



War in Israel: Update on Current Situation

July 3, 2025 - October 7 War, Day 636, 50 hostages remain in captivity

LATEST UPDATES

The ceasefire with Iran has held firm, while fighting continues in Gaza. Intense efforts are underway to secure a deal between Israel and Hamas.

Gaza and Hostage Negotiations

- Fighting continues in Gaza. Yesterday, the IDF said that it had dismantled close to two miles of branched underground tunnel routes that were used to carry out terrorist activities.
- Yesterday, IDF Sergeant **Yaniv Michelovitch, 19, was killed in Gaza**. Terrorists launched an anti-tank missile, injuring a group of IDF soldiers. The attackers then launched a second missile at an Israeli rescue unit that arrived to treat and evacuate the wounded, killing Michelovitch. Since October 7, 2023, 881 IDF soldiers have been killed.
- On Sunday, IDF Sergeant **Israel Nathan Rosenfeld, 20, was also killed in Gaza** by an explosive device. Rosenfeld, a British-Israeli citizen, was the twentieth IDF soldier killed during June.
- Israel's Prime Minister Benjamin **Netanyahu will travel to Washington** in the coming days to meet with US President Donald Trump and others to try to finalize a new ceasefire deal with Hamas, and possibly a final deal to end the war.
- On Tuesday, President **Trump said that Israel had accepted the US's latest proposal**, but Hamas had yet to respond affirmatively.
- It is understood that **the deal would include** a first phase incorporating a 60-day ceasefire, during which time half of the hostages would be released in five stages, each in exchange for a large number of Palestinian terrorists being held by Israel. The list of those Israelis to be freed would likely include around 8-10 live hostages, plus the bodies of around 18 who have been killed.
- During the 60-day period, **negotiations would continue on a permanent** agreement to end the war.
- In these negotiations, Israel has **four key demands**:
- The **IDF would stay on the Gaza border** to protect communities in the "Gaza Envelope," and will remain in the "Philadelphi Corridor" along the border between Gaza and Egypt, to prevent weapons smuggling.
- The **expulsion of Hamas leaders** from Gaza—although few senior members of the terrorist group are still alive.
- **Regime change** in the Strip. A consortium of Arab countries such as Egypt and the UAE would likely replace Hamas.
- The IDF would retain its **freedom to conduct raids into Gaza**, if needed, to prevent terror activity.
- Negotiations also continue on a **potential wider deal** that could see Abraham Accords normalization agreements extended to additional countries, such as Saudi Arabia, Indonesia, Syria, and possibly even Lebanon.
- Last weekend, the IDF killed Hakham Mohammad Issa Al-Issa, one of **Hamas' founding fathers** who was serving as Commander of the Combat Support HQ for Hamas. Al-Issa played a

central role in planning and executing the October 7 massacre; he was one of the last senior Hamas leaders still alive.

- Gazan citizens at humanitarian aid distribution sites have said that Hamas carries out acts of terror, propaganda, and psychological manipulation against civilians at the aid locations. [Audio recordings released by the IDF](#) show that Hamas tries to disrupt the distribution of food packages at the US-backed Gaza Humanitarian Foundation (GHF) facilities. According to eye-witnesses, Hamas shoots at residents where supplies are given out, spreads false claims about IDF fire, and publishes "fabricated data about large numbers of casualties." GHF [also says](#) that 12 of its aid workers have been killed by Hamas operatives in recent days. Read more about the complexities of aid distribution [here](#).
- After assessing the challenges over the past month related to large numbers of Gazans navigating their way to GHF sites, the IDF says it is seeking to improve "the operational response in the area, minimizing friction with the population, and ensuring that the aid reaches its intended recipients." The IDF says it is organizing "access routes and aid distribution centers"—including fencing the centers, opening additional access routes, establishing barriers and checkpoints to regulate vehicle movement and physically adapting the layout of the centers to allow external observation of the remaining aid packages at the end of each day."

See the latest numbers and facts about Israel's humanitarian aid assistance in Gaza [here](#).

Ceasefire with Iran

- The **ceasefire with Iran has held firm**. No missiles have been fired at Israel, and the Jewish state has not launched any attacks on Iran.
- All of the IDF Home Front Command's **directives have been lifted**. Schools have reopened, gatherings are permitted and citizens have returned to work. **Ben Gurion Airport has resumed full operations**, and some foreign airlines have begun to return to Israel.
- Yesterday, **data was released on the Israel-Iran war** by the Defense Ministry's Directorate of Defense Research and Development. According to the new information:
- Missile defense systems **prevented an estimated \$15 billion in property damage**.
- In preparation for the war, **tens of millions of square kilometers were photographed by Israel from space**, during both the day and the night. This included capturing more than 12,000 satellite images of Iran. A similar vast area was also photographed during the war, providing Israel with critical intelligence to help with its strikes on Iranian soil.
- 86% of Iranian ballistic missiles launched toward Israel were **successfully intercepted**.
- In a statement, the Directorate said: "The potential damage prevented by the air defense systems was **seven times greater** than the actual damage caused" during the war.
- In March, Israel conducted a test to see how the Iron Dome would handle a **swarm of UAVs**. It was this test, as well as the installation of upgraded versions of the Iron Dome and David's Sling, that Israel believes helped it intercept 99% of Iranian drones during the war.

Politics

- Israeli politics underwent something of a shakeup this week with the **departure of Benny Gantz's number two, Gadi Eisenkot**, from the National Unity party. Another party member, Matan Kahane, also left.
- According to polls, if a new party led by Eisenkot were formed, it **would win eight seats** — surpassing both Yair Lapid's Yesh Atid and Benny Gantz's party, which has now reverted to its old name, Blue and White. Eisenkot could also join a different existing party, and it has been reported that he has been in talks with Opposition Leader Lapid on this issue.
- The media also reports that **Matan Kahane** will likely rejoin Naftali Bennett, who originally brought him to the Knesset.
- If the current government is forced to make certain compromises as a result of the emerging ceasefire and other agreements, it is likely that **some coalition members would leave the government**, likely triggering new elections. However, according to many commentators, Netanyahu

may be willing to take that risk now, following a considerable rise in his popularity due to the perceived successes of the war with Iran.

- According to the most recent polls, Netanyahu's Likud would still win the most seats. Nonetheless, the current center-right-religious coalition would be unlikely to be able to form a government if numbers remain the same.
- The latest poll results were:
 - Likud (Netanyahu) - 26
 - Bennett's party - 24
 - Democrats (Yair Golan) - 12
 - Yisrael Beiteinu (Lieberman) - 10
 - Yesh Atid (Lapid) - 9
 - Shas (Der'i) - 9
 - United Torah Judaism (Goldknopf) - 8
 - Blue and White (Gantz) - 6
 - Jewish Power (Ben Gvir) - 6
 - Hadash (Ayman Odeh) - 5
 - Ra'am (Mansour Abbas) - 5
- The poll has **Bezalel Smotrich's Religious Zionism**, as well as the Arab party Balad, failing to achieve enough votes to enter the Knesset.
- Israel's President Isaac Herzog has been in discussions with retired Supreme Court Judge Aharon Barak and others to pursue **mediation or a plea bargain in the Netanyahu trial**. One scenario believed to be in the cards would see all charges against the Prime Minister dropped in exchange for Netanyahu retiring from public office. Alternatively, some media have reported that the trial could end in exchange for shelving all judicial reform legislation.

On the Ground

- Although the Iran war has ended, and Hamas has almost no rocket-launch capabilities, the Iranian-backed **Houthis in Yemen continue to fire sporadic missiles at Israel**, each time sending millions running to shelters.
- Jewish Federations of North America partner, the **Israel Trauma Coalition (ITC)**, has released some data on its work during the war with Iran:
 - 1,300 people were provided with trauma care by ITC's **Resilience in Academia** program
 - 1,650 people received emotional first aid in ITC's **Resilience Centers**
 - 2,049 people contacted a **National Resilience Center** for the first time
 - 359 stress-relief workshops took place with **evacuees in hotels**
 - 68 training sessions were held for **municipal teams**, servicing 1700 participants
 - 1,758 people took part in workshops for **delivering tragic news**
- 'We Will Dance Again,' an Israeli documentary film about the Nova music festival massacre, **won the Emmy Award for Outstanding Current Affairs Documentary** earlier in the week. Directed by Yariv Mozer, the film includes survivor testimonies and footage from the festival, from before and during the massacre. It can be viewed on Paramount Plus.

Further Reading

- [How Ron Dermer Helped Shape History Behind the Scenes](#)
- Avi Mayer: [For Israel's Sake, It's Time to End This War](#)
- [Location of Iran's Highly Enriched Uranium Uncertain — but It Likely Cannot Build Nuclear Weapons Now](#)
- [Hamas Responds to Stepped-Up Humanitarian Efforts by Shooting Gazans](#)
[Ceasefire with Iran. What Comes Next?](#) Watch this discussion with the Israel Democracy Institute

For more information, please contact: Jewish Federations of North America's Dani Wassner dani.wassner@jewishfederations.org. Subscribe to this weekly update [here](#).