

## ISRAEL AUSTRALIA INFORMATION

### OVERVIEW

Australia and Israel share a close relationship with significant people-to-people links and broad commercial engagement. Australia established diplomatic relations with Israel in 1949. The Australian Embassy in Tel Aviv, and the Israeli Embassy in Canberra, were both opened in that year.

### BILATERAL RELATIONS

Australia has a warm and close relationship with Israel, which is supported strongly by Australia's active Jewish community. The relationship has a strong historical dimension, dating back to the First World War when Australian forces fought in the Sinai-Palestine campaign alongside their Allied counterparts against the Ottomans, including the iconic charge of the Australian Light Horse's during the Battle of Beersheba. Australia was the first country to vote in favour of the 1947 UN partition resolution, which ultimately led to the creation of Israel as a nation state. Australia established diplomatic relations with Israel in 1949 and in the same year presided over the vote admitting Israel to the United Nations.

Australia is committed to a two-state solution in which Israel and a future Palestinian state co-exist, in peace and security, within internationally recognised borders. Consistent with this longstanding policy, in December 2018, Australia recognised West Jerusalem as the capital of Israel, being the seat of the Knesset and many of the institutions of the Israeli government. Australia looks forward to moving its Embassy to West Jerusalem when practical, in support of, and after the final status determination of, a two-state solution.

Australia is strongly opposed to unfair targeting of Israel in the United Nations and other multilateral institutions. However, we make clear our concerns about Israeli actions that undermine the prospects of a two-state solution and continue to urge Israel and other actors to respect international law.

Australia continues to broaden bilateral cooperation with Israel. In recent years, there has been significantly increased engagement across a range of sectors, including innovation, security and defence.

Austrade established one of its five innovation Landing Pads in Tel Aviv in 2016 as part of the National Innovation and Science Agenda. As a bridge between the Australian and Israeli innovation ecosystems, the Landing Pad offers early-stage Australian start-ups a platform to build links with local and multinational business partners in Israel. In February 2017, Australia and Israel signed a Technological Innovation Cooperation Agreement. The Agreement includes a bilateral funding program to enable cooperation between Australian and Israeli companies.

Since 2017, Australia and Israel have expanded cooperation on national security, defence and cyber security. Defence officials began annual strategic talks in 2018 and in early 2019, Australia appointed a resident Defence Attaché to the Embassy in Tel Aviv. Leveraging Australia and Israel's respective areas of expertise, cooperation on national security continues to develop, including on aviation security with Home Affairs as the lead Australian agency. In January 2019, following a series of reciprocal visits and dialogue, the two countries signed a Memorandum of Understanding (MOU) on cyber security cooperation.

Expanded economic engagement has been underpinned by the conclusion of several bilateral agreements including a Double Taxation Agreement in March 2019, an Air Services Agreement in February 2017, and a Working Holiday Agreement in June 2016, and the signing of a Memorandum of Understanding (MOU) on defence industry cooperation in October 2017. The opening in 2019 of an Australian Trade and Defence Office in West Jerusalem will facilitate trade, investment and defence industry partnerships.

Australia and Israel have a healthy, but modest, commercial relationship. In 2018, Israel was Australia's 41st largest merchandise trading partner and 50th largest export market. In 2018, two-way goods and services trade amounted to nearly \$1.3 billion, of which Australian exports were worth \$393 million and imports from Israel \$998 million. In 2018, Australian investment in Israel totaled \$976 million and Israeli investment in Australia was \$310 million, mostly centred in the innovation sector. Major merchandise exports to Israel are live animals followed by plastic products, pearls and gems, beef, and aluminium. As at July 2019, 20 Israeli companies were listed on the Australian Stock Exchange (ASX), making Israel the third largest source of foreign company listings.

### PEOPLE TO PEOPLE LINKS

A vibrant Australian-Jewish community, which numbers about 91,000 (2016 census), is an important element of Australia's relationship with Israel. There are 9,817 Israeli-born people living in Australia, mostly in Victoria and NSW, and about 10-12,000 Australians living in Israel.