



STATE OF ISRAEL  
MINISTRY OF FINANCE

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## Press Release

### **The US-Israel Joint Economic Development Group Holds Semiannual Meeting: Minister Steinitz Stresses Importance of HiTech Cooperation**

The US-Israel Joint Economic Development Group (JDEG) held its twice-a-year meeting today at the Ministry of Finance. The meeting was chaired by Finance Ministry Director-General **Haim Shani** and the head of the American delegation **Andy Baukol**.

The **JDEG** is an annual forum that has been held since the middle of the 1980s, at which Israel and the USA discuss economic matters. This year, it was agreed that in light of global economic developments, an additional meeting would be held in Israel. At the previous meeting held in Washington last June, an agreement was signed confirming the annual guarantees framework for Israel from the US Administration for 2010 and 2011.

At the start of the meeting, Shani presented a review of the Israeli economy and discussed recent economic developments. During the meeting, the sides were briefed on aspects of economic policy in each of the countries and a number of subjects were discussed. These included Israel's fiscal policy and the promotion of the main reforms in the economic program. The American delegation stressed their admiration for Israel's strong economic performance during recent years and noted Israel's success in maintaining fiscal discipline in those years.

The second part of the meeting was devoted to extending bilateral collaboration between the countries in the area of high-tech, and included a presentation of the Israeli experience in integrating IT technologies into systems that provide public services such as education and health. The two sides agreed to identify areas in which cooperation will strengthen the high-tech industries in both countries. In addition, both parties decided to examine the possibility of extending the use of existing tools—such as joint investment funds, in bilateral research projects.

Finance Minister **Dr. Yuval Steinitz** expressed his appreciation of the fact that the additional meeting had been held, and said: “On my recent trip to Washington, I agreed with representatives of the Administration that we will together examine



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opportunities for extending joint ventures, and I am glad that we have begun to cooperate with the Americans in expediting the process. Following the IMF's expression of confidence, we have also gained the approbation of our friends in the USA. Israel's economic cooperation with the USA implies unique economic opportunities, and we are aspiring to expand this cooperation to additional fields of endeavor. We will continue to cooperate fully with the US Administration in promoting common interests, we will expand the Israel-US economic dialog in the area of hi-tech, and will focus on maintaining the relative advantage of the USA and Israel”.

Finance Ministry Director-General **Haim Shani** added; “The holding of the meeting is important and essential for strengthening the fruitful cooperation between Israel and the USA. I hope that we will succeed via the **JEDG** forum in expanding and deepening our relationships in order to create concrete collaborations that will contribute to industry and technology in both countries. Shani highlighted at the meeting the importance of maintaining responsible economic and budgetary policy, in order to make it possible to cope with the economic recession and to retain the confidence of the US administration. “I would like to thank the JEDG representatives for coming to Israel, and welcome the continued economic operation that is beneficial to both sides,” he said.

The Governor of the Bank of Israel **Prof. Stanley Fischer** was present at the meeting. Also taking part in the meeting were the Accountant-General **Shuki Oren**, Head of the Bank of Israel's Research Department **Dr. Karnit Flug**, Head of the National Economic Council **Prof. Eugene Kandel**, Director-General of the Ministry of Industry and Trade **Sharon Kidmi**, the Chief Scientist at the Ministry of Industry and Trade **Dr. Eli Ofir**, Deputy Director-General, Economics, at the Foreign Ministry **Irit Ben Abba** and Finance Ministry Economic Attaché in Washington **Assaf Vitman**.