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ANNUAL REPORT ON COMPETITION POLICY DEVELOPMENTS IN ISRAEL

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15-17 June 2016

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ANNUAL REPORT ON COMPETITION POLICY DEVELOPMENTS IN ISRAEL¹**EXECUTIVE SUMMARY**

This report summarises recent developments and changes in Israel's competition law and policy and overviews some of the main enforcement activities of the Israeli Antitrust Authority (hereinafter – IAA) according to the Restrictive Trade Practices Act, 5748-1988 (hereinafter – “Antitrust Act”) for the period of January 2015 through December 2015.

The IAA is an independent government agency, which was established in 1994. Its mandate includes enforcement against anticompetitive restrictive arrangements and monopolies abusing their dominant position, merger control, regulation of collectively dominant firms, as well as market research and competition advocacy roles. The IAA has the power to prosecute criminal cases and its Director General can impose financial sanctions upon certain violations of the Antitrust Act. An Antitrust Tribunal, residing within the District Court of Jerusalem, has exclusive jurisdiction over non-criminal regulatory antitrust proceedings. The District Court of Jerusalem has exclusive jurisdiction over criminal antitrust matters. Both criminal and civil antitrust rulings are subject to appeal before the Supreme Court of Israel.

The IAA is striving to assume a pivotal role in making Israel's markets more competitive, to the benefit of consumers.

In recent years, there has been a shift in IAA's mission and purpose. From focusing almost solely on the enforcement of the Antitrust Act, to prevent and eliminate anticompetitive practices by businesses, the IAA has increasingly focused on taking pro-active measures to improve competition in the markets and on promoting pro-competitive policies and regulation.

Thus, in 2015, the IAA invested considerable efforts in advocacy work, as detailed in this report, and indeed achieved substantial accomplishments. Some examples from 2015 include –

1. Implementation of IAA's recommendations on distribution of fresh meat tariff-free import quotas;
2. Substantial new legislation in deliberation in Parliament, aimed at improving competition in common financial services, with a focus on the consumer credit market (households and small businesses) and electronic payment services.

At the same time, the IAA continues to vigorously perform its primary role as a law enforcement agency. The IAA pursues criminal investigations and prosecutions in appropriate circumstances; notably, in 2015, the Supreme Court upheld the IAA's standpoint in the 2 criminal appeals it ruled on.

¹ Disclaimer: The information included in the Annual Report on Competition Policy Developments in Israel is published for informational purposes only. It does not constitute legal advice and does not derogate in any way from any official documents.

The IAA also took administrative and civil actions on infringements of the Antitrust Act, notably imposing for the first time financial sanctions in an abuse of dominance case (*In re* the Port of Ashdod).

The IAA also continued to carry out its important task of merger control, reviewing in 2015 a total number of 159 mergers.

A key development which occurred in 2015 was that for the first time since the Antitrust Act was enacted, the Minister of the Economy (who is also the Prime Minister, Benjamin Netanyahu), used his power under Section 52 of the Antitrust Act to exempt a restrictive practice from the Antitrust Act, for reasons of foreign policy and national security. This was in connection with the government's Natural Gas Framework Agreement with the developers of natural gas fields. The use of Section 52 is extremely rare, and is limited to narrowly defined circumstances where foreign policy and national security override competition considerations; therefore, it does not undermine the Antitrust Authority's independence and does not change its overall status of key regulator in the Israeli economy.

Finally, in 2015 the Supreme Court issued a very significant precedential ruling in the criminal case of Shufersal, a large retail chain. The Supreme Court upheld the conviction and most of the sentences determined by the Jerusalem District Court of Shufersal and two of its executives, concerning breach of merger conditions and attempting to engage in a restrictive arrangement. The decision went beyond what was necessary for adjudicating the case at hand, to outline a new legal approach towards vertical arrangements. According to the decision, generally speaking, vertical arrangements will no longer be automatically condemned as restrictive arrangements; rather, they will be reviewed based on their probable effects on competition in accordance with Section 2(a) of the Antitrust Act. The court further noted that its ruling brings the Israeli antitrust regime closer to that of the United States, which generally applies a rule of reason test to vertical restraints. Notably, the Shufersal case is also the first time in which a defendant has been convicted of breach of merger conditions, as well as the first time in which such a defendant has been sentenced to prison time.

1. Changes to competition laws and policies

1.1 Senior Leadership Update

1. In May 2015 the Director General, Prof. David Gilo, announced his resignation. Mr. Ori Schwartz, the IAA's general counsel, served as the acting Director General until the appointment of Ms. Michal Halperin to the position of Director General in March 2016.

1.2 Summary of new legal provisions

2. There were no substantial amendments to the Antitrust Act in 2015.

3. However, the IAA actively promoted the legislation of other statutes intended to improve competition. During 2015, the IAA, together with other government agencies, invested intensive advocacy efforts in promoting the enactment of several bills concerning financial services. The proposed Credit Information Act (2015), which is currently under deliberation in the Israeli Parliament, is intended to expand and improve the access of potential credit and loans' to consumers' credit history. The proposed act provides that the assimilation of the information will be performed by a Credit Registry operated by the Bank of Israel, and the dissemination of relevant information will be done through independent credit bureaus. The IAA views the current lack of access to such information as a serious barrier on competition in consumer credit and loans. In addition, the IAA took active part in government committees that drafted the proposed bill on "Reduction of the use of Cash Money (2015)", which goal is, *inter-alia* to increase the use of electronic payment means as alternatives to cash and cheques, in particular debit cards, and enhance competition in payment cards, and the bill on "Supervision on Financial Services (Non-Institutional Financial Services) (2015), which goal is to increase competition in financial services, in particular consumer credit, from non-banks, *inter-alia* through granting new powers to regulate such services. Both bills are currently under deliberation in Parliament.

1.2. Summary of New Guidelines

4. In 2015, The IAA published 1/15 Guidelines on the Parallel Application of the Antitrust Act and the Promotion of Competition in the Food Industry Act (Published, December 2015) – these guidelines detail the type of conduct that is regulated under the newly enacted Promotion of Competition in the Food Industry Act (2014), which would not be considered as violation of the Antitrust Act.

2. Enforcement of competition laws and policies

2.1 Actions against anticompetitive practices

5. Severe antitrust violations of the Antitrust Act may be subject to criminal prosecution that may result in fines and prison sentences. Liability is imposed on the corporation and its executives.

6. The civil and administrative remedies for infringements of the Antitrust Act include financial sanctions, consent decrees, injunctions and court orders granted by the Antitrust Tribunal. The Director General has the power to declare an activity as *prima facie* illegal, to issue rules of conduct to monopolies and to collectively dominant groups, and to impose administrative fines. In criminal cases, the antitrust authority can prosecute violators.

7. Engagement in a restrictive arrangement without prior authorisation of the Antitrust Tribunal is prohibited, unless the arrangement was specifically exempted by the Director General or in case the arrangement is covered by a block exemption. In addition, certain arrangements enjoy statutory exemptions, *e.g.*, as restraints

imposed by law, arrangements concerning agricultural produce (subject to certain conditions), and intellectual property licensing.

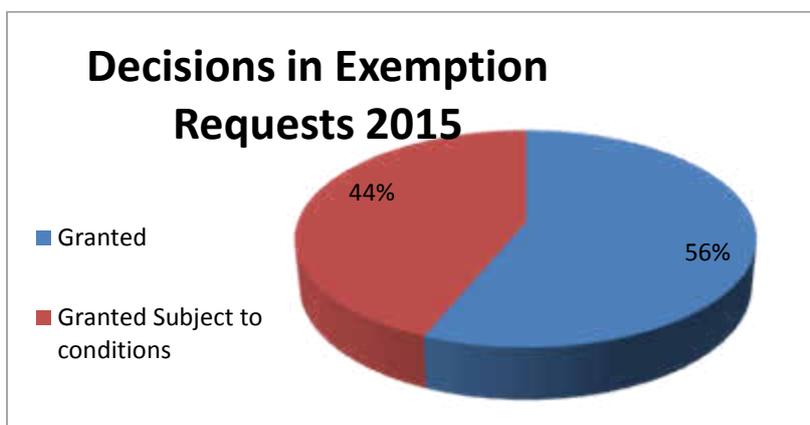
The Antitrust Act stipulates that the concentration of more than half of the total supply or acquisition of an asset, or more than half of the total provision or acquisition of a service, in the hands of one person, is considered a **Monopoly**.

The Act defines firms as “**collectively dominant**” when a small group of firms collectively possesses more than half of the total supply or acquisition of an asset, or more than half of the total provision or acquisition of a service, if the following two conditions are met: (1) there is little competition between firms, or there are conditions for little competition; and (2) provisions issued by the Director General may prevent harm or a probable substantial harm to the public or to competition, or may substantially enhance competition or create conditions for considerable enhancement of competition. Conditions for little competition can include, inter alia, barriers to entry, combined with two or more of the following conditions: Switching costs, cross ownership or joint ownership among competitors, symmetric market shares, similarity of products or services, a large number of customers or suppliers, transparency of the main terms of trade among competitors.

The Act defines a “**restrictive arrangement**” broadly as an arrangement made between two or more persons conducting business that limits at least one party to the arrangement in a manner that may prevent or reduce the competitive process. The Act also provides a list of arrangements which are deemed as restrictive arrangements, In particular, an arrangement involving a restraint relating to one of the following issues: the price to be demanded offered or paid; the profit to be obtained; division of all or part of the market; the quantity, quality or type of assets or services provided. According to the Shufersal case handed during 2015 the presumption applies only to horizontal arrangements and not to vertical arrangements.

8. During 2015, the Director General decided requests for specific exemptions for restrictive arrangements as follows:

Granted	Granted Subject to Conditions (Total)	Granted subject to both Behavioral and Structural Conditions	Granted subject to Structural Conditions	Granted subject to Behavioral conditions	Denied
36	28	1	0	27	0



2.1.1 *Summary of main activities*

9. The IAA devotes extensive efforts and resources to enforcement against anticompetitive practices in a wide range of industries. The following illustrates some of the main enforcement activities which took place in 2015:

2.1.1.1 Significant non-criminal cases (Restrictive Arrangements and Compliance with Procedural Requirements):

Conditioned Approval of a Cellular Network Agreement between Pelephone and Cellcom:

10. The Director General approved, upon certain conditions, a telecommunication network sharing agreement by Pelephone and Cellcom, two of the nation's largest mobile network operators (MNO's). The companies agreed to jointly hire an outside contractor who will construct, operate and maintain their passive network components. The IAA's analysis found that infrastructure sharing has the potential of cutting expenses by eliminating unnecessary duplication of infrastructure. However, it also carries the risk of chilling competition over network quality and having spill over effects. After examining the request, the Director General approved the agreement subject to several conditions; including a requirement to maintain a separation of the activities of the contractor from the companies' regular business.

Consent Decree – Harel and Madanes:

11. The Director General reached a consent decree in the matter of Harel Insurance Company and Madanes – an insurance agency, concerning an exclusivity and non-competition agreement between them regarding medical malpractice insurance. Under this consent decree, the parties are to abolish all exclusivity and noncompetition clauses in the agreement between them and pay the total sum of NIS 6.4 million (about 1.65 million USD) (4 million by Harel and 2.4 million by Madanes).

Consent Decree – Yeynot Bitan's Failure to File Merger Notifications

12. The Antitrust Tribunal approved a consent decree concerning supermarket chain Yeynot Bitan. Yeynot Bitan was, between the years 2007 and 2012, party to a series of acquisitions amounting to "mergers of companies" under the Antitrust Act, which Yeynot Bitan did not duly notify to the Director General. Under consent decree, Yeynot Bitan is to pay the sum of 600,000 NIS (about 150,000 USD) to the state.

2.1.1.2 Criminal Investigations and Cases

Investigation of an Alleged Cartel of Organizers of Youth Delegations to Poland

13. The Israeli Ministry of Education (MOE) organizes youth delegations to memorial sites and concentrations camps in Poland as an important part of the Holocaust memorial studies. During the past year the IAA gathered evidence which indicated the existence of a cartel between the travel agencies handling these delegations. The covert intelligence gathering stage was followed by dawn raids, arrests and interrogations, which were conducted at the very beginning of 2016. The police also took part in this investigation, as it seized monies, which were part of money laundering crimes, and investigated corruption crimes that were exposed during the investigation, such as fraud and breach of trust by public officials.

Bid rigging cartel of a tender for sewer infrastructure:

14. The IAA conducted this investigation together with the Israeli National Fraud Investigation Unit (INFI) of the Israeli Police: The INFI held a covert investigation relating to corruption suspicions regarding illegal relations between a large-scale contractor and several heads of local municipalities. During the covert stage of the investigation the INFI found evidence that the contractor was part of a bid-rigging cartel upon which they asked the IAA to join the investigation. Dawn raids, arrests and seizing monies which were part of money laundering crimes, were all held on December 2015, marking the beginning of IAA and INFI's overt investigation. The investigation included interrogations of suspects and witnesses and additional dawn raids.

Bid-Rigging Infrastructure Tenders:

15. This investigation began with a leniency applicant bringing forward evidence regarding alleged bid-rigging of two tenders issued by municipalities in northern Israel. An overt investigation started on February 2015.

Book Distributors Cartel indictment:

16. In 2015, Following an investigation, the IAA decided to prosecute 6 companies and 11 defendants for being a part of a cartel between 6 major distributors of school textbooks in Israel. The distributors divided the market via bid rigging and co-ordinated boycotts vis a vis schools, municipalities and the ministry of education. During 2015, the case was in trial in front of the district court in Jerusalem.

Indictment on bid-rigging over the purchase of real estate owned by the Jewish Agency:

17. In 2015, The IAA decided to prosecute four defendants that prior to bidding for the sale of an asset belonging to the Jewish Agency, had agreed not to compete, so one of them will win the bid in a prearranged amount. The agreement included a compensation payment of 48,000,000 NIS (about 1,200,000 USD) to the party that gave up on the bid.

18. Conviction and imprisonment upheld in a case of an attempt to reach a restrictive arrangement and violation of merger conditions (Shufersal):

19. In 2015 The Supreme court rejected an appeal made by the CEO & vice CEO of **Shufersal Ltd**, a large retail chain, concerning a decision of The Jerusalem District Court, concerning breach of merger conditions and attempting to engage in a restrictive arrangement, sentencing the CEO to two months of imprisonment, two and half months of community service, a fine of 450,000 NIS (120,000USD) and a bar from being a company director for three years. The Shufersal chain itself was fined 3 million NIS (900,000 USD).

20. The conviction was on offences related to the affair in which Shufersal tried to convince its suppliers to stop its rival chain "Mega" from lowering prices on their products.

21. The Supreme Court held that the CEO's actions could have eliminated the competition between the two retail chains, and could have harmed a significant number of Israeli consumers. The Supreme Court also held that the suitable punishments for attempting to form a cartel, let alone being part of a cartel - is imprisonment and not community service.

22. In its verdict the Supreme Court outlined the analysis of vertical arrangements. By this analysis vertical restrictions will be reviewed based on their probable impact on the competition. In Israel, the definition of a “restrictive arrangement” in the Antitrust Act does not make a distinction between horizontal and vertical agreements. Section 2(a) of the Act, prohibits engaging in arrangements that, based on their probable effects, may prevent or decrease competition between the parties to the arrangement or between a party to the arrangement and a third party. Section 2(b) of the Act outlines restrictions that create an irrefutable presumption of harm to competition. Section 2(b) does not differentiate between horizontal and vertical arrangements. The Supreme Court held that Section 2(b) will apply on horizontal arrangements whilst vertical arrangements will be reviewed based on their probable effects on competition in accordance with Section 2(a).

2.1.1.3 Monopolies and collective dominance

Antitrust Tribunal upheld the declaration of El Al as a monopoly:

23. In June, the Antitrust Tribunal upheld the Director General's decision of September 2012 to declare El Al Israel Airlines Ltd. ("El Al") a monopoly in the provision of airline security services abroad. Israel's General Security Service ("GSS") requires all Israeli airlines operating international flights to acquire security services provided exclusively by El Al. In 2010, El Al announced it would no longer provide these services to its competitors, namely Arkia Israeli Airlines and Israir Airlines. Concerns El Al might abuse its power to harm competition led the Director General to declare it a monopoly, albeit El Al's decision to continue providing security services to Arkia and Israir following an agreement reached between El Al and the State. El Al's main argument in its appeal to the Antitrust Tribunal was that the services are de facto provided by the State, and that it has essentially no control over the security department, which operates according to GSS guidelines. However, in its decision to uphold the Director General's decision, the Tribunal held that "the evidence shows that El Al has the ability to make use of its monopoly power in the provision of security services abroad in order to harm its competitors. An outstanding example is El Al's ability to refrain from the provision of services". The Tribunal pointed out that "the State's involvement in the provision of the services does not preclude all concerns regarding the abuse of monopolistic power. This is an essential service for Israeli airlines' commercial activity, an infrastructure without which they would be able to operate flights only within Israel."

The Port of Ashdod:

24. In December 2015 the Director General declared Ashdod Port a monopoly under Section 26(a) of the Antitrust Act in each of the three shipping lines used to import motor vehicles to Israel from Europe and the United States. The Director General further determined that Ashdod Port had illegally abused its dominant position by extending illegal retroactive discounts. The Director General imposed a 9 million NIS (approx. USD 2.3 million) financial sanction on Ashdod Port (the highest financial sanction imposed to date) and additional financial sanctions on the port's chief executive officer and vice-president of customer service.

2.2 Mergers

2.2.1 *Statistics on merger review*

25. Merger review constitutes an important part of the IAA's mission to prevent the formation of market power that is detrimental to competition.

Mergers that cross certain **thresholds** must obtain the approval of the Director General before the execution of the transaction. Merging parties must submit a merger notification in the event that one of the following conditions exists:

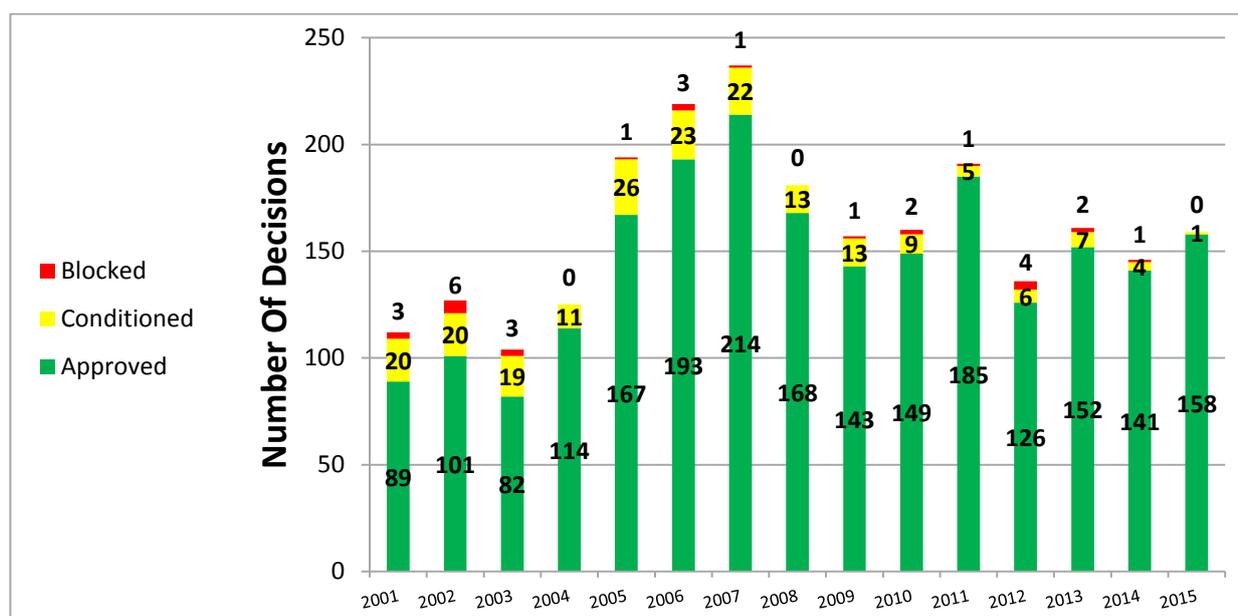
- a) As a result of the merger, the share of the merging companies in the relevant market is in excess of fifty percent;
- b) The joint sales volume of the merging companies according to their balance sheets for the year preceding the merger is in excess of 150 million NIS and the sales volume of at least two of the merging companies is in excess of 10 million NIS.
- c) One of the companies is a monopoly (in any market).

26. The Director General has the power to block a merger or approve it under conditions if the merger raises a reasonable concern of substantial harm to competition or reasonable concern of harm to consumers. The Director General's decision is subject to an appeal to the Antitrust Tribunal. The Antitrust Act sets a review period of thirty days, during which the Director General is required to reach a decision. The period can be extended by the Antitrust Tribunal or with the consent of the merging parties. If the IAA does not decide within the prescribed time period, the merger is deemed to be compatible with the Act.

27. In 2015, the IAA had reached a decision about 159 mergers 1 merger was subject to conditions and the others were approved. In addition, 5 mergers were withdrawn by the parties.

The following table describes the type of decisions in merger filings since 2001:

	Decisions	Approved	Conditioned	Blocked
2001	112	79%	18%	3%
2002	127	80%	16%	4%
2003	104	79%	18%	3%
2004	125	91%	9%	0%
2005	194	85%	14%	1%
2006	219	88%	10.50%	1.50%
2007	237	90.30%	9.30%	0.40%
2008	181	93%	7%	0%
2009	157	91%	8.30%	0.60%
2010	160	93%	6%	1%
2011	191	97%	2.6%	0.52%
2012	136	92.4%	4.6%	3%
2013	161	94.4%	4.4%	1.2%
2014	146	96.6%	2.7	0.7
2015	159	99.4%	0.6%	0%



2.2.2 Summary of significant merger cases

28. The following is a summary of several significant merger cases that were reviewed by the IAA or brought before Courts during the period covered by this report:

Metzerplas and Palgal:

29. In January 2015, a merger between two plastic pipes manufacturers, "Metzerplas" and "Palgal" was approved, subject to conditions. The two companies produce various types of plastic pipes, including pipes which are used for hot and cold water within buildings. It was found that besides the two companies there is only one other close competitor who produces pipes, which are used for the same purpose as the merging parties. Therefore in order to allow "Metzerplas" to purchase "Palgal", a divestiture condition was imposed – selling all of "Palgal" Activity in the "hot and cold water pipes" market to a third party. Due to this condition the two companies decided not to proceed with the merger.

3. Key Advocacy Activities

30. In addition to its mandate to enforce the provisions of the Antitrust Act, the IAA serves as an expert advisory body to the Israeli government and parliament in matters that concern competition. Subsequently, one of the key capacities of the IAA involves offering its professional know-how and expertise to various government bodies and disseminating competition principles among them. The IAA's advocacy efforts are also directed towards the business and legal communities, as well as the public. In recent years, the IAA has been deeply involved, through advocacy work, in numerous initiatives to open markets to competition and to reduce barriers to entry.

31. The IAA works together with government ministries and other government agencies to enhance market competition and cope with competition problems in various sectors of the economy. It also engages in discussions at the Parliament's Finance Committee and Economic Affairs Committee where its representatives present the competitive aspects relevant to various regulatory, legal and economic issues. The IAA has also been expanding its role as an advocate to competition to the general public, through guest lectures at Israeli universities, holding forums including the IAA's senior management within conferences, organizing specialized seminars, and teaching about competition in high schools.

3.1 *Market Studies*

32. The Antitrust Law provides the Director General with the authority to conduct market studies in sectors of the economy, including examination of the existence of competition failures and barriers to competition. The Director General may hand his reasoned conclusions and recommendations to the minister responsible for the sector examined and to the Minister of Treasury, and in a sector that is regulated by another agency – also to the head of that agency. The General Director executes his authority concerning market studies through a specialized division of the economics department. In 2015, The Antitrust Authority conducted 3 market studies:

- A market study on the value chain of fresh meat products. The study identified several entry and expansion barriers in the slaughter and marketing segments. Following this review, the Antitrust Authority drafted two recommendations addressing these barriers, one regarding the proper distribution of tariff-free import quotas and the other regarding possible investment grants to small firms. Both of these recommendations are in various implementation stages by the Ministry of Economy.
- A market study on the mining of aggregates for the building industry and road construction. The study focused on identifying areas where cement plants are facing high concentration among suppliers of aggregates, occasionally exacerbated by ownership of firms over multiple aggregate mines.
- A market study on retail gasoline stations- looking into market concentration and geographic competition parameters.

33. Notably, the IAA won an award in the 2015 World Bank Advocacy Competition Contest for its work on payment cards, including a market study that the IAA published in 2014 and subsequent efforts to promote the adoption of its recommendations. The IAA's award was for successful advocacy story under category 3: "Promoting co-operation with relevant public bodies in order to balance other public interests with competition goals".

3.2 *Consultation to Government*

34. The IAA was an active member in a number of government committees and inter-ministerial teams aimed at increasing competition in common financial services, with a focus on the consumer credit market (households and small businesses) and electronic payment services, including payment cards. As part of the process, the IAA advocated and initiated, together with other government bodies, the legislative amendments detailed in sections 1.1 above.

35. Members of the IAA participated in a team responsible for distributing tariff-free quotas for dairy and beef products. The IAA provided the team with an expert opinion that led to the exclusion of the dominant local incumbents from participating in the allocation in order to prevent potential harm to competition and encourage the entrance of potent competitors. Furthermore, in dairy products, the team designed an auction that was targeted directly at reducing the price to end consumers.

36. In addition, a team of employees of the IAA, assist the Director General in carrying out responsibilities under the Law for the Promotion of Competition and Reduction of Economic Concentration, 5774-2013 ("The Concentration Law"). Under the Concentration Law, the Director General is the chairman of the Concentration Reduction Committee, which is to advise the government on ramifications of the allocation economic rights in essential facilities (through licenses, permits, government franchises and privatisations) on overall economic concentration in the economy. Consultations in 2015

pursuant to The Concentration Law concerned setting a tender's conditions in connection to broadcast licenses of certain types; the privatisation of the Israel Post Company Ltd.; a jet fuel tender in the Ramon airport; and a tender for the right to build, maintain and operate Roadway 16.

37. Other advocacy efforts which the IAA took in 2015 include seminars to procurement officials in order to raise awareness about big-rigging and assist in identifying potential violations of the Antitrust Act.

IAA's conferences:

38. The IAA held an annual conference in January 2015 (summarizing the activities of 2014). The conference included multiple breakout sessions in which representatives from the IAA, the business sector and academia discussed various issues and developments in antitrust policy and enforcement. IAA's annual conferences are attended by judges, lawyers, economists, academics, CEOs, prominent members of the business community, government officials and the general public.

39. In addition to the Annual Conference, the IAA initiated roundtable meetings, to discuss various issues on the antitrust agenda together with members of the private sector.

40. In 2015 we conducted 2 roundtables- one, on a possible reform on Opinion 1/00: Collaborations between Competitors in Activity vis-à-vis Government Authorities and on Memorandum regarding proposed changes to the Chapter Regarding the Regulation Mergers in the Restrictive Trades Practices Act.

4. International co-operation

41. During the reviewed period, the IAA continued to contribute to the various OECD working groups on various issues such as Oligopoly Markets, Market studies, and the Promotion of Competition in the Food Industry Act. The IAA also participated as member in the ICN working groups: Mergers, cartels and advocacy.

42. In 2015 the IAA invited President Lasserre, Head of the French competition Authority in his capacity as ICN vice Chair, a world expert in competition law, to give a presentation to the employees of the IAA.

43. The IAA's professional staff has given lectures and held presentations at numerous international workshops and conferences throughout the year. On June 2015, Members of the IAA have participated on behalf of the World Bank in capacity building efforts of antitrust agencies in Kenya and Zambia during a 2 day workshop on investigations skills, IT forensic methodologies, and initial exposure to unique investigative tools aimed at uncovering cartels.

44. The Investigations department also assisted the World Bank in drafting guidelines for IT evidence gathering, and provided professional guidance to an East-European antitrust agency with regard to IT forensic procurement.

5. Resources of the IAA

45. The IAA's budget for 2015 was 56 Million Shekel (approximately US \$14 million). The total number of employees was 128, divided as follows:

Economic Department	36 economists
Legal Department	36 lawyers
Criminal Investigations Department	28 investigators
Administrative Staff	22 (including IT and HR)
The Director General's Office	6
All staff combined	128 employees