

# PRESS RELEASE

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#### JOINT PRESS RELEASE

The EEC-Israel Co-operation Council held its 5th meeting at ministerial level on 27 January 1987 under the Chairmanship of Mr L. TINDEMANS, Minister for External Relations of the Kingdom of Belgium and President-in-office of the Council of the European Communities (1).

The Israeli delegation was led by Mr S. PERES, Vice Premier and Minister of Foreign Affairs.

The Commission was represented by Mr C. CHEYSSON, Member, and the European Investment Bank by Mr PAIS, Vice-President.

Both delegations expressed satisfaction at the regularity of their meetings, which bore witness to the importance which Israel and the Community attached to the Co-operation Agreement which had been a link between them for more than ten years. They alluded to the fact that the meeting was being held at a time when the Additional Protocol adapting the trade provisions of the Agreement following the enlargement of the Community had just been initialled, the Israeli delegation expressing the hope that the Protocol would enter into force at an early date. The meeting was also moreover, taking place shortly after Israel's introduction, on 1 January, of a 60% reduction in customs duties on industrial products from the Community, as provided for in the Agreement, thereby inaugurating the final stage of application of the agreement in the industrial field.

<sup>(1)</sup> A list of the members of the Israeli delegation and the representatives of the Member States is annexed.

2. The Co-operation Council began by noting the Israeli delegation's concern regarding the trade situation and trade trends. The Israeli delegation pointed to the considerable increase in imports from the EEC and to the decline in the rate of cover of imports by exports between 1985 and 1986, noting moreover that the deficit in Israel's trade balance was mainly attributable to trade with the Community.

The Co-operation Council then discussed a number of points in connection with application of trade aspects of the Agreement.

First of all it noted the Community's satisfaction at the plan for gradual abolition by 1 January 1987 of Israel's import deposit arrangements, and restoration of Community preference for exports of solid tyres and the assurances given by Israel concerning Community exports of motor vehicles.

However, the Co-operation Council also noted the Community's concern at the 2% surcharge applied to all products. The Community asked for these not to be renewed. As regards the restrictions on exports of flat glass to Israel, it noted the Community's satisfaction at the further effort which Israel had made by increasing one of the quotas for float glass. However, it was agreed that figures showing the use made of the various quotas should be prepared for the purposes of a review of the import measures taken by Israel between now and March 1988.

The Co-operation Council also noted that the Israeli delegation was again requesting application of alternative percentage rules for the determination of origin similar to those in the agreements between the EEC and the EFTA countries. The Community pointed out that such provisions were incorporated in the EEC-EFTA Agreements in view of the traditional interdependence of industries in the countries concerned. At the Israeli delegation's request the

Community confirmed that talks would shortly take place between Israeli and Commission experts to identify more clearly the technical aspects of the question.

The Co-operation Council also noted the fact that Israel had involved the emergent industries clause and the Community's reply that it was prepared to examine the list of products the Israeli delegation had forwarded in this connection but would only be able to take a decision on the request in the light of the economic data which Israel would be letting it have.

The Co-operation Council also noted the Community's positive response to Israel's request for application of safeguard tariff measures on imports of tyres for motor vehicles for a two-year period.

3. As regards implementation of the co-operation aspect of the Agreement, the Co-operation Council noted the satisfaction of both delegations at the implementation of agricultural, industrial and scientific co-operation and of the 2nd Financial Protocol.

With respect to future co-operation, both delegations agreed on the priorities to be adopted and particularly the priority to be accorded to strengthening economic ties between the Community and Israel, in their mutual interest, through the development of co-operation in the industrial, technological and agricultural fields. The Council stressed the importance of encouraging joint activities between the operators of the Community Member States and Israeli operators through direct contacts, the exchange of information, the promotion of investment and the provision of private capital, in particular within the framework of joint ventures, without forgetting support for small and medium-sized undertakings.

The Co-operation Council also noted the particular importance which Israel attached to the expansion of joint research and development activities in the technological, industrial and agricultural fields and to the improvement of the existing systems for the dissemination of information with a view to industrial co-operation. The Community thanked the Israeli delegation for the practical information it had supplied on this subject. It was agreed that the Commission and the Israeli authorities would continue the discussion begun in the Council in order to identify and define together sectors of interest and specific objectives for such co-operation.

The Co-operation Council noted the Israeli delegation's wish for improving funding under the new Financial Protocol.

The Community pointed out that it was in the process internally of adopting its position on the matter and that the israeli authorities would be notified of the outcome as soon as the internal procedure was completed.

The Co-operation Council also noted an Israeli proposal concerning the role and operation of the Economic and Trade Co-operation Committee which is to be set up under the Protocol of Adaptation to the Agreement following the enlargement of the Community. It noted that the Community agreed with Israel's assessment of the importance of this new Committee for improving the operation of the institutional machinery of the Agreement and that it would continue its consideration of the definition of the nature and role of the Committee in preparation for the Decision to be taken by the Co-operation Council once the Additional Protocol had entered into force.

The Co-operation Council noted the clarification provided by the Israeli delegation regarding its specific requests on social security.

Concluding its meeting, the Co-operation Council noted with satisfaction the positive outcome of the discussions, which opened up new prospects for co-operation between the two parties.

### ANNEXE

List of the Israeli delegation to the 5th meeting of EEC-Israel Co-operation Council - 27.1.1987

- H.E. Mr Shimon PERES, Vice Premier and Minister of Foreign Affairs
- H.E. Mr J. HADASS, Ambassador, Head of the Mission of Israel to the European Communities
- Mr I. MINERBI, Deputy Director General of the Ministry of Foreign Affairs
- Mr U. SAVIR, Head of Foreign Minister Bureau and Media Adviser
- Mr N. NOVIK, Policy Adviser to the Foreign Minister
- Mr E. DOVRAT, Deputy Director General, Ministry of Finance
- Mr A. ZAIF, Deputy Director General, Ministry of Agriculture
- Mr M. LIVNAT, Deputy Director General, Ministry of Industry and Commerce
- Mr I. AZOURI, Director of the Economic Division, Ministry of Foreign Affairs
- Mr B. ORON, Deputy Head of the Mission of Israel to the European Communities
- Mr R. GOREN, Counsellor (Parliamentarian Affairs and Information)
  Mission of Israel
- Mrs Eva GOVER, Counsellor (Agricultural Affairs) Mission of Israel
- Mrs D. AVINERI, Director, International Agreements, National Insurance Institute
- Mr J. MALKA, First Secretary (Economic Affairs) Mission of Israel
- Mr J. GABAY, Counsellor (Administrative Affairs) Mission of Israel

Les Gouvernements des Etats membres des Communautés européennes étaient représentés comme suit :

### Pour la Belgique

M. Leo TINDEMANS, Ministre des Relations extérieures

### Pour le Danemark

M. Knud-Erik TYGESEN, Secrétaire d'Etat au Ministère des Affaires étrangères

## Pour l'Allemagne

M. Jürgen RUHFUS, Secrétaire d'Etat au Ministère des Affaires étrangères

### Pour la Grèce

M. Theodoros PANGALOS, Ministre suppléant aux Affaires étrangères

## Pour l'Espagne

M. Pedro SOLBES, Secrétaire d'Etat pour les Relations avec les Communautés européennes

## Pour la France

M. François SCHEER, Ambassadeur, Représentant Permanent

#### Pour l'Irlande

M. John H.F. CAMPBELL, Ambassadeur, Représentant Permanent

### Pour l'Italie

M. Pietro CALAMIA, Ambassadeur, Représentant Permanent

#### Pour le Luxembourg

M. Joseph WEYLAND, Ambassadeur, Représentant Permanent

### Pour les Pays-Bas

M. Ch. R. van BEUGE, Représentant Permanent adjoint

#### Pour le Portugal

M. Leonardo MATHIAS, Ambassadeur, Représentant Permanent

### Pour le Royaume-Uni

Mme Lynda CHALKER, Ministre d'Etat aux Affaires étrangères et au Commonwealth