

U.S. DEPARTMENT OF THE TREASURY

Press Center

U.S. – Israel Joint Economic Development Group Mid-Year Review Joint Statement

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Delegations of the United States and Israel discussed the status of the U.S. and Israeli economies, the progress of Israel's economic reforms, and ways to enhance high-tech cooperation during the U.S.-Israel Joint Economic Development Group (JEDG) 2009 Mid-Year Review, held today in Jerusalem.

The U.S. delegation was led by Andy Baukol, Acting Assistant Secretary of the Treasury for International Affairs, and Tom Engle, Director of the Office of Monetary Affairs at the Department of State. The Israeli delegation was led by Stanley Fischer, Governor of the Bank of Israel, Chaim Shani, Director General of the Israeli Ministry of Finance, and Eugene Kandel, Chairman of the Israeli National Economic Council.

During the JEDG Mid-Year Review, Israel presented its progress towards meeting conditions for the release of 2009 and 2010 loan guarantees, as agreed to at the June 2009 JEDG, subject to statutory deductions. The U.S. delegation commended Israel for being on track to meet its 2009 fiscal targets, which includes a maximum 1.7 percent plus 1.35 percent (3.05 percent in all) increase in real expenditures over 2008 spending, and a maximum 6 percent of GDP budget deficit.

The delegations also discussed possibilities to expand high-tech cooperation, with the goals of promoting job creation, innovation, and business-to-business collaboration. Both countries noted the success of existing bi-national foundations and institutions that have substantively enhanced bilateral private-sector high-tech cooperation.

The United States looks forward to receiving a report from the Government of Israel in early 2010 detailing whether it has met 2009 conditions connected to the U.S. Fiscal Year (FY) 2010 loan guarantee tranche of \$333 million. As of December 15, 2009, Israel has \$3.148 billion available in U.S. loan guarantees, subject to statutory deductions.

The United States and Israel look forward to continued discussions at the 2010 JEDG, tentatively scheduled for May or June 2010 in Jerusalem.

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