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SPECIAL REPORT OF THE SPECIAL COMMITTEE AGAINST APARTHEID

Recent developments concerning relations between Israel  
and South Africa

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\* This is a mimeographed version of a special report of the Special Committee against Apartheid, which will be issued in printed form in Official Records on the General Assembly, Forty-second Session, Supplement No. 22 A (A/42/22/Add.1- ).

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LETTER OF TRANSMITTAL

20 October 1987

Sir,

I have the honour, in accordance with paragraph 7 of resolution 41/35 C adopted by the General Assembly on 10 November 1986, to transmit herewith a special report of the Special Committee against Apartheid on recent developments concerning relations between Israel and South Africa.

The Special Committee requests that this report be issued as a document of the General Assembly and of the Security Council.

Accept, Sir, the assurances of my highest consideration.

(Signed) J. N. GARBA  
Chairman of the  
Special Committee against Apartheid

His Excellency  
Mr. Javier Pérez de Cuéllar  
Secretary-General of  
the United Nations  
New York, New York 10017

## I. INTRODUCTION

1. In view of the scope and depth of the relations between Israel and South Africa, on 10 November 1986 the General Assembly adopted resolution 41/35 C, in which it again strongly condemned the continuing and increasing collaboration between these two countries, and requested the Special Committee against Apartheid to keep the matter under constant review and to report to the General Assembly and the Security Council as appropriate. The present report is in response to that request.

2. The report examines the developments in the military, nuclear and economic collaboration between South Africa and Israel during the period under review (September 1986-September 1987), as well as the measures that the Government of Israel has announced with regard to sanctions against South Africa.

## II. THE POSITION OF THE GOVERNMENT OF ISRAEL ON SANCTIONS AGAINST SOUTH AFRICA

3. Since the submission of the previous special report on the relations between South Africa and Israel, the Government of Israel has taken certain measures with a view to reducing its ties with South Africa. It is widely believed that Israel's policy change has resulted mainly from the United States Comprehensive Anti-Apartheid Act (October 1986), which requires the United States Government to review its aid to countries that violate the mandatory arms embargo against South Africa. Israel is the major recipient of United States aid.

4. During his visit to Cameroon in August 1986, the then Prime Minister of Israel, Mr. Shimon Peres, made several statements hinting that Israel intended to implement United Nations resolutions on sanctions against South Africa and to follow the position of other Western States in this matter. On 2 October 1986, the Chairman of the Special Committee against Apartheid sent a letter to the Permanent Representative of Israel seeking clarification on the matter. Israel's reply, dated 8 October 1986, was not considered satisfactory by the Special Committee, which thought that the move did not represent a real shift from Israel's policy of collaboration.

5. In January this year, the Minister of Defense, Mr. Yitzhak Rabin, visited Pretoria reportedly to explain the changing position of Israel, which was brought about seemingly as a result of the United States Comprehensive Anti-Apartheid Act which necessitated some downgrading of ties between the two countries. 1/ Mr. Rabin reportedly also discussed co-operation with South Africa in the field of nuclear weapons tests, which indicates that the Israeli decision to reduce its ties with South Africa has not been a serious political decision, but rather a device to resist the pressure of the United States Congress. 2/

6. Later, on 18 March 1987, the Israeli cabinet decided to reiterate Israel's total condemnation of the apartheid policy, to continue reducing Israel's ties with South Africa, not to enter into new contracts with South Africa in the defence field, and to set up a team of experts to examine and present, within two months, recommendations concerning Israel's attitude towards South Africa in the spirit of the policy prevailing in the Western world. 3/

7. In a note addressed to the Secretary-General, dated 20 August 1987, the Permanent Representative of Israel to the United Nations stated that Israel continued to reduce its ties with South Africa, that it did not enter into any new contracts with South Africa in the defence field, that it did not co-operate with South Africa in the nuclear field, that it did not export oil to South Africa, and that it had drastically reduced all cultural ties with South Africa. In a letter to the Chairman of the Special Committee against Apartheid, dated 3 September 1987, the Permanent Mission of Israel to the United Nations transmitted the official Israeli Government declaration concerning the state of affairs of Israeli-South African relations. The letter also said that the Cabinet was considering other steps against South Africa and would reach a decision on the matter soon.

8. According to many observers, the Israeli decisions were adopted to a large degree in anticipation of pressures from the international community in general and the United States Congress in particular. It is not clear at this stage to what degree Israel will implement the announced steps. The decisions would still allow

Israel covertly to continue military sales to South Africa on basically the same terms as before, since the Government announced no date to end such top-secret arms contracts neither did it clarify the fate of past contracts which are still in effect. 4/

9. The reaction of South African officials to the Israeli decision of 18 March 1987 ranged from describing it as "a matter of great concern" to showing reluctance to comment. According to political commentators, the relationship between Israel and South Africa, particularly in the military area, was too valuable to Pretoria to jeopardize by publicly criticizing Israel. They added that Pretoria was hoping that secrecy would enable Israel to extend current contracts and find loopholes in its embargo. Reportedly there was some apprehension in the official circles at Pretoria that the Israeli decision came as a result of formidable external pressure. 5/

10. On 16 September 1987, the Israeli Cabinet decided on a package of sanctions against South Africa that would affect trade, investment, loans, sports, cultural and scientific exchanges, tourism and official visits. A letter, dated 17 September 1987, from the Permanent Mission of Israel to the Centre against Apartheid, contains the unofficial text of the Israeli Cabinet's decision (see the annex to the present report). As it can be seen from these new measures, which might reflect a compromise reached at the Israeli Cabinet, the steps taken are rather ambivalent, leave numerous loopholes and are qualified by exceptions; for instance, new investments can still be made exceptionally, Israeli banks could give loans to South Africa, the imports of iron and steel will not be discontinued, cultural ties will continue unless they do not "conform with the State of Israel's basic negative view of the apartheid régime", and promotion of tourism to South Africa will not be supported "actively". Again, no mention is made about existing contracts in the military, nuclear and scientific fields. These timid first steps would acquire significance only if they are followed up by concrete action, expansion of the measures to the level announced by other countries and a complete and transparent cessation of arrangements made between these two countries in the recent past.

### III. MILITARY COLLABORATION

11. Israel is believed to be South Africa's largest arms supplier with annual two-way sales worth more than R 1,000 million. Strategically more important, however, is the secret technical, intelligence and research co-operation between the two countries' arms industries. Their weapons systems are virtually identical. For example, the Scorpion ship-to-ship missile is derived from the Israeli Gabriel missile, while the Cheetah, South Africa's upgraded version of the Mirage III jet fighter, incorporates electronics developed when Israel upgraded its Mirages to produce the Kfir fighter. 6/ The Cheetah navigation system was built by Altah, a subsidiary of the Israel Aircraft Industries, and its weapons system was built by Israel Aircraft Industries itself. The Cheetah's Atar 9 engine also has an Israeli tie-in. 7/ Another press report, however, said that Israel sells between R 1.26 and R 1.68 billion worth of arms to South Africa a year. 8/

12. According to the Wall Street Journal (26 March 1987), United States officials have said that defence contracts earned Israeli companies several hundred million dollars a year, while experts have said that Israeli arms to South Africa are provided through co-operative ventures and the transfer of Israeli military technology, rather than direct weapons sales. For example, it is reported that Uzi sub-machine-guns and Galil rifles are manufactured in South Africa under arrangements with Israeli companies.

13. According to a State Department report, which was prepared to enable the United States Congress to review its aid in accordance with the provisions of the Comprehensive Anti-Apartheid Act, Pretoria has developed a large and sophisticated indigenous arms industry, but still imports weapons systems or parts when it cannot make the items itself, or cannot arrange for a licensing-manufacturing arrangement in South Africa. 9/ The report also states that, prior to the decision of the Government of Israel of 18 March 1987 not to sign new military contracts and to let existing contracts expire, Israel appears to have sold military systems and sub-systems and provided technical assistance on a regular basis. It adds that, although Israel does not require end-user certificates and some cut-outs may have been used, it is believed that the Government of Israel was fully aware of most or all of the trade. It also expresses the belief that companies in Israel and certain Western countries have continued to be involved in the maintenance and upgrade of major weapon systems provided before the mandatory arms embargo. One press report quoted sources saying that the classified (unpublished) part of the State Department report contained information to the effect that Israel had supplied South Africa with military advisers, missile boats and know-how to build the Cheetah warplane. 10/

14. Israel also supplied South Africa with the technology for the in-flight refueling tanker. This technology was sought by the apartheid régime to threaten African States which are located far away and where the ordinary fueling capacity would not be sufficient. 11/ The South African Air Force confirmed in October 1986 the acquisition of a number of Boeing 707 aircrafts for refueling which are equipped with sophisticated Sigint originating in Israel. 12/

15. The Norway-based world Campaign Against Military and Nuclear Collaboration with South Africa reported:

"In November 1986, we discovered that Israel secretly provided the South African Air Force with two advance Boeing in-flight tankers that effectively helped to extend the attacking range of South Africa's strike aircraft. The apartheid régime's spokesman now boasts, quite openly, that this brings distant targets such as Dar es Salaam and the TANZAM railway line within South African range.

"In addition, the modernization of the Mirages - which have been renamed Cheetahs and are similar to the Kfir Israeli aircraft - involved collaboration with Israel, ... [and] ... the earlier modernization of the Alouette helicopters also showed similar involvement.

"We notice too that Israel is also to be considered increasingly as a favoured nation, for military purposes, by the United States. Much of Israeli military technology is of United States origin, and the United States regulations, as we understand them, prohibit transfers of technology or equipment to South Africa via third countries ..."



#### IV. NUCLEAR COLLABORATION

16. The most serious aspect of the collaboration between Israel and South Africa is in the nuclear field. Reportedly, South African scientists had been working at Israeli nuclear facilities at Dimona. South Africa was also reportedly planning to build a £ 4 million runway on the remote Antarctic territory of Marion Island. The secret airstrip is considered a military asset and could be used to develop the site for testing nuclear missiles. Scientists based on the island stated that South African and Israeli military officers visited the island and examined the airstrip. 13/

17. The Special Committee referred to this serious matter in its statement issued at the conclusion of the strategy session on consultations with non-governmental organizations, held on 26 and 27 February 1987. It stated:

"The participants were alarmed at the increasing collaboration between Israel and South Africa and, in particular, their joint collaboration in military and nuclear matters. The recent reports of the preparation of a major runway on Marion Island in the South Atlantic by Israel and South Africa for military use and as part of South Africa's nuclear weapons programme were matters of serious concern to the international community. The Special Committee draws the attention of the international community to the serious implications of this collaboration and these developments." 14/

18. The nuclear collaboration between the two countries is predicated on the availability of raw uranium in South Africa and on the advanced stage of Israeli nuclear technology. Many Israeli nuclear scientists therefore visited South Africa frequently in the past. Moreover, Israel supplied South Africa with the Jericho missile which is able to carry a nuclear warhead. Such co-operation between the two countries in the nuclear field indicates an extremely high level of trust. 15/

## V. COLLABORATION IN THE ECONOMIC FIELD

19. The trade figures between Israel and South Africa do not reflect the extent of economic co-operation between the two countries because they exclude military sales, diamonds and gold. According to the South Africa-Israel Chamber of Commerce, the lowering of the value of the rand was helpful in increasing exports of South African manufactured products to Israel. There was a growing number of South African firms seeking Israeli industrialists as their partners. South African exports to Israel continued to be dominated by mineral products which represent 42 per cent of the total. Steel exports from South Africa to Israel increased by 95 per cent during the same period. <sup>16/</sup> South Africa also supplies 50 per cent of Israel's steam coal needs which come to 1.75 million tons annually. <sup>17/</sup>

20. According to United Nations statistics, Israel's imports from South Africa increased in absolute terms in 1986, while both its imports from and exports to South Africa decreased in percentage terms in relation to its total imports and exports within the last three years, as shown in the table below.

Israel's trade with South Africa (partial)\*

<u>Year</u>	<u>Imports from South Africa (Millions of</u>	<u>Exports to South Africa dollars)</u>	<u>Imports from South Africa as % of Israel's imports</u>	<u>Exports to South Africa as % of Israel's exports</u>
1984	171.1	104.4	2.9	1.2
1985	174.7	64.2	2.8	0.8
1986	202.8	64.6	2.8	0.7

\* Excludes military sales, diamonds, gold and goods intended for re-export.

21. The role of Israel in sanctions-busting and helping the export of South African products to the European Economic Community and North America has been a matter of concern to the Special Committee against Apartheid and all those involved in strengthening the sanctions. For example, while the Motorola company of the United States decided to pull out of South Africa, its subsidiary in Israel continued to do business with South Africa. <sup>18/</sup> Part of Israeli benefits from its economic co-operation with South Africa is a special dispensation to allow the 120,000 members of the Jewish community to remit \$50 million a year to Israel for investment or philanthropic purposes.

22. In a paper submitted to the Seminar on Collaboration between Israel and South Africa, held at Helsinki from 22 to 24 May 1987, it was shown that South Africa bought access to Israel's advanced technology and to its advantageous trade agreements with Western countries. Israel got financial advantages as a result of this relationship. The paper also states that diamonds are not counted in the full trade statistics because Israel buys these from the Central Selling Organization in

London, which is a creation of the De Beers syndicate. Diamond export brought to Israel \$1.5 billion in 1986 and diamond imports cost was \$1.25 billion. The paper further indicated that Israeli-South African enterprises include fishing, real estate and shipping, as well as agricultural and industrial companies. 19/

## VI. CONCLUSIONS AND RECOMMENDATIONS

23. The collaboration between Israel and South Africa has continuously increased for more than a decade. It covered every aspect of co-operation, the most serious of which is the collaboration in the military and nuclear fields. For a variety of reasons, Israel is in the process of reassessing the extent of its relations with South Africa and, in particular, collaboration in the military field.

24. The Special Committee against Apartheid has duly taken note of the policy statement of 18 March 1987 and the measures decided upon on 16 September 1987 by the Israeli Government, which the Special Committee considers as a first step towards the severance of relations in the diplomatic, military, nuclear, economic and other fields with apartheid South Africa, as called for in General Assembly resolutions. It is particularly concerned that the Israeli Government has not liquidated the existing secret arms contracts and has not disclosed how long the present contracts will run. It is also concerned that the measures contained in the policy statement, explained in paragraph 10 above, are so vaguely worded that they could provide loopholes for the circumvention of the measures themselves.

25. The Special Committee against Apartheid intends to continue to monitor the implementation of United Nations resolutions on South Africa, in particular those concerning violations of sanctions, and to recommend to the General Assembly to urge all States concerned to extend their co-operation to the Committee in its efforts.

### Notes

- 1/ Financial Mail (Johannesburg), 30 January 1987.
- 2/ Financial Times (London), 27 January 1987.
- 3/ Permanent Mission of Israel to the United Nations, Press Release, 19 March 1987.
- 4/ The New York Times, 20 March 1987.
- 5/ Ibid.
- 6/ The Star (Johannesburg), 21 March 1987.
- 7/ Palestine Perspectives (Washington, D.C.), November-December 1986.
- 8/ The Citizen (Johannesburg), 28 March 1987.
- 9/ Wall Street Journal, 2 and 3 April 1987.
- 10/ The Citizen, 2 April 1987.
- 11/ Israeli Foreign Affairs (Sacramento, California), January 1987.
- 12/ Janes Defence Weekly (London), 27 December 1986.

Notes (continued)

13/ Israeli Foreign Affairs (Sacramento, California), November 1986; The Observer (London), 18 December 1986; Financial Times (London), 29 December 1986.

14/ See A/AC.115/L.643.

15/ Benjamin Beit-Hallahmi, The Israeli Connection - Who Israel Arms and Why (New York, Pantheon Books, 1987), p. 136.

16/ Business Day (Johannesburg), 29 October 1986.

17/ Financial Mail (London), 27 March 1987.

18/ Benjamin Beit-Hallahmi, Israel and South Africa: Their Economic Links and the U.S. Connection (unpublished), pp. 2-8.

19/ Jane Hunter, Israel and South Africa: Their Economic Links and the U. S. Connection (unpublished), pp. 2-8.

ANNEX

Measures adopted on 16 September 1987 by the  
Government of Israel against South Africa

1. No new investments in South Africa will be approved. Proposed exceptions will be brought to a Committee consisting of the Ministry of Finance, the Bank of Israel and the Ministry of Foreign Affairs.

2. The Government will:

- (a) Prohibit the granting of government loans;
- (b) Prohibit the sale and transfer of oil and its products;
- (c) Prohibit the import of Krugerrands.

All of the above measures are similar to the decisions of the Common Market on these matters.

3. The import quota for iron and steel will be frozen so that imports will not exceed the present volume.

4. Cultural ties between the countries will conform to the State of Israel's basic negative view of the apartheid régime.

5. Sports ties with South Africa will be subject to the decisions of the International Sports Associations.

6. The Ministry of Tourism and any other official body will not actively support the promotion of tourism to South Africa.

7. No new agreements will be signed in the area of science.

8. No visits to South Africa by civil servants will be made unless approved by an Inter-Ministerial Committee, in which a representative from the Ministry of Foreign Affairs is participating.

9. The Government of Israel will act to establish a Fund to assist the implementation of training programmes in Israel in educational, cultural and social fields, for participants from the black and "Coloured" communities of South Africa.

10. All necessary steps will be taken to prevent Israel from becoming a transit station of any kind for goods and services from and to South Africa, if that might involve circumventing sanctions imposed by a third party.

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