

## Partnership Priorities with the EU – What (If Anything) Is Israel Missing?

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**Among European Neighbourhood Policy (ENP) countries, Israel has enjoyed the most advanced relations with the European Union (EU). This comes as no surprise, as it is a viable liberal democratic country with a free and vibrant economy leading in innovation and many other fields. Yet, since 2016, Southern and Eastern neighbourhood countries signed Partnership Priorities agreements with the EU, while Israel didn't. The paper describes what PPs are, why Israel hasn't signed a PP agreement so far and asks what Israel is missing out on by lacking an established set of PP with the EU.**

### A. What are Partnership Priorities?

Partnership Priorities (PPs) are one of the EU's bilateral instruments of the [European Neighbourhood Policy](#) (ENP). The aim of ENP is to enhance regional and national stability, security, and prosperity, while bringing the EU and its neighbours closer for their mutual benefit (for background on the ENP see the box on page 4).

The political upheaval of the Arab Spring in the early 2010s created a need for stabilizing the Southern Mediterranean in the face of conflict and displacement. In November 2015, the EU [reviewed](#) the ENP and adjusted its approach to a more real-politic and pragmatic policy. This shift was also motivated by the EU's desire to be [perceived](#) as less judgmental and self-righteous by ENP countries. One result was that the EU replaced Action Plans (ActPs), the ENP tool of bilateral cooperation, with PPs.

ActPs and PPs have much in common. Both are negotiated while stressing joint ownership, tailor-made under the principle of differentiation to increase their effectiveness. Both ActPs and PPs are designed with short and medium-term priorities of three to five years cooperation; but, as part of the real-politic turn, PPs stress social - economic aims more than political reform, prioritizing stability over democratization.

PPs are much shorter documents, identifying a select few priorities of focus. ActPs are far more detailed and all-encompassing.<sup>1</sup> Therefore, PPs are considered a more flexible and responsive tool, and are easier to adopt. Yet, as some ActPs were not replaced by PPs, it is important to note that as part of the pragmatic revision, the EU also dropped the 'progress reports' on ActPs implementation by ENP countries.

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<sup>1</sup> For example, Egypt's [AP](#) (2007) is 37 pages, while its [PP](#) (2017) is 9 pages.

Among the ten Southern ENP countries, at least **five replaced their ActP with PP**. Though not always titled as such, PPs were signed with Lebanon (2016), Jordan (2016; 2022), Egypt (2017; 2022), and Algeria (2017). [Tunisia](#) (2018) signed **upgraded "PP 2.0"** (called "Strategic Priorities" or "Privileged Partnership") agreement. In addition, Tunisia and Morocco have opened negotiations over an advanced "Deep and Comprehensive Free Trade Agreement", though these negotiations have been stuck for the past few years.

The EU and **Egypt** recently signed [PP for 2021-2027](#). The main priorities identified for this period are: (1) Egypt's sustainable modern economy and social development; (2) Partners in foreign policy; and (3) Enhancing stability. **Jordan** also signed PP with the EU in June [2022](#). The main priorities identified were: (1) Strengthening cooperation on regional stability and security, including counterterrorism; (2) Promoting sustainable economic growth, including a green, digital, inclusive and knowledge-based growth, emphasizing quality of education and decent job creation; and (3) Strengthening good governance, the rule of law, democratic reform and respect for human rights. The cases of Egypt and Jordan are interesting, but Israel's status as an advanced economy with a GDP per capita almost matching that of the EU ([44k\\$ and 48k\\$ respectively](#)), and a democracy makes it unique amongst Southern ENP countries .

Morocco is [expected](#) to sign [Strategic Partnership](#) with the EU soon, focusing on climate change and migration, as well as trade. **However, Israel and the Palestinian Authority have not signed PPs**. Instead, their old ActPs have been extended. Syria and Libya have signed neither ActPs nor PPs.

## **B. Why hasn't Israel signed a set of Partnership Priorities so far?**

In June, and again in [December](#) 2008, the Foreign Affairs Council of the EU adopted resolutions establishing the **linkage policy**, which linked future upgrading of EU-Israel relations with progress in the Israel-Palestine peace process. Such informal linkage existed beforehand, but in 2008, the linkage became official "agreed language" of the EU. The linkage policy was activated in June 2009. Due to the stalled peace process with the Palestinians under Netanyahu's governments, the EU refused to approve the second ActP with Israel. Since then, no new EU – Israel framework agreement has been signed.

Since 2009, political relations between Israel and the EU [deteriorated](#) (see the EU's June 2013 [differentiation policy](#) and the November 2015 labeling guidelines). As a result, the EU and Israel have not held an [Association Council](#) since 2013 until October 2022. The Association Council is the political forum which has the mandate to enhance and deepen bilateral relations.

In principle, PP may not require holding an Association Council. In June 2016, Commissioner for Neighbourhood Policy, Johannes Hann, [visited](#) Israel and coordinators from Israel and the EU were nominated to advance the PP dialogue; yet no progress was made. As Israeli diplomats later came to realize, certain EU member states did not approve of this initiative.

In March 2022, the EU [extended](#) the 2005 ActP with Israel for an additional three years (2022-2025) to "give the parties the opportunity to *take forward* their cooperation for the coming years, *including through the possible negotiation of partnership priorities*" (emphasis added). Half a year later, no such negotiations have taken place. Holding the EU – Israel Association Council on October 3, is an opportunity to renew the dialogue over PP.

### C. What is Israel missing by lacking Partnership Priorities with the EU?

The price to pay for not concluding a second ActP or a PP (now PP 2.0) is of two kinds: a political one and the cost of untapped opportunities. However, one can also claim that Israel did not lose much by not signing PP, as [EU thematic programs](#) such as Horizon, Erasmus+, Creative Europe, etc., are open to Israel (within the 1967 borders) under the ENP and do not require an ActP or PP. Also, as a developed country, Israel is not eligible to most [EU ENP funds](#) (NDICI), and not signing PP does not prohibit continued funded cooperation in projects such as [TAIEX](#), [Twinning](#) and [CBC](#).

Writing this paper, it was hard to receive an answer to this question "what is Israel missing by lacking PP"? Perhaps due to the sensitive and unstable political situation in Israel, there is little willingness to risk putting ambitious options on the agenda, for fear it will be used by the EU as a political leverage against upgrading relations, as in 2009. Also, one can find among some civil servants negative thinking towards upgrading relations with the EU in different fields, which needs to be questioned, if not shrugged off their shoulders.

*Political price:* Israel is an advanced liberal economy and a functioning democracy in the Middle East and North Africa (MENA) region. It is not the only occupying country (see West Sahara under Morocco, for example), yet it is the only country on which the EU has imposed a linkage policy. Being one of the few Southern Neighbourhood partners without PP, the price is that of damaged political relations and reputation.

One of the difficulties to reach PP is the need to adopt a **common political declaration** at the beginning of the document. The foreign ministries of Israel, the EU and the 27 EU member states would have to agree on the text, addressing issues such as the Middle East Peace Process, settlement construction, the status of Jerusalem, etc. Such agreement has been hard to reach in the past decade (especially under Netanyahu's governments).

*Cost of Untapped Opportunities:* Although the 2005 EU-Israel ActP is very detailed, in relative terms it **lacks the necessary updates** for effectively advancing the EU-Israel relationship to its maximum practical ability according to the changing circumstances and interests of both sides.

In the past two decades, the EU has undergone **numerous transformational crises** such as the financial crisis (2009-2014), immigration crisis (2015), Brexit (2016-2020), and Covid-19 (2020-21), which changed EU's competencies. The recent Russian invasion of Ukraine (February 2022) gave way to a series of related crisis such as energy shortages, price hikes (i.e., inflation), economic recession, and more. It also increased European demand of military procurement. Additionally, the threat of disinformation and the new capabilities in artificial intelligence are two urgent topics not adequately address by the ActP, as desired updates have not been made. [Democratic backsliding](#) in some member-states, as well, has emerged as a significant challenge both to the EU and Israel.

**"Old" issues** which encapsulate existing cooperation, such as trade or agriculture, should be updated and upgraded. For example, negotiation over [investment protection agreement or trade negotiations on services in the framework of Deep and Comprehensive Free Trade Area](#).

**New issues** should be considered for adoption or reframing within the PP: climate change, energy (security), food security and food-tech, cyber, artificial intelligence, covid under public health management and new digital aspects, including the challenge of disinformation.

The Abraham Accords/Normalization can lead to new forms of [triangular/sub-regional cooperation](#) frameworks and projects between Israel, the EU, and Arab countries which have formal ties with Israel. Within the ENP, this includes Jordan, the Palestinian Authority, Egypt, and Morocco. Outside the ENP, this includes the UAE and Bahrain, as well as perhaps Sudan and other countries in the future. Regarding Sudan and Egypt, this can also relate to cooperation regarding the area of the Red Sea, and perhaps even Africa.

In February 2021, the European Commission adopted a "[Renewed partnership](#) with the Southern Neighbourhood - A new agenda for the Mediterranean" to "relaunch and strengthen the strategic partnership" between the EU and its Southern Neighbourhood partners. In April, it was approved by the Council. It is time for an EU - Israel renewed partnership in the form of PP.

#### D. Conclusion

In the ensuing 18 years since the first ActP was agreed in 2004, the EU's agenda and the benefits it offers its neighbors have undergone many developments and changes. The challenges the EU and Israel are facing have changed in name and in nature. The costs of not adopting PP are both political and functional/ practical. The EU and Israel should capitalize on their warming relations, especially in the context of the [Association Council](#) which convened on [October 3<sup>rd</sup>](#), by initiating PP talks.

#### **Box: European Neighbourhood Policy background**

ENP reflects several historical layers: The regional *Euro-Mediterranean Policy* (EMP, called the Barcelona Process), which begun in 1995 engulfing the southern Mediterranean countries, topped by the differentiated tailor-made *European Neighbourhood Policy (ENP)* in 2004 which added the Eastern European countries, and complemented by the project-oriented *Union for the Mediterranean (UFM)*.

The legal foundation of bilateral relations between the EU and neighborhood countries is based on **Association Agreements** (AssA), signed as part of the Barcelona Process. The [EU-Israel Association Agreement](#) was [signed](#) in November 1995, and entered into force in June 2000.

The ENP, developed in 2004, is implemented through [various agreements](#) and programs between the EU and its neighbours at the bilateral, sub-regional, and regional levels. Bilaterally, the neighbouring countries concluded **Action Plans** (ActPs) with the EU. The ActPs encapsulated their short and medium-term goals for three to five years. It represents a declaration of mutual objectives and commitments, while the AssA remained the foundational legal framework for cooperation. Israel was among the first ENP countries to conclude an ActP in December 2004, signing it in March 2005.

EU-Israel relations have deepened considerably since the signing of the 1995 AssA. The [2005 ActP](#) sought to update and further elaborate the provisions in the AssA and their objectives for further integration/Europeanization. ENP allowed Israel to join EU programs (such as [Erasmus](#) and Galileo) and the ActP allowed using EU approximation tools such as [TAIEX](#) and [Twinning](#). It also reinforced practical cooperation in new fields (e.g., signing the ACAA in the field of pharmaceutical and [Open Skies](#) agreements and negotiating a renewed agricultural agreement).

In addition, **enhanced political dialogue** took place. After Israel disengagement from the Gaza strip, it allowed two EU peace keeping missions: [EUBAM](#) at the Rafah border point between the Gaza Strip and Egypt, and [EUPOLL COPPS](#) to train the Palestinian Authority's police force. During 2007-2008, Israel and the EU worked on a **2<sup>nd</sup> ActP to upgrade** their relations both politically and practically (see linkage policy above).