

FEASIBILITY/EXPECTATIONS

No high expectations, given the EU's limited openness it is difficult to ask for commitments.

Outcome of the bilateral meeting of November 7, 2014

- Israel clarified that the energy regulatory framework was under review, it was linked with the discovery of the gas in the sea and a possibility for new pipelines. Their position will be clearer within around a year.

Request n°6: Telecommunication services**COMMITMENTS, OFFERS AND INDICATIONS**

TiSA	GATS/DDA (initial + revised offer)	Best FTA
Israel takes commitments on all sub-sectors of telecommunications, for all modes 1-3. Full commitments in mode 1 and 2. Partial commitments in mode 3: foreign ownership and senior management requirements.	No commitments beyond public mobile voice telephony (CPC 75213).	N/A

ASSESSMENT

- TiSA offer: Partial commitments. Not satisfactory.
- For both mode 1 and mode 3, need to incorporate in Israel + main place of business in Israel, it's problematic for mode 1.
- FDI cap at 74 or 80 per cent for basic services + Nationality requirement for directors in telecom and broadcasting (in policy space reservations list).
- Reference to the regulatory principles of the GATS Annex.
- No commitment for VAS.
- For Broadcasting: Partial commitments. Not satisfactory as no MA commitments, but some very restrictive NT limitations.

ESTIMATED VALUE AND EU INTEREST

- Substantial interest. Orange already one of key players in mobile telephony market.

Outcome of the bilateral meeting of November 7, 2014

- On the obligation to incorporate for mode 1, IL questioned whether this was a real problem, whether we had a negative feed-back from our industry. EU clarified that this was a systemic interest but would in no doubt add costs for the operators.

- FDI caps: IL will revert to us on the absence of listing of the foreign equity caps in the NT column. Might be only a scheduling issue as it appears it is in the legislation.
- Reference to the GATS Annex: IL to revert. Not clear why this reference is there.
- VAS are missing: There is a new competition law in the pipeline. GOV is developing new policies in the area – so to be followed up.