

# U.S. DEPARTMENT OF THE TREASURY

## Press Center

### U.S. – Israel Joint Economic Development Group Joint Statement

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Delegations of the United States and Israel held useful, in-depth discussions on the progress of Israel's economic reforms and the Israeli economy during the annual meeting today of the U.S.-Israel Joint Economic Development Group (JEDG).

The U.S. delegation was led by Andy Baukol, Acting Assistant Secretary of the Treasury for International Affairs, and David D. Nelson, Acting Assistant Secretary of State for Economic, Energy and Business Affairs. The Israeli delegation was led by Yarom Ariav, Director General of the Israeli Ministry of Finance. Representatives from the Bank of Israel also participated.

At the outset of the meeting, Director General Ariav presented an overview of the Israeli economy and discussed recent economic developments. Additional topics discussed during the course of the meeting included fiscal policy and lessons learned from U.S. and Israeli budgetary management processes.

The U.S. delegation commended Israel's strong economic performance and fiscal discipline in recent years. Both countries' delegations agreed to terms and conditions that will govern the U.S. Government's decision to make available FY 2010 and FY 2011 tranches of loan guarantees for use by Israel, subject to statutory deductions. Included in the conditions are the fiscal targets and structural reforms specified by the Ministry of Finance in Israel's 2009-2010 budget, which is currently under review in the Knesset. Please refer to the attached signed document for the specific terms connected to the FY 2010 and FY2011 tranches of loan guarantees.

The delegations reaffirmed their commitment to monitor progress on economic reform and fiscal restraint through annual meetings of the JEDG.

*The U.S. Fiscal Year (FY) 2003 Wartime Supplemental Appropriations Act authorized \$9 billion in loan guarantees be made available to Israel over time, subject to deductions. A 2006 Amendment extended this program until September 30, 2011, allowing unused amounts to carry over until 2012. The U.S. Israel Loan Guarantee Commitment Agreement (LGCA) sets forth the terms and conditions for issuing guarantees in exchange for meeting specific economic conditions set forth each year at the JEDG. U.S. FY 2010 and 2011 loan guarantee tranches of \$333.3 million each year could be made available to the Government of Israel provided that Israel meets the requisite conditions, subject to statutory deductions.*

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## REPORTS

- [Signed JEDG Document](#)

