STATEMENT BY ODED ERAN,

DIRECTOR-GENERAL OF THE WORLD JEWISH CONGRESS OFFICE IN JERUSALEM AT A JOINT HEARING

"EUROPE AND ISRAEL: STRENGTHENING THE PARTNERSHIP" HELD BY THE HOUSE FOREIGN AFFAIRS SUBCOMMITTEES ON EUROPE AND THE MIDDLE EAST AND SOUTH ASIA

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A) BACKGROUND

The EU Barcelona Process (1995) and the NATO Mediterranean Dialogue (1994) resulted from the improved situation in the Middle East after the Gulf War (1991), the Madrid Conference (1991), the Oslo Agreements (1993), and the Israel-Jordan Treaty (1994). The EU and NATO initiatives were clearly peace process-linked, especially in the case of the European Union. The failure to reach a comprehensive agreement between Israel and the Palestinian Authority in the 1999-2000 negotiations and the outbreak of the second intifada in September 2000 strained EU-Israel relations and caused an almost total freeze of the NATO Mediterranean Dialogue activities.

In 2004 the two processes emerged from a 3-year paralysis as a result of the following:

- 1. The impact of the 9/11/2001 attacks and the terror incidents in London and Madrid, which emphasized the global aspect of terrorism and the struggle against it, and helped to debunk the perception that the Arab-Israeli conflict is the underlying cause of the spread of terror perpetrated by Muslim fundamentalists.
- 2. The recovery, at least partial, in EU-US relations following the low ebb caused by the war in Iraq.

- 3. The Roadmap to a Two-State Solution to the Israeli-Palestinian Conflict of 30 April 2003, and the gradually increased acceptance by Israel of the Quartet with the EU as a key player in this group.
- 4. Israel's unilateral withdrawal from Gaza.
- 5. The accession of 10 new members to the EU in 2004 (most of whom had by then already joined NATO). The majority of these new members maintain friendly, close relations with the US and Israel.
- 6. The growing understanding in NATO and the EU on the one hand, and among several neighbor states on the other hand, that while full membership is not an option for them, they need closer relations and cooperation.

B) THE EUROPEAN NEIGHBORHOOD POLICY

The need to strengthen the European Union's relations with non-candidate states led in 2003-2004 to a new initiative – the European Neighborhood Policy. Though designed originally for East European states, it was soon applied to some of the South Mediterranean and Middle Eastern countries. The promise was "everything but (membership in) institutions" and a guiding principle has been differentiality, i.e., tailor-made agreements based on individual states' wishes and capabilities. This is a significant deviation from the principles that guided the Barcelona Process, which treated all the non-EU participants equally.

At the end of 2004, Israel was the first to conclude the ENP agreement (officially adopted on 11 April 2005). This document is a framework listing the areas of cooperation with a "perspective of moving beyond cooperation to a significant degree of integration, including through a stake in the EU's Internal Market, and the possibility for Israel to participate progressively in key aspects of EU policies and programmes."

The two sides listed their priorities for action as:

- Enhancing the political dialogue, especially toward resolving the Middle East conflict; strengthening the fight against terrorism and proliferation of weapons of mass destruction; and increasing the fight against anti-Semitism and racism
- Enhancing the economic dialogue
- Environment
- People-to-people contacts

The agenda of the ENP Action Plan was rich and comprehensive and led to what can be described as a civilized dialogue, especially regarding the Palestinian-Israeli conflict. The differences between the formal EU positions on key issues have not changed, but they have been contained and expressed in a more balanced way. Evidence of the improved dialogue is the EU presence on the Gaza Strip / Egypt border that monitors the crossing at Rafah; the EU assistance to the training of the Palestinian Authority security units (EUCopps); and the enhanced European presence in UNIFIL (Lebanon), following the adoption of UN Security Council Resolution 1701.

Towards the end of the 3-year period covered by the ENP-Israel – EU Action Plan, the two sides agreed (5 March 2007) to establish a "Reflection Group" to consider a way to upgrade bilateral relations. At these meetings (9 October 2007 and 15 May 2008) Israel presented concrete ideas. In response to Israel's proposals for expanding Israel's involvement in EU agencies and programs, the EU agreed to deepen the cooperation in employment and social affairs and coordination of the Social Security systems. In the trade-related areas, it includes regulatory convergence towards the EU legislations (Acquis); negotiations on liberalization of trade in services; the right of establishment and access to public procurement; intellectual and industrial property; and technical barriers to trade.

The EU agreed to enhance the development of cooperation in the fight against organized crime, terrorism, money laundering, and the protection of personal data. The EU also agreed to reach an operational agreement with Europol and Eurojust. The EU suggested convergence in regulation in the areas of civil aviation, international maritime security, and energy, and proposed the development of cooperation in e-government and e-trade.

At the recent Israel-EU Association Council meeting (16 June 2008) it was agreed to extend the Action Plan to March 2009, and to conduct intensive negotiations and produce concrete steps by the end of 2008.

The change of the political environment between Israel and the EU and the bilateral Action Plan within the ENP have certainly boosted relations and put them on a new and higher level. However, two important qualifications should be made:

1. The European Union still strongly adheres to a political linkage between progress in the Middle East peace process and progress in upgrading the bilateral relations. In the weeks preceding the Israeli-EU Council meeting of 16 June 2008, unambiguous language connecting the two issues was proposed by some member states. Other member states proposed to eliminate linkage but have managed only to soften the preliminary text, which now reads:

"The European Union is determined to develop a closer partnership with Israel. The process of developing a closer EU-Israeli partnership needs to be, and to be seen, in the context of the broad range of our common interests and objectives which notably include the resolution of the Israeli-Palestinian conflict through the implementation of the two-state solution. The European Union also considers the need for urgent confidence building measures taken by the parties according to the Road Map in order to improve the security of Israelis, ease the daily life of the Palestinians and to sustain the final status negotiations currently underway."

This statement, though balanced by no less than seven references to the EU desire to upgrade relations, may be used by any member state that will oppose further upgrading, as a means of applying political/economic pressure on Israel. While recognizing the impact of a positive political environment, the EU should avoid applying an accounting approach to bilateral relations. The expanded EU role in the Israeli-Palestinian conflict has been achieved with Israel's consent and in some cases at Israel's request at a time when the EU has moved away from its harsh public criticism of Israel.

2. The European Council of the Heads of States of the EU members in Essen, Germany, December 1994, declared: "The European Council considers that Israel, on account of its high level of economic development, should enjoy special status in its relations with the EU on the basis of reciprocity and common interest." While the progress made hitherto in relations should not be underestimated, the Essen Declaration is still awaiting concrete translation into action. On the European side, this may require a profound change allowing some neighboring states to join European institutions. Israel, on the other hand, should show a higher level of ambition and clarity of purpose in developing relations with Europe. Because of the geographical proximity, Europe is the most natural partner in many domains beyond trade in goods and services.

ISRAEL-NATO RELATIONS

Though the Mediterranean Dialogue scored some important success and served a very useful purpose in building greater understanding and trust among the Mediterranean players, it did not fully realize the potential on the bilateral level. The 2004 Istanbul NATO Summit corrected this aspect and added the possibility of reaching an Individual Cooperation Programme between NATO and each of the 7 Mediterranean participants. Israel was the first among them to approach NATO, and indeed the ICP was concluded in October 2006. The Israeli ICP listed the areas in which both NATO and Israel have an interest in pursuing a greater degree of cooperation. High on the list are the response to terrorism; intelligence sharing; weapons of mass destruction; civil emergency preparedness; and military exercises.

In recent weeks Israel has approached NATO Headquarters with a request to enhance the cooperation in specific areas such as aerial exercises, the various working groups of CNAD (the Conference of National Armaments Directors), Research and Development, and cooperation with the NATO Maintenance and Supply Agency (NAMSA).

One serious impediment to Israel's participation in military exercises has been the absence of an agreement on the Status of Forces (SOFA). Most members of NATO, with the exception of the US, have agreed to reach such an agreement, which is a legal prerequisite to enabling the participation of non members and the deployment of forces for the benefit of the exercise.

The new challenges facing NATO and the fact that the organization now finds itself operating outside its geographical, Atlantic boundaries have raised the question of expanding NATO to areas that traditionally were perceived to be outside the Treaty's mandate. Several people, most notably the former Spanish Prime Minister José Maria Azhar, have suggested new members such as Japan, Australia, and Israel. Israel's capabilities in certain areas can add to those already extant in NATO, and membership in NATO could add to the process of normalizing Israel's position in the international arena. Membership in NATO and other non-UN bodies will increase the psychological comfort level of Israeli citizens when they are asked to make existential decisions in the context of the peace process with Israel's neighbors.

NATO should develop a new conceptual approach to the issue of new members outside the traditional borders with answers to similar questions that arose in the EU concerning the applicability of certain articles, programs, or activities. In NATO's case, this could pertain to Article 5. Israel, on the other

hand, much like in the case of the EU, should make a strategic determination as to its desired status in NATO.

In recent years, interest in NATO has grown both in the Israeli defense establishment and among the public, and visits by the organization's high-ranking officials, including the Secretary-General, have drawn much attention. There is no doubt a desire in Israel to join the "coalition of the like-minded." These new perceptions of NATO in Israeli public opinion, coupled with the defense establishment's willingness to cooperate, share, and think in terms of interoperability with NATO, should be encouraged.

Finally, Israel's wish for stronger bilateral association with the EU and NATO does not connote a lack of interest in the unilateral initiatives of the two organizations. Israeli defense ministers have not missed any meeting with their Mediterranean partners; the same is true of high-ranking Israeli officers.

Israel wholeheartedly supports President Sarkozy's initiative to convene the heads of the Mediterranean states next week in Paris in order to strengthen the Barcelona Process that began in 1995. There are many common issues and problems facing these countries, and a common approach and effort will facilitate the solutions.