

EU - ISRAEL ASSOCIATION AGREEMENT

Further to your email with regard to the EU - Israel Association Agreement, I undertook to research the matter further.

The European Union wants a firm commitment from Israel to seek a two-state peace accord. The EU is also the largest donor of aid to Palestine, with EU countries contributing one third of the overall financial support to the Palestinian Authority. The EU has been much more vocal than the United States in its criticism of Israel. Earlier this year an EU draft paper supported Jerusalem as the capital of any future Palestinian state as well as Israel and criticised Israel's building in East Jerusalem.

That said, Israel is a modern democracy which respects the rule of law, has an independent judiciary, a free media and importantly a vibrant market economy, in contrast to many of its Arab neighbours in the Middle East. The EU is Israel's most sizeable trading partner: total EU goods exported to Israel in 2007 totalled 14 billion Euros. Therefore, notwithstanding that the suspension of the EU - Israel Association Agreement would damage Europe economically at this time of international financial crisis, it would also crucially affect the EU's ability to project a politically positive influence promoting a lasting peace in the region.

Conservatives wish to support the Palestinian Authority led by President Abbas and Prime Minister Fayyad as the legitimate government of the Palestinian people. Hamas has refused to uphold the Oslo Peace Accords and quartet principles as agreed by the PLO under Chairman Arafat. The association Agreement with Israel, signed in 1995 and in force from 2000, does not include the occupied territories, and does not include goods originating in these territories. A separate Association Agreement between the EU and the Palestinian Authority, in force since 1997, relates to the import and export of agricultural products from the Gaza Strip.

I hope that this has allayed your concerns however please do not hesitate to contact my office if you require any further information.

Giles Chichester MEP