



**COUNCIL OF
THE EUROPEAN UNION**

Luxembourg, 15 June 2009

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LIMITE

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NOTE

Subject : **Relations with Israel**
- Adoption of the European Union's position for the Association Council's Ninth meeting
(Luxembourg, 15 June 2009)

1. At its meeting on 15 June 2009, the General Affairs and External Relations Council adopted the European Union's position for the Association Council's Ninth meeting and the provisional agenda as set out in the Annexes.

**NINTH MEETING OF
THE EU-ISRAEL ASSOCIATION COUNCIL**
(Luxembourg, 15 June 2009)

Statement of the European Union

1. The European Union warmly welcomes the **ninth Meeting of the EU-Israel Association Council**. This Association Council, organised shortly after the formation of the new Israeli government, confirms the great importance the European Union is attaching to its relations with Israel and its readiness to continue strengthening our bilateral partnership.
2. During the last year's eighth Meeting of the EU-Israel Association Council, the European Union responded positively to Israel's request to upgrade its relations with the EU and subsequently in December 2008 has presented a series of concrete proposals to achieve this goal. This decision to upgrade our relations in the framework of the ENP clearly stemmed from common awareness of the traditional links, the cultural and human values, and the economic and security interests that the European Union and Israel share. That upgrade must be based on the shared values of both parties, and particularly on democracy and respect for human rights, the rule of law and fundamental freedoms, good governance and international humanitarian law. The upgrade needs also to be, and to be seen, in the context of the broad range of our common interests and objectives. These notably include the resolution of the Israel-Palestinian conflict through the implementation of the two-state solution, the promotion of peace, prosperity and stability in the Middle East and the search for joint answers to challenges which could threaten these goals.

3. At this stage the EU proposes that the current Action Plan remain the reference document for our relations until the new instrument is adopted. Meanwhile, the EU encourages Israel to contribute to developing economic, financial and cultural relations at regional level. Israel is also invited, for its part, to improve the daily life of the Palestinian population in accordance with the roadmap, facilitate the practical implementation of the association agreements concluded by the EU with the other partners in the region, in particular the Interim Association Agreement concluded on 17 February 1997 between the European Community and the Palestinian Liberation Organisation, and continue its active participation in the three-way dialogue started with the EU and the Palestinian Authority.
4. The European Union remains committed to a comprehensive settlement of the Arab-Israeli conflict, on the basis of the relevant UN Security Council Resolutions, the terms of reference of the Madrid conference, including land for peace, the Roadmap, the agreements previously reached by the parties and the Arab Peace Initiative. The Council reiterates its commitment to the two-state solution with an independent, democratic, contiguous and viable Palestinian state, comprising the West Bank and Gaza, living side by side in peace and security with the State of Israel. The Council confirms its view that this constitutes a fundamental European interest. It is an indispensable and urgent step towards a more stable and peaceful Middle East.
5. The Council welcomes the US Administration's commitment to vigorously pursue a two-state solution and a comprehensive peace in the Middle East and confirms the Union's readiness to work actively with the United States and other Quartet members to achieve this goal, including through coordinated monitoring of actions by all parties to the conflict and of developments on the ground. The EU is also ready to contribute substantially to post-conflict arrangements aimed at ensuring the sustainability of peace agreements, addressing also the regional economic and security dimensions.

6. The European Union calls on the government of Israel to commit unequivocally to the two-state solution and welcomes the initial step, following the Israeli policy review, announced by Prime Minister Benjamin Netanyahu of commitment to a peace that would include a Palestinian state. It urges both parties to take immediate steps to resume peace negotiations, respecting previous agreements and understandings. To that effect, the Council also calls on both parties to implement their obligations under the Roadmap.
7. The Council remains deeply concerned by settlement activities in the Occupied Palestinian Territories, including in East Jerusalem. The Council urges the government of Israel to immediately end settlement activities, including in East Jerusalem and including natural growth, and to dismantle all outposts erected since March 2001. It reiterates that settlements are illegal under international law and constitute an obstacle to peace. The Council also urges the Palestinian Authority to continue to make every effort to improve law and order. All parties must stop incitement and violence against civilians and respect for international humanitarian law must be ensured. The EU will continue to follow closely investigations into alleged violations of international humanitarian law.
8. The Council reiterates the urgency of a durable solution to the Gaza crisis through the full implementation of UN Security Council Resolution 1860. The European Union calls for the immediate and unconditional opening of crossings for the flow of humanitarian aid, commercial goods and persons to and from Gaza without which the unimpeded delivery of humanitarian aid, reconstruction and economic recovery will not be possible. The Council also calls for a complete stop to all violence, including a sustained halt of rocket attacks at Israel and an effective mechanism to prevent arms and ammunition smuggling into the Gaza strip. It calls on those holding the abducted Israeli soldier Gilad Shalit to release him without delay.
9. The Council expresses continued encouragement for inter-Palestinian reconciliation behind President Mahmoud Abbas and support for the mediation efforts by Egypt and the Arab League. Overcoming divisions among Palestinians would help prevent a deeper separation between the West Bank and Gaza and preserve the chances of restoring the unity of a future Palestinian state. The Council calls on all Palestinians to find common ground, based on non-violence, in order to facilitate reconstruction in Gaza and the organisation of elections.

10. The EU stands ready to further develop and enhance its bilateral relations with the Palestinian Authority in the context of the European Neighbourhood Policy. It will promote Palestinian state-building and intensify work in partnership with the PA towards further implementation of the Palestinian Reform and Development Plan. This will involve a broad range of areas including health, education, governance, customs, public financial management and the rule of law. The EU welcomes the PA's efforts to develop an effective and reformed security sector and will cooperate towards additional improvement in restoring law and order, countering terrorism, the implementation of a more comprehensive security strategy, developing an effective and reformed security sector and criminal justice system. Civil police and justice will continue to be a focus of EU support, through the assistance provided by EUPOL COPPS, the European Commission and Member States, and in close coordination with the US and other partners.

11. The Council welcomes the declared readiness of the government of Israel to promote Palestinian economic development, stressing that this can only be achieved within the framework of the broader perspective of the two-state solution. The EU is ready to work closely with Israel, the Palestinian government and international donors in order to achieve sustainable economic development on the basis of the full implementation of the Agreement on Access and Movement of 2005. Such a step would not only improve living conditions and the situation on the ground but also reinforce support among Palestinians for a peaceful political process.

12. The Council calls on all partners to contribute actively to the achievement of a comprehensive settlement. The EU urges Arab countries and other partners to be forthcoming, both politically and financially, in assisting the Palestinian Authority, in accordance with Roadmap provisions. Underlining the importance of the Arab Peace Initiative, the EU invites Israel and all Arab countries to take confidence building measures in order to overcome mutual mistrust and to create an atmosphere conducive to conflict resolution. Solutions to the various conflicts including a lasting settlement for the conflicts between Israel and Syria and between Israel and Lebanon must be pursued in parallel, creating mutually reinforcing processes. In this regard the EU expects that Syria and Israel resume peace negotiations.

13. A comprehensive settlement of the Arab-Israeli conflict requires a regional approach, covering the political, security and economic dimensions. Encouraged by enhanced US engagement and convinced that tangible benefits regarding economic development and security would facilitate achieving agreement on the various political tracks, the EU stands ready to use all instruments at its disposal such as the European Neighbourhood Policy and the Union for the Mediterranean. Through numerous agreements with partners in the region, the EU is uniquely placed to work with the parties on key issues of regional development. In light of further developments at the political level and on the ground, the EU will carefully assess how its policies and programmes can promote concrete and early results on the path of a comprehensive settlement of the conflict.
14. 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.
15. The EU also backs current efforts, and in particular UNIFIL's plan, aiming to find a solution to the issue of **Ghajar** and calls for an Israeli withdrawal from the Lebanese part of the town.
16. The EU and its Member States by their prominent role in the new UNIFIL have demonstrated their commitment to the full implementation of UNSC Resolution 1701. The EU calls on all parties in the region to comply with the resolution, notably the arms embargo. It urges Israel to stop violations of Lebanese airspace. The EU welcomes the information provided to the UN by Israel on cluster ammunitions in Lebanon and hopes that this cooperation will continue.

17. The EU remains seriously concerned by the Iranian refusal to implement the relevant UNSC Resolutions regarding its nuclear activities. Full implementation of these resolutions is needed to open the door to a long term diplomatic solution to which the EU remains fully committed. A negotiated solution to the Iranian nuclear issue is of cardinal importance not only for the EU but for the whole international community, since if Iran were to acquire a military nuclear capability, this would constitute an unacceptable threat to regional and international security. The EU warmly supports the new direction of US policy towards Iran, which opens a window of opportunity for negotiations on all aspects of Iran's nuclear programme and more broadly for engagement with Iran. The EU reaffirms its full support for the dual-track approach to this issue and has called upon Iran to engage seriously with the international community in a spirit of mutual respect. The evolution of our relations with Iran will also depend on it.
18. The EU underlines that Iran needs to play a responsible role in the region, in conformity with all relevant UNSC Resolutions. Iran should modify its approach to the Middle East Peace Process, including the acceptance of a solution based on two states, Israel and Palestine, existing side by side in peace and security. Iran should also stop its support to violent groups in the region and use its influence in order to encourage them to follow a non-violent political approach.
19. The EU condemns in the strongest terms the threats towards Israel by the Iranian Government. Furthermore, the EU condemns any denial of the Holocaust as a historical fact, either in whole or in part. The EU expresses its deep concern about the continuing deterioration of human rights and political freedoms of Iranian citizens.
20. The EU welcomes the launching of the Union for the Mediterranean at the Paris Summit of 13 July 2008 and at the Foreign Ministers' Conference in Marseille on 3-4 November 2008. The Union for the Mediterranean represents the next phase in the Euro-Mediterranean partnership, building on the acquis of the Barcelona Process and furthering the EU's relationship with its Mediterranean neighbours. It aims at providing an increased co-ownership with new institutional structures and an enhanced focus on projects.

21. The political situation in the Middle East has had an impact on the day-to day development of the Union for the Mediterranean. The EU believes that normal work should be pursued in order to fulfil the commitments and objectives of the Union for the Mediterranean. In this light, the EU welcomes the holding of the political dialogue in the presence of the High Representative Javier Solana on 23 April 2009 as well as the informal technical meeting held in Barcelona to discuss the setting-up of the Secretariat for the UfM.

22. The European Union unequivocally condemns **terrorism** in all its forms and manifestations and expresses its solidarity with all victims of terrorism, in Israel and elsewhere. The EU reiterates that any measures to prevent and counter terrorism must comply with international law, in particular international human rights law, refugee law and humanitarian law, and that effective counterterrorism measures and the protection of human rights are not conflicting but complementary and mutually reinforcing goals. The EU also supports the United Nations as the only truly global forum for the fight against terrorism. The EU is fully committed and stands ready to implement the Global Counterterrorism Strategy in cooperation with all Member States of the UN as well as all relevant stakeholders. In order to ensure implementation of the Strategy across the UN system, the EU is a staunch supporter of the Counter-Terrorism Implementation Task Force (CTITF).

23. 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 international community shares the responsibility to actively prevent proliferation, to promote disarmament and to respond quickly and effectively to non-compliance with non-proliferation obligations. While the EU will continue to use all political and diplomatic instruments at its disposal and act to stem the proliferation of WMD and their means of delivery, the EU underlines the importance of full compliance with and national implementation of existing non-proliferation treaties and agreements and other relevant international obligations. The EU furthermore calls on all parties who have not done so to sign, ratify or accede to all relevant international instruments.

24. The EU will also continue to work for a successful outcome of the 2010 NPT Review Conference, with a view to strengthening the international nuclear non-proliferation regime. The Review Conference should adopt a set of concrete, effective, pragmatic and consensual measures for stepping up international efforts against proliferation, pursuing disarmament and ensuring a responsible development of peaceful uses of nuclear energy by countries wishing to develop their capacities in this field. To achieve these goals, the EU has elaborated a set of forward-looking proposals on all three pillars of the NPT, to be part of an action plan adopted by the RevCon. The EU also welcomes initiatives, including from Israel, that contribute towards achieving the goal of a Middle East zone free of nuclear weapons as well as of other weapons of mass destruction, including their means of delivery.
25. The EU firmly supports the UN process towards a comprehensive, legally binding Arms Trade Treaty (ATT) to establish common international standards for the import, export and transfer of conventional arms. The EU has taken concrete steps to promote this UN process through a series of regional seminars and is convinced that an ATT will make a tangible contribution towards global security and stability.
26. Since the last Association Council held in June 2008, both parties actively pursued the implementation of the EU-Israel ENP Action Plan. The ENP Progress Report, published by the Commission in April 2009, thoroughly described the progress made with regard to the implementation of the priorities addressed since the adoption of the ENP Action Plan in April 2005.
27. The EU reiterates its request to establish as soon as possible a subcommittee on human rights, within the framework of the Association Agreement. The EU recalls the importance it attaches to the dialogue on **human rights**.
28. Pending the initiation of this subcommittee the current practice of informal working groups set-up, i.e. on human rights and on international organizations should continue.

29. The EU reiterates the need for a continued discussion with the Israeli side on human rights situations of common concern, in particular the protection of the Palestinian population and Israeli Arab minority, respect for the Convention on the Rights of the Child, children affected by armed conflicts, promotion of democracy, rule of law and respect for international humanitarian law.
30. The EU is gravely concerned with the issuing of eviction notices in East Jerusalem and the West Bank and calls on Israel to its immediate suspension. The EU remains deeply concerned by house demolitions both in East Jerusalem and the West Bank. These actions run counter Roadmap obligations and threaten the viability of a two-state solution.
31. The EU calls on Israel to ensure the protection and unimpeded access of all religious groups to religious sites, notably in Jerusalem.
32. Support for human rights defenders is already a long established element of the European Union's human rights external relations policy, which is notably visible through the EU Guidelines on human rights defenders. In both Israel and the occupied Palestinian Territories the human rights defenders play an important role in promoting the common values of democracy, peace and human rights. The EU calls on all parties concerned to ensure that human rights defenders are free to carry out their legitimate and important work.
33. Israel continues to be one of the EU's biggest trading partners in the Mediterranean area, with total trade amounting to approximately **€ 25.3 billion in 2008**. However, EU imports from Israel fell in 2008 by 1.4% (while they increased by 8.1% with the rest of the world) and EU exports to Israel decreased during the same period by 1.6% (while they increased by 5.4% with the rest of the world).
34. **Bilateral negotiations on the liberalisation of trade in services** and the right of establishment were launched in July 2008. The next round of negotiations, expected to take place before the summer, should discuss provisions for specific sectors such as financial services and telecommunications. Work is on-going towards the establishment of a “**dispute settlement mechanism**” for an effective resolution of trade disputes in the framework of the Association Agreement.

35. The European Commission is ready to re-launch the discussions in the framework of the trilateral working group on trade established between the European Commission, Israel and the Palestinian Authority with a view inter alia to facilitating Palestinian trade and as well as the implementation of the EC-PLO Interim Association Agreement.
36. On **free movement of goods and technical regulations**, the European Commission and Israel launched in November 2008 the negotiations on an Agreement on Conformity Assessment and Acceptance of Industrial Products (**ACAA**) in one of the priority sectors, namely Good Manufacturing Practice (GMP), for pharmaceuticals. Progress has been made during the negotiations rounds which took place in December 2008 and March 2009.
37. Under the framework of the Barcelona Process and in accordance with the Euro-Mediterranean Roadmap for Agriculture (Rabat roadmap) adopted on 28 November 2005, the European Commission and Israel initialled in July 2008 the **preliminary agreement on further liberalisation of trade concerning agriculture, processed agricultural, fish and fishery products**. Currently this agreement is subject to approval according to legislative procedures applicable to the respective Parties. The EU also welcomes the recently adopted new phytosanitary legislation (published in the Israeli Gazette on 25 March 2009), which is in line with the international standards such as those laid down by the IPPC (International Plant Protection Convention) and WTO principles. The EU side recalls that since 1984, this trade concern has been raised on several occasions. The existence of clear phytosanitary legislation will ensure transparency and legal certainty for EU exporters in line with international standards; EU exporters will be informed of the exact phytosanitary import requirements they will have to face when trying to access the Israeli market thus removing existing barriers for trade to EU exporters of plants and plant products.
38. The EU also acknowledges Israel's close co-operation with the EU when trade irritants arise. It expresses the hope that for the remaining trade problems (such as SPS restrictions on import of live bovine and sardines) Israel will continue to work closely with the EU with a view to promptly removing any undue trade obstacles.

39. On **enterprise policy**, the EU invites Israel to consider the recommendations for further progress formulated in the 2008 report on the Euro-Mediterranean Charter for Enterprise. The EU also encourages Israel to implement the 2009-2010 work programme on industrial cooperation that was approved by Industry Ministers in Nice on 5-6 November 2008 and that comprises six work areas: the Charter implementation, investment promotion, trade facilitation for industrial products, innovation and technology transfer, dialogue on the future of the textile and clothing sector, sustainable industrial development and energy efficiency.
40. The EU welcomes the signature in May 2008 of the **Memorandum of Understanding** between the **Israeli Central Bureau of Statistics (ICBS)** and **Eurostat** establishing the basis for a sustainable exchange of data. Israel has been the first Mediterranean Partner Country to sign such a Memorandum. Furthermore, Israel is also actively participating in the MEDSTAT II programme.
41. In the area of **police and judicial cooperation**, the Justice and Home Affairs Council adopted on 6th April 2009 a decision authorizing the Director of Europol to enter into negotiations with Israel with a view to concluding an operational cooperation agreement.
42. In the area of **science and technology**, the EU welcomes the increasing cooperation with Israel within the framework of the 7th Framework Programme for Research and Development (FP7). Among the Associated countries to FP7, Israel is the EU third biggest partner, after Switzerland and Norway, in terms of programme's participation. Israeli researchers are particularly successful in the "Ideas Specific Programme". Their success rate goes far beyond the associated countries average. Israel is also actively participating in FP7 financed research projects under the "Cooperation Specific Programme". In particular, in terms of proposals submitted the Information Communication Technology (ICT) thematic area is the one that received the biggest number of applications, followed by Health and Environment. Israeli applicants are also particularly successful in the Nanosciences, Nanotechnologies, Materials & New Production Technologies (NMP) thematic area.

43. The EU welcomes the signature by the European Commission and the Israeli authorities in December 2008 of the **horizontal air transport agreement** bringing bilateral air service agreements between Member States and Israel in line with EC law. In 2008, the Commission received from the Council a **mandate** to negotiate a **comprehensive EU-Israel Euro-Med aviation agreement** providing for gradual market opening and a high level of regulatory convergence; the first negotiation round took place in December 2008 and the second one is expected before the summer break. Israel participates actively in the planning exercise for transport infrastructure in the Mediterranean in promoting priority regional infrastructure projects with emphasis on relevant railway projects and the Motorways of the Sea pilot project.
44. In 2008, the Commission and Israel took preparatory steps towards the country's future participation in the **Intelligent Energy Europe Programme** (a component of the Competitiveness and Innovation Programme).
45. At regional level, in 2008, Israel, the Palestinian Authority and the European Commission re-launched their trilateral energy cooperation with the aim of facilitating the joint **Israeli-Palestinian "Solar for Peace"** initiative and the establishment of a joint energy office. A European Commission financed study was undertaken to support the "Solar for Peace" project.
46. The EU attaches great importance to intensifying the cooperation on **environment matters** and taking forward the work of implementing bilateral environment cooperation within the framework of the Association Agreement and the ENP Action Plan. The EU welcomes Israel's ratification in April 2009 of the Barcelona Convention Land Based Sources of Pollution Protocol.
- At regional level, cooperation can be reinforced in the context of the implementation of the Horizon 2020 Initiative, including the Horizon 2020 timetable 2007-2013, and the Mediterranean component of the EU Water Initiative and the preparation of the Mediterranean Water Strategy. Furthermore, the EU invites Israel to share its proposals as regards the adoption in Copenhagen in December of a comprehensive and global agreement on the post-2012 framework for international cooperation on climate change and looks forward to deepening the dialogue on climate change adaptation and technology issues.

47. The EU also welcomes the signature in July 2008 by Israel and the European Commission of a **Joint Declaration on cooperation and dialogue on education and training**, aiming at enhancing policy dialogue on greater compatibility of education systems and to increase educational mobility and exchanges through the new generations of EU's Erasmus Mundus and Tempus programmes. The Commission and the Israeli Government also expressed their intention to increase inter-university cooperation between European and Israeli universities for further mobility and exchange of academic staff and students.
48. The EU notes that Israel increased funding for **youth** activities in 2008 and continued support for the development of youth exchanges, informal education provision and intercultural dialogue within the context of Israel's participation in Euromed Youth III. The EU welcomes the progress made and encourages Israel to expand its participation in the programme.
49. In the field of **culture**, Israel actively participated in the Euromed Audiovisual II programme and in a regional project under Euromed Heritage III on capacity-building and promotion of the preservation of shared Byzantine-Islamic cultural heritage alongside partners from the occupied Palestinian territory, Cyprus, Greece and Turkey.
50. Since the resumption of its operations in 2007, the **European Investment Bank's (EIB)** financing facility includes lending for waste water projects in urban and rural areas and support to Israeli SMEs. Most recently, the EIB approved in March 2009 the extension of the Hadera desalination plant currently under construction (and partly financed by the EIB) by adding production capacity. The project's main objective is the increase of available potable water in a region with scarce water resources by filling the existing gap in the country's water balance.
51. As of 2007, implementation of the European Neighbourhood Action Plan is being supported through a € 2 million annual allocation under the **European Neighbourhood and Partnership Instrument (ENPI)**, destined to finance institutional cooperation activities.
52. Israel continues to be the leading country in the Mediterranean in terms of requests and organization of **TAIEX** seminars.

53. The EU looks forward to a fruitful and constructive meeting of the EU-Israel Association Council.

**ASSOCIATION
BETWEEN
THE EUROPEAN UNION
AND ISRAEL**

The Association Council

Brussels, 5 June 2009

UE-IL 2901/09

PROVISIONAL AGENDA

Meeting: Ninth session of the EU-Israel Association Council
Date 15 June 2009
in : Luxembourg

1. Adoption of the agenda
2. State and perspectives of EU-Israel relations
3. Political dialogue on subjects of common interest
4. Any other business