



Under a 1975 Memorandum of Understanding (MOU) the USA guaranteed all Israel's oil needs in the event of a crisis. This Memorandum of Understanding is quietly renewed every five years. It commits U.S. taxpayers to maintain a strategic U.S. reserve for Israel, equivalent to \$3 billion in 2002 dollars. Special legislation was enacted to exempt Israel from restrictions on oil exports from the USA. Moreover, the U.S. government agreed to divert oil from the USA, **even if this causes domestic shortages**

. The U.S. government also guaranteed delivery of oil in U.S. tankers if commercial shippers become unable or unwilling to carry oil from the USA to Israel.

If the oil Israel needs to meet all its normal requirements for domestic consumption is unavailable for purchase in circumstances where no quantitative restrictions exist on the ability of the United States to procure oil to meet its normal requirements, the United States Government will promptly make oil available for purchase by Israel to meet all of the aforementioned normal requirements of Israel. If Israel is unable to secure the necessary means to transport such oil to Israel, the United States Government will make every effort to help Israel secure the necessary means of transport.

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