

The week ending February 27, 2015

## GREATER MIDDLE EAST

### **Israeli, Jordanian officials signing historic agreement on water trade**

Bringing a historic deal to fruition, Israeli and Jordanian government officials on Thursday afternoon are signing a bilateral agreement to exchange water and jointly funnel Red Sea brines to the shrinking Dead Sea. The full-fledged agreement, which is being signed on the Jordanian side of the Dead Sea on Thursday afternoon, is the result of a memorandum of understanding signed among Israeli, Jordanian and Palestinian officials on December 9, 2013 in Washington, D.C. According to Thursday's agreement, Jordan and Israel will share the potable water produced by a future desalination plant in Aqaba, from which salty brines will be piped to the Dead Sea. In return for its portion of the desalinated water in the South, Israel will be doubling its sales of Lake Kinneret (Sea of Galilee) water to Jordan on the countries' northern border. "In Washington, we just declared that we are going to sign an agreement," Maya Eldar, an advisor to Shalom on the project, told [The Jerusalem Post](#) on Thursday, over the phone from the signing ceremony. "This is a real agreement that is going to make sure the cooperation and relationship between Israel and Jordan is going to last." "We are going to provide water from the Israeli system to the Palestinians at points where they need water, and we are going to start discussing with them as soon as possible," she said. In addition to the commitment to the water exchanges and Red Sea to Dead Sea pipeline construction, the signatories on Thursday also committed to the formation of a Joint Administration Body for the project, where relevant officials from both countries will be equally represented, Eldar explained.

## IRAN

### **Exclusive: Iran smuggles in \$1 billion of bank notes to skirt sanctions—sources**

At least \$1 billion in cash has been smuggled into Iran as it seeks to avoid Western sanctions, a bigger figure than previously reported, Iranian officials and Western intelligence and diplomatic sources say. Sanctions imposed by the West over Iran's nuclear program have shut Tehran out of the global banking system, making it hard to obtain the U.S. dollars it needs for international transactions. In December, the U.S. Treasury said the Iranian government had obtained hundreds of millions of dollars in bank notes using front companies. Interviews by [Reuters](#) with Iranian officials and Western diplomatic and intelligence sources show a bigger smuggling effort by Tehran, as well as the routes and methods used—details not previously reported. These sources said at least \$1 billion in U.S. bank notes had been smuggled into Iran in recent months, with the Iranian central bank playing an important role. U.S. Executive Order 13622, which came into effect in 2012, prohibits the purchase or acquisition of U.S. bank notes by the government of Iran.

## **Iran stages war games, boats hit mock-up U.S. ship**

According to [Reuters](#), Iran's elite Revolutionary Guards staged war games in the Strait of Hormuz on Wednesday, including a gunboat attack on a model U.S. warship, in Tehran's latest display of military muscle in a Gulf shipping channel vital to world oil exports. The Shi'ite Muslim Islamic Republic sees the Gulf, between Iran and the Sunni Arab states, as its own backyard and believes it has a legitimate interest in expanding its influence there. "With attention to the situation in the region, we have noticeably expanded the defense budget of the armed forces to ensure the stable security of the region," Larijani told a news conference before the exercises, according to Fars News. State TV footage showed a number of gunboats swarming a huge model warship and blasting it with missiles. The "maquette of an American aircraft carrier" was built to scale and targeted with cruise missiles and ballistic missiles, according to Fars News, which is linked to the Revolutionary Guard. The gunboats also carried out an exercise in laying mines, according to the Iranian Students' News Agency. At one point a camera from state TV panned across a banner which read "If the Americans are ready to be buried at the bottom of the waters of the Persian Gulf - so be it", a quote from Iran's first Supreme Leader, Ayatollah Ruhollah Khomeini. Some 30 percent of all seaborne traded oil flows through Hormuz, according to the U.S. Energy Information Administration, and U.S. officials have expressed concern in the past that Iran could try to disrupt the oil flow or even attack American warships patrolling the waters of the Gulf. Talks on the program between Iran and the United States, Russia, China, Britain, France and Germany are intended to ensure the country's nuclear program is not aimed at developing nuclear weapons. Iran says its nuclear work is entirely for peaceful purposes.

## **ISRAEL IN THE NEWS**

### **Israel's Top Snack Bamba Prevents Peanut Allergies**

Israelis have long considered the popular [peanut-flavored Bamba](#) as the ultimate snack food. Now a new British study and an editorial in [The New England Journal of Medicine](#) are highlighting this addictive treat for its role in preventing peanut allergies. The Learning Early About Peanut Allergy (LEAP) study, supported by the National Institute of Allergy and Infectious Diseases (NIAID) and conducted by the NIAID-funded [Immune Tolerance Network \(ITN\)](#), tested the theory that the very low rates of peanut allergy in Israeli children were a result of high levels of peanut consumption from a young age. According to researchers, about two percent of American children are allergic to peanuts. "Food allergies are a growing concern, not just in the United States but around the world," NIAID Director Anthony S. Fauci said in a statement. "For a study to show a benefit of this magnitude in the prevention of peanut allergy is without precedent. The results have the potential to transform how we approach food allergy prevention." In Israel, children can bring any type of sandwich or snack treat to school, unlike in many Western countries where nut-free packed lunches are the norm. Moreover, Bamba is the number-one selling snack in Israel, with 90 percent of Israeli families buying it on a regular basis. Bamba contains 50% peanuts and is fortified with vitamins and minerals (A, B1, B3, B6, B12, C, E, folic acid (B9) and iron).