

# Summary of APLA Efforts in Issues related to Regulations Laws and Policies

Second Quarter 2023



## APLA's Administrative Committee reaffirms refusing the Decree Law Concerning the Establishment of Palestine Electricity Company

APLA's Administrative Committee decided during the meeting to refuse the Decree Law, and an official letter was submitted to the Minister of Local Government, and a press release was issued with this regard as follows:

- The provisions of the law will cause harm to local authorities, its financial status, social weight and influence, it will harm its legal jurisdiction, and historical national symbolism such as the Jerusalem Electricity Company.
- APLA does not find an acceptable justification for withdrawing other powers from local authorities, or to burden the local authorities with the repercussions and implications of the State obligations.
- Lack of due process in the procedures followed in annexing local authorities to the proposed electricity company from legal, financial and administrative perspectives.
- The Palestinian experience confirms that establishing such company does not necessarily mean improving the administrative and financial levels or competence in performance.

APLA reaffirms refusing the proposal demanding the Palestinian government to urgently stop moving forward with endorsing this legislation due to the level of control and confiscation of the local authorities' resources, causing a real crisis for local authorities in particular and the local governance sector in general.



## Signing MoU between APLA and the National Union for Local Government Staff

Upon the requests submitted by the National Union for Local Government Staff, a joint committee was established including APLA, the Association and the Ministry to study the submitted demands and assess the financial repercussions of its implementation. To that end, APLA held several dialogue and roundtable sessions until a fair solution was found that meets the demands of workers and improves their working conditions on

one hand, and maintains financial sustainability of local authorities in a way that guarantees not to exhaust them financially, on the other hand.

A joint MoU and agreement were signed between APLA, represented by its President, Abdelkarim Al-Zubeidi, the National Union for Local Government Staff, represented by its President, Walid Al-Khatib, under the auspices and participation of His Excellency, Minister of Local Government, Eng. Majdi Al-Saleh, entailing amendments and special raises for different groups of local authorities' employees with the aim of improving their occupational reality.

#### **Income Tax**

Upon the requests from the income tax departments to pay up the income tax due on the revenues of local authorities, being profitable institutions, APLA followed up with the Ministry of Local Governance, the Ministry of Finance and the Prime Minister's Office, affirming a clear stance of refusing the obligation of local authorities to pay income tax on its revenues, being non-profit service institutions, that seek to enhance its revenues in order to provide better services to the citizens.



#### **Property Tax**

APLA is following up on the latest developments concerning the issue of property tax and the decision issued concerning the pilot project to transfer the power of collecting property tax to a number of local authorities, in order to mainstream the experience and transfer the power of collecting property tax to all

municipalities, in order to guarantee that municipalities have their full jurisdiction and rights with this regard, while empowering them to provide financial sustainability and facilitate the provision of services to citizens.



#### Local Governance Sector Plan

To confirm developing the bilateral relations between the Ministry of Local Governance "MoLG" and APLA, because of the benefit it has for local authorities, APLA submitted strategic suggestions to MoLG that regulate the relationship of local authorities with the Ministry. On the financial aspect, APLA demanded MoLG to mainstream the experience of transferring the powers of collecting property tax to some local authorities, while demanding more transparency and regularity in transferring the financial dues from the Ministry of Finance, in addition to those finances related to the fees of transport on the roads. Moreover, it emphasized the importance of allocating additional revenues from the State's treasury in favor of local authorities in times of financial crises, which all local authorities suffer from, emphasizing the significance of fairness in scheduling the due debts against local authorities. However, on the legislative side, APLA emphasized the importance of the Ministry of Local Governance to work on developing, upgrading and updating the core legislations that will enhance the jurisdictions, powers and resources of local authorities, economic development and planning. Concerning governance and capacity building, APLA emphasized the importance of consolidating the rules of good governance to enhance the relationship between the local community and the local authorities with the rest of all stakeholders.

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# Together towards creating a positive change and building a brighter future for our citizens in all cities, villages and towns.

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