

**Letter Zembla April 13<sup>th</sup> / reaction April 21st 2017**

**ZEMBLA (Z):**

**“Several investors withdrew their investments after accusation of the constructing settlements on the Westbank”**

Lev Leviev (LL):

Certain LGC and AFI Group companies have been a target for accusations on various pro-Palestinian and anti-Semitic websites, regarding alleged construction activities in the West Bank. Please be informed that none of the LGC or AFI Group companies is presently involved in construction activities in the West Bank, and that LGC and AFI Group have always acted in fully lawful manners.

**Letter Zembla April 30<sup>th</sup> / Reaction LETTER 04/05/2017**

**Z:**

**- Norway's Pension fund has blacklisted Africa Israel Investments and its construction subsidiary, Danya Cebus involved in the construction of settlements in East Jerusalem. Israeli settlements are illegal under international law. For the same reason NGO's like UNICEF and Novib severed ties with Mr Leviev's company.**

**LL:**

- This issue relates to a highly political matter, inseparably tied to the complex reality of the unfortunately ongoing Israeli-Palestinian conflict.
- The most up-to-date information is that none of the companies owned by Mr Leviev is presently involved in any construction project in East Jerusalem, and there are no plans to do so in the future.  
Background and details
- Mr Leviev and Africa Israel Investments Ltd., an Israeli public company listed on the Tel Aviv Stock Exchange in which he holds a 47% interest (“AFI Investments”), have been targets of allegations regarding construction activity in beyond the Green Line, raised by the pro-Palestinian global political campaign which calls for boycott, divestment and sanctions (BDS) on Israeli-owned businesses. That campaign had some limited success, such as the divestment decision by the Norwegian Public Pension Fund in 2010. That decision was later revoked in 2013 and was further restated in 2014.
- The Green Line is the *de facto* borders of the State of Israel from 1949 until the Six-Day War in 1967. That war ended with Israel occupying additional territories beyond the Green Line, including East Jerusalem and the West Bank, which were previously under Jordanian control (but were not claimed by Jordan when its peace treaty with Israel was signed in 1994), and including the Sinai Peninsula and the Gaza Strip, which were previously part of Egypt and from which Israel completely withdrew in 1981 and 2005, respectively.
- The construction of Israeli towns and villages beyond the Green Line has been and still is a highly controversial issue, with the accusation being made against Israel that any such settlement activity is in breach of applicable international norms. The Green Line and the legality of Israeli settlements beyond it are subjects of a very political nature, and the exact line beyond which such settlements are controversial is in itself subject to competing interpretations.

- In recent years, the global anti-Israeli campaign – a Palestinian-led movement for boycott, divestment and sanctions (BDS) against Israel and Israeli-owned businesses – has started targeting individual Israelis and Israeli companies for their alleged involvement in such settlement activity.
- Since 2007 Mr Leviev and AFI Investments became the specific target of a campaign by the BDS organization Adalah-NY, and had to deal with politically motivated accusations, often unfounded or imprecise. The main accusation has been that AFI Investments, via its construction subsidiary Danya Cebus Ltd. (“Danya Cebus”), engaged in the constructions of unlawful settlements in East Jerusalem. Some publications mention the divestment decision by the Norwegian Global Pension Fund, which excluded AFI Investments and Danya Cebus from its investment portfolio.
- Danya Cebus is a construction company (comparable to the Dutch BAM) which was hired in the past by third-parties to perform some construction works for clients in certain areas beyond the Green Line. Note however that this has always been done as a contractor, not as a developer or investor. Decisions concerning such construction activity were always motivated by purely business considerations rather than political ideologies, and were made in full compliance with the applicable Israeli law. The financial scope of this activity was extremely minor in relation to the general business activity of Mr Leviev or AFI Investments.
- From 2012, the only construction project of any AFI Group company beyond the Green Line was in a well-established neighborhood of Jerusalem – located (very slightly) beyond the Green Line, but well within the municipal borders of Israel’s capital city, in an area that is not even considered by most as “East Jerusalem”. AFI Investments explained, at the time, that it regarded such neighborhoods of Jerusalem as part of Israel, and that its construction activity there could not be equated to the construction of settlements in the West Bank.
- To remove any doubt, Danya Cebus has no ownership interest in, or any influence on, AFI Europe, and AFI Europe and its subsidiaries never engaged in any construction activity beyond the Green Line.

#### **Reaction letter May 9th 2017**

The clients have also indicated to you that some of the materials you intend to use in the program were published in the past by unreliable sources, including anti-Semitic blogs, as well as websites related to the anti-Israeli movement calling for boycott, divestment and sanctions (BOS) against Israel and Israeli-owned businesses. The clients are concerned that when a renowned and reputed media organization such as BNN-VARA echoes such false accusations, that might unjustly elevate racist conspiracy theories into an acceptable truth.