated (i.e. license fees, allocations for public service media, state advertising or state subsidies); b) the institutions and people in charge of deciding whom to fund and the criteria used in selecting the recipients of public funding; c) the main recipients of the funding, with a focus on their editorial strategy.

Key sources of information recommended:

For Consumption patterns, Popular news media and Influential news media
Reports by trade and professional bodies, company annual reports, articles in the media
Interviews with media experts and representatives of media companies

For Key funders
State budget documents and analyses, reports by the national audit authorities, annual reports of public or state media, advertising agency reports, surveys by industry bodies and professional associations, annual reports of philanthropic organizations and political parties, articles in the media
TECHNOLOGY OVERVIEW

Using local statistical offices and international organizations collecting such information, a). present data for the past five years (or as far back in time as possible) on telephone and internet penetration, and use of computer platforms, mobile phones, operating systems, browsers and social media, and b). analyze the main shifts in the use of technologies for media and communication.

ROLE OF TECHNOLOGY IN MEDIA AND JOURNALISM

Profiles of Key Players

Based on data from technology companies, technology market reports, trade registry data and articles in the media, a). present the main communication tech companies in two categories as following:

Internet and mobile (marking the services they offer according as in the following table)

<table>
<thead>
<tr>
<th>Company</th>
<th>Email service</th>
<th>Messaging and VoIP</th>
<th>Mobile ecosystems</th>
<th>Search</th>
<th>Social network &amp; blog</th>
<th>Video &amp; photo</th>
<th>Cloud Services</th>
</tr>
</thead>
</table>

Telecommunications (companies offering telecommunications services such as mobile telephony and internet connection services)

b). profile these companies under each category focusing on their: audience (number of users, products offered, etc.); ownership and funding (including data on turnover and profit for the past five years); and local operations (key staff, history of operations, etc.).

Tech and Government

Based on policy reports and analysis from think tanks and policy institutes, legal studies, articles in the media as well as interviews with social media and government representatives, describe the relation of the key tech companies (identified under Profiles of key players) with the government, referring to issues such as (but not limited to): a). compliance with local legislation and regulations; b). cooperation with government over data handling; c). ownership links between officials and government bodies and tech companies, and assess the impact of these interactions on news media and journalism.

Tech and Journalism

Based on academic studies, market reports, heuristic analysis of social media data as well as interviews with social media representatives and journalists, describe the relation of the key tech companies (identified under Profiles of key players) with media and journalists, referring to
issues such as (but not limited to): a). **mutual support** or other forms of cooperation with media outlets; b). **automation methods** including algorithms used in distribution of media content (with a main focus on disinformation); c). **financing** of media outlets by tech companies; d). **ownership** links between media outlets and tech companies; e). tech companies **policies and practices** related to access to content such as zero-rating, f). **content distribution**, with a focus on the most followed media outlets on key social platforms used in the country, and **assess** the impact of these issues on news media and journalism.

**Key sources of information recommended:**

**For Technology Overview**
*Data from local statistical offices or international organizations (ITU, World Bank).*

**For Profiles of key players**
*Data from global social media, local technology market reports, trade registry data, articles in the media*

**For Tech and government**
*Policy reports and analysis from think tanks and policy institutes, legal studies, articles in the media*
*Interviews with representatives of social media and government*

**For Tech and journalism**
*Academic studies, market reports, heuristic analysis of social media data*
*Interviews with social media representatives and journalists*