

DEFENSE, SECURITY AND OCCUPATION AS A BUSINESS

Military, armaments and security trade relations between Spain and Israel

Alejandro Pozo [Dir.], Camino Simarro and Oriol Sabaté

// EXECUTIVE SUMMARY

// OBJECTIVE OF THE REPORT

This report analyzes the security and defense trade relations between Spain and Israel and is complementary to a previous report drafted in 2009. Then, the report approached the Spanish exports of defense material to Israel, its relevance, pertinency and adequation to the law. It also examined other types of military and security relations, which will be analyzed more in depth in this report, without attempting to provide an exhaustive study of such sectors, characterized by dynamism, lack of transparency and secrecy.

// HIGHLIGHTS:

1/ Military and security relations between Spain and Israel are significant and on the rise. They are facilitated, promoted and protected by a series of formal agreements that stand out for their secrecy and lack of transparency, and are characterized by access to privileged information and conditions. Considering Europe and the NATO, to which Spain belongs: Israel

obtains privileged access to funds and military and security research findings, it benefits from conditions of a *de facto* member of NATO, without being part of this organization, and has access to its interoperability standards, as well as benefiting from the Euro Space Program.

2/ Israel exports about three-quarters of its military production to more than one hundred countries. The defense and security apparatus is highly dependent on these exports, which significantly reduce the costs of procurement for the Israeli Security Forces, allowing to export surplus production and thus reduce the costs of production per unit.

3/ By exporting defense equipment to Israel Spain is violating its own legislation. These exports flagrantly violate four of the eight criteria established by the Common Position of the European Union and the Spanish law that regulates them. In addition, they could also be in breach of three additional criteria set out in those provisions. Although the member countries of the EU have denied licenses to export defense equipment to Israel on at least 325 occasions between 2001 and 2011, it is known that none of these denials have come from Spain. Moreover, Spain has not exported defense equipment to the Palestinian Authority, but it did export riot material.

4/ The economic size of Spanish imports of Israeli defense equipment is far superior to that of Spanish exports to Israel. Imported products include *Spike* missiles from the Israeli company Rafael, *RCWS Samson* remote control weapons platforms, also produced by Rafael, *Cardom* mortar systems by Elbit Systems, and unmanned aircraft [drones] *Searcher* by Israel Aerospace Industries [IAI]. The four companies are among the most lucrative for the occupation of the Palestinian territories and the tensions in the region, while the four products have been tested extensively in the Gaza Strip. After 2007, the volume of imports soared, exceeding 400 million euros.

5/ Spain and its defense and security industry not only represent a business opportunity for their Israeli counterpart, but are also a gateway to the markets of Europe, North Africa, and especially Latin America. Israeli companies are taking advantage of partnerships and contacts with Spanish firms to access those third markets where Spain has a brand value. Spanish companies are also benefiting from these agreements, offering products

“We have seen sales increases of certain military products after some of the military campaigns in the region or in the Gaza Strip, considered a test lab”

which include cutting-edge Israeli technology and its proven experience in combat. The companies which are most are more favoured in this respect are Indra Systems Santa Barbara, Tecnobit and EADS-CASA, although Navantia also deserves to be mentioned.

6/ Part of the defense and security relations take place through the introduction of direct Israeli subsidiaries in Spain. To be highlighted among the defense companies are Pap Tecnos [subsidiary of Rafael] and Aeronautics. Regarding security firms, there are many companies that claim to work in or for the Spanish sector. Trade relations are promoted by various lobbies in Spain, as well as contacts established during defense and security trade fairs.

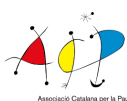
7/ An added value is provided by the Israeli security products and services due to their proven experience in combat, for the superior training conditions and facilities on Israeli territory, and for the *made in Israel* brand, the result of decades of expansion and promotion of its products. Among the clients of the Israeli security firms who advertise their experience as "battle tested" are: the Catalan police, the Guardia Civil, the GEO and the National Police, the Ertzaintza, local police in various cities, the Ministry of Defence and the Royal Family.

8/ Spain is a growing business opportunity for the Israeli security and defense industry. The increasing trend towards the privatization of security services [especially in prisons] and expectations of greater facilities point to a golden era for those who are investing in security as a business. Several Israeli companies have benefited from contracts of Spanish public institutions and private companies.

9/ The Israeli defense and security industry conveys its expertise and knowledge through different courses in Spain and Israel, which are also promoted by Spanish public institutions. Customers are mainly Spanish security and police forces, as well as private security guards. There are several schools that offer such training [including university graduate programs], such as the Camilo José Cela University.

10/ Public and private universities, public institutions and Spanish military and technological companies develop research projects in the field of security with their Israeli counterparts. At least 31 projects of the European Union have the joint participation of the two countries. For example, contributing to the CAPER project, dedicated to the fight against organized crime through the massive extraction of data from the Internet, is the Catalan police, the Guardia Civil, the Autonomous University of Barcelona and the Israeli Ministry of Public Security, among others.

"The increasing trend towards the privatization of security services (especially in prisons) and expectations of greater facilities point to a golden era for those who are investing in security as a business"



WWW.NEGOCISOCULTS.ORG

You can download the full report: www.negocisocults.org
For more information contact with Felip Daza : Felip@novact.org