

CHAMBER OF COMMERCE
OF THE
UNITED STATES OF AMERICA

SHELDON ADELSON
CHAIRMAN
U.S.-ISRAEL BUSINESS INITIATIVE

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July 17, 2014

His Excellency Benjamin Netanyahu
Prime Minister
State of Israel
3 Kaplan Street, Hakirya
Jerusalem, Israel 91950

Dear Mr. Prime Minister:

I am writing to you in my capacity as Chairman of the U.S. Chamber's U.S.-Israel Business Initiative. We know that this is a critical time for Israel and our bilateral relationship. Even as Israel undergoes severe security threats and challenges, there is unfortunately a growing chorus in the United States calling for the boycott of Israeli goods and other economic sanctions targeted at Israel. I therefore believe the U.S. Chamber should play a very positive and constructive role for the economic security of Israel at this time.

As you know, the Chamber is the world's largest business organization representing the interests of more than 3 million businesses of all sizes, sectors, and regions. The Chamber's U.S.-Israel Business Initiative (USIBI) is the only Washington-based national program focused on advancing policies and business partnerships that strengthen the economies of both countries.

We are committed to deepening our bilateral commercial relationship and have already very significantly expanded our activity to meet the growing challenges. With your support and the support of others, we plan to be engaged on several important initiatives, including:

1. **Mission to Israel by U.S. Governors.** It is critical that an appreciation of the importance of the U.S.-Israel relationship be enhanced, given the increasing occurrence of resolutions to de-legitimize Israel that are being debated by state legislatures. In partnership with state and local chambers of commerce, the Chamber will organize business missions to Israel for the governors and leadership of key state and local business associations. The Chamber has already made contact with half a dozen influential governors that have expressed interest in leading such business missions.
2. **Opening a U.S. Chamber Office in Israel.** The Chamber will open an office to organize outreach to the Israeli business community and government officials. The office will support business missions to Israel, recruit Israeli firms to establish and

expand operations in the United States, identify business opportunities for American companies, and develop opportunities for U.S.-Israel business cooperation throughout the region.

3. **Establishing a U.S.-Israel Strategic Economic Dialogue.** The Chamber has been working closely with your office on the creation of the U.S.-Israel Strategic Economic Dialogue. This Dialogue will bring together key government officials, leading business organizations and business leaders from the United States and Israel to deepen cooperation and strengthen strategic coordination on the most pressing economic and commercial issues in the bilateral relationship. This Dialogue could be chaired by the Office of the Prime Minister. The Chamber proposes tracks to the Dialogue that both private sectors and governments are keen on addressing including; energy, cyber security, policy to encourage R&D, and bilateral trade and investment issues.
4. **Advancing Policies that Enhance the Commercial Relationship Between the U.S. and Israel.** There is no question that the U.S. and Israel enjoy a strong commercial relationship, which has grown dramatically since the signing of the U.S.-Israel Free Trade Agreement 25 years ago. The sectors and focus of that commercial relationship continue to change, but there are huge opportunities in new economic sectors that should be seized upon and expanded. For example:
 - **Updating the U.S.-Israel Free Trade Agreement.** The Chamber encourages the governments of the U.S. and Israel to begin a consultative process with the private sector on creating annexes in the FTA that would address issues central to modern relationships among advanced economies, including; e-commerce, technical barriers to trade, services, and standards.
 - **Streamlining the Regulation of Hydrocarbons in Israel.** Israel's historic discoveries of natural gas mark an exciting new chapter in joint commercial collaboration. Unprecedented U.S.-Israel commercial cooperation in the hydrocarbons sector, particularly with respect to offshore natural gas exploration and production, has generated valuable opportunities for American companies as well as important economic and security benefits for the people of Israel. We propose technical assistance to the relevant agencies in Israel responsible for developing a modern regulatory policy framework for hydrocarbon investment.
 - **Developing Public Support for Energy Development in Israel.** We propose the formation of a partnership with both governments to create an educational campaign that would inform the Israeli public of the benefits of a responsible and growing hydrocarbon industry in Israel. This initiative would consist of a series of

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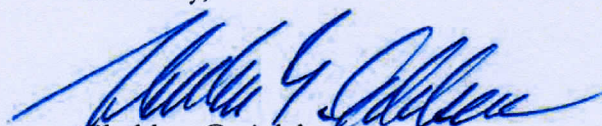
written and multi-media materials and town hall-style meetings throughout Israel.

- **Increasing U.S.-Israel Research & Development Collaboration.** Opportunities for collaboration between the U.S. and Israel on science and technology are abundant, yet there is no central repository of information that would help inform American companies about all of these opportunities – both public and private. Working with R&D centers, Israel's Chief Scientist, and other investment promotion entities, the Chamber proposes helping organize and disseminate information about current programs to U.S. companies.

Your office has been very supportive of the U.S. Chamber's efforts, including just a few weeks ago, collaborating on a Chamber-led business mission to Israel. We look to enhance our work with you to advance these important initiatives.

We know that the U.S.-Israel commercial relationship is becoming an ever-more significant part of our overarching strategic alliance. At this particular time, there are important and practical ways the private sectors and governments can work together to propel the bilateral business relationship to ever greater heights.

Sincerely,



Sheldon G. Adelson
Chairman
U.S.-Israel Business Initiative
U.S. Chamber of Commerce

cc: Ambassador Ron Dermer; Ambassador of Israel to the United States
Mr. Myron Brilliant; Executive Vice President and Head of International Affairs, U.S.
Chamber of Commerce