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TENTH MEETING OF

THE EU-ISRAEL ASSOCIATION COUNCIL

(Brussels, 22 February 2011)

Statement of the European Union

- 1. The European Union warmly welcomes this tenth meeting of the EU-Israel Association Council. This meeting demonstrates the great significance the European Union attaches to its relations with the State of Israel and the importance of further developing our broad bilateral partnership. The EU reiterates the importance it attaches to the dialogue and cooperation with Israel.
- 2. Recalling the EU's position as expressed at the Association Council in June 2009 and in ensuing Council conclusions in December 2010, the EU remains ready to continue to develop its bilateral relations with Israel within the current European Neighbourhood Policy (ENP) framework. Both parties have actively pursued the implementation of the existing EU-Israel ENP Action Plan and [agreed on its extension until June 2011]. In this framework the EU is prepared to further explore with Israel the opportunities still offered by the current Action Plan in a number of sectors and policy areas, on which progress can be achieved in 2011, as set out in points 42 and 43, and pursue technical talks in order to identify areas for future potential cooperation.
- 3. The next ENP Progress Report for Israel will be published in April 2011, thoroughly assessing the progress made with regard to the implementation of the priorities that were identified by the Action Plan and have been jointly addressed since the Plan's adoption in April 2005.

- 4. The ongoing ENP review offers the opportunity for further reflection on the terms of the EU future relations with its partner countries, including Israel. Consultations between the EU and all stakeholders in the ENP are continuing,. The EU welcomes the useful contribution Israel has been providing so far in this debate, and looks forward to continuing the ongoing dialogue.
- 5. The EU remains fully committed to the Union for the Mediterranean (UfM). The UfM gives a new impetus to EU cooperation with its Mediterranean partners. Tangible progresses and joint efforts are required with regard to projects to strengthen regional integration in the Mediterranean. In this context, the EU welcomes Israel's role and engagement in developing this partnership.
- 6. The EU reiterates its commitment towards the security of Israel and its full integration into the region, which is best guaranteed through peace between Israel and its neighbours. As regards the Middle East Peace Process, as set out in its Council Conclusions of December 2010, the EU believes that urgent progress is needed towards a two state solution to the Israeli-Palestinian conflict. The EU wants to see the State of Israel and a sovereign, independent, democratic, contiguous and viable State of Palestine living side by side in peace and security. The legitimacy of the State of Israel and the right of Palestinians to achieve statehood must never be called into question.
- 7. The EU underlines the importance of concluding negotiations between the parties by September 2011 as set out by the Quartet in its statement of February 5, 2011, and calls for the urgent resumption of negotiations on all final status issues, respecting previous agreements and understandings. To this end, the EU reaffirms its support to the US efforts in order to bring the parties back to the negotiating table. The EU welcomes the Quartet's agreement to meet again at the level of Principals in mid-March on the way ahead and at the level of envoys to meet separately with Israeli and Palestinian negotiators in Brussels as well as representatives of the Arab Peace Initiative Committee. To this end, the EU urges both Israeli and Palestinian negotiators to engage constructively with the Quartet on all core issues including borders and security.
- 8. The EU reiterates its views as set out in the December 2009 Council Conclusions as regards the key parameters, principles and issues of an agreed solution. The EU will not recognize any changes to the pre-1967 borders, including with regard to Jerusalem, other than those agreed

by the parties. This could include agreed territorial swaps. A way must be found through negotiations to resolve the status of Jerusalem as the future capital of two states. The EU calls for an agreed, just, fair and realistic solution to the refugee question. A negotiated settlement must allow the two States to live side by side in peace and security.

- 9. Developments on the ground play a crucial part in creating the context for successful negotiations. The EU notes with regret that Israel has not extended the moratorium as requested by the EU, the US and the Quartet, and reiterates its views that settlements, including in East Jerusalem, are illegal under international law and an obstacle to peace. The EU repeats its call for all parties to refrain from provocative unilateral actions and violence such as the demolition of the Shepherds Hotel and the planned construction of new settlements. The European Union calls for the reopening of Palestinian institutions in Jerusalem in accordance with the Road Map. It also calls on Israel to cease all discriminatory treatment of Palestinians in East Jerusalem.
- 10. The EU calls on Israel to ensure the protection and unimpeded access of all religious groups to religious sites, notably in Jerusalem.
- 11. The EU remains extremely concerned by the prevailing situation in Gaza. The EU reiterates its call for the immediate, sustained and unconditional opening of crossings for the flow of humanitarian aid, commercial goods and persons to and from Gaza. Despite some progress following the decision of the Israeli government of 20 June 2010 to ease the closure, changes on the ground have been limited and insufficient so far. Further efforts and complementary measures are needed to achieve a fundamental change of policy that allows for the reconstruction and economic recovery of Gaza as well as improve the daily lives of the population while addressing Israel's legitimate security concerns. The EU calls on those holding the abducted Israeli soldier Gilad Shalit to release him without delay. The EU calls for a complete stop of rocket attacks at Israel and all other forms of violence.
- 12. Palestinian exports are an essential component of Gaza's recovery. In this respect, the EU welcomes the announcement by the Israeli government concerning new measures to facilitate exports out of Gaza. We urge a swift implementation by Israel and are ready to work with Israel towards achieving pre-2007 levels of exports in 2011 to produce real change on the ground. Increased and accelerated imports of construction materials are another crucial component of Gaza's recovery and also for building schools and health centres.

- 13. The EU recalls its readiness to assist in the reconstruction and economic recovery of Gaza in close partnership with the Palestinian Authority and the Israeli government, in line with UNSC Resolution 1860 and on the basis of the 2005 Agreement on Movement and Access. As parts of a comprehensive EU approach, including CSDP missions, the EU is ready to extend its support to improvements to the crossings infrastructure, to purchase and install the necessary equipment and also to train Palestinian border and crossings management personnel to operate the crossings.
- 14. The EU commends the work of the Palestinian Authority in building the institutions of the future State of Palestine and reiterates its full support for their endeavours in this regard and the Fayyad Plan.
- 15. The EU welcomes the package of measures announced by Prime Minister Netanyahu and Quartet Representative Blair for both the West Bank and Gaza and calls for full and swift implementation and additional steps to achieve tangible progress on the ground.
- 16. The EU recalls that peace in the Middle East should be comprehensive and reiterates the importance of negotiations on the Israel-Syria and Israel-Lebanon tracks. Peace should lead to the full integration of Israel in its regional environment, along the lines set out in the Arab Peace Initiative.
- 17. As concerns Lebanon, the EU reiterates that the independent and democratic functioning of Lebanese institutions, free from any interference including from the outside, is of crucial importance. The EU expects all parties to cooperate in a spirit of dialogue and consensus and to refrain from violence or intimidation. The EU reaffirms its continuing commitment towards the Special Tribunal for Lebanon and stresses that it must continue its work without impediment and with the cooperation of the Lebanese government. Funding must be preserved. In this regard, the Council notes that the EU and individual Member States stand ready to provide further funding.
- 18. The EU recalls its commitment to the full implementation of all relevant UNSC Resolutions, including 1559, 1680, 1701 and 1757. In this context, the EU takes note of the intention expressed by the Israeli government on 17 November 2010 to withdraw its troops from the Northern part of the village of Ghajar and looks forward to a swift agreement between the

parties on the modalities of implementation. The EU reaffirms its support for the United Nations' efforts to make progress on the issue of the Shebaa Farms, and continues to support the option of placing them under UN trusteeship, in accordance with the seven-point plan endorsed by the Government of Lebanon on 26 July 2006. The EU calls on Israel and Syria to support the work of the UN Secretary General in this regard. The EU supports and commends the crucial role of UNIFIL, whose activities alongside the Lebanese Armed Forces continue to be essential for peace in the region.

- 19. The EU continues to follow closely events in the region. Recalling the European Council Declaration on Egypt and the region of 4 February 2011, the EU reiterates its support for a democratic, pluralist and stable Egypt as a key partner, mindful of its important regional role, and sharing the goal of building stability, peace and prosperity in the Mediterranean and Middle East region.
- 20. The proliferation of weapons of mass destruction and their means of delivery both to state and non-state actors represents one of the most serious threats to international peace and security. The EU supports multilateral cooperation as the best way to counter proliferation. We call on all parties that have not yet done so to sign, ratify and accede to all relevant non-proliferation and disarmament treaties and other international instruments. We underline the importance of full compliance with non-proliferation obligations by all states.
- 21. The EU continues to promote a balanced approach between the three pillars of the NPT non-proliferation, disarmament and peaceful uses of nuclear energy. The EU is also aware of the need to progress in the implementation of the 1995 NPT Resolution on the Middle East. The EU remains ready to contribute towards achieving the Middle East zone free of weapons of mass destruction and their means of delivery and announced its intention to organise a follow-up event to the seminar "Middle East Security, WMD Non-Proliferation and Disarmament" which took place in Paris in June 2008. The preparation of the event will take place in close consultation with relevant partners, including Israel, in order to enable a broad-based participation of governmental and non-governmental experts and discussions on all relevant issues.
- 22. The EU remains determined to work towards a negotiated solution to the Iranian nuclear issue, and urges Iran to comply fully and without further delay with its obligations under the relevant resolutions of the UN Security Council and the IAEA. Full implementation of these

resolutions and obligations is needed to find a long-term negotiated solution to which the EU remains fully committed. Were Iran to acquire a military nuclear capability, this would constitute an unacceptable threat to regional and international security. The EU calls for a constructive and responsible Iranian role in the region, notably in relation to the Middle East Peace Process, including the acceptance of a solution based on two states, Israel and Palestine, living side by side in peace and security. Iran should end its support to violent groups in the region, use its influence constructively and encourage them to follow a non-violent political approach conducive to peace and stability for the region. The EU expresses its deep concern about the continuing deterioration of human rights and political freedoms of Iranian citizens.

- 23. The EU condemns any attempt to deny, trivialise or minimise the Holocaust as a historical fact, either in whole or in part. The EU is committed to continuing its ongoing fruitful cooperation with Israel as regards the combat against xenophobia, discrimination and anti-Semitism, including through yearly joint seminars.
- 24. The EU welcomes the opportunity of a regular dialogue with the Israeli side on human rights issues of common concern, including the protection of the Palestinian population, respect for the Convention of the Rights of the Child, children affected by armed conflicts, the promotion of democracy, rule of law and respect for international humanitarian law, including in the context of the relevant informal working groups. The EU reiterates its call on Israel to establish a subcommittee on human rights, within the framework of the Association Agreement.
- 25. The EU encourages Israel to increase efforts to address the economic and social situation of the Arab minority, to enhance their integration in Israeli society and protect their rights. The EU also encourages Israel to take the necessary steps to implement the recommendations of the Goldberg Commission on the unrecognised Bedouin villages.
- 26. The EU recalls that support for human rights defenders is a long established element of the European Union's human rights external relations policy. The EU considers that in both Israel and the Palestinian territories human rights defenders play an important role in promoting the common values of democracy, peace and human rights. The EU recalls the legitimate right of Palestinians to engage in peaceful demonstrations and deplores the Israeli military court sentence against a Palestinian activist engaged in non violent protest.

- 27. The EU also recalls the importance of a vibrant NGO sector and civil society in general and the vital role they play in open and democratic societies. The EU notes that in the ENP Action Plan Israel and the EU have agreed to engage in a regular dialogue on civil society issues and to promote EU-Israel links between civil society organizations and NGOs. The EU calls on Israel to promote its active NGO sector and to refrain from actions which may significantly curtail its freedoms. In this context, the EU is concerned about the proposed Parliamentary enquiry committee to investigate NGO funding and the draft law on recipients of financial support from Foreign Political Entities.
- 28. In the Mediterranean area, Israel stands among the EU's biggest trading partners, with total trade amounting to over €20 billion in 2009. The levels of bilateral trade in goods rebounded in 2010 after the negative impact left by the global crisis. The two parties continued their successful cooperation in addressing market access problems, although some issues are still pending, including sanitary and phytosanitary questions and technical barriers to trade. The EU notes that further work is necessary on the bilateral negotiations with Israel on the liberalisation of trade in services and establishment. The EU recalls the importance of the Technical Arrangement between the EU and Israel on products originating from settlements in the framework of the Association Agreement.
- 29. The EU acknowledges Israel's close co-operation with the EU when trade irritants arise. However, the EU is concerned at the number of anti-dumping and safeguards investigations that were initiated in 2009 and 2010. It remains confident that the application of anti-dumping and safeguard instruments will be done in a fair and transparent manner and in full compatibility with international commitments, including WTO rules.
- 30. The EU welcomes the conclusions of the Trade Ministerial Conference of the Union for the Mediterranean of 11 November 2010, particularly as regards the commitment by Israel and the Palestinian Authority to organise a trilateral ministerial meeting in the first half of 2011 with a view to discussing additional measures for the facilitation of Palestinian trade and the establishment of a trade trilateral working group.
- 31. The EU continues to support trilateral cooperation with Israel and the Palestinian Authority as a means to build confidence between and bring economic benefits to both Israeli and Palestinian people. In this context, the EU calls on Israel to make every effort in reinvigorating trilateral initiatives in the fields of energy and transport. The EU welcomes the

- interest expressed by Israeli authorities in exploring the opportunities for trilateral cooperation on environmental issues.
- 32. In the field of free movement of goods and technical regulations, the Council of the EU and Israel signed in May 2010 a framework Agreement on Conformity Assessment and Acceptance of Industrial Products (ACAA), which has the status of a protocol to the EU-Israel Association Agreement and includes an Annex on good manufacturing practices (GMP) for pharmaceutical products. This protocol, once entered into force, can have a positive impact on bilateral relations
- 33. The EU and Israel signed an agreement on trade in agricultural, processed agricultural, fish and fishery products in November 2009, which entered into force on 1 January 2010. The agreement has already proved to be effective, as overall bilateral trade in these sectors has substantially increased, as compared to the previous year.
- 34. The EU welcomes the new phytosanitary legislation adopted by Israel, which is in line with international standards such as those laid down by the International Plant Protection Convention (IPPC) and WTO principles. The existence of clear phytosanitary legislation will ensure transparency and legal certainty for EU exporters in line with international standards.
- 35. The EU welcomes Israel's accession to the OECD in 2010. The EU encourages Israel to consolidate its membership by providing the agreed progress reports to OECD bodies on chemicals, environment policy, corporate governance, financial markets, insurance and private pensions, disaggregated statistical data, employment and social affairs, and trade.
- 36. In the field of environmental protection, the EU finds the intensification of bilateral cooperation of highest importance. The EU welcomes new legislation in Israel on packaging waste. The EU calls on Israel to ratify the Gaborone amendment to the Convention on International Trade in Endangered Species of Wild Fauna and Flora (CITES) and the protocols to the Barcelona Convention for the Protection of the Marine Environment and the Coastal Region of the Mediterranean. On climate change, the EU is fully committed to continuing negotiations with the parties with a view to concluding a legally binding international agreement. As regards the Cancun agreements, more emphasis needs to shift on implementation domestically, in bilateral and multilateral cooperation. The EU looks forward to deepening the dialogue on climate change mitigation and adaptation issues.

- 37. In accordance with the current ENP Action Plan, the EU has launched preparations for the adoption of a decision by the EU-Israel Association Council on implementing Arts. 64 & 65 of the Association Agreement on the coordination of the social security regimes of EU Member States applicable to Israeli workers. The European Commission is looking forward to initiating discussions with its Israeli counterparts on this issue in 2011 with a view to submitting a draft decision to be adopted by the next EU-Israel Association Council.
- 38. The EU expresses its satisfaction that bilateral cooperation in the sphere of police and judicial cooperation marked significant progress. On 31 January 2011, the European Commission adopted a decision declaring Israel to be an "adequate" third country in terms of personal data protection. This decision will facilitate the approximation of Israel and of its companies to the EU internal market. The elaboration of an operational cooperation agreement between Israel and Europol has also advanced. The first comprehensive draft was submitted to Israel for consideration in December 2010. The necessary provisions are made for the correct territorial application of this and other instruments. The EU looks forward to further progress on negotiations in 2011.
- 39. The EU welcomes the positive results of bilateral cooperation on transport issues. Negotiations on a "comprehensive civil aviation agreement" started in 2010 and have made timely progress. The EU looks forward to the possibility of completing talks on this agreement promptly. Cooperation between the EU and Israel in the Galileo programme delivers very satisfactory results. Ways to adapt the relationship to the new governance of Galileo are currently being assessed.
- 40. The EU supports the intensification of civil space cooperation with Israel and welcomes the signature, on 31 January 2011, of a framework cooperation agreement between the European Space Agency and the Israeli Space Agency.
- 41. In the area of science and technology, the EU welcomes the increased cooperation with Israel under the 7th Framework Programme for Research and Development (FP7), as well as the Israeli chairmanship of EUREKA in 2010-2011.
- 42. Besides the main developments mentioned above, cooperation is ongoing on the basis of the current ENP Action Plan and will continue in 2011 in many other areas. Furthermore, fields of cooperation covered by the current Action Plan and which have remained unexplored so far

could be further developed. The EEAS and Commission services stand ready for a joint reflection with Israel in this context. A non-exhaustive list of such fields could include competition policy issues and, more specifically, the provision of state aids, access to public procurement markets, regulatory issues related to information society, etc. In agriculture, enhanced cooperation on international marketing standards for fruits and vegetables and on the geographical indication of agricultural and processed agricultural products could be pursued. The long and successful participation of Israel in the EU's RTD framework programmes is a solid basis for starting dialogue on Israel's integration in the European Research Area, including the approximation of science and research policies. The participation of Israel in some EU agencies which is possible within the current framework, would enable the advancement of cooperation. Contacts initiated between the European Centre for Disease Prevention and Control (ECDC) in Stockholm and Israeli authorities are a good example in that respect.

- 43. In order to develop EU-Israel bilateral relations further in the context of the broad range of our common objectives and interests, the EU believes that both parties should invest into a more dynamic political and sectoral policy dialogue within the institutional structures of the Association Agreement. In this context, sub-committees are an essential forum of discussion and exchange of expertise. The EU looks forward to completing a full cycle of sub-committee meetings in 2011, thus building a sound basis for holding the Association Committee at the end of this year.
- 44. Israel continued to benefit from a yearly allocation through the European Neighbourhood and Partnership Instrument (ENPI) in the form of institutional cooperation (twinning projects). The EU encourages Israel to intensify the use of this instrument for further topics (e.g. forest fire prevention) and to further consolidate the central coordination role played by the Ministry of Foreign Affairs in order to fully exploit the potential of the twinning instrument.
- 45. The EU looks forward to a fruitful and constructive meeting of the EU-Israel Association Council.