



Classified By: CDA Michael A. Ratney for Reasons 1.4 (b) and (d).

1. (C) The Israeli Trade Representation Office in Qatar opened in 1996 but, despite its name, focuses less on promoting trade than on facilitating political engagement, such as Shimon Peres' January 2007 visit to Qatar and various civil society interactions. (Note: See reftel for more background on the office and its political activities). Nevertheless, Ambassador Roi Rosenblit, Head of Israel's Office, told CDA, P/E Chief, and Econoff November 1 that there is officially about 2 million USD in annual trade between Israel and Qatar. In the past year, Qatar exported to Israel about 1.2 million USD of goods, mostly petrochemicals, while Qatar imported from Israel about 800,000 USD of goods, mostly high-tech telecommunications equipment.

2. (C) Real trade, however, may be as much as four times higher (i.e., up to about 5 million USD) via third countries, and includes Israeli exports of agricultural goods which are sometimes labled in stores as coming from Egypt or Jordan. Some products are shipped to Qatar by air via Jordan, while others are generally imported by boat. There is not very much visible trade in terms of public marketing of Israeli-origin goods in Qatar. Rosenblit noted, however, that Qatar Airways had a busy office in Israel for several years, and "thousands" of Israeli travelers would use the airline to fly from Amman to other locations, particularly southeast Asia, via Doha. The office closed in October, reportedly because of financial disagreements between the airline's CEO, Akbar Al-Baker, and the local business partner, who happened to be Mahmoud Abbas' son.

3. (C) Rosenblit said Qatar's policy is to admit Israeli visitors who obtain a visa in advance. He indicated that Israeli business people do travel to Qatar, but they occasionally have problems obtaining a visa. His office is usually able to resolve these issues via its contacts at higher levels of the government. Rosenblit has not recently received visa applications from Qatari businessmen for travel to Israel, even though the office does occasionally process visa applications of Qatari residents of Palestinian origin.

4. (C) Rosenblit observed that he is generally well received in Qatar and has not experienced a negative reception from the government, diplomatic community, or others. He recounted how a Palestinian restaurant owner was delighted to cater a recent diplomatic event as an example of how his personal interactions have generally been positive.

5. (C) COMMENT: Qatar's seemingly contradictory policy toward Israel is reflected in its dual pursuit of contacts and trade with Israel, while hosting at the same time visits

by Palestinian rejectionist leaders like Hamas leader Khalid Mish'al. While Qatar does not have any Arab League boycott laws on the books or enforce a boycott, it will usually send an embassy observer to the Central Boycott Office meetings in Damascus. Some government tender documents also continue to contain outdated boycott language, but a decree from the Minister of Finance to make the language current is unlikely anytime soon. Senior GOQ officials, while ostensibly satisfied with the current level of engagement, are reticent to undertake further normalization absent forward movement on the peace process. Qatar does not want to stray too far from the Arab fold at the expense of sacrificing their aspiration to be a regional mediator.

RATNEY

