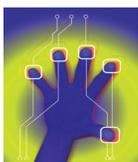




In the Briefing Paper

1. Background information on the European Security Research Programme (ESRP)
2. Who is addressing the ESRP
3. The role of Israel in the ESRP
4. Other EU research funds feeding Israel's military industry
5. Policy recommendations

1. Background Information



The European Security Research Programme (ESRP) objectives: The ESRP is part of the Seventh Framework Programme (FP7) of the EU which covers projects between 2007 and 2013. The FP7 is the EU research scheme to shape the EU as the **'most dynamic competitive knowledge-based economy in the world... [It] bundles all research-related EU initiatives together under a common roof playing a crucial role in reaching the goals of growth, competitiveness and employment'**¹; the FP7 has an overall budget of over 50.5 billion euros, which is allocated differently for each of its components. The budget allocated for the ESRP as part of the FP7 is 1.4 billion euros from 2007 until 2013.

The objectives of the ESRP are outlined as:

- 'building capabilities needed to ensure the security of citizens from threats such as terrorist acts and (organised) crime, natural disasters and industrial accidents while respecting fundamental human rights including privacy;
- ensuring optimal and concerted use of available and evolving technologies to the benefit of civil European security; stimulating the cooperation of providers and users for civil security solutions;
- **improving the competitiveness of the European security industry** and to deliver mission-oriented results to reduce security gaps'.²

Funding 'dual use' technology: The EC has allocated 1.4 billion euros (200 million euros per annum) for the ESRP covering projects from 2007 to 2013. The ESRP also funds 'dual-use technology' which means technology that can be used for both military and civilian purposes.³ The 'dual use' technology is envisioned to bring longer-term benefits to society; they are though the outcomes of military research programmes which could develop bio and nano weapons, 'missile defence' (the Holy Grail in the control of Space) and a new generation of nuclear weapons⁴. It is therefore crucial to separate the two types of research. Although civilian applications may later emerge as spin-offs, military-funded research is specifically meant for military purposes. Indeed research on munitions or

1 European Commission, CORDIS website: http://cordis.europa.eu/fp7/understand_en.html

2 CORDIS (2008) Work Programme 2009: Cooperation. Theme 10: Security. (emphasis by author)

3 Ben Hayes: Arming Big Brother, TNI Briefing Series: 2006/1, p. 3

4 Ben Hayes Arming Big Brother, TNI Briefing Series: 2006/1, p. 6

submarines is clearly not related to civilian research⁵. So far the ESRP has funded 80 security research projects focusing on the following areas: security and protection of networked systems; protection against terrorism; crisis management; interoperability and integrated systems for information and communication. Most projects have a major involvement of the military industry and some of them have the explicit intent to develop technology widely criticized for their deadly effects in conflict areas⁶. This is the case for the Unmanned Air Vehicles (UAV) recently used during wars in Palestine, Afghanistan and Pakistan.

I see a shift in emphasis and an increasing balance between what we see as defence and homeland security. 'Security' is a more politically acceptable way of describing what was traditionally defence⁷.

Tim Robinson, senior Vice-President of Thales' Security Division and former chairman of ESRAB

Unmanned Air Vehicles: The unmanned aerial vehicles (UAVs) are also known as drones and consist of aircraft piloted remotely without a human crew on board. UAVs can perform both reconnaissance and attack missions. UAVs have been widely used by the Israeli army during the

Gaza war, and by the USA army in the military operations in Afghanistan and Pakistan. Although they are supposed to be a very precise weapon they are also prone to cause collateral damage. Their ability to accurately identify targets is limited, which often causes deaths among civilians. The International Affairs Review reported that 'Since 2006, 82 drone attacks in Pakistan have killed between 750 and 1,000 people, including between 250 and 320 civilians, equivalent to roughly 1 civilian death for every 3 militants killed'⁸. Human Rights Watch reported about 87 civilian killed by UAVs in the midst of the Gaza war during the fighting in December 2008 and January 2009⁹. The report states that 'In the six cases documented in the report, Human Rights Watch found no evidence that Palestinian fighters were present in the immediate area of the attack at the time. None of the civilians who were killed were moving quickly or fleeing the area, so the drone operators would have had time to determine whether they were observing civilians or combatants, and to hold fire if they were unable to tell the difference. In three of the cases, drones fired missiles at children playing on rooftops in residential neighbourhoods, far from any ground fighting at the time. [...] On December 27, 2008, the first day of the Israeli offensive called "Operation Cast Lead," a drone-launched missile hit a group of university students as they waited for a bus on a crowded residential street in central Gaza City, killing 12 civilians. [...] On December 29, the Israeli military struck a truck that it said was transporting Grad rockets, killing nine civilians. [...] The alleged rockets, the military later admitted, proved to be oxygen canisters'¹⁰.

UAVs are actually banned from the EU skies for the risks they pose to civilian air traffic. Notwithstanding, studies on their use for internal security purposes are promoted by the EU institutions under the European Security Research Programme.

5 Frank Stijper: The Emerging EU Military - Industrial Complex, TNI Briefing Series 1/2005, p. 14

6 Ben Hayes Arming Big Brother, TNI Briefing Series: 2006/1, p. 12

7 Source: Euractiv website: <http://www.euractiv.com/en/security/critical-infrastructure/article-140597..> as quoted in Ben Hayes (2008)

NeoConOpticon: The EU Security-Industrial Complex, p. 72

8 Andrew Callam: Armed Unmanned Air Vehicles, International Affairs Review, 21/02/2010, available at: <http://www.iar-gwu.org/node/144>

9 Human Rights Watch: Precisely Wrong, Gaza Civilians Killed by Israeli Drone-Launched Missiles, June 2009

10 Human Rights Watch: Precisely Wrong, Gaza Civilians Killed by Israeli Drone-Launched Missiles, also reported in Human Rights Watch:

Israel: Misuse of Drones Killed Civilians in Gaza, available at <http://www.hrw.org/en/news/2009/06/30/israel-misuse-drones-killed-civilians-gaza>



Improving the competitiveness of the European security industry

Apart from internal security concerns the main reason for establishing the ESRP was to foster the growth of the nascent European homeland security industry.

The security industry has grown astonishingly after 9/11 worldwide led by the USA Government and military industry. The relevant Commissioners and the Group of Personalities consider the US as being a very conducive market for security products. In

The European Security Equipment Market

'What were the initial expectations? ... [Y]ou have to understand that the home of security research at the Commission is DG Enterprise and Industry - and there you have the answer immediately. We needed to create a security research programme that would make real, meaningful contributions to the various areas of security policy and thus help to increase the security of the European citizens - from demonstrating the value of such contributions a European Security Equipment Market (ESEM) would grow. And we needed to make this sustainable, we needed to strengthen the European Security Technological and Industrial Base and its supply chains. If this sounds familiar to you from the defence side - yes it is'¹¹

*European Commission spokesperson to
EU security research event, 2008*

their opinion this is due also to the institutional involvement of the US Government. Research by the consultancy agency ECORYS on the competitiveness of the EU security industry states that: 'US policy reflects a more strategic appreciation of the importance of the security industry and to creating conditions that will foster its development'¹². As a result of this analysis, the Group of Personalities advised the EU Institutions to heavily invest in the security research sector.

It is at least arguable whether the competitiveness of the EU security

industry should be a goal of the European Union. While on the one hand security is a fundamental right of every human being, on the other military technology can transform the way in which democratic states are governed. Addressing security for profit could seriously affect the daily life of EU citizens by creating an advertising industry that fosters

¹¹ European Commission spokesperson to EU security research event as quoted in Ben Hayes (2008) NeoConOpticon: The EU Security-Industrial Complex, p. 12

¹² ECORYS Research and Consulting: Study on the Competitiveness of the EU security industry for the Directorate-Generale Enterprise and Industry; November 2009; p. 28

human fears; putting in danger people's privacy; and favouring elites that use technology to control society in an undemocratic manner. On 17 January 1961, US President Dwight Eisenhower made his famous 'military industrial complex' speech. Although he focused on 'the importance of the military establishment in keeping the peace' he warned the Americans saying '[I]n holding scientific research and discovery in respect, as we should, we must also be alert to the equal and opposite danger that public policy could itself become the captive of a scientific technological elite'¹³.

2. Who is addressing the ESRP

The Group of Personalities: The establishment of the ESRP was informally decided upon by the Commissioner for Enterprise and Industry in 2003. Lacking any official legal act, proposal or consultation process by European and national parliaments - as is customary when a new budget is established - the Commission decided to appoint a Group of Personalities (GOP) to address research requirement 'to meet the EU's foreign, security and defence [sic!] policy objectives'¹⁴ in 2004. The GoP consisted of 28 professionals,¹⁵ of which 11 were direct representatives of the defence industry, and 7 indirectly connected to it. The rest of the group can at least be said to be in favour of support for Europe's

The Group of Personalities' opinion on the distinction between security and civilian research

'Technology is very often multi-purpose. Civil and defence applications increasingly draw from the same technological base and there is a growing cross-fertilisation between the two areas... As a result, the technology base for defence, security and civil applications increasingly forms a continuum... applications in one area can often be transformed'¹⁶.

militarization. This undemocratic process and the further development of

the programme has been criticized by a number of organizations and personalities¹⁷ for its close cooperation with Europe's defence industry. Initially, the Commission allocated 65 million euros for a Preparatory Action for Security Research (PASR) to be spent

between 2004 and 2006. The legal basis of the PASR was chosen to be Article 157 of the EC Treaty on the 'competitiveness of the Community's industries' rather than Article 163 on 'research and development (R&D)'. This political decision meant the Directorate-General (DG) for Enterprise would have supervised the ESRP development instead of DG Research (R&D arm of the Commission). The obvious implication was that industrial competitiveness and long-term profits were more important than the creation of a 'knowledge society'¹⁸.

13 President Dwight Eisenhower as quoted in Ben Hayes Arming Big Brother, TNI Briefing Series: 2006/1, p. 4

14 Cf. European Parliament (2006b) Parliamentary questions. Answer given by Mr Verheugen on behalf of the Commission

15 cf. Annex 4

16 Group of Personalities (2004) Research for a Secure Europe, available at: http://ec.europa.eu/research/security/pdf/gop_en.pdf. as quoted in Ben Hayes (2008) NeoConOpticon: The EU Security-Industrial Complex, p. 11

17 cf. for example Ben Hayes (2008) NeoConOpticon: The EU Security-Industrial Complex; Christoph Marischka (2008) Der Altraum Sicherheit; European Parliament (2006a) Parliamentary questions. Written question by André Brie (GUE/NGL) to the Commission: Financing of the EU security research programme (ESRP) outside parliamentary scrutiny?. See also QCEA: Arming Big Brother Revisited, available at: <http://www.quaker.org/qcea/intergroup/Report%20of%20big%20brother%20revisited%20Event%20final.pdf>, and QCEA: European Security Research Hearing, available at: <http://www.quaker.org/qcea/Security/securityhearing.htm>

18 Ben Hayes (2008) NeoConOpticon: The EU Security-Industrial Complex, p. 9

The military-industrial lobby in Brussels

There are over 15 000 professional lobbyists operating in Brussels at the moment and most of them represent business interests. The emerging military-industrial lobby has recently increased its influence as well documented in Frank Slijper's briefing published by the Transnational Institute. The biggest arms industry lobby group is the recently formed ASD - the Aerospace and Defence industries Association of Europe - the product of a 2004 merger between three older bodies: the European Defence Industries Group, the European Association of Aerospace Industries and Eurospace, and the Association of European Space Industry¹⁹.

In March 2004, after the presentation of the Group of Personalities report, an information day on ESRP was held. It was attended by more than 400 participants, mostly from the business community. The meeting was focused on 'building a community that will take us into the full-scale security research programme of the future'²⁰. The purpose of the meeting was well-described by the sardonic comment of a participant: a get-together for the industry 'with short presentations and long coffee breaks [...] to say hello, get to know each other and talk about each others' ideas, while jockeying for position with an eye on the slated 1 billion euro prize waiting beyond 2006'²¹



The European Security Research and Innovation Forum (ESRIF): In 2007, the Commission set up another informal advisory board, the European Security Research and Innovation Forum (ESRIF) to 'ultimately strengthen the EU security market and the competitiveness of industry and other providers of technologies and solutions'²². ESRIF is responsible for developing policies and allocating resources within the ESRP. ESRIF is formed by a plenary of 65 members and 11 working groups of 660 security research consultants. An 'integration team' links the work done by the plenary and the working groups²³. The majority of the security research stakeholders participating in the working groups are from the 'supply side', coming from military and security industries: the defence and security contractors are indeed well represented with 433 researchers (66%). The 'demand side' stakeholders representing EU Institutions and agencies accounts for 200 (30%) from: the European DG's Commission Enterprise; DG Justice, Liberty and Security; the European Defence Agency; EUROPOL; and FRONTEX. The forum was initially chaired by Gijs de Vries, then EU anti-terrorism coordinator, and co-chaired by Bundeskriminalamt vice-president Jürgen Stock and Giancarlo Grasso, former CEO of Finmeccanica²⁴ - thereby providing an ideal platform to develop threat scenarios and solutions to them at the same time²⁵. ESRIF is not only formed by European personalities. Other associated third countries can also be represented in the forum²⁶. In order to evaluate security research proposals a body of expert evaluators is set up on an annual basis. In general, the accepted proposals tend to reflect the affiliations and backgrounds of the evaluators involved. The beneficiaries are often those directly or indirectly related to their respective national defence industry. This is similar when it comes to third country expert evaluators. In 2007 and 2008 third country evaluators were mainly from Israel and Turkey.

19 Ben Hayes Arming Big Brother, TNI Briefing Series: 2006/1, p. 9

20 "Spectacular turnout at security research information day", EC news article, 30 March 2004, available at http://europa.eu.int/comm/research/security/news/article_779_en.html as quoted in Frank Slijper: The Emerging EU Military - Industrial Complex, TNI Briefing Series 1/2005. p. 16

21 Frank Slijper: The Emerging EU Military - Industrial Complex, TNI Briefing Series 1/2005. p. 16

22 cf. European Security Research and Innovation Forum (ESRIF) (2009). Objectives and purpose of ESRIF

23 Hayes (2008) NeoConOpticon: The EU Security-Industrial Complex, p. 22

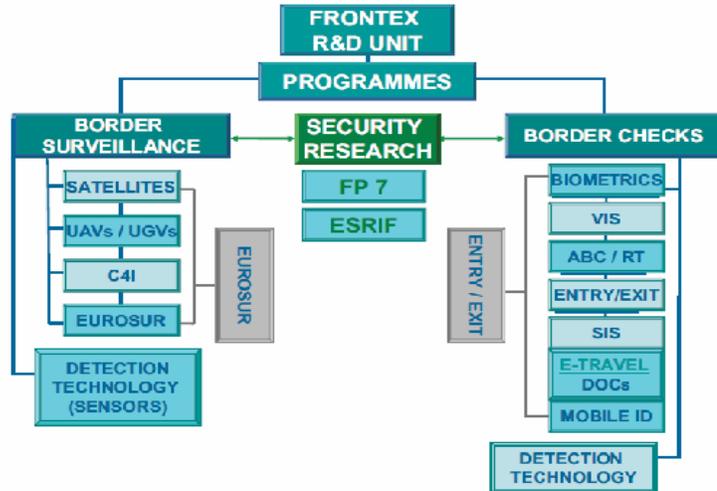
24 Finmeccanica is Italy's biggest arms and defence producer

25 cf. Christoph Marischka (2008): Der Albtraum Sicherheit

26 cf. European Security and Research Forum (ESRIF) (2009b). Members and chairpersons: List of members. available at: http://www.esrif.eu/documents/esrif_final_report.pdf



Frontex and the ESRP: Frontex is an EU agency based in Warsaw, which was created as a specialised and independent body tasked to coordinate the operational cooperation between Member States in the field of border security²⁷. Frontex' purpose is the 'Coordination of intelligence driven operational cooperation at EU level to strengthen security at external borders'²⁸. It deals mainly with border surveillance and protection from illegal immigration. The Research and Development unit of Frontex (Frontex R&D) plays an important role in



informing the research programmes of the European Union under the FP7 Security Theme and has participated in the Security Research and Innovation Forum (ESRIF)²⁹. Its aim is to link the research community and the end-users. The department is eager to use drones for security purposes and to this end it hosted an event in Spain in June 2010, at which

This figure shows the framework to enhance the capabilities of border checks and border surveillance systems set out by the Research and Development Unit of Frontex

several manufacturers of UAVs gave

presentations about their products. Although UAVs are currently banned from the EU skies, the Agency is currently studying how to use UAV for border surveillance. As stated by a Frontex source, although UAVs have never been used for this purpose so far, Frontex is assessing the benefits of using UAVs for the surveillance of the European sea coasts. The Frontex source added that using drones would increase the surveillance capabilities of the coastguards because they could monitor vessels at sea for a longer period than the equipment now in use³⁰.

3. The role of Israel in the ESRP



Associated Countries benefitting from the EU Framework Programme:

Under the *Third Country Agreements* and *Associated Countries* non-EU Member States are associated to the Framework Programme, the 50 billion euro research scheme of the EU³¹. These States became *Associated Countries* thanks to former agreements signed with the Union, and legal entities from those countries are thus "eligible for funding on the same footing as legal entities from the Member States"³². Israel is an Associated Country³³. As a result Israeli experts are evaluating projects under the Seventh European Framework Programme.

27 Frontex website: http://www.frontex.europa.eu/structure/research_development/

28 Frontex website: http://www.frontex.europa.eu/more_about_frontex/

29 Frontex website: http://www.frontex.europa.eu/structure/research_development/

30 David Cronin: Inter Press News Service, available at: <http://ipsnews.net/news.asp?idnews=50459>

31 These are the following enlargement countries: Albania, Bosnia and Herzegovina, Croatia, Former Yugoslav Republic of Macedonia, Montenegro, Serbia, and Turkey. Plus the following EEA countries: Iceland, Lichtenstein, and Norway. And, as third countries: Switzerland and Israel. Cf. EU Commission DG Research (2009) S&T agreements table. International RTD Cooperation. RTD Association and Cooperation Agreements.

32 cf. CORDIS (2009b) FP7 Third Country Agreements: International instruments associating Third Countries to FP7

33 Israel has been an Associated Country since FP4 while it signed the Science and Technology Agreement for FP7 in 2007 which was concluded and entered into force in February 2008

Associated Countries, however, do have to pay a membership fee in order to be entitled to submit an unlimited number of proposals in a broad range of fields. This fee is based on the ratio between a country's gross national product and that of Europe³⁴. Israel, for example, has to pay a membership fee of 440 million euros to contribute to the budget of FP7³⁵. Apart from the entitlement to receive funding for projects, Israeli representatives have the opportunity to participate as observers in FP7 implementing committees and bodies. The EU's FP7 is currently the second largest financier of academic research in Israel, after the Israel Science Foundation, and in per capita terms, no non-EU country has received more from the EU's funding than Israel³⁶.



The Israel-Europe Research and Development Directorate (ISERD) for the EU Framework Programme (FP): ISERD is an Israeli inter-ministerial directorate³⁷ established to support Israeli projects funded by the EU and to act as Israel's official representative in the EU Framework Programme. ISERD's main objective is to promote the Israeli academic/industry participation in the EU Framework Programme. Under the FP7, Israeli industries become eligible to be part of the cooperation platforms. The platforms are formed by the EU in cooperation with European industries and other interested parties to draft the R&D strategic agenda and issue calls for proposals.³⁸ Israeli interests are therefore well represented within the research funding scheme of the EU.

In its advertising campaign ISERD also outlines other benefits: 'Israeli researchers not only benefit from an introduction into European business and research culture, they also gain access to projects and knowledge through consortia which are much bigger than Israel's actual investment or its pay off in grants. The networking with European universities and companies is another advantage not to be ignored'³⁹. ISERD's Director of Life Sciences explains the possibilities ahead even better describing the Framework Programme as 'a marvellous opportunity for Israeli firms to become part of the globalization process in general and penetrate European markets in particular'.⁴⁰

How the Israeli military industry benefits from the ESRP: Getting access to European markets seems to be the aim of the Israeli defence industry as well. In an interview with *The Jerusalem Post*⁴¹ in 2006 Yossi Ben-Hanan, head of SIBAT - the Israeli Foreign Defence Assistance and Defence Export Department - was proud to announce that more than 75 per cent of Israeli defence industry sales were to foreign militaries. He, however expressed his hope that the European market - which made up 800 million US dollars in contracts by then - would increase in the coming years, affirming that 'We need to create partnerships with European countries, which the Israeli defence industries *could* use to market their products'.⁴²

The FP7 put his hope into practice, being the first FP in which Israeli participants were able to obtain funding for Homeland Security projects.⁴³ Israeli current revenues from the export of counter-terrorism related products amount to about 1 billion euros annually, according to the Israeli Government⁴⁴.

34 cf. ISERD (2006) Israel and the European Framework Programme for Research and Development – Looking Ahead: the Seventh Framework Programme 2007-2013

35 cf. British Embassy in Israel (2009) Science and Innovation

36 Ben Hayes: Should the EU subsidise Israeli Security? (18.03.2010), European Voice

37 ISERD was established by the Israeli Ministry of Industry Trade and Labour, the Israeli Ministry of Science and Technology, the Planning and Budgeting Committee of the Council for Higher Education, the Israeli Ministry of Finance, and the Israeli Ministry of Foreign Affairs.

38 cf. ISERD (2006). Israel and the European Framework Programme for Research and Development – Looking Ahead: the Seventh Framework Programme 2007-2013. p. 9

39 ISERD (2006)

40 ISERD (2006)

41 cf. Katz (2007) 2006: Israel defence sales hit record, Jerusalem Post, January 1st 2007

42 Ben-Hanan cited in Katz (2007) 2006: Israel defence sales hit record

43 ISERD (2006). Israel and the European Framework Programme for Research and Development - Looking Ahead: the Seventh Framework Programme 2007-2013. p. 30

44 Ben Hayes: Should the EU subsidise Israeli Security? (18.03.2010), European Voice

Although Israel is not the only third country cooperating with the EU under the FP7, it appears to be standing out in the security cooperation scheme. Having in mind that one of the EU's objectives is "to improve the competitiveness of the European security industry"⁴⁵ and that - while the EU tries to encourage international cooperation "from third countries in all thematic areas"⁴⁶ - it intends to do so only "with appropriate restrictions for the security theme due to the confidentiality aspects"⁴⁷, Israel's role in the ESRP is remarkable to say the least. As stated by Marcel Shaton (General Director of ISERD): 'from the perspective of the Framework Programme, Israel is part of the European continent'⁴⁸.

Israeli projects funded by the ESRP: At the time of writing (September 2010) 87 EU security research projects have been funded under the ESRP. Israel is the non-member state that receives significant amounts funding from the security research programme as it is involved in 17 programmes and leads six⁴⁹ (see Appendix 1 for some further analysis). The European Commission has signed off several contracts to the Israeli military industries which supply the Israeli army and make profits out of the occupation and aggression against the Palestinian territory. Among them the Israel Aerospace Industries, a state-owned manufacturer of drones; Motorola Israel, a producer of virtual fences around the settlements; and Elbit Systems, one of Israel's largest private military technology firms involved in the construction of the separation wall between Jewish and Palestinian communities⁵⁰. Recently awarded contracts include: a nine million euro project to deliver "field-derived data" to "crisis managers" in "command-and-control centres" and a 8.99 million euro project to develop airport security systems. Both projects are led by Verint Systems, an Israeli company producing intelligence products⁵¹.

4. Other EU research funds feeding Israel's military industry

Other EU funds outside of the ESRP providing funding to the Israel's military industry: Israel is also involved in other EU research programmes such as those regarding road safety and environmental research. Although these research funds are devoted to civilian sectors, some of the Israeli companies that are receiving funds for civilian projects are arms companies.

The Israel Aerospace Industries (IAI), manufacturer of warplanes used by the Israeli Army, is benefitting from the EU research funded "Clean Sky" project aimed at developing more environmentally-friendly aircraft engines. IAI will be able to apply for patents on innovations realized as part of this project⁵².

Elbit, the largest private arms company in Israel, is taking part in a project called CAPECON (Civil Applications and Economical Effectiveness f Potential UAV Configurations) which aims to advance the utilization of safe and low cost Unmanned Air Vehicles in the civilian commercial sphere⁵³.

Israel is also involved in the EU's research projects on nanotechnology. Nanotechnologies are supposed to be strategic for the development of both civilian and military applications. Although Israel has communicated that research on nanotechnologies aims to develop advanced medical equipment, the Israeli national strategy on nanotechnology is led by

45 CORDIS (2008) Work Programme 2009: Cooperation. Theme 10: Security

46 European Union (2006). Decision No 1982/2006/EC of the European Parliament and of the Council of 18 December 2006 concerning the Seventh Framework Programme of the European Community for research, technological, development and demonstration activities (2007-2013), Annex 1. p. 10

47 *ibid.*

48 ISERD (2006). Israel and the European Framework Programme for Research and Development - Looking Ahead: the Seventh Framework Programme 2007-2013. p. 31

49 QCEA's own analysis of EU published data

50 Ben Hayes: Should the EU subsidise Israeli Security? (18.03.2010), European Voice

51 EU CORDIS, information available at : http://cordis.europa.eu/fetch?CALLER=FP7_SECURITY_PROJ_EN

52 David Cronin: Factsheet: How Israeli arms companies benefit from EU science funds

53 *ibid.*

representatives of the Israeli Ministry of Defence and a former president of Rafael, the Israeli Weapons Development Authorities⁵⁴.

Other possible funds for the Israel military industry: The EU 'security research' budget is larger than the 200 million euros per annum allocated for the ESRP. Other security funds have been allocated for:

- A project called 'Critical Infrastructure' (CIP) to develop 'technology building blocks for creating secure, resilient, reliable and always available information structures' led by the Joint Research Centre. The project has its own budget and the call for proposal was issued jointly by the security research and the information technologies components of FP7.
- The Solidarity and Management of Migration Flows', which is a 4 billion euro fund, of which 1.8 billion euro is for devolved external borders and some 676 million euros are committed to the EU Return Fund for the expulsion and repatriation of 'illegal aliens'⁵⁵.

In the future security funds could increase. The military industry campaign that promotes security as a cross-cutting issue aims to create contact points with other research areas of the FP7. As a consequence, the European Space Programme (1.4 billion euros) now includes a large security and defence component while in the future, EU research into energy, transport or environment could include energy security, transport security and environment security⁵⁶.

5. Policy recommendations

- Dual use technology, security and military research should be clearly separated from the other research areas. Industries working in the military sector should not have access to other research funds.
- Israeli industries that profit from the occupation in Palestine should not be eligible to apply for EU funding. Israel is able to control the Palestinian territories thanks to its military supremacy which depends on the hardware and software provided by its homeland security.
- Cut the funds for unmanned vehicles. UAV are currently banned in the European skies because of possible dangers to regular air traffic. Furthermore Israeli UAVs have been used indiscriminately against civilians during the Gaza War and therefore the EU should not subsidise Israeli UAV producers.

⁵⁴ *ibid.*

⁵⁵ See Solidarity and Management of Migration Flows, European Commission website: http://ec.europa.eu/justice_home/funding/intro/funding_solidarity_en.htm as quoted in Ben Hayes (2008) NeoConOpticon: The EU Security-Industrial Complex, p. 19

⁵⁶ Ben Hayes (2008) NeoConOpticon: The EU Security-Industrial Complex, pp. 19 - 20

ANNEX I

Members of *The Group of Personalities (GOP)*⁵⁷

European Commission

Philippe Busquin

(at the time) European Commissioner responsible for Research

Erkki Liikanen

(at the time) European Commissioner responsible for Enterprise and the Information Society

Maria João Rodrigues

Special Advisor on European policies, EU Institutions

Javier Solana

(at the time) EU High Representative for the Common Foreign and Security Policy

MEPs

Eryl McNally (at the time)

Member of the European Parliament

Karl von Wogau (at the time)

Member of the European Parliament connected to pharma group “Sandoz”

Christian Rovsing (at the time)

Member of the European Parliament connected to the Danish Society for Space Research

Elly Plooij-van Gorsel (at the time)

Member of the European Parliament

Ministries of Defence

Ilias Pentazos

Director General, Defence Industry, Research & Technology, Hellenic Ministry of Defence

Marc Vankeirsbilck

Lieutenant-General Belgian Ministry of Defence

Research Institutions

Philippe Kourilsky

President, Institut Pasteur researcher immunobiology

François Heisbourg

Director, Fondation pour la Recherche Stratégique founded by the French Ministry of Defence

Burkard Schmitt,

Assistant Director of the European Union Institute for Security Studies EU agency on CFSP

Jan Dekker

President, TNO (until November 2003) -strategic partner of the Dutch Military. Dekker has been to Nigeria for Akzo Nobel (chemical corporate)

Defence Industry

Rainer Hertrich

CEO, EADS

⁵⁷ As listed in European Communities (2004), *Research for a Secure Europe*

**Pier-Francesco
Guarguaglini**
Chairman & CEO Finmeccanica

Erik Löwenadler
President, Ericsson Microwave Systems

Thomas Diehl
President & CEO, Diehl Stiftung & Co.

Mike Turner
Chief Executive, BAE SYSTEMS

Denis Ranque
Chairman & CEO, Thales

Javier Monzón
Chairman & CEO, INDRA

Claus Weyrich
Senior Vice President, Siemens

Nazzareno Cardinali
Director, OCCAR E.A.

Ernst Van Hoek
Chairman WEAG, WEAG/WEAO/NL MOD

Other Security Interests

Carl Bildt
Former Prime Minister of Sweden related to a gas-company with holdings in Gazprom

Victor Aguado
Director General, EUROCONTROL

Jean-Jacques Dordain
Director General, European Space Agency

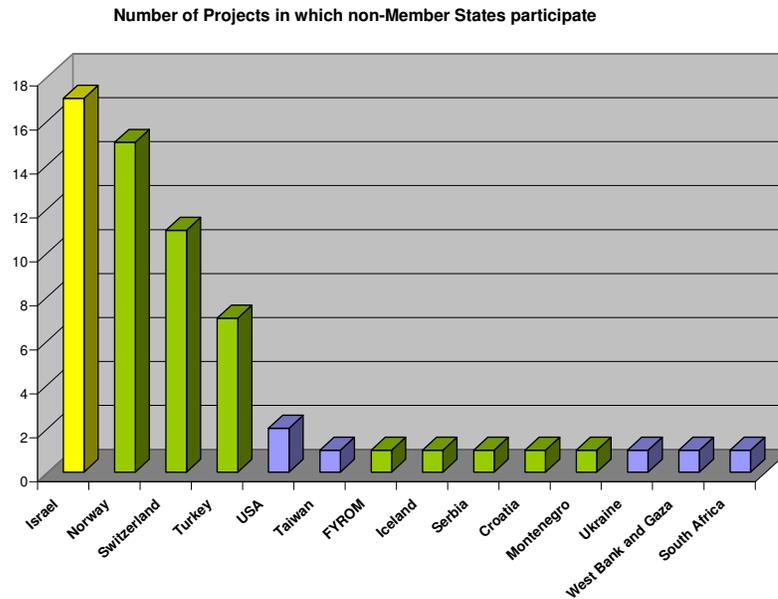
Martti Ahtisaari
Former President of Finland wants Finland to join NATO

Appendix 1 – Analysis of Israeli Participation in EUSR Projects

(Note: in all graphs: EU Member States are shown in brown, Israel is shown in yellow; other Associated Countries are shown in green, and other third countries are shown in blue.)

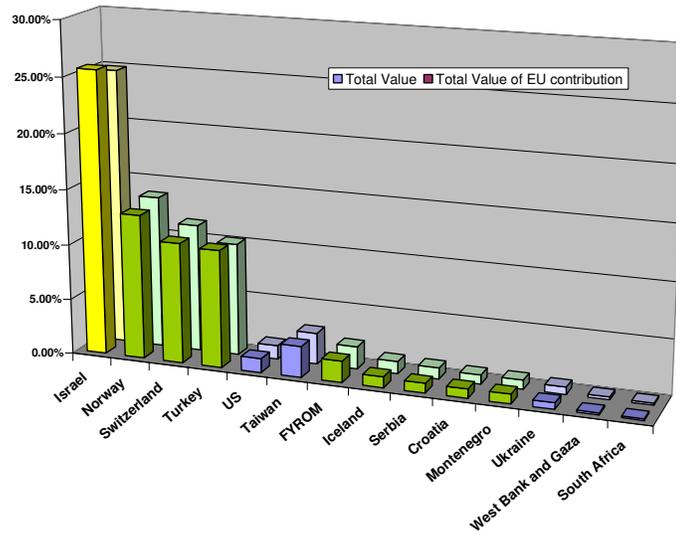
The graph shows the number of projects which non-Member States participate in (of the 87 which are shown on the EU's website relating to this programme. This indicates clearly that Israel is ahead of all other non-Member States participating in this programme.

It is interesting to note that Al Quds University in the West Bank also participates in one of the projects funded under the ESRP.



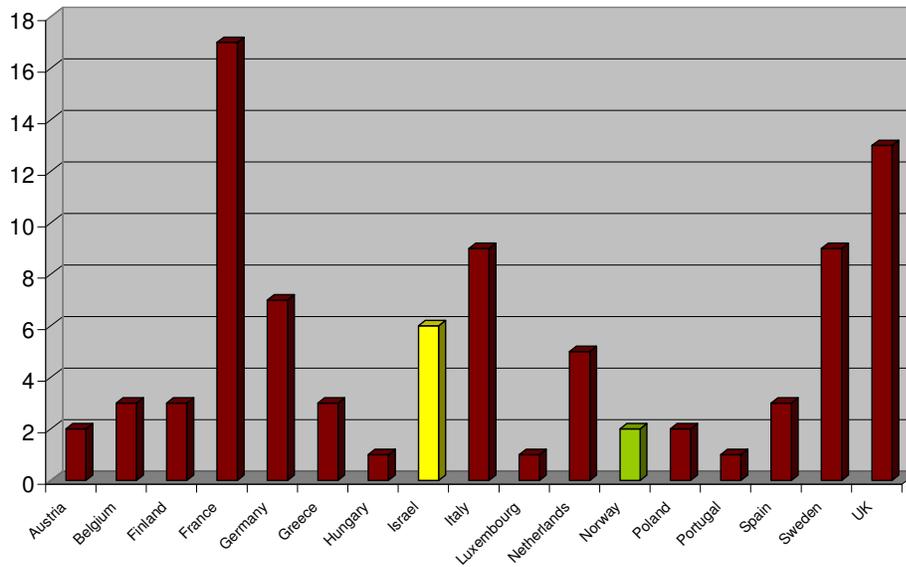
In terms of the value of the projects in which non-Member States are involved, again, Israel tops the chart both in terms of the total value of the projects which a specific non-Member State participates in and in terms of the value of the EU subsidy to these projects. The graph below shows this.

Value of Projects with Non-Member State Participation



Finally, the analysis of countries (both Member States and non-Member States) who lead projects funded by the ESRP shows that there are only 2 non-Member States who lead projects: Israel and Norway. Israel leads 6 projects, which is only lower than France, the UK, Sweden, Italy, and Germany, in that order. The graph shows this clearly.

Number of project leads



The Israeli organisations/companies who participate in the projects are as follows:

Name of organisation	Number of Projects involved in
Elbit Systems	3
Verint Systems	3
Halevi Dweck & Co	2
Ernest and Young (Israel) Ltd	2
Israel Aerospace Industries Ltd	2
Tel Aviv University	2
Arttic Israel International Management Services	
Azimuth Technologies Ltd	
C.A.L> Argo Airlines Ltd	
Motorola Israel Ltd	
Arttic Israel Company Ltd	
Opgal Optronics Industries Ltd	
Israel Airports Authority	
Matimop, Israeli Industry Centre for Research and Development	
The Hebrew University of Jerusalem	
International Security and Counter-Terrorism Academy	
Technion - Israel Institute of Technology	
Correlations Systems Ltd	
Ben Gurion University of the Negev	
Bar Ilan University	
Aeronautics Defence Systems	
Maden David Adom in Israel	