

Analyses

Israeli-Emirati Normalization and the Strategic Cooperation in Maritime and Aviation Sectors

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The civil aviation authorities of Israel and the UAE signed an agreement to launch 28 commercial flights between the UAE and Tel Aviv every week. [AFP]

Introduction

The announcement by US president Donald Trump on 13 August 2020 that Israel and the United Arab Emirates had agreed to normalise their relations, created a surprise in the region and around the world. This development, which represented a milestone in the future of regional policy was later followed by another agreement of normalization, this time with another Gulf country, Bahrain. As a part of these developments which are symbolically important, the foreign ministers of the United Arab Emirates and Bahrain met in the White House on 15th of September 2020 and signed the so-called Abraham Accords. The eleven article agreement shows that the parties agree to take mutual steps to build and develop relations in various areas. The sixth article is particularly noteworthy with its references to relations in areas of finance, investment, trade, economy and maritime shipment. (1) Given the articles of the agreement and the following developments being taken into consideration, it is clearly seen that the agreement has significance not only for the parties that took part in it, but also neighbouring countries and global actors who have interest in the region. This situation mostly arises from the strategic aspect of the normalisation process, and this study aims to shed light on this dimension.

Maritime Cooperation

Immediately after the signing of the agreement, the companies in the relevant industries in

the UAE and Israel started negotiations and thereafter signed various memoranda of understanding. The most important contract among these is the one between the Dubai-based port company, DP World, and Dubai Customs, both of which offer freight forwarding, port operation and maritime services and the Israeli Dover Tower. The memorandum of understanding (MoU) was signed by Sultan Ahmed bin Sulayem, the Head of DP World Group, and Shlomi Fogel, and the owner of Dover Tower only one day after the signing of the Abraham Accords. The agreement can be summarised in three main points:

1. The agreement provides for DP World to assess the prospects of developing Israeli ports and free zones and establishing a maritime service between Eilat in Israel and Jebel Ali in Dubai.
2. Dubai Customs will facilitate the trade activities of private companies in both countries.
3. Drydocks World will explore business opportunities with Israel Shipyards.

On the memorandum of agreement, Shlomi Fogel said that the agreement signalled the start of a long-term corporation between the two countries and that he believed that the current momentum would continue with other agreements to be signed between the two companies in other areas. On his part, Ahmed bin Sulayem said that the agreement would contribute to the efforts made to develop the economic and trade relations between the two countries. DP World added that its mission is to enable new business areas between Israel and the UAE and make doing business in the region easier and more efficient. (2)

It was later revealed that, after this agreement, the two companies had decided to present a joint bid for the tender to be held for the privatisation of the Haifa Port of Israel. (3) The Israeli government passed a decision in January 2020 to privatise the Haifa Port. The government expects a minimum of US\$290 million from this privatisation. The company that wins the contract will be entitled to run the port of Haifa until 2054. In addition, Israel also reached an agreement for the building of a new terminal planned to be opened in 2021 in Haifa after an agreement was signed with the Shanghai International Port Group of China. (3)

It is noteworthy that the Dubai-based DP World is acting in line with foreign policy activism adopted in recent years by the UAE. Particularly, given the nature of the ports that the DP World holds the right to operate, it is clear that the ports are carefully chosen to provide geopolitical advantage. For example, DP World won the operation rights of regional ports like Doraleh Port, a competitor of Jebel Ali, and has operated them at low capacity to ensure that Dubai remains the most important trade centre in the region. Seeing UAE's agenda, the

government of Djibouti terminated the contract with DP World and decided to continue to operate the port of Doraleh itself. (4) As a response to this move, DP World brought the issue to trial and appealed to the London Court of International Arbitration. The court ruled in favour of DP World and ordered Djibouti to restore the rights and benefits of the DP World in accordance with the concession agreement that the company secured from the Djiboutian government in 2006. (5)

Another reason why DP World is becoming stronger in the port business on a regional and global level is the desire to use these ports for political and military reasons. As a matter of fact, it would not be wrong to say that countries like Israel and the United States support DP World's endeavour. Instead of using their own sources in the Horn of Africa, these countries capitalise on UAE's activities to defend their interests. In this context, the UAE's activities in Somalia, Eritrea and Yemen are also worth mentioning. (6)

UAE, through DP World and its other companies, signs agreements in Somaliland (7) and Puntland (8), which are semi-autonomous regions of Somalia, and is making great efforts to control the ports of these regions. The primary goal behind this is to make them available to Israel and the United States, the allies of the UAE, and use them as logistics centres to serve the aforementioned countries' regional policies, especially in military engagements. However, the Somali government prevents such pursuits to ensure that the country's ports are operated at utmost capacity to serve Somali national interests.

Another example is the Port of Assab of Eritrea, for which DP World has the operation rights. The port is currently used as a base for the United Arab Emirates in its military campaign in Yemen. Using a military compound nearby, the UAE trained a militia that supports the military campaign in Yemen. In addition, the Port of Assab is important for the UAE to direct trade in the Red Sea, Bab el Mandeb and Gulf of Aden. (9) Many international media outlets maintain that that is when the UAE established military and intelligence cooperation with Israel. (10) In terms of accelerated cooperation between the UAE and Israel in this region, the activities of the two countries in Yemen deserve particular attention. Due to the strategic importance of Yemen, Israel also is interested in this region. After the normalisation process, Israel found a chance to pursue its interest here through the UAE. In fact, in August 2020, an American website reported that these two planned to establish military and intelligence facilities in Socotra. (11) In addition to that, Iranian-backed Houthi insurgents alleged that the UAE sent

Israeli experts to the island. In this period, it is seen that Israel has also intended to establish ties with Southern Transitional Council (STC), which is the UAE's proxy in Yemen. This intention became concrete when Aviel Schneider, the editor-in-chief of Israel Today, published an article that identifies the STC as Israel's "new secret friend". In this article, he mentions covert meetings between the two parties but does not provide insightful details regarding these interactions. (12)

The latest activities of DP World make it clear that the company seeks to gain control of the ports on strategic routes on China's Belt and Road Initiative. And this makes it clear that the UAE acts in line with the interests of the United States when it comes to the competition between the latter and China. If the ports on the China's Belt and Road Initiative are operated by UAE, which has good relations with the United States, the latter will gain the upper hand in its competition against Beijing. Considering all these facts, it is possible to say that the memorandum of understanding signed between DP World and DoverTower and the fact that DP World is getting closer to obtaining the operation rights of the Port of Haifa, are designed to support this regional strategy of the UAE.

A careful examination of the relations between Israel and the United Arab Emirates, will reveal that this is not the first event of its kind. The partnership between DP World and Haifa-based Zim Integrated Shipping Services is particularly important in this sense. When DP World tried to obtain the operation rights of 24 ports controlled by British Peninsular and Oriental Steam Navigation along the East and Gulf Coasts of the United States in 2006, the Congress and the American public reacted but Israeli billionaire Idan Ofer wrote a letter to then-Senator Hillary Clinton and urged her to support DP World. In this letter, Ofer claimed that DP World did not pose a security threat and that, "as an Israeli company, security is of utmost importance to us. And we demand strict security measures from all terminal operators in countries that we work with, but especially from those in Arab countries. In this sense, we are very confident in DP World." (13) Also, in an interview he gave, he said that the vessels of Zim Integrated Shipping Services used other country flags to bypass the boycott of Arab countries against Israel in Dubai ports. (14) Also, in his statement in the US Senate's Armed Services Committee, Edward Bilkey of DP World claimed that his company did not discriminate and enjoyed long term relations with Israeli companies. Furthermore, various reports stated that the two companies had various joint investments in Asia, Europe and South America. (15)

However, the maritime cooperation between the UAE and Israel extends even further. In fact, it can be said that it gained momentum with the normalisation agreement. In this line, DP World's Jebel Ali Free Zone (JAFZA) signed an MoU with the Federation of Israeli Chamber of Commerce (FICC). After the signing ceremony, which was held virtually, both Sultan Ahmed bin Sulayem and Uriel Lynn, president of the FICC, issued statements that emphasised that this MoU will contribute to the economic growth of the region. (16) This development is followed by the Israeli shipping carrier announcing that it has started to offer direct services between Israel and the UAE. According to the announcement made, ZIM will provide service from Israel and the eastern Mediterranean to the UAE and vice versa. (17) Even though all these developments will provide economic benefits for both countries, the fact that there is a strategic dimension should not be ignored. Through these agreements, the UAE has had the opportunity to reach the Mediterranean and Europe through Israel, while Israel, on the other hand, has found a place for itself in strategic locations such as the Red Sea, Bab el Mandeb and the Horn of Africa.

Aviation cooperation

Another area that is affected by the normalisation process is civil aviation. It has been noted that since the announcement of normalisation, the airline companies of Israel, the UAE and Bahrain have shown strong willingness for further cooperation in this field. The Israeli and Emirati governments and airline companies have held meetings to advance the level of cooperation in the airline sector. Soon after the normalisation deal, an agreement was announced during a ceremony following a direct flight from the UAE to Tel-Aviv attended by Emirati Finance Minister Obaid Humaid al-Tayer and a number of senior officials as well as United States Treasury Secretary Steven Mnuchin. (18) During his speech, Israeli Prime Minister Benjamin Netanyahu stated that, "We'll connect Israel and the United Arab Emirates through a large number of direct flights. Israelis will be able to reach many other destinations beyond that in the east, in Asia." (19)

The agreement also included cooperation in the tourism sector, which is very much related to the aviation industry. It was emphasized that the two countries are expected to renew their flight routes as a part of the normalisation process and facilitate tourism activities through new flights. As a matter of fact, Netanyahu also said that they expected many Emiratis as tourists in Israel and that their visits would make a positive contribution to the Israeli economy. (20) The UAE also welcomed Israeli tourists as a way of ensuring positive

contribution to their own national economy.

A recent development in this regard took place in 19 November 2020 when Israeli and Emirati national flag carriers, El Al and Etihad Airways, signed a memorandum of understanding in which they agreed to share joint codeshare services and cooperate in the fields of engineering and cargo services. (21) Despite the fact that Israeli company El Al has not yet announced flights to the UAE, other Israeli companies such as Arkia and Israir have announced that they would launch flights to Dubai in a month's time. It was reported by Reuters that Israir has already applied for permission to offer services between Dubai and Bahrain, with a plan to provide combined trips to the two countries. Israir will launch its Bahrain route in January 2021. It was also announced that Etihad intends to start daily flights between Abu Dhabi and Tel Aviv starting on 28 March 2021. (22)

It is apparent that the cooperation in the civil aviation sector will be at a rapid pace, that the two countries will try to benefit from these initiatives economically, and that there will in fact be various benefits of this cooperation. First of all, the increasing cooperation in this field will promote tourism and trade between the two countries. The number of passengers will probably see a rapid jump as there had not been a direct flight nor visa exemption between Israel and the UAE. In addition to this, the trade volume between the two countries is also expected to rise.

Another important benefit of such cooperation will be the mutual experience sharing in the fields of aviation and related industries. The two countries will have a chance to benefit from each other's experience in the field. This will be particularly important as Israel has a strong capability of high tech industries in the field of civil aviation and related sectors. In this sense, the UAE is likely to benefit significantly from this cooperation agreement.

The opening of Israeli airspace to the UAE will help Abu Dhabi and Tel Aviv in several issues. By having an access to Israeli airspace, the UAE will have a chance to promote tourism from Israel or Western countries, especially Europe. Similarly, Tel Aviv will have a chance to use Emirati airspace to reach Arabs who are keen to normalise with Israel. Therefore, Israel is using the UAE to normalise its relations with the Arab countries.

Increasing cooperation between Tel Aviv and Abu Dhabi will also impact Middle Eastern aviation. This is particularly the case when it comes to most active airlines in the region such

as Turkish Airlines and Qatar Airways. In fact, in addition to mutual cooperation between Israel and the UAE, Emirati leadership seeks to use the normalisation agreement as leverage against rival countries such as Turkey and Qatar. Emirati airline companies that start flights to Israel will seek to make this route more popular and will try to limit the success of the Turkish and Qatari airline companies, with whom they are constantly competing. Some of the most popular routes of Turkish Airlines will be included in the flight schedules of the Emirates Airlines and Etihad Airways as a part of the normalisation process and will be used as leverage against Turkish Airlines. In this regard, the civil aviation authorities of Israel and the UAE signed an agreement to launch 28 commercial flights between the UAE and Tel Aviv every week. It should be stated that this agreement is not restricted to direct flights between the two countries and covers that joint flights scheduled between the UAE and Istanbul or Tel Aviv and Istanbul by Emirati and Israeli airline companies. (23) Therefore, the cooperation could be a setback for Qatar Airways and Turkish Airlines as these two airlines have provided numerous flights in past two decades.

Finally, another direct benefit for the Israeli and Emirati aviation sectors is the flight time that they will save by being able to use each other's airspaces. As part of the normalisation agreement, Israel and the UAE agreed to open their airspaces for each other's aviation companies. Thus, travel time will be reduced dramatically, which could make their companies more preferable for flights between the Gulf states, Asia, Europe and America. Within this scope, the Etihad Airways flight from Milan to Abu Dhabi was the first flight that flew over Israeli airspace. The number of such flights are expected to increase in near future.

Conclusion

Given these details, it becomes clear that the normalisation agreements signed between the UAE and Israel, which later incorporated Bahrain and Sudan, are not only politically or symbolically important but will facilitate cooperation in some strategic areas. Right after the agreements, cooperation between certain Gulf countries and Israel increased in the maritime, aviation and military fields. These new areas of cooperation can be seen as a product of Israel and the UAE's desire to ensure that their security is in line with their geopolitical concerns. Cooperation in port operations, maritime trade and aviation is undoubtedly important in terms of geo-politics, but the military supply agreements prove that the normalisation process was also very much related to security concerns. However, it is possible to say that the normalisation process was also strategically important for the US interests in the region.

Accordingly, it aimed to establish a united front that includes all US allies in the region, against Iran and other hostile actors, while US forces retreat from the region.

Finally, increasing cooperation in the fields of maritime and civil aviation sectors will open the floor for strengthening the alliance between Israel and certain Gulf countries, namely the UAE, Bahrain, and possibly Saudi Arabia. However, it has to be also noted that formation of such an alliance could create further division among the Gulf countries that are already divided into various camps and foreign policy orientations.

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