

Implications of the “Silicon Wadi” Plan – the Planned High-Tech Hub for Wadi Joz

Analysis Paper

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Background

Over the last two years, the Jerusalem municipality has been advancing TPS 977694, commonly referred to as the “Wadi Joz - Business Park” plan and also known by the municipality’s preferred branding, “Silicon Wadi.” **On March 14, 2022, the plan was conditionally approved for deposit for objections/public review by the Jerusalem District Planning Committee. However, the plan has yet to be formally deposited for public review.**

In April 2022, the government adopted Decision No. 1367 for the establishment of an “Innovation Quarter” for high-tech companies in East Jerusalem (as part of its plan to develop these types of “quarters” on both sides of the city).² The decision proposes “Silicon Wadi” as a potential site for the decision’s implementation.

The “Wadi Joz - Business Park” plan was initiated by the Jerusalem Municipality together with the Jerusalem Development Authority (JDA). The plan covers a 78-dunam (78,000 square meters) area along the western side of East Jerusalem’s Wadi Joz neighborhood, which is currently home to a thriving Palestinian commercial and industrial area. The perimeter of the planned business park will border Sheikh Jarrah to the west and continue eastward towards the Old City to the major thoroughfare of Wadi al-Joz Street, which will constitute the plan’s eastern edge. **See map in annex below.**

TPS 977694 considerably expands the building density within its perimeter and designates the vast majority of its construction for commercial and business purposes. The plan includes vertical construction of buildings between 8-14 stories in an area of 127,000 square meters. 82% of the area (104,275 square meters) has been allocated for business or employment purposes and an additional 6% (7,659 square meters) allotted for commercial areas.

¹ [Promotional video for the plan produced by the Jerusalem Municipality.](#)

² [Government Decision 1367 - Development of Innovation Quarters in the City of Jerusalem](#), Prime Minister’s Office, 10 April 2022 (Hebrew).

Only 12.6% (16,048 square meters) has been designated for housing, allowing for the construction of solely 166 residential units. As such, the plan is clearly a continuation of municipal and government policy which focuses efforts almost exclusively on economic investments in East Jerusalem in place of advancing any significant plan for housing in the city's Palestinian neighborhoods.

The plan is part of a broader effort aimed at economic development and the establishment of employment and business centers in East Jerusalem. Currently, additional industrial zones and employment hubs, initiated by the municipality and the Ministry of Jerusalem Affairs and Heritage, are being advanced in Issawiya and A-Tur. Although the aforementioned plans, and particularly the Wadi Joz Business Park, are not officially being promoted as a part of Government Decision 3790³, they are nonetheless consistent with its goals to reduce socioeconomic gaps in East Jerusalem.

Branded as “Silicon Wadi,” the Jerusalem Municipality” presents the Wadi Joz plans as a display of its extensive investment into East Jerusalem. Similarly, Decision No. 1637 cites that one of the goals for the establishment of an “Innovation Quarter” is the improvement of the economic status in East Jerusalem via the creation of more employment opportunities in the high-tech sector for Palestinian residents.

The Plan's Potential Ramifications

Structures Marked for Demolition and the Fear of Land Expropriation

The multi-story buildings intended for construction will be built in place of the existing structures. The plan marks 37 existing buildings for demolition. Apart from a few homes, the majority of these structures contain businesses, including car garages, commercial facilities, and shops. According to a cost-mapping assessment conducted by the municipality, most of the structures slated for demolition are located on land privately owned by Palestinians, however, most of the businesses belong to tenants leasing the properties.

Over the past year, on at least two occasions, municipal inspectors have issued quasi-official notices to the relevant business-owners, informing them that as part of the plan's implementation, they will be required to vacate the land. Despite the non-binding nature of the notices, they indicate the pressure which business-owners will likely continue to face from the Israeli authorities.

³ In May 2018, the government adopted *Decision 3790 for Narrowing Socioeconomic Gaps and Promoting Economic Development in East Jerusalem*. Constituting the government's largest ever investment in the area since Israel's annexation of East Jerusalem in 1967, the decision allotted a 2.1 billion NIS over the course of five years. While such a decision was the first significant attempt by the Israeli government to rectify the longstanding neglect of East Jerusalem, the plan was presented from the outset as an initiative to further entrench Israeli sovereignty in the eastern part of the city.

It is important to note that most of the businesses in the area operate on the basis of “special-use permits” that regulate the use of the land because it deviates from the land designation cited within an existing outline plan for the area. As such, the municipality can, in principal, revoke these permits and thereby force the closure of these businesses.

The plan also calls for the expansion of three main roads: Wadi Joz Street, Othman ben Afan Street, and Du al-Nureen Street. Most of the structures slated for demolition are located, at least partially, within the areas marked for the expansion of the road. As such, after the plan is fully approved, the municipality could expropriate the identified land for the purpose of road expansion and subsequently demolish the existing structures.

An additional concern is that some of these plots of land may pass from private Palestinian ownership into the control of the General Custodian of Absentee Properties. As is the case with most areas in East Jerusalem, the land in Wadi Joz has not undergone settlement of land title procedures (formal land registration). As part of drawing up the Wadi Joz plan, the municipality initiated an unofficial mapping process to identify the area’s landowners. The attorney who was enlisted to oversee this process was found to have ties to settler groups - a concerning development in such a sensitive area.

Municipal officials claim that the businesses currently operating in the area designated for “Silicon Wadi” will be able to relocate to industrial compounds planned for Issawiya or Atarot, but these announcements have been ambiguous and non-committal. All the while, there is an acute threat that dozens of businesses will be evicted and the hundreds of workers they employ will lose their employment and livelihood.

Employment Opportunities - But for Whom?

There is suspicion that, contrary to what the plan purports to propose - an investment for improving East Jerusalem’s economic situation – the Wadi Joz Business Park will ultimately replace Palestinian businesses and workers with an industrial park for Israeli companies and employees in the heart of East Jerusalem.

First, the plan is not necessarily suitable or practical for areas where there are numerous plots of land under private ownership. Those who own small plots within the boundaries of the plan will be dependent on landowners of the adjacent plots in order for there to be a parcel of land ultimately large enough for multi-story construction. Furthermore, most landowners in the proposed section do not have the economic means to execute a construction project of this extent and expense.

These two obstacles are likely to create pressure on the landowners to sell their land-rights to Israeli developers.

Second, as noted above, the state envisions the Wadi Joz Business Park as the future site for a concentration of hi-tech companies. Since there are still no prominent Palestinian-owned hi-tech companies, it is more likely that Israeli or international companies will take advantage of operating in this area in place of the Palestinian businesses which currently serve the community today. Moreover, despite the government's claim that its decision concerning an "Innovation Quarter" will increase East Jerusalem Palestinian employment in the hi-tech sector, there is no certainty of that outcome at this stage. **It is more likely that respective Israeli companies will prefer to hire Israeli or international employees.**

Evidence for this concern can be found in the remarks of Noa Hedvat, from the Jerusalem Municipality's City Planning department. Referring to those who will eventually reside in the planned area, she noted, "It would be a dream come true if the area becomes full of student housing and people coming from abroad as employees of Amazon."

An additional concern is the road network which the Wadi Joz plan will create – the plan is slated to develop roads connecting "Silicon Wadi" westwards to the major thoroughfare of Bar-Lev Boulevard and West Jerusalem, while neglecting the roads that link the area to other Palestinian neighborhoods to its east.

Intentional Neglect of Resident Development and Housing

As mentioned above, the Wadi Joz plan primarily contains construction allocations for employment and commercial purposes, while designating space for only 166 housing units. Such a plan is being advanced at a time when the housing crisis in East Jerusalem is at an all-time high due to the lack of land allotted for residential development for Palestinians.⁴ Furthermore, according to the plan's developers, its negligible share of housing units was only included to augment the

⁴ Outline plans for the majority of Palestinian neighborhoods in Jerusalem date back to the 1980s and 1990s. Since 2005, not a single detailed outline plan has been approved for any neighborhood in East Jerusalem. The widespread crisis in housing and planning in East Jerusalem is reflected in a 2019 study, conducted by the Jerusalem Institute for Policy Research among East Jerusalem residents. The survey revealed that the most distressing problem facing East Jerusalem residents is the absence of opportunity for residential development and finding housing that was constructed with a permit. Due to the absence of adequate outline plans, more than a third of East Jerusalem's population has been pushed out, forced to the far side of the Separation Barrier. In parallel, when it comes to demolitions carried out against homes built without a permit, the rate of demolitions has doubled in recent years. For further reading on how Israel's planning policy condemns Jerusalem's Palestinian neighborhoods, see Ir Amim's June 2021 Report: "[Planned Negligence: How Palestinian Neighborhoods Disappeared from Jerusalem's Current & Future Urban Planning Policies](#)"

plan's economic viability and not due to any assessment of the housing needs in area. In fact, this examination was not conducted at all.

In a committee discussion on the plan, Jerusalem District Planner and current Head of the Jerusalem District Committee, Shira Talmi, expressed discomfort with the inclusion of any housing supply within the plan and inquired with the municipality if it could be further limited or removed altogether. "From the very beginning, there was no conversation regarding housing units [...]. What we felt would be appropriate would be some form of work-adjacent accommodation to support employment, student dormitories – things like that. We think this would be a better fit for these buildings as opposed to regular apartments for families."

It is unusual that in such a central location in Jerusalem – in close proximity to the Old City and at a juncture between two residential neighborhoods - an outline plan is advanced that neither balances the needs for various land uses nor includes a proper mix of residential, commercial and employment areas as is done, for example, in West Jerusalem.

Furthermore, the borders of the plan were drawn in such a way that does not include a significant portion of land in the area. The plan marks the Othman ben Afan and Du al-Nureen Streets as targets for expansion, but oddly omits the area in between these two streets, and in particular, along their sides.

In the (non-statutory) master plan which the Jerusalem Municipality prepared for Wadi Joz, this area is designated for residential purposes. In order to implement this, a detailed outline plan is necessary, but as has been stated, the detailed outline plan for Wadi Joz excludes this space. The municipality has nonetheless hired a planning team that is meant to prepare another detailed outline plan for residential development in this area, but that work is still very much in its infancy stage, and it remains to be seen what, if anything, will come of it.

Connecting Wadi Joz with West Jerusalem – in service to the settlement ring around the Old City?

The land slated for the Wadi Joz Business Park is located between the Kerem al-Jaouni section of Sheikh Jarrah, where settler groups have been working to evict approximately 30 Palestinian families,⁵ and the northeastern part of the Old City. Moreover, as noted previously, the "Silicon

⁵ It is this section of the neighborhood that is home to the four Palestinian families, whose planned Supreme Court hearing on their eviction was one of the triggers of the war with Hamas in May 2021. The hearing was postponed to October 2021 and in March 2022, the Supreme Court issued its verdict, partially accepting the families' appeal, which froze their eviction and afforded them the right to prove land ownership in the framework of future settlement of land title procedures.

Wadi” plan includes Othman ben Afan Street, which runs between Wadi Joz and Kerem al-Jaouni, yet inexplicably omits the area along the length of the street. Thus, the question must be asked as to why the street itself is included in the plan.

From the committee discussions on the plan, it appears the Jerusalem Municipality wants to create a transport linkage through Othman ben Afan Street from Wadi Joz westwards. All the while, the plan completely ignores any need to connect the area to its Eastern surroundings.

Since the Othman ben Afan street leads from Kerem al-Jaouni eastwards through Wadi Joz and continues to the Old City, there is speculation that the plan aims to extend the ring of settlements within Palestinian neighborhoods around the Old City and establish an Israeli stronghold on the northeastern side under the guise of economic development.

Indeed, on the opposite edge of the Old City Basin, the Jerusalem Municipality and Israel’s Nature and Parks Authority are currently working in concert with the Elad settler organization to create a seamless link between West Jerusalem and Silwan through Elad’s residential and touristic settlement initiatives.⁶ The Wadi Joz plan is likely to be part of a similar process on the northeastern edge of the Old City Basin.

⁶ The Israel Nature and Parks Authority (INPA) recently conveyed “undeveloped land” in the Hinnom Valley at the entrance to Silwan to Elad where it operates Biblical agricultural demonstrations as a tourist site. With the assistance of the INPA and the Jerusalem Development Authority, Elad is operating a variety of recreational and tourist activities there and in Silwan for the Israeli public and international tourists. Simultaneously, the state in collusion with Elad is advancing plans for a large-scale pedestrian suspension bridge over the valley, as well as the controversial cable car project.

Annex

