



Palestinian Grassroots Anti-Apartheid Wall Campaign
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Supporting Israeli apartheid: EU funding for Elbit System

"Israel's ability to launch such devastating attacks with impunity largely stems from the vast international military cooperation and trade that it maintains with complicit governments across the world."

(Call for a military embargo on Israel signed by over 60 000 people, 2014)

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Executive summary

This briefing is published as Israel announces the EU has already approved 205 projects with Israeli participation within the framework of the EU research cycle Horizon2020. It warns about possible funding to Elbit Systems and other Israeli companies involved in the military-industrial-scientific complex of a country that systematically commits war crimes and is in ongoing violation of the basic norms of international law and human rights.

Such funding would violate not only the growing call for a military embargo on Israel but as well the EU's obligations under international law.

WE THEREFORE CALL on European civil society, members of the European and national parliaments and governmental representatives to lobby and pressure the relevant EU institutions to exclude Elbit Systems and any other Israeli entity involved in the state's military-industrial-scientific complex (including their subsidiaries) from EU financial mechanisms and cooperation.

With a total budget of nearly €80 billion, Horizon 2020, the new EU research and innovation programme, is one of the world's largest research and innovation programmes. Israel is associated to Horizon 2020 allowing Israeli entities to participate in the programme. Already during the previous funding cycle (FP7), Israeli entities participated in over 1500 projects.

Palestinian and European **civil society has mounted sustained campaigning efforts to pressure the EU not to use taxpayers' money to finance Israeli occupation, apartheid and colonialism** through its funding cycles. To ease pressure, the EU introduced guidelines on the eligibility of Israeli entities to funding, grants, prizes and financial instruments.

It is highly alarming that on February 9, the Israeli R&D Directorate for the European Research Area (ISERD) published a document announcing that the **EU has already approved within the Horizon2020 research cycle 205 projects with Israeli participation** with a total value of 452,3M€¹.

Funding to Elbit Systems as the yardstick

Elbit is one of the most iconic accomplices of Israeli violations of international law and a notorious war profiteer. Just after the military aggression on Gaza in July/August 2014, Elbit's shares rose 6.6%. Elbit is deeply complicit in Israeli military aggressions against the Palestinian people and one of the world's most important promoters of the use in drones in war and population control and directly involved in the construction of the Wall and the settlements.

Elbit Systems has been participating and coordinating a number of projects during the FP7 funding cycle and has already applied with at least 9 projects to Horizon2020. One of the projects aims to develop its patented Laser Gated Imaging (LGI) technology. This dual-use technology is widely used in military applications such as security and surveillance systems and is likely to be used in the maintenance of the

¹ http://www.iserd.org.il/_Uploads/dbsAttachedFiles/ISERD_STAT_H2020_09022015.pdf

Wall and the settlements, in unmanned boats of the kind Israel already uses to enforce its illegal siege on Gaza, sniper rifles and drones.

Will the EU fund the Israeli military capacity and dual-use technology?

The movement for a military embargo against Israel, based on the call from Palestine, have grown particularly after the 2014 attack by Israel on Gaza, which left over 2200 Palestinians dead. Protests are ongoing, in particular against Elbit. **EU funding for the Israeli military-industrial-scientific complex that produces Israeli military, space and homeland security is inherently fuelling Israeli occupation and military aggression** and with this war crimes and grave violations of human rights and international law by Israel.

Possible **funding for Israeli military and homeland security companies, such as Elbit Systems, will not only run counter to the growing call for a military embargo on Israel but violate the EU Commission's commitment against dual use funding.** According to the EU Commission: *"In accordance with rules drawn up by the Council of the European Union, the European Parliament and the European Commission, funding for projects under Horizon 2020 can only be drawn down for research that will be applied for civilian purposes only."*² Elbit's research and technology – as showcased by the LGI technology - is inevitably liable to be used to perpetrate violations of international law by the Israeli military.

Will Horizon2020 continue involvement in the Israeli Wall and settlement project?

Should Elbit gain access to EU funding once again, this would show that the existing guidelines on the eligibility of Israeli entities are unable to ensure the EU complies with its obligations under international law in respect to Israel's violations of international norms and human rights and undermine member states' business guidance.

a) ***Necessity to take into account the fungibility of grant money:*** The money channeled to Elbit Systems through participation in Horizon 2020 increases cash flow, thereby allowing Elbit to finance their operations and to develop technologies which they use to further Israel's occupation and colonization of the West Bank and in conjunction with the Israeli military. The issue at stake is not the project itself but that these projects de facto are a subsidy to the company, including its production of drones and weapons and technology for the Wall and the settlements.

b) ***EU facilitates its own institutions and companies to benefit from and contribute to violations of international law:*** The EU risks through Elbit's participation in Horizon2020 to facilitate and finance the complicity of its own institutions and companies. While 19 EU member states have issued guidance to private business that warn businesses about the economic, legal and reputational "risks" of economic ties with illegal Israeli settlements and state that firms should be aware of the "possible abuses of the rights of individuals" such transactions may contribute to³ the European Commission through Horizon2020 risks to promote the opposite principle.

² <http://horizon2020projects.com/global-collaboration/israel-boycott-petition-receives-irish-support/>

³ For a press release on the first 17 states issuing Business guidelines, see: <http://www.bdsmovement.net/2014/17-eu-members-take-action-against-corporate-complicity-12200#sthash.OpKxKytm.dpuf>

Horizon2020 and Israel

With a total budget of nearly €80 billion over seven years, Horizon 2020, the new EU research and innovation programme, is the largest ever EU research and innovation programme and one of the biggest in the world. On June 8 2014 the European Commission's President José Manuel Barroso and Israeli Prime Minister Benjamin Netanyahu signed Israel's association to Horizon 2020. Under the terms of the agreement, Israel will have the same access to the programme as EU Member States and other Associated Countries.

Israel has been associated to EU research and innovation programmes since 1996. During the last programme (2007-13), Israeli public and private institutions got EU grants in over 1,500 projects. Some €780 million in EU research funding went directly to the Israeli participating entities⁴ while Israeli companies and institutions participated and benefitted from programs worth € 39,722 billion⁵ of European tax payers money. Israeli participation during the previous funding cycle FP7 (2007-1013) was particularly strong in the fields of ICT, space and nanotechnology. The 'security research' within FP7 has channeled EU money straight to Israeli defense and national security sectors – 26 million euros in 49 projects. 23 Israeli companies have been involved in one or several European security research projects among them Elbit Systems and subsidiaries, Israeli Airspace Industries (IAI), Aeronautics Defence Systems and Opgal Optronics Industries⁶. Only Elbit Systems and Israeli Airspace Industries participated in projects worth 393,600,149 Euros, with a number of them being projects to further develop drone capacity.⁷

On February 9, the Israeli R&D Directorate for the European Research Area (ISERD) published a document announcing that the EU had already approved 162 projects with Israeli participation within the Horizon2020 research cycle with a total value of 452,3M€⁸.

The way towards the EU's recognition of responsibility

Palestinian and European civil society has mounted sustained campaigning efforts to pressure the European Union not to use taxpayers' money to finance Israeli occupation, apartheid and colonialism through its R&D funding cycles.

In May 2011, Stop the Wall has submitted a research paper⁹ to the EU consultation process denouncing the participation of Israeli companies involved in Israeli violations of human rights and international law in the FP7 funding cycles. Elbit Systems alone participated in 4 FP7 projects¹⁰. This has been echoed by a joint call, lead by the BNC, on European academic institutions, academics and students to stop cooperation projects with these entities¹¹. The European Coordination of Committees and Associations for (ECCP) has developed a sustained campaign to stop EU funding to go into the coffers of Israeli entities violating

4 http://europa.eu/rapid/press-release_IP-14-633_en.htm

5 http://www.iserd.org.il/_Uploads/dbsAttachedFiles/final_il_stat_iserd_dec2014.pdf

6 <http://www.vrede.be/english/69-news/1314-european-commission-confirms-millions-of-eu-research-money-flows-to-israeli-arms-industry>

7 http://cordis.europa.eu/projects/home_en.html

8 http://www.iserd.org.il/_Uploads/dbsAttachedFiles/ISERD_STAT_H2020_09022015.pdf

9 http://ec.europa.eu/research/csfr/pdf/contributions/post/palestinian_territory/stop_the_wall_campaign.pdf

10 http://cordis.europa.eu/fetch?CALLER=FP7_PROJ_EN&QZ_WEBSRCH=elbit&QM_PJA=&USR_SORT=EN_QVD+CHAR+DESC

11 <http://www.bdsmovement.net/2011/dont-collaborate-with-apartheid-8202>

Palestinian human rights¹². Many European civil society and peace groups have joined in lobbying and campaigning. More than 250 European academics from 14 different countries have signed an open letter¹³ calling for the exclusion of Israeli companies and state bodies that are complicit with Israeli violations of international law from EU funded research programs, citing in particular Ahava and Elbit.

In 2013 the EU has issued guidelines on Israeli participation in EU funding and financial instruments to ease the pressure of civil society, a move that has been largely applauded and supported¹⁴ as a step in the right direction. Nevertheless, it was only a first step that confirmed the responsibility of the EU when distributing funding. This step needs serious further development if it is to effectively uphold the EU's political and legal responsibilities and to fulfill Palestinian calls and the demands of European citizens, to which the EU institutions should be accountable eventually.

Elbit Systems – yardstick for Horizon2020's support for Israeli apartheid

Elbit Systems as one of Israel's biggest military companies - deeply complicit in Israeli military aggressions against the Palestinian people and one of the world's most important promoters of the use in drones in war and population control and directly involved in the construction of the Wall and the settlements – will be a clear yardstick on whether or not the European Union is serious about cutting complicity with Israeli violations of international law and human rights.

New funding for Elbit, as well as other Israeli companies aiming to gain access to the Horizon2020 funding cycle, would reduce the EU guidelines and positions to a mere whitewash for ongoing complicity of European institutions.

12 <http://www.eccpalestine.org/eu-research-funding-and-israeli-violations-of-international-law/>

13 <http://www.bricup.org.uk/documents/FP7Letter.pdf>

14 One example is the letter signed by over 500 academics, including researchers from 13 European Union member states, to the EU's head of Foreign Policy, urging the EU not to water down its new guidelines preventing EU funding from being awarded to Israeli projects and entities in the Occupied Palestinian Territory, including East Jerusalem - See more at: <http://www.bdsmovement.net/2013/500-academics-eu-letter-11329#sthash.I8Vpgmvv.dpuf>

Will Horizon 2020 fund Israeli military / dual use technology?

EU funding for the Israeli military-industrial-scientific complex that produces Israeli military, space and homeland security is inherently fuelling Israeli occupation and military aggression and with this war crimes and grave violations of human rights and international law by Israel.

With its massive military aggression on Gaza in July/August 2014 – the fourth large-scale military attack since 2006 on the besieged and occupied Strip - Israel has once again given proof that it systematically commits war crimes and its impunity has sparked international popular outrage. Israel does so in cooperation with its military-industrial-scientific complex and uses every military aggression for the testing, development and marketing of new technology.

The calls for a military embargo have grown significantly since then. As a response to military aggression on Gaza, which killed over 2200 people, more than 60,000 people including Nobel Laureates, artists and public intellectuals signed a petition for an immediate military embargo, stating that

“By importing and exporting arms to Israel and facilitating the development of Israeli military technology, governments are effectively sending a clear message of approval for Israel’s military aggression, including its war crimes and possible crimes against humanity.”¹⁵

Elbit Systems has been a particular focus of campaigners since years and especially since July 2014. Several protests against Elbit subsidiaries have happened. In Brazil a strategic project for an airspace technology park based around an Elbit subsidiary got scrapped by government after protests from civil society highlighting that there can be no cooperation with Elbit that does not support Israeli violations of international law¹⁶. Just recently a court case against activists occupying the rooftop of an Elbit subsidiary in the UK has been cancelled after Elbit did not hand over documentation to the Court to show whether or not its activities are violating international law - a sign read by campaigners as an indirect admission of guilt¹⁷. Barclays Bank is under ongoing pressure to divest from Elbit¹⁸. This adds to over a dozen, mainly European, financial institutions that have already excluded Elbit Systems from their portfolios.

Possible funding for Israeli military and homeland security companies, such as Elbit Systems, will not only run counter to the growing call for a military embargo on Israel but violate the EU Commission’s commitment against dual use funding. According to the EU Commission: *“In accordance with rules drawn up by the Council of the European Union, the European Parliament and the European Commission, funding for projects under Horizon 2020 can only be drawn down for research that will be applied for civilian purposes only.”¹⁹*

However, taking the Horizon2020 Space program - in which participate Elbit Systems and other 11 Israeli companies and institutions (excluding ISERD, the Israel-Europe R&D Directorate) - dual use is not only possible but almost inevitably ensured.

From 2007 to 2013 Israeli entities participated in projects funded with almost 2 billion Euros by the FP7 Space cycle. Many of the companies are part of the Israeli military and homeland security industrial complex and directly involved in violations of international law by Israel. A short study of the Israeli entities attempting to gain access to the Horizon2020 funding cycle through Cosmos+, the EU funded network of

15 <http://www.bdsmovement.net/2014/more-than-60000-signatories-including-nobel-prize-laureates-celebrities-and-religious-organizations-call-for-military-embargo-on-israel-ahead-of-gaza-donors-conference-12736#sthash.S0r71qBi.dpuf>

16 <http://www.stopthewall.org/2014/12/03/bds-success-elbit-systems-loses-key-brazil-deal-over-palestine-protests>

17 <http://mondoweiss.net/2015/02/israeli-activists-dropped>

18 <http://electronicintifada.net/content/barclays-boycotted-over-israel-arms-trade-shares/14056>

19 <http://horizon2020projects.com/global-collaboration/israel-boycott-petition-receives-irish-support/>

National Contact Points (NCPs) for Space²⁰, reveals the deep involvement of these companies with Israeli violations of international law and the fact that virtually all research and development proposed by these companies is inevitably double use technology and knowledge:

- A number of companies are providing their technology and know how to military companies and to the Israeli military and ministry of defense²¹.
- Other companies are examples of the 'revolving door' between the Israeli military elite units and the private sector, directly benefitting from the technology and knowhow developed in the systematic human rights abuses and war crimes committed by these units²².
- One company is even involved in the field of nuclear technology in a country that is holding illegal nuclear weapons and is continuing to refuse and UN inspectors access to their nuclear war heads and nuclear facilities²³.

Will Horizon 2020 continue the EU's involvement in the Israeli settlement project?

The EU guidelines on the eligibility of Israeli entities to these and other funding and financial instruments of the EU that are in force with the 1st of January 2014 are supposedly ensuring "the respect of EU positions and commitments in conformity with international law on the non-recognition by the EU of Israel's sovereignty over the territories occupied by Israel since June 1967"²⁴.

The European Commission has taken this into account defining that "actions which fall within the scope of this Regulation should respect fundamental rights and observe the principles acknowledged in particular by the Charter of Fundamental Rights of the European Union. Such actions should be in conformity with any legal obligation including international law and with any relevant Commission decisions such as the Commission notice of 28 June 2013[1], as well as with ethical principles, which include avoiding any breach of research integrity."²⁵

However, all indicators show that the European Commission and the new funding cycle may continue to channel European tax money into projects directly linked to Israeli war crimes and violations of international law. The main reason for this flaw is found in the distinction made by the guidelines between grants and prizes and other financial instruments²⁶. While in the case of other financial instruments the EU

20 <http://ncp-space.net/>

21 SDC is a joint venture of the two Israeli arms companies Rafael and Elbit Systems and its detectors and core engines are produced for military applications. <http://www.scd.co.il/Military> ; KPA Group's costumers, which include: Elbit Systems, Israeli Airspace Industries, Israeli Military Industries, Rafael, Israeli Defense Forces, Israeli Ministry of Defense, Nuclear Research Center, Eden Springs (based in the occupied Golan Heights) and various Israeli banks and telecommunication groups with large operations in the illegal settlements. <http://kpa-group.com/en/our-customers/our-customers-1/partial-customer-list>

22 Effective Space Solutions (<http://www.effective-space.com/#!people/cjg9>) and LMY Co. (<http://www.lmy.co.il/index.php/en/management>) are both funded and/or lead by personnel coming from the Israeli military and military industry.

23 Ray techniques is an Israeli company engaged in the fabrication of nanodiamonds and nanodiamond compounds. The company supplies the Israeli Defense Forces and develops technology for nuclear plants and nuclear fuel. http://www.nanodiamond.co.il/image.ashx?i=29403.pdf&fn=Horizon_2020_Nanodiamonds_for_Space.pdf; http://www.nanodiamond.co.il/image.ashx?i=29401.pdf&fn=Horizon_2020_Euratom.pdf

24 http://eeas.europa.eu/delegations/israel/documents/related-links/20130719_guidelines_on_eligibility_of_israeli_entities_en.pdf

25 <http://www.europarl.europa.eu/sides/getDoc.do?pubRef=-//EP//NONSGML+TA+20131121+SIT-01+DOC+WORD+V0//EN&language=EN>

26 In the case of a grant or prize, Israeli entities are eligible if the activities they carry out in the framework of a EU-funded grant or prize do not take place within the Occupied Palestinian Territory (OPT) (paragraph 12.a); entities that carry out within the OPT activities unrelated to the grant or prize are not precluded from receiving a grant or a prize. But in the case of a financial instrument, if an entity operates in any manner whatever within the OPT, it is not eligible as final recipient (paragraph 12.b).

rightly recognizes the fungibility of funding, it somehow denies the relevance of fungibility not only of funding but as well of technology and knowledge developed with the support of grants and prizes.

In clear contrast to this position of the EU, the importance of fungibility is defined by the 2014 Legal Opinion signed by 92 legal experts and 41 legal networks and organizations that underlined the legal obligation of states and their institutions to “terminate all funding, contracts or other economic and institutional relations with actors enabling, supporting or encouraging the continuation of Israeli violations of international law. To this end, investigations must consider the fungibility of financial trails, products and technology transfer.”²⁷

A closer look at Elbit Systems

Elbit Systems participated in the previous FP7 cycle at least with 4 projects. Elbit already participated in themes related to security, aerospace and transportation programmes and is again for Horizon 2020 listed in the database of Horizon Space²⁸ and actively promoting participation in the funding cycle with its patented Laser Guided Imaging technology²⁹

What is wrong about Elbit Systems?

Elbit is one of the most iconic accomplices of Israeli violations of international law and a notorious war profiteer. Just after the military aggression on Gaza in July/August 2014, which killed over 2200 people, Elbit's shares rose 6.6%³⁰.

The Wall: Elbit Systems developed technology for the construction of the illegal apartheid Wall. It provides “intrusion detection systems” for the Wall, in particular around Jerusalem. One product made by Elbit Systems, “Torch”, is manufactured specifically for use on the Wall³¹. An armed UGV (Unmanned Ground Vehicle) was developed for patrolling the Wall's buffer zone³². The Wall has been declared illegal by the International Court of Justice in a 2004 opinion that reminded as well the international community of their obligation ‘not to aid and assist’ the creation of the Wall and the situation created by it.

27 <http://icj10.stophthewall.org/335-2/>

28 <https://www.b2match.eu/h2020spacetour/participants?c=21080>

29 https://letsembracespace.teamwork.fr/docs/WS3Mandelblit_-Nili.pdf

30 http://www.stophthewall.org/sites/default/files/Elbit2014update_0.pdf

31 <http://www.securityfence.mod.gov.il/> ; <http://www.whoprofits.org/Company%20Info.php?id=554> ;

<http://www.regjeringen.no/en/dep/fin/Selected-topics/The-Government-Pension-Fund/Ethical-Guidelines-for-the-Government-Pension-Fund-Global-Recommendations-and-Letters-from-the-Advisory-Council-on-Ethics/the-council-on-ethics-recommends-that-th.html?id=575451>

32 <http://www.whoprofits.org/company/elbit systems>

Israeli settlements: provides technology for the illegal Israeli settlements in the West Bank. Subsidiaries Elbit Electro-Optics (El-Op) and Elbit Security Systems supplied and incorporated LORROS surveillance cameras in the Ariel settlement section as well as around Ar Ram³³.

Israel's military aggressions: Elbit Systems routinely tests its weapons in Israeli military aggressions against the Palestinian people, during which war crimes are systematically committed. The most important contribution of Elbit to Israeli war crimes are its drones, however, Elbit is involved with Israeli airforce, navy and infantry. During the 2014 attack on Gaza, the Israeli military tested for the first time an unmanned APC produced as an Elbit-IAI joint venture³⁴. Elbit is one of the core providers of the Israeli army and, among others, is currently upgrading the avionics of Israeli F-16 and is a key technology provider for Israel's Merkava tank³⁵. It markets armed remote control boats under the eerie title 'New tools for new rules'³⁶. Palestinian fishermen have told Corporate Watch that they have been attacked by similar unpowered boats off the shores of Gaza. Elbit has just signed a new contract to train Israeli military combat until 2019³⁷. Elbit continues to be a key provider of military equipment and training to the IDF in the clear knowledge this will be used to commit further war crimes.

Israel's drone wars: Elbit is together with IAI the main player of Israel's drone production, development and exports. Elbit manufactures 85% of drones used by the Israeli military³⁸ and its drones have been used in some of the more horrific incidents in the 2006 war on Lebanon and the 2008/2009 war on Gaza.³⁹ The company used the 2014 military aggression on Gaza to test its latest drone, the Hermes 900⁴⁰. At least since 2011 Elbit's Hermes 450 is considered "Israel's main attack drone"⁴¹. The Israeli army uses Elbit's armed drones in daily surveillance and attacks in Gaza, according to Defense News⁴². These drones are not only responsible for many of the killings of civilians in Gaza⁴³ throughout large-scale military aggressions but, according to reports, hover over Gaza 24 hours to intimidate and psychologically torture⁴⁴ the entire population in Gaza and play an essential role in the ongoing and not reported killings of Palestinians in Gaza even at the times where ceasefires are agreed. There are no numbers on how many people died in Gaza from drone attacks but Mahmoud Abu Rahma from Al Mezan Center for Human Rights states that "from [our] observations, the weapons that killed most civilians during the 'Cast Lead' offensive were the drones. Often, the first drone-fired missile would be followed minutes later by a second or third, striking those who came to rescue the injured."

Israeli use of torture: In 2009 Brigadier General Yair Cohen, the former commander of the Unit 8200, got appointed as head of the "Cyber Solutions Department" at Elbit Systems. Cohen is only one of several Elbit employees that found through the 'revolving door' system between the Israeli military and its private

33 <http://www.regjeringen.no/en/dep/fin/Selected-topics/The-Government-Pension-Fund/Ethical-Guidelines-for-the-Government-Pension-Fund—Global-/Recommendations-and-Letters-from-the-Advisory-Council-on-Ethics/the-council-on-ethics-recommends-that-th.html?id=575451>

34 <http://www.middleeasteye.net/in-depth/features/israel-boasts-latest-drones-some-first-used-gaza-1379210706>

35 <http://www.army-technology.com/projects/merkava4/>

36 <http://elbitsystems.com/Elbitmain/files/USV.pdf>

37 <http://archive.defensenews.com/article/20140204/DEFREG04/302040031/Israeli-Army-Renews-Elbit-Training-Simulation-Services>

38 <http://www.israeldefense.com/?CategoryID=472&ArticleID=1824>

39 http://www.hrw.org/sites/default/files/reports/iropt0609webwcover_0.pdf

40 The Hermes 900 (Kochav) was tested for the first time by the IAF during the operation. Based on this experience the drone will be further developed (http://www.defensenews.com/article/20140812/DEFREG04/308120026/IsraeliForcesPraiseElbitUAVsGazaOp_)

41 <http://www.jpost.com/landedpages/printarticle.aspx?id=240680>

42 <http://corporateoccupation.org/tag/elbit/>

43 See for example HRW study on the 2008/9 attack on Gaza and the use of drones: http://www.hrw.org/sites/default/files/reports/iropt0609_insert_low.pdf

44 Ahmed Tawahina, a psychologist running clinics in Gaza as part of the Community Mental Health Programme described the constant drone noise as a "form of psychological torture, which exhausts people's mental and emotional resources. (from: <https://dronewarsuk.files.wordpress.com/2014/01/israel-and-the-drone-wars.pdf>)

sector a job in Elbit Systems. Specifically Unit 8200 is responsible for systematic human rights violations, including torture, against the Palestinian people⁴⁵.

How does Elbit want to profit from Horizon2020?

Elbit Systems and its Israeli subsidiaries have submitted nine proposals to Horizon2020, three of them being already validated, at the time of the writing of this report⁴⁶. While we are not aware of most of the efforts Elbit Systems is undertaking to ensure EU funding, Stop the Wall has looked here into one specific proposal by the company for EU cooperation in the framework of Horizon2020. Elbit proposes to further develop its patented Laser Gated Imaging (LGI) technology within the Horizon2020 Space programme.

EU support for Elbit to further develop Laser Gated Imaging (LGI) technology in the Horizon2020 Sapce programme would imply, at least:

- Financing of military and dual use technology. This technology is widely used in military applications such as security and surveillance systems, where identification of target objects at long range is critical⁴⁷. Through IllumiNite® and PortLight™ Elbit promotes this technology for naval military purposes⁴⁸. Elbit America aims to adapt it for snipers⁴⁹ and PortLight promotes the systems as part of 'fencing' installations⁵⁰. All three purposes are within the framework of the Israeli military clearly linked to systematic war crimes: The Israeli navy is enforcing the illegal siege on Gaza exactly against the kind of 'small boats' for which the LGI technology is best suited according to PortLight publicity material, the 'fencing installations' that illustrate PortLight materials appear to be photos of the illegal apartheid Wall in Palestine and the use of snipers for illegal extrajudicial executions by Israeli military is since years well documented⁵¹. LGI technology may also be found in Elbit's Hermes 450 and 900 drones.
- Participation of Elbit in Horizon 2020 Space projects raises as well concern because of Elbit's leading role in the Israeli military's space war programme. Israeli officials have publicly declared that future Israeli wars should turn 'space wars', based on satellite systems and space technologies⁵². The establishment of a special committee for that purpose⁵³ underlines this fact. Already in the FP7 programme, Elbit coordinated a 2,789,589 Euros space project⁵⁴ to develop 'key technologies enabling observations in and from space'. At the same time Elbit has become a key actor in developing the Multi-Satellite Mission Planning System for the Israeli army⁵⁵. The system was developed by Elbit and is used by the Military Intelligence unit of the Israeli forces, which is

45 Last year a group of 8200 officers signed a letter of refusal in which they testified that their intelligence is used to threaten Palestinians by revealing sensitive personal data on them, forcing them to collaborate and reveal information on their friends. All the signatories of the letter were kicked out of the unit.

<http://972mag.com/idf-commander-dismisses-unit-8200-refuseniks/101863/>

46 <http://ec.europa.eu/research/participants/portal/desktop/en/organisations/register.html>

47 <http://www.newport.com/images/webdocuments-en/images/motionappnote-lasergatedimaging.pdf>

48 http://www.elbitsystems-us.com/sites/default/files/news-releases/Navy_League_2012_Exhibition_list.PDF

49 <http://www.kmimediagroup.com/special-operations-technology/436-articles-sotech/game-changing-innovations/5234-game-changing-innovations>

50 http://www.aeromontreal.ca/content/uploads/files/30012012/Klein_Final.pdf

51 See for example: <http://www.hrw.org/reports/2009/06/30/precisely-wrong-0>

52 In January 2014, the former head of the ministry of defense, Odi Shani, has announced publicly that Israel's new field of "military defense" lies in space technologies. See: <http://news.walla.co.il/item/2716520> (hebrew)

53 See for example: <http://news.walla.co.il/item/2716520> (Hebrew)

54 The space programme aimed to 'enable dramatic reductions of delay in the delivery of Earth Observation (EO) Hyperspectral (HS) data from image capture to receipt by the end-user', http://cordis.europa.eu/project/rcn/106605_en.html

55 See for example: <http://www.jpost.com/Defense/IDF-eyes-faster-processing-of-spy-satellite-footage> more information available with Who Profits)

responsible for controlling Israel's satellites and determining their reconnaissance and surveillance missions specifically in the West Bank and Gaza. This underlines the fact that Elbit space technology inevitably will be used by the Israeli military in its internationally unlawful attacks on the Palestinian and other people.

How would Elbit's participation affect Horizon2020?

Elbit technology as such, and the LGI technology in particular, have a key operational capacity in the military field, including the use of this technology by the Israeli military in the construction of the Wall and the settlements, and will be used inevitably by the Israeli military in their offensive operations, which in turn without exception have resulted in war crimes. To clear all doubts, after Operation Protective Edge, the CEO of Elbit Systems stated in Israeli media that "all of them [Elbit products] were in operational use by the IDF in the recent fighting and proved themselves"⁵⁶.

There are 4 major ways in which inclusion of Elbit in Horizon2020 will ensure EU tax money is channeled to support violations of international law:

a) **Dual use/fungibility of technology:** There can be no doubt about the dual use character of the research and development and the fungibility of the technology developed. This technology is almost inevitably liable to be used to perpetrate violations of international law by the Israeli military.

b) **Fungibility of grant money:** The money channeled to Elbit Systems through participation in Horizon 2020 increases their cash flow and eases their financial situation strained by acquisition, thereby allowing Elbit to finance their purchases of companies and develop technologies which they use to further Israel's occupation and colonization of the West Bank and in conjunction with the Israeli military. The issue at stake is not the project itself but the contribution by the EU tax money to the company's solvency. These projects de facto are a subsidy to the company, including its production of drones and weapons and technology for the Wall and the settlements⁵⁷.

c) **EU facilitates its own institutions and companies to benefit from and contribute to violations of international law:** The EU risks through Elbit's participation in Horizon2020 to facilitate and finance the complicity of its own institutions and companies. While 19 EU member states have issued guidance to private business that warn businesses about the economic, legal and reputational "risks" of economic ties with illegal Israeli settlements and state that firms should be aware of the "possible abuses of the rights of individuals" such transactions may contribute to⁵⁸ the European Commission through Horizon2020 risks to promote the opposite principle.

56 Referring to the impact of the 2014 attack on Gaza, Elbit Systems CEO Bezhalel Machlis comments "'I reflect seriously on the political subject, but past experience teaches us that this topic did not have a negative influence on the company, because of the high quality of the Elbit Systems products, which all of them were in operational use by the IDF in the recent fighting and proved themselves.'" (unofficial translation, original in Hebrew). Gabizon, Yehouram, 2014, "Elbit Systems CEO: The Political Theme will Not Adversely Affect because of the Quality of the Products," TheMarker, August 6th, 2014. <http://www.themarker.com/markets/reports/1.2398604>

57 A similar argument has been made already by Shir Hever in his presentation to the London session of the Russell Tribunal on Palestine regarding Elbit Systems. The presentation can be found in "Corporate Complicity in Israel's Occupation, Evidence from the London Session of the Russell Tribunal on Palestine", edited by Asa Winstanley and Frank Barat, Pluto Press, 2011.

58 For a press release on the first 17 states issuing Business guidelines, see: <http://www.bdsmovement.net/2014/17-eu-members-take-action-against-corporate-complicity-12200#sthash.OpKxKytm.dpuf>