

Subject: Meetings of the Sub-WG on Goods of Concern and of the Sub-WG on Exceptional Categories held on June 10, 2007.

The Sub-WG on Goods of Concern met at 14:00 on June 10, 2007 at the Inbal Hotel in Jerusalem. That meeting was immediately followed by a meeting of the Sub-WG on Exceptional Categories. The participants in both meetings were the following:

USSC  
Paul Rupp  
Denis Lefebvre (Chair)

PA:  
Nizar Farsakh  
Bader Rock  
Rami Dajani

GOI:  
Oded Herrmann  
Igal Ostanovsky  
Yochai Guiski  
Avi Bitton

EUBAM  
Eric Lebegue  
Alfredo Savanio  
Juhanna Sanlulo  
Nigel Milverton  
Martine Truppe  
Andrea Massari  
Peter Pieters

#### **GOODS OF CONCERN: EXECUTIVE SUMMARY.**

**Chemicals:** The parties agree on the chemicals that cannot cross at Rafah and that have to be imported through the Kerem Shalom Crossing for clearance in Accordance with Art III of the Customs Annex. The parties also agree that there should be an exception for consumers' products that may contain those chemicals. To describe the exception both parties have agreed to consider the following wording and to report at the next meeting: "unless it is an integral ingredient of a product which is broadly available in the market place for consumers".

**Other equipment:** At earlier meetings: the GOI had submitted a list of 24 items that should not cross at Rafah; the parties had agreed that items 22 and 23 should be

transferred to a weapons and explosives list; the parties had agreed that none of the items left on the list with a value exceeding USD200 can cross at Rafah and need to be imported through the Kerem Shalom Crossing in accordance with Art III of the Customs Annex; and the GOI had agreed to identify which of those items with a value of less than USD200 raised a security concern and therefore should be barred from crossing at Rafah. At the meeting on the 10th the GOI indicated that items 1 to 9, 12, 13, 15, 16, 18 and 24 raised a security concern even when the value of the item is less than USD200. The PA noted that pursuant to the explicit terms of the Security Implementation Protocol, the only items, other than those already excluded by application of existing laws, that may be prohibited are weapons, explosives and hazardous materials. Therefore, the sub-working group has no authority to consider any items on the equipment list unless it could be demonstrated that those items (less than USD200 in value) could be weaponized in which case they would be transferred to the weapons and explosives list.

The PA also argued that the existing customs agreements and the applied regulations address all the items on the list already. Therefore, if the Israelis have any objections they need to show how the existing agreements and the currently applied regulations fail to address the concerns Israel has with these items.

Outcome: the PA agreed to review the list of 15 items with their security officials and to inform the other parties whether they agreed to transfer any items to the weapons and explosives list. The GOI agreed to ask their security experts to narrow down the exceptions based on the properties of the items (power, distances etc.) and to ask their security experts to demonstrate to the other parties whether and how any of the remaining items on the equipment list can be weaponized.

**Reporting procedures:** The GOI said that there should be timely reporting to the liaison office on the seizures of goods of concern and subsequent actions taken against the culprits. Followed a long discussion on the current procedures applicable in the case of seizures. The EUBAM stated that seizures and the action taken against the importer or exporter are already reported immediately to the liaison office. The EUBAM will describe the procedures in writing and share that information with the other parties. At the next meeting the parties will discuss whether those procedures satisfy their requirements.

**Preamble:** (Preamble to the Procedures for Illegal, Restricted & Unidentified Materials at the Rafah Crossing Point (RCP)).

The PA had revised the preamble to the Procedures and the revised preamble reads as follows:

“The generic procedures outlined below will be applied immediately, to the extent that existing capacity and equipment permit.

The objective is to attain full and professional implementation. This goal is however contingent on the following:

1. Normalization of the operations at RCP;

2. Provision of all the required equipment and training including storage capacity, transport vehicles, lab equipment and any other equipment needed for implementation; and
3. Agreement with GOI on clear procedures for the transfer of goods from RCP to KSCP.”

The GOI found the formulation of the preamble unacceptable. During a general discussion it was pointed out that the preamble contained elements of information and conditions that went beyond what is normally included in a standard operating procedure.

**Next steps:** The parties agreed that another meeting is required to complete the work of the Sub-WG on Goods of Concern.

### **EXCEPTIONAL CATEGORIES: EXECUTIVE SUMMARY**

**Humanitarian cases:** At the beginning of the meeting, the chairman recapitulated the areas where agreement had not been reached as recorded in the executive summary of the previous meeting. The GOI pointed out that the only major point of disagreement was that the GOI’s view is that “humanitarian cases include only cases where there is a need for urgent medical treatment whereas the PA’s view is that humanitarian cases include cases where there is a need for urgent or necessary medical treatment. Although not definitive the GOI position implied that all the other issues could be resolved.

**Investors:** It was noted that the GOI has not provided the definition of investors as they had undertaken to do. The GoI said they were unable to locate the previous agreement that they had proposed as a basis of discussion. GoI said they only had oral recollection of it. Upon the request of the chair, GoI undertook to draft and send the text of the presumed agreement before the next meeting.

**Next steps:** Another meeting is necessary to conclude the work of the Sub-WG on Exceptional Categories.

**Action items:** The parties have agreed to do the following before the next meeting:

- PA: The PA will consult with security officials to ascertain whether any items included in the list of other equipment that have been identified by the GOI as raising security concerns can be transferred to the weapons and explosives list.
- GOI: The GOI will ask their security experts: (1) to further narrow the list of equipment that raises security concerns; and (2) to explain to the other parties why it is reasonable to conclude that the equipment that they want to interdict at Rafah can be weaponized; and (3) to explain how the existing agreements and the currently applied regulations fail to address Israeli security concerns over the narrowed down list of equipment.
- GOI: The GOI will provide a proposal for definition of investors before the next meeting.

- EUBAM will describe in writing the current procedures for the reporting of the seizures of goods of concern and follow up action to the Liaison Office.