

# **A Special Privileged Partnership with the EU as an incentive for Israeli-Palestinian peace**

## ***Summary of a policy-planning workshop***

**June 2016**

**In December 2013, the Foreign Affairs Council of the European Union (EU) offered to upgrade the bilateral relations between Israel and the EU to the level of Special Privileged Partnership (SPP) in the case of an Israeli-Palestinian final status agreement. A similar offer was also presented to the Palestinians.**

**This European offer, which was reaffirmed by the EU in January 2016, has not yet succeeded in promoting the peace process. The Israeli government has avoided giving a positive response to the offer, and the vast majority of the Israeli public is not even aware of its existence. In addition, there is ambiguity and lack of clarity regarding the concrete content of the offer.**

**The Mitvim institute sees potential in regional peace incentives – such as the European offer and the Arab Peace Initiative – as a tool for promoting resolution of the Israeli-Palestinian conflict, and works to advance and improve the use of these incentives.**

**In this framework, the Mitvim Institute and the Friedrich-Ebert-Stiftung conducted in March 2016 a policy-planning workshop that examined the European offer and ways to transform it into a more efficacious peace incentive. This workshop was part of a series workshops, each focusing on a different incentive. A previous workshop focused on the Arab Peace Initiative.**

**The workshop was attended by Israeli experts on Israeli-European relations, Israeli foreign policy, and the peace process, as well as by Mr. Jan Freigang of the EU Delegation to Israel. This document summarizes the different points and recommendations that were raised during the workshop.**

## A. Reactions to the European offer

### 1. The offer and its goals, in the eyes of the EU

The EU offer was [first presented](#) by the Foreign Affairs Council in December 2013 as a measure designed to assist Israeli-Palestinian negotiating efforts, led at the time by American Secretary of State John Kerry. The offer was stated as follows:

“The EU will provide an unprecedented package of European political, economic and security support to both parties in the context of a final status agreement. In the event of a final peace agreement the European Union will offer Israel and the future state of Palestine a Special Privileged Partnership including increased access to the European markets, closer cultural and scientific links, facilitation of trade and investments as well as promotion of business to business relations. Enhanced political dialogue and security cooperation will also be offered to both states.”

EU officials claim that they did not have illusions that the very presentation of the offer would generate a substantive change in the positions of the sides and public opinion toward the peace process; nevertheless, the EU presented it as a very meaningful, and even historic, stage.

The offer was meant to elucidate to the parties to the conflict, that progress towards peace contains added value for them. It is said to be intentionally worded in general language, and introduced as giving Israel the option of receiving the closest possible status just below full membership in the EU.

In European eyes, the offer is not limited to a list of economic, political, and security benefits that Israel would receive in exchange for attaining a peace agreement. It constitutes an invitation to Israel to define future, preferable relations between Israel and the EU.

The offer was frequently mentioned by EU officials in the course of 2014, but omitted from official statements made in 2015. Only after the EU issued guidelines on labelling settlement products in November 2015, was the offer [raised again](#) in the EU Foreign Affairs Council meeting of January 18, 2016.

The EU emphasizes that the offer had not been withdrawn from the agenda at any stage, and is still relevant, subject to advancement in the peace process.

### 2. The reactions in Israel to the European offer

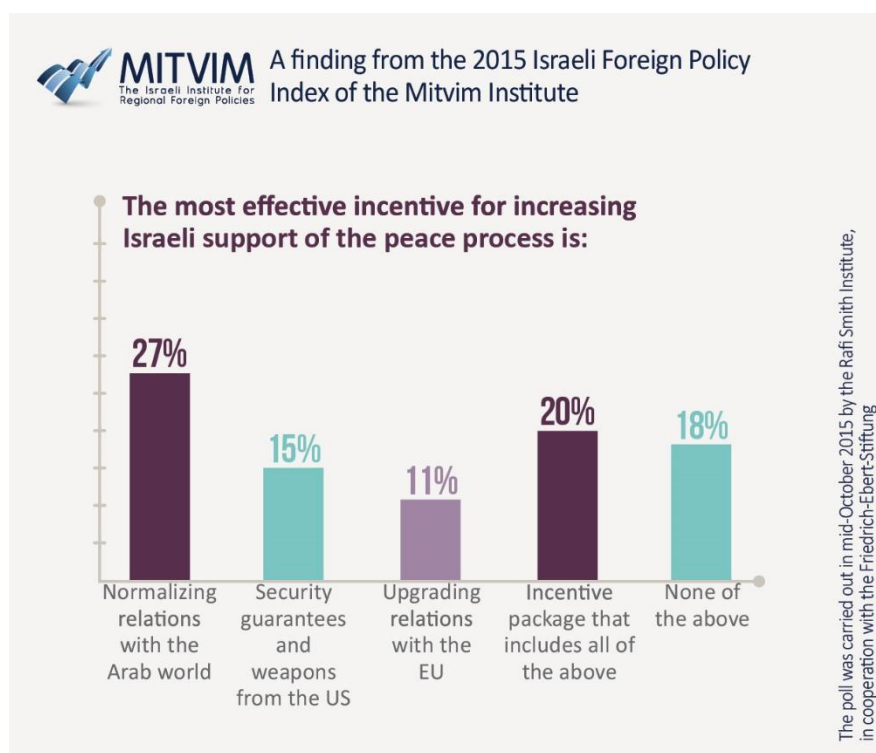
The European offer aroused only very limited political and public discourse in Israel. The government and the Foreign Ministry refrained from discussing the content of the offer with the EU, and the Israeli media almost did not cover it. According to a survey conducted by the Mitvim Institute in March 2014, [only 16%](#)

[of the Israeli public had even heard about it](#). President Shimon Peres was the only person in the state's top brass who publically and positively addressed the offer. In the political system, Member of Knesset (MK) Hilik Bar (Labor party) spoke positively about the offer, and government officials privately sent out feelers to their European colleagues to probe the offer's significance. The government's objection to the offer stemmed mainly to the linkage created by the EU, between advancement of Israel-European relations to advancement in the peace process.

However, there were additional factors that influenced the Israeli response, headed by the fact that the European offer is worded in language that is too general, therefore not sufficiently attractive.

European spokesmen found it difficult to explain the significance of the offer in concrete terms. In Israel it was argued that the offer was presented too early, when it was not clear even to the EU, what in effect it was offering. There were those in Israel who even argued that Israel already enjoys de facto special status with the EU, thus enjoys most of the benefits that the European offer could include. Others were deterred by the fact that the offer was crafted in identical language to Israel and the Palestinian Authority, without acknowledging the different levels of development between them.

The European answer to the last argument is that while the heading of the offer was presented similarly to the two sides, the actual content will be adapted separately and in a tailor-made approach to each entity, in accordance with its needs and abilities.



### **3. Difficulties in packaging and marketing the offer**

As aforesaid, the EU viewed the offer as a kind of invitation for dialogue with Israel on the future of the relations between Israel and Europe.

However, the offer was not received this way in Israel. Beyond the political decision of the government not to discuss the offer, issues of packaging and marketing limited public awareness to the very fact of the offer's existence. The heading of the offer ("Special Privileged Partnership") was formulated in a technical, bureaucratic fashion, which "turned to the Israelis in the language of Brussels." The text of the offer was not officially presented to the Israeli public in Hebrew, and the offer was formulated too rationally, without use of emotional language. Also, the public statements made by European diplomats regarding the offer, sometimes came across as strident to Israeli ears. The EU ambassador to Israel tried to advance the offer to different local audiences, while emphasizing the various advantages involved.

However, the fact that the offer disappeared from the European agenda throughout almost the entire year of 2015, and heads of European states did not emphasize it in the course of their visits to Jerusalem, raised doubts in Israel regarding European commitment to the offer, and whether it was really viewed seriously by the EU itself. In addition, lack of a precedent or example of a state that does enjoy the status of an SPP with the EU, made the offer even more abstract in Israeli eyes. If in the future there will be additional models of relations with the EU – except for those of Switzerland and Norway – this could contribute toward the offer's attractiveness.

### **4. Comparison of the European offer with that of the Arab League**

The European offer can be compared to the Arab Peace Initiative as a regional incentive to peace. Both offers were largely ignored by the Israeli establishment and suffer from low levels of public awareness of them in Israel. The Arab League chose to ratify the Arab Peace Initiative repeatedly throughout the years, despite the absence of any signs of progress in the peace process. By contrast, the EU almost completely avoided further reference to the offer, after the collapse of the negotiations led by John Kerry in 2014. Another difference is that the Arab Peace Initiative is more clear-cut than its EU counterpart. This is with regards to the section detailing the demands placed on Israel in implementing the initiative, as well as in the section that includes the advantages and benefits for Israel. The EU refrained from presenting an offer that would be perceived in Israel as "all or nothing," which is the way that many in Israel view the Arab Peace Initiative. Instead it chose to display only the 'incentive' headline with an invitation to formulate the actual content together.

However, the minute that the Israeli government refrained from accepting the overall offer, there were no official sources in Israel with whom to formulate the

content – thus, the whole process was halted. Other problems faced by Europe these days – headed by the refugee crisis – turns the EU, and its proposal to upgrade relations with Israel – to be less attractive to the Israeli public. Europe is perceived as less successful, and less important. This is similar to the way that the Arab Peace Initiative was harmed by the shakeup in the Middle East, and the disintegration of states in the Arab world. In light of these changes, Israel has come to examine these offers through the prism of their potential defense benefits (which is rather limited, at this point in time), with less emphasis on the advantages to be gained by deepening cooperation with the EU, and in establishing normal relations with the Arab world.

## **B. The European offer in the current political context**

### **1. Israel-Europe relations**

The efficacy of the offer is affected by the broader Israeli-European context, which today is characterized by lack of trust.

Public opinion polls show that about a third of Israelis hold positive attitudes toward Europe – especially with regard to economics, culture and tourism – but less positive feelings toward the EU and the political stances heard in Europe regarding the Israeli-Palestinian conflict. The Israeli government's conduct with regard to Europe, intensifies this negative trend. The government opposes the direct linkage created by the EU (for about a decade already) between progress in the peace process, and upgrading Europe's connection to Israel, even though this linkage seems to be an accomplished fact. It also seems that the government uses the EU as an easy target on which to vent its frustrations, and expresses scathing criticisms of the EU and of certain countries within it, for domestic political needs.

Instead of creating a discourse that emphasizes its commonalities with Europe, Israeli government spokespersons frequently cite an ongoing crisis in Israeli-European relations. All this, seeps into public opinion. Israel, on its part, has never officially expressed its vision for the kind of relationship it would want to have with the EU. Europe still constitutes a point of reference for many Israelis, and there is a high level of European involvement in various fields of life in Israel. This fact creates the potential for improving the European image in Israel. Thus, for example, surveys show that when Israelis first hear about the European offer, this causes an improvement in the way they perceive Europe.

### **2. Stalemate in the peace process**

In the absence of Israeli-Palestinian negotiations, and in a period of escalation, fear, and distrust between the parties of the conflict – it is difficult to create public awareness in Israel to the European offer, and to 'incentives for peace' in general. Instability in the Middle East also contributes to the overall conventional wisdom

that discussion about the benefits of peace is not relevant at this point in time. However, even when the chances for peace are slim, it is still helpful to keep the subject on the agenda, with an emphasis on the benefits Israel will receive from advances in the peace process.

In light of this, it is important that the EU emphasize its commitment to the offer it presented even during such a time period, and not create the impression that it forgot or suspended the offer.

Beyond this, attempts should be made to make the offer relevant even in the present time period, and not only for a future point in time. For example, the offer could be included in a document that would display parameters for the two-state solution, when such a document would be presented by the President of the United States or brought to a vote in the UN's Security Council.

### **C. Methods to promote the European offer**

#### **1. Incentives to end the conflict, versus incentives for intermediate steps.**

The issue of incentives for advancing the peace process may become more central and important in the coming year. The international ministerial meeting on the Middle East peace process, which convened in Paris on June 3, 2016, [also discussed](#) how to provide the parties with meaningful incentives to make peace.

The EU, France and the Quartet are expected to deal with the issue on a more intensive level, though differently than it did in the past. It appears that they intend to create incentives for intermediate steps, smaller than incentives for ending the conflict, aimed at having positive effects on the ground and at facilitating a future return to the negotiating table.

It will be a gradual process of using more diverse incentives, more "step-by-step" in nature, that will be directed at different population groups in the Israeli and Palestinian societies.

Examples of incentives for the Palestinian side would include incentives to promote the Palestinian economy, intra-Palestinian reconciliation, physical rehabilitation of Gaza, and strengthening of the Palestinian Authority. These steps will help accomplish the following: facilitate a return to negotiations in the future, improve the Palestinian economy, promote regional cooperation, build institutions, develop capabilities, and strengthen the Palestinian Authority by making use of European expertise.

On the Israeli side, they can promote regional cooperation and can tighten Israel's links to Europe even more (analogous to the steps taken by the EU regarding other states in its vicinity). However, an assortment of minor incentives cannot lead to the change of state of mind that is required for a breakthrough in the peace

process. The parties to the conflict may be satisfied by minor incentives, and when the time comes to advance to the stage of ending the conflict “for real,” the international community will no longer have anything to offer. There is value in continuing to promote incentives aimed at attainment of a permanent arrangement, though of course other tools should be used as well.

The international community can, for example, combine the European offer, the Arab Peace Initiative, and American security guarantees into one “mega-incentive for peace,” that will create interest and drama on both symbolic and substantive levels.

## **2. Enlarging the security component in the European offer**

In light of the centrality of the security issue in the Israeli discourse on the peace process, the question arises: What can the EU offer Israel in this sphere? Perhaps the NATO alliance is the entity that could satisfy this need, and not the EU. In fact, Israel is upgrading its relations with NATO in these very days. However, the EU chose to market its offer to Israel while making indirect use of the “security card.” The European message was that the EU would give such significant support to the future Palestinian state, which would ensure it would not become a failed state that would threaten Israeli security.

However, this argument does not satisfy Israel. There is a need to enlarge the security component in the European offer. The following proposals were raised in discussion in this context: a European demand of the Palestinians to provide security guarantees to Israel; attaching Israel as partner to the Common Security and Defense Policy (CSDP) of the EU (the program is said to include a model for participation of non-EU countries); enlarging the activities of the EU Border Assistance Mission, or EUBAM forces (EU inspectors operating in the Rafah crossing), to a future naval port that will serve the Gaza Strip. Also important is the creation of a regional security framework that will include Israel alongside European countries and Middle East countries; this will constitute part of the integrated implementation of the Arab Peace Initiative and the European offer. In addition, the EU can also officially declare that the benefits bestowed on Israel as actualization of the European offer, will be given partly by specific member countries of the EU, not only the EU in general. Some of these countries, such as Germany, have more to offer Israel in the security field than the EU can offer on its own.

## **3. Identity-related incentives, not only for material needs**

Israeli decisions regarding peace and war are not determined by economic considerations. In addition, Israel already enjoys many economic “carrots” in its relations with the EU, even though the conflict with the Palestinians is still unresolved.

Therefore, no European shopping-list of economic benefits to Israel that would stem from the signing of an Israeli-Palestinian peace agreement would be sufficiently attractive, and would not generate the necessary change in Israeli public affairs. An effective European incentive for peace must be more normative in nature, address identity issues, and offer the Israelis something that would cause them to feel more at ease to advance in the Palestinian track. Some kind of European recognition of the Jewish identity of Israel could be relevant in this context, since a near-consensus about this already exists in Israel. In exchange, the EU could demand of Israel an official commitment to treat minorities living in Israel, according to the standards acceptable in the EU.

#### **4. The option of offering Israel full EU membership**

An incentive designed to actively promote a process of great historical value such as the resolution of the Israeli-Palestinian conflict, must include a much more meaningful offer than the European offer in its present format.

A large, clear and attractive incentive is needed. In the European context, one possibility is the option of giving Israel full membership in the EU after attaining a peace agreement.

Such an offer would integrate identity and material issues as one: it would fill the Israeli need for affiliation in important, multi-national institutions, and is likely to generate a lively public discourse in Israel (in contradiction to the current disregard accorded to the European offer today). Israelis may eventually decide that this is something they are not interested in, but they will not ignore such an offer and may use it to define their desired model of relations with the EU.

The issue was occasionally raised in the past. For example, in 2004, Shimon Peres and Nabil Shaath (the Palestinian foreign minister at the time) spoke in favor of offering EU membership for Israel and the future Palestinian state. There were also right-wing leaders who related positively over the years to the idea of Israeli membership in the EU, though it was severed from the Palestinian context and the peace process.

Polls taken in the past showed that many people in Israel (and not just those with European origins) support the idea of joining the EU. However, these same polls showed that the more the Israelis knew about the practical significance of joining the EU, the less interested they were.

## **D. Ways to promote the European offer**

### **1. Developing the content of the offer via Israeli-European dialogue.**

An essential condition for promoting the European offer as an incentive for peace, involves filling the offer with real content. At the moment, neither Europe nor Israel



has a clear idea of the current content of the offer, nor about the specific details that it should include in the future model.

For this, a political and professional Israeli-European dialogue is needed. It could serve as a platform for developing a vision for the future of the relations between the parties, as well as to develop the specifics of the offer. Such a process was supposed to have taken place, after the European offer was made, between the official echelons of the EU and Israel. However, Israel's unwillingness to discuss the offer in its current format, obliges us to adopt a different model. An unofficial channel for dialogue is needed for this, led by Israeli and European think tanks. It would be incumbent on them to formulate the content of the desired offer together, to consolidate an outline for optimal use of the offer (even under conditions of tense Israeli-European relations and stalemate in the peace process), and promote their recommendations in the political and public arenas in Israel and Europe.

## **2. Public campaign to promote the offer**

After official consolidation of more detailed content for the European offer, there will be a need to raise public awareness in Israel regarding the existence of the offer. In parallel to local Israeli efforts in this regard, the EU will also need to take upon itself an active role in this. It should focus on public diplomacy efforts via the media in Israel and not through the leadership or the governmental apparatus (as the EU is used to doing). In the past, European efforts were made to bring Israeli journalists to Brussels to discuss the European offer, but these efforts did not lead to any real change. In order to raise the odds in favor of success, the European offer must be made more accessible to the Israeli public, also by using more emotional language to market it (something that the EU finds more difficult to do).

Prominent European political and cultural figures should be approached in order to speak in favor of the offer to Israeli audiences, and opinion-leaders in Israel itself (including, for example, mayors) should be encouraged to describe the practical advantages to be gained through stronger links with Europe. Such a campaign can also introduce the EU model as proof that intractable conflicts can indeed be resolved, that new dynamics can be created between former adversaries, and that mutual perceptions can genuinely be changed.