

Delek Group

Canada Pension Plan
2011 Investment

\$2 million

Delek, which means fuel in Hebrew, is one of Israel's largest corporations. It is Israel's "leading energy and infrastructure group," its second largest retail gas and lubricants supplier and its third largest investment company. But Delek has its fingers in other pies as well, including real estate, insurance, financial services and the automotive sector.

Until the late 1990s, most of Delek shares were held by Israel's Bank Hapoalim and Discount Investment Corp. (DIC). (See pp.10-11 and p.25.) Delek is now largely owned by Libyan-born Israeli billionaire, Isaac Tshuva, whose career began in Israel's military. As *Business Week* noted:

"After three years in the [Israeli] army he skipped college and began working in construction for the [Israeli] Defense Ministry. When Israel captured the Sinai Peninsula in the 1967 war, he helped erect the Bar Lev Line, a chain of fortifications along the Suez Canal."

The chairman of Delek is Gabi Last, a retired Major General who "served in various command positions in the Israeli police force from 1985 to 1998, including as the Vice Inspector General from 1996 to 1998."

Delek's executives also include Moshe Karadi who "served as a paratrooper in the IDF [Israel Defense Forces], and on leaving the army in 1984, joined the Border Police." Karadi "rose in the ranks until he reached the top position in the police force." Karadi is now the General Manager of Delek Pi-Glilot, a Delek subsidiary that stores, distributes and delivers fuel. Its website lists the Israeli Ministry of Defense as a customer.

Delek's 2010 report notes that:

- Delek Israel and Delek Oils are "approved suppliers" to Israel's Ministry of Defense.
- Delek's fuel services include "stor-

- age of a defense stock for the State."
- "Delek has agreements for maintenance and supply of vehicle parts with...the Ministry of Defense."
- About 37% of Delek-Refinery production is military jet fuel (JP-8).

The website of another Israeli subsidiary, Delek Lubricants, which sells "[a]viation lubricants for jet and piston aircraft," lists "military industries" among its customers.

But besides supplying Israel's military-industrial complex, Delek also fuels US warplanes. Delek Refining, a part of the Delek US Holdings' empire, received US\$596 million in aviation fuel contracts from the US military between 2000 and 2011.

The "Who Profits from the occupation" website reveals that yet another Delek Group subsidiary, Delek Israel Fuel, has more than a dozen fueling stations and "Menta" convenience stores in illegally-occupied West Bank settlements.

In 2004, Israel's business paper, *Globes*, reported that the country's Ministry of Defense gave a five-year contract "to procure its electricity needs exclusively from Dorad Energy." At the time, Delek owned 20% of Dorad. *Globes* noted that Israel's military "accounts for 2.5% of Israel's entire electricity consumption."

In 2001, Delek was involved in a US\$100 million, five-year contract to supply and service 2,000 Ford tactical F-350 trucks. The project, financed by US military aid money, was to replace the Israeli military's "Abir" command car. Delek, being Ford's exclusive importer and distributor in Israel, landed a good part of this contract. Delek's "maintenance" contract for each of these 2,000 Israeli army vehicles was between US\$20,000 and US\$30,000. *Globes* reported that

"Delek Motors...will work with the [Israeli] Ministry of Defense to carry out the terms of the contract, which includes preparation for delivery,



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day-to-day maintenance, driver training, and so forth. This is one of the largest vehicle supply contracts involving importers in the Israeli vehicle sector."

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