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FIRST SPECIAL REPORT OF THE SPECIAL
COMMITTEE AGAINST APARTHEID

Recent developments concerning relations between
Israel and South Africa

* This is a mimeographed version of a special report of the Special Committee against Apartheid, which will be issued in printing form in Official Records of the General Assembly, Thirty-sixth Session, Supplement No. 22A.

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LETTER OF TRANSMITTAL

9 September 1981

Sir,

I have the honour, in accordance with paragraph 3 of resolution 35/206 H adopted by the General Assembly on 16 December 1980, to transmit herewith a 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 the Security Council.

Accept, Sir, the assurances of my highest consideration.

(Signed) Vladimir A. KRAVETS
Acting Chairman of the
Special Committee against Apartheid

His Excellency Dr. Kurt Waldheim
Secretary-General of the United Nations
New York, N.Y.

INTRODUCTION

1. Continuing and increasing collaboration between Israel and South Africa and its serious implications on the development of South Africa's military and nuclear capabilities has been a matter of utmost concern to the Special Committee against Apartheid. In spite of claims to the contrary, the collaboration has become systematic and covers a wide range of political, military, nuclear, economic and cultural relations.
2. The General Assembly, acting on the recommendations of the Special Committee, in resolution 35/206 H of 16 December 1980 strongly condemned Israel's continuing and increasing collaboration with the racist régime of South Africa and requested the Special Committee to keep the matter under constant review and report to the General Assembly and the Security Council as appropriate.
3. The present report has been prepared in pursuance of the above request to the Special Committee.

II. GENERAL

4. The Chairman of the South African Zionist Federation in Israel, Mr. Hertzal Katz, visited South Africa in September 1980. 1/
5. Former Israeli Ambassador to the United Nations, General Chaim Herzog, visited South Africa in September 1980 to address the biennial national conference of the Organization for Rehabilitation through Training. 2/
6. The so-called "Government" of Bophuthatswana through the Bophuthatswana Commercial Representation in Israel, managed by Mr. Shabbatai Kalmanovitz, advertised in the Israeli press to recruit technicians, doctors and engineers. Mr. Kalmanovitz, an adviser to the late Prime Minister of Israel, Mrs. Golda Meir, organized a survey of Bophuthatswana's agricultural potential, arranged its private representation in the Federal Republic of Germany and prepared the visit of the so-called President of Bophuthatswana, Mr. Lucas Mangope, to Israel in 1980. 3/
7. The President of the so-called "independent" state of "Venda", Chief Patrick Mphephu, visited Israel in December 1980. Although Chief Mphephu claimed that the Israeli Government promised to recognize "Venda", the Permanent Representative of Israel to the United Nations informed the Chairman of the Special Committee against Apartheid that "no promise whatsoever has been given to recognize the Government of Venda". 4/

1/ Rand Daily Mail (Johannesburg), 5 September 1980.

2/ South African Digest (Pretoria), 19 September 1980.

3/ Sunday Times (Johannesburg), 19 October 1980.

4/ Rand Daily Mail (Johannesburg), 31 December 1980.

III. MILITARY AND NUCLEAR COLLABORATION

8. There have been persistent reports on the increasing nuclear collaboration between Israel, Taiwan and South Africa. According to these reports, South Africa was the main supplier of uranium to Israel and Taiwan while sharing its uranium extraction process with them. The United States State Department and intelligence sources reported that Israel, Taiwan and South Africa were collaborating on a nuclear-weapons programme as well as relying on each other for military and intelligence contacts, as each became more isolated in the world community. It was also reported that they were developing a strategic cruise missile, a small pilotless jet which evades radar observation by flying at very low altitudes and has a nuclear warhead delivery capacity within a radius of 1,500 miles. 5/
9. Despite the denials of the former Administration of the United States, United States intelligence reports indicated that a nuclear explosion did occur in the South Atlantic region on 22 September 1979. According to the press reports, the United States Defence Intelligence Agency provided the United States Government with information on its findings, confirming the explosion. 6/ Furthermore, reports published after the explosion revealed information indicating the Israeli and South African nuclear involvement. 7/
10. In 1980, South African Navy acquired six Dvora (Resheff) class single missile gunboats. Although official South African sources claimed that Resheff class FAC(M)s were built locally, Jane's Fighting Ships listed them as purchased from Israel. The Resheff class FAC(M)s are each armed with single Israeli built Gabriel missiles. The FAC(M)s are based at Salisbury Island, South Africa, used as a naval base by the South African navy since 1976. The base is equipped with secret radar and communication facilities. 8/
11. According to Jane's Fighting Ships, six more Resheff class FAC(M)s are being constructed on the island under contract with Israel. 9/
12. Lieutenant-General Mordechai Gur, former Chief of Staff of the Israeli Defence Force, visited South Africa in September 1980. 10/
13. It was reported that Israel was helping South Africa to train UNITA forces in Walvis Bay (Namibia). 11/

5/ Daily News (New York), 8 December 1980; Rand Daily Mail (Johannesburg), 1 July 1981; International Herald Tribune (Paris), 29 June 1981.

6/ Washington Post (Washington), 18 February 1981.

7/ A/35/22/Add.1 and 2.

8/ The Mail Star (Toronto), 22 November 1980.

9/ Ibid.

10/ South African Digest (Pretoria), 19 September 1980.

11/ Rand Daily Mail (Johannesburg), 23 June 1981.

IV. VISIT OF SOUTH AFRICAN FINANCE MINISTER TO ISRAEL

14. In December 1980, South Africa's Minister of Finance, Senator Owen Horwood, visited Israel, accompanied by a team of 20 experts and officials. Mr. Horwood was received by the Israeli Prime Minister, Mr. Menachem Begin. 12/

15. In this context, talks were held between Mr. Horwood and Mr. Yigael Hurwitz, the Minister of Finance of Israel. The Joint Israeli-South African Economic Trade Committee convened, presided over by both finance ministers. During the visit, South Africa and Israel concluded a trade agreement, providing Israel with R125 million of easy South African credit over the next three years, allowing South Africans to invest approximately R45 million in Israel and permitting the Israel Bonds Campaign to operate in South Africa. 13/ As a result of the agreement it was expected that up to \$25 million in Israeli bonds would be sold in South Africa.

16. Mr. Hurwitz stated at a press conference that he requested from South Africa tax exemptions for contributions to the United Jewish Appeal in South Africa, indicating that the request would be approved. The supply of South African coal to the new Hadera power station would be discussed by the new standing committee of senior officials, meeting once a year or more frequently, if necessary. Furthermore, Mr. Hurwitz stated that Israel was benefiting from the mutual co-operation and improving its relations with South Africa. 14/

17. In this context, Senator Horwood stated that Israel and South Africa would soon be involved in joint industrial projects similar to the steel mill at Karyat Gat, south of Tel Aviv. Israel imports a substantial amount of steel from South Africa and exports steel after reprocessing. 15/

18. Israel also expressed the desire to establish a research and development fund for agriculture, science and medicine in Israel, mainly with South African finance, and to defer the payment of Israeli debts to South Africa. 16/

19. At the end of the visit, it was revealed that South Africa agreed in principle to increase its coal quota to Israel from the current one million tons per annum to three million tons. Israeli officials also said that an agreement in principle had been reached to increase Israel's fishing rights off South African coast. 17/

12/ The Star (Johannesburg), 10 December 1980; Rand Daily Mail (Johannesburg), 10 December 1980.

13/ Jerusalem radio, 12 December 1980.

14/ The Jerusalem Post (Jerusalem), 14 December 1980.

15/ The Star (Johannesburg), 11 December 1980.

16/ Ibid.

17/ Rand Daily Mail (Johannesburg), 13 December 1980.

20. The visit was considered successful because major agreements were achieved and the Israelis said that those left open for future discussions would probably be agreed upon soon. 18/

21. The Financial Times (London) considered that the talks between the finance ministers of Israel and South Africa "will result in an extensive two-way flow of goods and know-how between these two nations" and that South African capital would be available for Israel in developing medical, solar energy and electronics projects. 19/

V. TRADE

22. Trade between Israel and South Africa is increasing rapidly. However, the balance of payment is in favour of South Africa. Trade figure of 1979 showed that South Africa's exports to Israel were over three times the imports, \$153 million as against \$48.2 million. It appears that during the first nine months of 1980, Israeli exports to South Africa totaled \$33 million while its imports totaled \$63 million. 20/

23. In 1980, South Africa's Iron and Steel Corporation (ISCOR) formed a jointly managed steel service company with Koor Industries of Israel. This company supplied approximately 30 per cent of Israel's steel requirements in 1980. Furthermore, Zim Lines of Israel and Unicorn of South Africa formed Zimcorn Lines with four ships, splitting the steel cargo on 60/40 basis. 21/

24. During the period under review, Bank Leumi of Israel included the rand as a desirable currency for investment in a "currency basket" offered to investors. At the same time, Bank Leumi and its subsidiary, the Union Bank, have begun selling Krugerrands in Israel. 22/

18/ The Star (Johannesburg), 13 December 1980.

19/ Financial Times (London), 15 December 1980.

20/ The Star (Johannesburg), 9 December 1980.

21/ Iscor Survey: Supplement to Financial Mail (Johannesburg), 7 November 1980.

22/ Sunday Times (Johannesburg), 9 November 1980.

25. A joint venture, Iscar SA, was formed in co-operation with Metkor Investments of South Africa in 1980. Iscar SA is specialized in the manufacturing and marketing of indexable inserts, parting-off and face grooving tools, special forms carbide blanks, toolholders and mining blanks and tools. Investments by both companies totaled R5 million. Iscar of Israel has a share of 24.9 per cent in the jointly owned company with an option to increase this to 50 per cent within seven years. 23/

26. Israel is considered the largest diamond cutting centre in the world. In 1980, Israel exported \$1.4 billion in polished diamonds. Although Israel imports its incut diamonds from London, its main marketing agency is the Central Selling Organization of De Beer's Consolidated Mines Limited of South Africa. The Israeli Minister of Industry and Trade, Mr. Gideon Patt, went to London in February 1981 to discuss questions relating to the marketing of diamonds with the Central Selling Organization. 24/

27. A Johannesburg rabbi, who has helped put together a South African consortium, is planning to invest R30 million in an Israeli construction company. It was reported that Mr. Jacob Merridor, economic adviser to Israeli Prime Minister Menachem Begin, was also an investor in the company. Israeli sources indicated that the South African Reserve Bank granted permission for the transfer of money to Israel. 25/

28. Seventeen Israeli skilled workers are working at a South African heavy engineering factory at Krugersdrop, Transvaal. 26/

VI. CULTURAL COLLABORATION

29. The Southern Life Association of South Africa presented a gift of R6,000 to the joint scientific research project between the University of Pretoria and the Ben-Gurion University in Israel. 27/

23/ The Star (Johannesburg), 13 December 1980.

24/ New York Times (New York), 4 February 1981.

25/ Sunday Times (Johannesburg), 24 May 1981.

26/ South African Digest (Pretoria), 17 April 1981; Citizen (Johannesburg), 7 April 1981.

27/ Rand Daily Mail (Johannesburg), 5 September 1980.

30. The Johannesburg Musical Society sponsored a recital by an Israeli pianist, Ilan Rogoff, in the University Great Hall in January 1981. 28/
31. A South African group of 10 dancers was invited to perform by the School for Theater Arts in Ra'avana, Israel. 29/
32. A conference on operations research was held at the headquarters of the Council for Scientific and Industrial Research (CSIR) in Pretoria on 4 February 1981. The conference was a joint venture between the Operation Research Societies of Israel and South Africa. About 15 scientists from the Israeli National Council for Research and Development attended the conference. Guest speakers from Canada, the United Kingdom of Great Britain and Northern Ireland and the United States of America also participated in the conference. 30/
33. Six prominent South African medical research workers led by Dr. P.D.R. Van Heerden, Vice-President of the Medical Research Centre, visited Israel in February 1981. Mr. Heerden stated that "all the facilities at Weizmann Institute were thrown open to us". Furthermore, the Medical Research Council of South Africa annually funds 12 "man-months" of medical research by South African scientists in Israel. 31/

VII. SPORTS

34. Petak Tikva, an Israeli soccer team, toured Bophuthatswana in June 1981. However, the Federation of International Football Associations (FIFA) requested the Israeli Football Association to expel that team which defied FIFA's decisions by touring Bophuthatswana. 32/
35. South Africa participated in the 11th Maccabi Games from 6 to 16 July 1981 in Israel. The South African delegation consisted of 216 members and was represented in 14 sports. A number of participating countries expressed concern at the presence of South African teams, fearing negative reaction from the international sporting organizations. 33/ South African teams in the Games competed against several teams, including those of Australia, Israel and the United States of America. Several South African players, residents of Israel, were included in the Israeli teams. 34/

28/ Ibid., January 1981.

29/ The Star (Johannesburg), 20 March 1981.

30/ The Star (Johannesburg), 4 February 1981.

31/ South African Digest (Johannesburg), 6 February 1981; Rand Daily Mail (Johannesburg), 9 February 1981.

32/ Rand Daily Mail (Johannesburg), 1 and 14 July 1981.

33/ The Citizen (Johannesburg), 5 July 1981.

34/ Rand Daily Mail (Johannesburg), 4 and 8 July 1981.

