

Realising Peace and Security in the Middle East:

*The prospects and potential of a regional envelope to
comprehensive peace*



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The Arab Peace Initiative

Summary

The Arab League launched the Arab Peace Initiative (API) in 2002. It was an historic position in which the Arab countries left behind the absolute rejection of the state of Israel changing it into the acknowledgment that peace in the region is their strategic goal and describing the conditions under which a Palestinian Israeli peace agreement would lead to normalized relation between the Arab countries and Israel. While the Islamic countries did support the API, Israel did not officially respond however there have been semi-official remarks. In 2007 Prime Minister Olmert stated that Israel offered cautious welcome to the API, quoting “There are interesting ideas there and we are ready to hold discussions and hear from the Saudis about their approach and to tell them about ours.” Moreover, Israeli President Shimon Peres even branded the API as “Inspirational and Promising”.

Recent History of the API and the Peace Process

On the official level, the support from the international community for the API proposal has now been revived with increased emphasis and support. The activities of the Arab League have been aimed at communicating the proposal while policies have been developed to provide political strength to the API through Jordan and Egypt, who were delegated by the Arab League to discuss the API with Israel. On civil society level, the activities in Israel have shown that the Israeli peace camp sees the API as an important step toward peaceful resolution to the current situation.

Considerable progress has been made since 2002. However, the API is yet to be accepted by the Israeli government as a basis for negotiations. Therefore, CDCD and its partner organizations will continue promoting the API. We will execute once again some of the activities done before, with thoals of reaching out to a wider range of target groups. We have developed new strategies based on lessons we have learned through our previous campaigns, which we will be looking implementing in current and future actions.

Due to the work of a number of organizations and individuals, including CDCD and its partners NISPED and IKV Pax Christi, through the Kerry initiative the API made for the first time headlines in the Israeli media. A caucus of 33 Knesset members actively promotes the API and prominent Israelis have put forth the Israeli Peace Initiative. During the last two years representatives of civil society of Middle East countries have organized themselves on the promotion of API, deepening the knowledge and understanding of API among the public, working

together with the Israeli groups that support API, and building regional civil society relations with the Arab League.

CDCD's API project

The most powerful strategy undertaken by CDCD in relation to the API relies on activities done by civil society actors. The framework for such actions has been divided into two directions. The first direction encompasses direct civil society actions unilaterally, bilaterally, and multilaterally. These actions include, but are not limited to media activities, networking, holding informational workshops, debates, seminars, and roundtables about the API, as well as working with the Palestinian refugees to understand what is implied by the “agreed upon solution to the refugee problem” provision of the API. The second direction involves lobbying and advocacy by civil society actors. This track includes working with decision makers from all the countries involved and pressuring them to increase their support in promoting the API as a basis for negotiations. This second direction also includes lobbying for the passage of a new UN resolution, as well as advocating for re-negotiation of previous peace agreements in the region. Lastly, this direction also lobbies for international acceptance and recognition of a Palestinian state.

The actions taken during CDCD's project period have contributed greatly in the API's adoption as the preferred political solution in a two-state peace agreement as proven by the renewal of the negotiations by US Secretary of State John Kerry and the platform he has introduced. CDCD and its partners have been effective in our pursuit of unilateral, bilateral, and multilateral activities, in order to promote awareness and support, to turn advocacy into action through lobbying and networking, and to constantly engage in consultation and evaluation of our activities. Over the course of the

reporting period, the actions taken have been successful in promoting the API as the foundation for Kerry's three-track peace process. Additionally, the network of individual and organizational support CDCD has established has led to the creation of a regional and international envelope of support for both Palestine and Israel as the peace process progresses. Among the most notable activities in this reporting period are those in which CDCD and its partners were able to contribute to the transformation of advocacy and lobbying into actionable events through supporting bilateral processes. Examples include the creation of an Israeli Caucus for a 2 State Solution and Regional Peace, and the two meetings between Israeli and Palestinian parliament members, which took place both in the Knesset in Jerusalem and in the Mukata in Ramallah.

In this recent reporting period alone, from July 2012 to October 2013, CDCD has engaged in 144 official activities. These activities directly involved over 250 individuals from civil society, academics, and diplomats. A list of these individuals, who were directly involved in the activities, is included in the Annex to this report.

In addition to those individuals involved with the administration of activities, thousands of public students, public members, and decision makers participated in the various activities described in this report. These activities included, inter alia, meetings, workshops, conferences, and international lobbying efforts. The activities have taken place with representatives from 19 countries, such as Egypt, Jordan, and Lebanon, and involved large multilateral international groups such as the EU, the UN, the Quartet, and the Arab League.

The work of CDCD on the API project has resulted in important policy recommendations that have resulted from the network of regional and international support and consultation groups that have resulted, at this point, in policy papers recommending solutions for a number of final status issues. These policy papers include

recommendations for a number of final status issues, such as: Jerusalem and its importance as the Palestinian capital in a two state solution; the creation of a Regional Envelop of Support for the negotiation process; sensitive issues regarding Ramallah which must be addressed in any negotiation process, a policy paper on Gaza regarding its incorporation into the peace process and the Palestinian state, and a report and recommendations on the situation of Palestinian refugees in Lebanon. These policy papers have been compiled into the booklet presented here and represent the culmination of the most recent work of CDCD in the region.

In conclusion, the CDCD's Arab Peace Initiative Action Plan targets both official and not official levels of support in efforts undertaken to strengthen the political advantage of the initiative. All efforts are made with the purpose of successful accomplishment of a comprehensive Middle Eastern Peace and all efforts in the project focus on affecting decision makers and policy implementation. Although we, as civil society cannot plan nor execute policy implementations, our consistent lobbying and inclusion of the general public in our activities has produced important results. CDCD has thus been working tirelessly to effectively implement the goals of the API and to move the peace process forward.

Executive Summary

As one of the longest running conflicts in modern history, the Israeli-Palestinian conflict has attracted much attention from the international community due to its importance for regional and global stability and prosperity. Indeed countless initiatives were undertaken over the decades to bring the conflict to a conclusion, however one after the other the initiatives faced various obstacles that made their implementation rather difficult. As recent as June 2013, yet another initiative was rekindled by the Obama Administration under the supervision of US Secretary of State John Kerry. However the Kerry Initiative included within its framework a valuable feature that holds potential compared to many other initiatives conducted within the past decade: that was the regional envelope that appreciated the Israeli-Palestinian conflict in the broader picture of the whole Middle East region and its subsequent integration within the negotiations aimed at establishing not only peace between Israelis and Palestinians, but also peace and security for the region.

The Kerry Initiative is significantly based on the Arab Peace Initiative (API), which was presented by the Arab League promising normal relations with Israel if the latter withdrew from the Arab territories occupied during the 1967 Six Day War, and if it came to a solution- concerning the Palestinian refugees agreed- with the Palestinian leadership. All the 57 Arab League member states and Islamic states represented in the Organization of Islamic Cooperation (OIC) endorsed the API though Israel until present day has refrained from giving an official response to the incredible offer represented by the API-gesture of the Arab world.

However, the Kerry Initiative adopted the concept of the regional envelope as a reminder of the 1991 Madrid talks which were likewise operated in multi-lateral fashion involving Israel and its neighboring countries. These regional talks testified to the fact that due to the countries' intertwined links in geography, economy, and future, it was better to approach the search for a solution in a collective manner in which each country's needs would serve the region's interest. More than a decade later, the Kerry Initiative resuscitated the notion of a regional envelope based on the API. The negotiations occurring as of January 2014 involve the participation of the Arab League and the API Follow-Up Committee that include Arab countries such as Egypt, Qatar, and Jordan which has asserted its own security and prosperity within the solution of the Israeli-Palestinian conflict. The involvement of the region's players has given more impetus to the current negotiations' ultimate goal.

These policy papers, prepared by the Center for Democracy & Community Development (CDCD), are an in-depth study of the role, contribution, and aptitude offered by the regional envelope. From its base in Jerusalem, the CDCD

has for the past 7 years- since 2007- actively promoted the chance extended by the API and its acceptance by not only the political echelons of the region, but also by the societies that will engage each other under circumstances of mutual recognition, understanding, and advantage. In its capacity, the CDCD build a far-reaching network spanning the globe that has within its ranks academics, politicians, former politicians, civil societies, and business men from not only Israeli and Palestinian backgrounds, but also from every country in the Middle East and even from the core of Europe and the West. And certainly the expanding of the API network continues day by day with constant communication with local, regional, and global civil societies, politicians, and also diplomatic missions that have invested their energies into resolving the conflict.

Solidifying its status as the prime address for the API in the civil society arena, the CDCD is proud to expound comprehensive research relating to the regional envelope and the API. Each article within this booklet formulates ideas that bear with fresh exceptional caliber. The CDCD conducted its work with their partners: the Negev Institute for Strategies of Peace & Development based in Beer Sheba, and the IKVPax Christi based in Amsterdam. Accompanied with a new partner, the United Religions Initiative based in Amman, the CDCD will focus on furthering the crucial application of comprehensive peace as an essential need for all the region, including within each country and between the regions' countries.

This publication includes several policy papers about respective roles to be assumed by countries whom yield significant influence and transnational institutions that have vested weight in the region. Naturally the elemental role of the US is analyzed in detail and recommendations offered to enhance the effectiveness of it. Similar methodology has been tasked with the examination of the Quartet's

role. In the first section, Walid Salem & Nimrod Novik shed inclusive light on these issues of the US and the Quartet by also laying out alternative plans to compliment the current negotiations.

But of course for any negotiations to have a semblance of success, a supplementary track that provides accompanying courses of action running parallel to it. This is accomplished in section two by Walid Salem with the assistance of Miles Mabray as they configure the means of creating a Palestinian capital in Jerusalem.

Subsequently, Scott Rattner scrutinizes the status and stance of the Palestinian refugees in Lebanon vis-à-vis a comprehensive peace based on a regional envelope. His paper delves into the improvement that can be achieved regarding the refugee issues and Lebanon's own standing strategic needs that can be accommodated with a regional framework.

Following the theme of permanent status issues between Israelis and Palestinians, Cate Bush and Walid Salem dissect the current socio-political situation in Gaza, its functions in the negotiations, and guidelines that will progress the conditions there to bring forth a sustainable stability for a framework of peace.

Next Laura Petrack outlines specific recommendations meant for the regional countries and global players involved in the Middle East, and how with their joined efforts would succeed in a comprehensive framework of regional peace and security. Successively, Jannie Kuik and Apo Sahagian tackle the EU's role furthermore in highlighting resolutions and stances upheld by the EU and how its role can be of immense importance in advancing the negotiations forwards and simultaneously assisting the situation on the ground by acting on its resolutions and commitments.

While it is demandingly necessary to read and understand the policies in their entirety, the main recommendations concluded by these policy papers are as follows:

Israel must officially respond to the API offer of the Arab League and appreciate the historic potential it can bestow on not only Israel's security and prosperity, but to also the entire region's security, prosperity, and ultimate peace. On the other hand, the realization of a truly independent Palestinian state alongside Israel will further enhance the viability and future of Israel and its incorporation into the region when it will no longer need to perceive its neighbors in suspicion and threats. And as the Kerry Initiative states, Israel should allow an economic building of Palestinian statehood including lifting all the restrictions on the Palestinian Economy including Area C, East Jerusalem, rebuilding Gaza strip and creating the link between West Bank and Gaza.

Palestinians must methodically integrate developmental dimension into their non-violent struggle. By using the opportunity presented by the Kerry Initiative, they must build a Palestinian Statehood in a bottom up approach must be embarked, regardless of the status of negotiation and establish link between Area C, East Jerusalem and Gaza. Simultaneously, engaging with the Israeli public should be considered so that the upper governmental echelons of Israel can take heed of the wave of support for peace.

Jordan can play an essential role in security matters relating with Israel and Palestine. It can help the Israeli and Palestinian to create a security strategy and agreement for the Jordan Valley, also by security arrangements from the Jordanian side. Being one of the two states (with Egypt) that were delegated to communicate the Arab peace initiative (API) by the Arab League, Jordan should keep communication the initiative and should have a plan for systematic actions, while also actively help to keep the region peaceful making sure that both sides are secure and motivate the other Arab and Islamic countries to have normal relations with Israel once it has withdrawn from the Palestinian and Arab territories occupied in 1967 as the API states. In the economic sphere, Jordan should

encourage Israelis to remove the restrictions on Palestinian economy; encourage in- and export of goods to and from Jordan and via Jordan to the other Arab countries and to the other world countries; and if Israel accepts the API trilateral mega economic projects can be developed between Jordan, Israel and Palestine.

As for Egypt, it should use its peaceful relations with Israel to help with developing security arrangements between Gaza, Israel and Egypt including providing trilateral arrangements in this regard. Similar to Jordan, Egypt is one of the two states that were delegated to communicate the Arab peace initiative (API) by the Arab League. So they should keep communicating the initiative and develop a plan for systematic action. Moreover, for the betterment of Egypt's stability, Egypt must think of improving Gaza's economy as part of a neighboring country and opening the border crossing for transferring resources and goods; and encourage Israelis to remove the restrictions on Palestinian economy and encourage in- and export of goods from and to Egypt with Palestinian people.

For the case of Lebanon, there must be means of formalizing and institutionalizing a relationship between the Lebanese and the Palestinian refugees there based on symmetry of rights, responsibilities, and improving the living conditions of the Palestinian camp and non-camp residents. The Lebanese state and the PLO must therefore formalize their relationship, preferably through a specialized body in the PLO (see section below for further details) dedicated to the Palestinians in Lebanon. Optimally, such a reinvigorated relationship between the two sides would include working with the United Nations Reliefs and Works Agency to improve service provision (particularly with regard to education and reconstruction of the overcrowded and dilapidated refugee camps) and ensure their orderly administration. Only through strengthening the presence of the PLO and their interaction with Palestinian actors and organizations in the camps can material accomplishments be

made and assurances given to the Lebanese people that they will not be expected to bear the social and financial costs of Palestinian resettlement

Saudi Arabia must utilize its regional and global position to on one hand define their responsibilities to support the Palestinians and provide incentives to Israel via back channels, and on the other hand play an essential role in moving the process of peace forward through its role in the G20, OIC, Arab League and in the API follow up committee.

Using its position as head of the API follow up committee Qatar can actively work on ideas how the two state solution can be achieved peacefully. Furthermore its position in the Arab League can be used to present achievements made by the API follow up committee work.

The Arab League should first and foremost maintain the offer of the API on the table while addressing Israel directly via media campaigns. Additionally, it should work together with the EU, BRICS, OIC, nonaligned countries, African Union and other international bodies to present a more united position towards the negotiations which would drive for consensual and reasonable solutions. The Arab League should promote the fact that if Israel accepts the API that economic cooperation will come into existence in the whole region and therefore create a stronger economy in the whole Middle East.

The API Follow-Up Committee should offer incentives to both parties if API is accepted and develop a grand plan to build the Palestinian economy and create normal relations between the Arab countries and Israel. And due to Qatar's headship in the committee, it can host track 2 and track 1, 5 back channel meetings as parallel to official channels to fasten progress.

Serving as one of the more crucial pillars of the international community's involvement in the region, the Quartet can support to Kerry Initiative to develop peace between the two sides including by giving feedback and creating a process of regular meetings in order to insure a participatory decision making process. And by also developing permanent contact with LAS (League of Arab States), Israel and OIC and other international bodies in order to broaden the process of participation for finding Israeli- Palestinian peace. The Quartet should also encourage the other regional and international countries and the private sector worldwide to take the responsibilities on supporting and investing in the Palestinian economy.

The UN should alert the international community that status quo is unacceptable. Help with communicating the API to Israel and initiate more open talks to Israeli officials. Active pushing for Resolutions 242 and 338 is needed. And the UN should create a new UN resolution that includes mechanisms for the API implementation towards a Middle East comprehensive peace draft. Playing an active role in the Quartet by providing suggestions and feedback to move the Palestinian Israeli negotiation forwards, and by following the implementation of the international community programs of building the Palestinian statehood.

The EU should support the current negotiations by ongoing support for state building in Palestine. This state building should also concentrate on East Jerusalem and C-areas. Next, the Eu should explore what its own strategic interest are in order to build its own credibility (based on commitment to human rights, rule of law and non-recognition of legal violations) in the case of a peace deal. Given the changes in the Middle East, the EU should actively promote a common civil peace building agenda in the Middle East based on the Arab Peace Initiative and the eventual outcomes of the current peace negotiation. The new ENP Civil Society Facility and

the new Eastern and Southern Endowment for Democracy should focus on peace and democracy. The EU should look for ways to officially involve the regional players in the ME into a multi lateral framework dealing with conflict resolution mechanisms.

With its long history of mediating between Israel and the Arab world, the US must alert the international community that the status quo is unsustainable. To that end, it must stress the API to the Israeli public and political arena on one hand, and engage the Arab world in the negotiations on the other. To compliment potential success, they must utilize their wide influence to neutralize any spoilers, while supporting the development and sustainability of a Palestinian Statehood financially and linking Gaza, East Jerusalem and Area C to the West Bank.

All these aforementioned recommendations highlight the crux of what roles must be adopted by the global and regional players to achieve sustainable regional peace and security. Of course, the booklet will emphasize with greater details and even more policies that resound in their efficiency and applicability.

The CDCD and its partners is dedicated to a better future that will hold peace and security for the coming generations that will call the Middle East their home.

*1: Providing a Regional
Envelope of Support for the
Peace Process*



Section 1: Providing a Regional Envelope of Support for the Peace Process

A Proposal to Assist Secretary Kerry and the
Israeli-Palestinian Negotiations

by

Walid Salem & Nimrod Novik with Miles Mabray

This proposal is the result of multiple discussions, conferences, workshops, and papers that have been conducted and written in the past few years of the peace process. The inspiration for this proposal came from discussions that took place over the course of three days (August 15–18) in a European capital among approximately fifty politicians, ex-politicians, and civil society actors from the United States, Europe, Israel, Palestine, and several Arab and other Muslim countries, regarding the possibility of creating a regional envelope to reinforce the initiative of U.S. Secretary of State John Kerry for Israeli-Palestinian negotiations. This proposal explains and outlines the construction, implementation, and promotion of a regional envelope of support for the peace process.

SUMMARY

This proposal is the result of multiple discussions, conferences, workshops, and papers that have been conducted and written in the past few years of the peace process. The inspiration for this proposal came from discussions that took place over the course of three days (August 15–18) in a European capital among approximately fifty politicians, ex-politicians, and civil society actors from the United States, Europe, Israel, Palestine, and several Arab and other Muslim countries, regarding the possibility of creating a regional envelope to reinforce the initiative of U.S. Secretary of State John Kerry for Israeli-Palestinian negotiations. This proposal explains and outlines the construction, implementation, and promotion of a regional envelope of support for the peace process.

The political issue, which has traditionally been at the forefront in negotiations, must not be pursued in isolation. We must also address issues of economy and security for both Palestinians and Israelis. To bring about a successful conclusion, Secretary Kerry has initiated three tracks to be pursued concurrently throughout the process:

- 1) Permanent status negotiations, which serve as the core of the process;
- 2) Security requirements for both sides; and
- 3) Economic development in order to build the economic structure of the Palestinian Statehood.

The regional envelope of support will serve as a fourth track and it designed to reinforce the other three. Here, the United States and the Quartet are to engage Arab states (and possibly Turkey) in a set of structured tasks aimed at providing this Arab (or Regional) Support Group with a stake in the process and in engaging them in supporting the Palestinian leadership and giving incentives to Israel.

While work done on the peace process has assumed that progress toward peace is essential and achievable, it is important to point out and consider the high cost of failure to all involved—in the region and beyond. All efforts should be made to avoid such an outcome. Consequently, this proposal includes suggestions for enhancing prospects for the success of Secretary Kerry’s initiative and for alternative ways to achieve a comprehensive permanent status agreement if the nine-month timetable is not met. In addition to exploring alternatives, potential barriers to an agreement along with a discussion of their likelihood, are outlined.

Suggestions for the construction of multilateral working groups to follow up on the peace process, using the Arab Peace Initiative (API) as a guide and as a deal for comprehensive solution, are also presented. The recommended actions and issues for consideration are made in the spirit of helping the negotiations progress productively and improve the Israeli-Palestinian situation by having a two-state solution implemented on the ground. These actions should be conducted during the negotiations so that both sides can bear the fruits of peace not only after the negotiations are concluded, but also *during* the negotiation process itself.

The core idea of this proposal is as follows:

The United States is to galvanize the Arab League API Follow-up Committee (possibly with the addition of Turkey), into a peace process Regional Support Group (RSG). Structured somewhat like

the Quartet, and acting in concert with it. The objectives of the RSG are as follows:

- Provide its members with a stake in the process;
- Mobilize their political support to enhance the Palestinian negotiating position (much as they endorsed the swap in Washington and entered negotiations in Amman when meeting Secretary Kerry and the Palestinian delegation respectively);
- Mobilize their financial resources to expedite Palestinian state building and infrastructure development (building in the West Bank, Gaza Strip, and East Jerusalem);
- Use their political skill for outreach to the Israeli public to mobilize its support for the process;
- Utilize their political influence and financial investments in Gaza and elsewhere to neutralize potential spoilers.

Some innovative ways for the RSG to make a “game changing” contribution include: inviting President Shimon Peres to visit the Arab League as a delegate, speaking on behalf of the Israeli government and with their approval, to give the Israelis positive response to the API; or asking King Abdullah of Saudi Arabia to address the Israeli society through the media; and other actions along similar lines.

THE U.S. AND QUARTET ROLES IN THE NEGOTIATIONS

The United States and the Quartet are urged to act not only as facilitators, but also to play an active and pre-emptive role in the negotiation process. While the exclusive role of the US as the chairperson of bilateral negotiations should be strictly preserved, the United States and the Quartet are encouraged to use the API to move

the peace process forward since the API provides a basis for the development of a regional envelope of support. The API represents a significant contribution to the peace process, such as the Arab League's agreement to move from 1948 to 1967 borders as the negotiated basis for accepted boundaries of a Palestinian state or the promise of full normal relations once a comprehensive peace is attained.

In order to reach an agreement in the nine-month timetable, the United States, Israel, Palestine, the RSG and the Quartet, the European Union, as well as other members of the international community need to pursue the peace negotiations and the building of Palestinian statehood both concurrently and on a fast track. No long interruptions in either state-building or the negotiations should be tolerated. The building of Palestinian statehood should involve improvement in economic conditions in Gaza, East Jerusalem, and Area C, via the lifting of restrictions that prevent this from happening – GOI steps to ease AAM and expedite project processing, and PA steps to assure an efficient and transparent legislative and regulatory environment.

Peace Process:

An Active Role for the United States

In order to succeed, the United States is urged to play a very active role in negotiations by attending as many of the negotiating sessions as possible. Accepting one side's "no" on this seemingly procedural issue has substantive consequences and does not convey the resolve required for successful negotiations.

In this active role, the United States is also urged to help identify the moments for tabling bridging proposals.

These should include a new guiding principle whereby "whatever intermediary agreements are made will be implemented and pursued" provided they do not emerge as a substitute for continued, uninterrupted progress toward the ultimate objective of a Permanent Status Agreement.

Given the associated cost in the Palestinian-Israeli context, in the region and beyond, the United States must not accept failure as an option. Progress must be made—preferably in a comprehensive way, but via lesser steps if needed—until the objective of a two-state solution on the basis of the 1967 borders, with agreed modifications, and two capitals in Jerusalem, is achieved.

Four Tracks of Diplomacy

In order to improve the Israeli-Palestinian situation and enhance prospects for an overall agreement, the U.S. is urged to design and assign specific tasks for the Arab/Regional Support Group in support of Secretary Kerry's three-track process (permanent status negotiations, security requirements, and economic development). These tasks must be planned, implemented, and evaluated on any of the common four diplomatic tracks: 1, 1.5, 2, and 3 as applicable.

Tracks 1.5 and 2.0 are extremely important, because they employ ex-politicians and civil society actors who have a wealth of knowledge and experience, and its informal, deniable nature allows for the raising of ideas and for "out of the box" thinking that is not characteristic of Track I deliberations.

Inclusion of Track 3, primarily its regional dimensions, is necessary because it serves to check potential spoilers by integrating extremists and marginalized groups to give them a voice in the process. At the very least, inclusion of these groups can neutralize efforts to disrupt and spoil negotiations.

The inclusion of each of these diplomatic tracks and their respective actors will be essential for implementation of the current negotiations. These diplomatic tracks support the economic and security elements of Secretary Kerry's initiative, as well as the implementation of any Plan B if and when required.

All of these tracks can also provide the negotiators with public support for the negotiation process. They can also provide support and ideas to move the peace process forward. It is essential that these four tracks operate in a multilateral framework of cooperation within the regional envelope of support.

No Unilateralism

During the negotiations, the United States is urged to insist that both the Israelis and Palestinians avoid any unilateral actions during the negotiations and strictly adhere to the protocols of current negotiations and previous agreements, understandings, and undertakings in this regard.

Israel

The United States needs to urge Israel to lift restrictions on investment by the international private sector in Palestine, specifically in Area C and East Jerusalem, to allow for economic development and to control the spoilers from within Israeli society.

Previous Agreements

The United States, Israel, and Palestine are urged to implement previous agreements reached during past peace negotiations; for example, implementing the Wye River agreement involving

redeployments in Areas A, B, and C; and revisiting the Paris Protocol.

The Arab League

The U.S. must encourage the Arab League to continue its support of the negotiations. Arab countries are in an important position to provide support to Palestinians to move forward in negotiations regarding permanent status issues, and at the same time provide incentives to Israel. The assistance of Secretary General Nabil El-Araby, his assistants, the Arab League parliament, and the API Follow-Up Committee, will be essential in providing regional support for the peace process.

The Gulf countries also have the ability to provide assistance in terms of economic development and financial support. Secretary Kerry has suggested that monetary aid of \$US 4 billion is needed to significantly improve Palestinian state building and infrastructure development. The Gulf countries can help reinforce confidence in the process by making this objective a reality, transforming economic conditions in Area C, East Jerusalem, and Gaza.

Additionally, the twenty-two members of the League, eight of whom have shared different levels of diplomatic relations with Israel in the past, are urged to leverage their diplomatic capital to support the negotiations and to assist all sides in reaching a resolution.

While Tracks 1.5 and 2 can prepare the agenda for this process, it is only in Track 1—through U.S. diplomatic leadership—that the 'zipper' of Israeli and Arab League constructive steps can be orchestrated.

API Follow-Up Committee and the Organization of Islamic Cooperation

It is recommended that the API Follow-up Committee, currently chaired by Qatar, open an API office in Ramallah in order to play an active role during and after the negotiations. Having an office locally would allow the committee chair to more effectively follow up on the API and to intervene, if necessary, in the event of a crisis in the negotiations or implementation of agreements.

The Organization of Islamic Cooperation (OIC) also has an important supporting role to play in the peace process. The support of OIC Secretary General Ekmeleddin Ihsanoglu and the countries of Turkey, Malaysia, and Indonesia will be invaluable in moving the peace process forward.

Jordan

Jordan has the interest and opportunity to not only support negotiations but also to play a security role in the Jordanian side of the Jordan Valley.

Jordan also has the opportunity to play a positive role in relation to the Islamic holy places in East Jerusalem.

Further, Jordan can play a role in reviving the 1995 Quartet committee composed of Israel, Palestine, Egypt, and Jordan regarding the 1967 displaced persons, which looked for modalities of return for these persons to the West Bank and East Jerusalem from 1995-1997.

Jordan can also be in close contact with President Abu Mazen and the Palestinian negotiators to provide consultation on any and all negotiation issues.

Borders on the Gaza Strip and Egypt

The United States is in a position to encourage improvement of security on the borders of Egypt and Gaza. Egypt has an important role to play in this area by re-opening the Rafah crossing permanently in coordination with the PA. Reciprocal to this, Israel should lift restrictions imposed on Gaza strip and the freedom of access of individuals and goods.

The US should undertake the responsibility for coordinating these efforts among the PA, GOE, GOI, and (based on PA consent and via Egyptian good offices) Hamas.

Further, Egypt can play a supporting role with the Palestinian negotiators on the 1967 Displaced Persons Committee mentioned above.

Multilateral Working Groups

The multilateral working groups of the Madrid Process of 1991 could be revived and revised as a parallel additional track that will help move the Palestinian-Israeli peace process, and Palestinian state building, forward. In conjunction with support from the OIC, these multilateral groups, adopted in a revised fashion from the Madrid process, could work on the broader context of the five important elements that are at the core of Secretary Kerry's tri-faceted initiative. These elements are refugees, environment, water, economic development, and security/arms control, and others such as the issue of Jerusalem. Ad-hoc groups can replace these working groups if necessary in order to improve efficiency, such as one regarding Jerusalem and another concerning Human Rights, without being alternatives to bilateral negotiations.

ALTERNATIVE PLANS

Option 1: Statehood

If no agreement is reached after nine months, the second phase of Secretary Kerry's efforts could include encouraging Israel, Palestine, and the United States to approach the UN Security Council to recognize Palestinian statehood on the basis of the 1967 borders with agreed-upon modifications, and providing for two capitals for the two states in Jerusalem then the negotiations will be continued between the two states.

Option 2: Re-Initiate Negotiations

If no agreement is reached in Secretary Kerry's nine-month timetable, after taking a brief two-week break, the parties should be invited to reconvene for a second phase of negotiations based on the progress achieved in the first set of negotiations, so the parties will not be starting from scratch.

It is recommended that these renewed negotiations be based on the API, and approached in conjunction with the pursuit of establishing Palestinian statehood on the ground.

Transitional Actions

Actions that need to be taken during negotiations include 1) the transfer of land from area C to areas A and B and allowing the building of Palestinian economic and social presence in East Jerusalem; 2) increasing freedom of movement among the Palestinian areas of the West Bank, East Jerusalem, and Gaza; and 3) pursuing international investments for economic development.

POTENTIAL BARRIERS TO AGREEMENT

Issues That Will Not Affect Negotiations

Intifada

Participants were not of one mind on this issue. Some felt that a third intifada is highly unlikely because the mood of the general population is not in favor of one. The Palestinian people realize that the cost of intifada may be higher than the cost of the current situation.

In the most densely populated regions among Palestinians, there is no incitement of intifada. The Israeli Army is outside of the densely populated areas, and therefore not directly inciting a reaction from the general population. Similarly, Israel has no presence inside the Gaza Strip.

There may be a slight possibility of an intifada against the Palestinian Authority in the West Bank because of their core failures to provide security and improve the economic situation of the people.

Others felt equally strongly that failed negotiations would trigger major waves of unrest. Whether dubbed a third intifada or not, it would reflect frustration and loss of hope and—like the first two—might be triggered by any incident. Those concerned with this eventuality see the possibility that unrest, which is likely to escalate into violence, may begin against either Israel or the PA, and will quickly engulf both.

Economic Boycott

East Jerusalem and Gaza need Israeli products, which makes a boycott impossible in these two areas. Gaza wants restrictions lifted

in order to import economic goods, which will be in the form of Israeli products, hence the impossibility of a boycott.

Issues That May Potentially Affect Negotiations

Clashes Between Israeli and Palestinian Forces

Clashes in Areas B and C may occur where the IDF has a presence. However, any dissension will most likely take the form of creative, non-violent acts that can be carried out by small groups. Such non-violent acts may include the creation of small villages, as was demonstrated in the Bab El Shams and Al Karama villages created near Jerusalem.

It is possible, but highly unlikely, that Palestinian security forces might decide not to cooperate with Israeli forces. This would result in a return of clashes between the two groups. This possibility is seen as highly improbable by some, yet highly likely by others.

East Jerusalem is also very tense and may be the source of some clashes.

Intifada in Gaza

There is a small possibility of an intifada against Hamas in the Gaza Strip, as evidenced by the Tamarod (Disobedience) group, which collected 20,000 signatures asking Hamas to leave. However, this is unlikely to happen because this group lacks the power to unseat Hamas.

Terrorist Acts

There was no consensus on this issue either. Some concluded that there is little to no possibility of terrorist acts because the PA has significantly damaged the infrastructure of terrorist groups and

reduced their arms capabilities, effectively incapacitating them. Others argued that absent an energetic peace process or in the wake of a failure, local frustration on the West Bank and/or renewed Hamas efforts may meet less than determined reactions from the PA security forces.

It was in this context that a minority of participants questioned the wisdom of leaving Hamas with no option but violence. Given their inability to deliver for their constituency economically, (or politically with the recent collapse of the Muslim Brother's regime in Egypt) and faced with a peace process from which they are excluded, their incentive to take up arms once again should be addressed by more than deterrence.

Israeli Settlements

There is a rise in the settler attacks on the Palestinians. According to the office of Coordination of Humanitarian Assistance to the Palestinian people (OCHA) records, these have reached the level of approximately sixty attacks per month. Their future attacks might affect badly on the negotiations.

*2: Contribution to Permanent
Status Issues Between
Palestinians and Israelis*



Jerusalem

Refugees – Lebanon

Security, Settlements, Borders, Water

Gaza

Creating a Palestinian Capital in Jerusalem

Strategies of Support and the Role of the
Regional Envelope in Secretary Kerry's
Negotiation Framework

by

Walid Salem & Miles Mabray

This policy paper suggests a number of potential approaches to resolving the contentious issue of Jerusalem and its division following successful peace negotiations. The suggestions included here are the result of numerous workshops, meetings, and conferences among local, regional, and international politicians, ex-politicians, and civil society actors. The approaches suggested below are presented within United States Secretary John Kerry's framework for the negotiation process focusing on three tracks: 1) permanent status negotiations, which serve as the core of the process; 2) security requirements for both Palestinians and Israelis; and 3) economic development to build the economic structure of Palestinian state. The approaches presented show how Secretary Kerry's three track process can be utilized most effectively to resolve the issue of Jerusalem, and how the regional envelope of support, acting as a fourth track which reinforces the other three, can be used and extended to the wider international community in order to provide additional solutions to the Jerusalem issue. This policy paper will present possibilities for actions both sides and the regional and international communities can take, on the ground in East Jerusalem, based on previous agreements, which will aid the negotiation process and help implement any changes agreed upon by both sides.

Introduction

Contributions from the international community based on experience in International diplomacy, politics, economics, and security, can play an important role in assisting the negotiation process as it proceeds. Changing notions of sovereignty across the world in the last few decades, such as the Benelux formula, the European Union, and the Arab league, can be used as important examples from which to proceed. Such formulas offer a range of possibilities and options for the re-ordering of state sovereignty and the construction of a new peace paradigm that respects the interests and needs of individuals, countries, and regions, while also respecting international law (1).

In addition to providing assistance in terms of international models and experience, the regional and international envelope of support must work at the local level with the PA and the Israeli government to provide expertise, advice, and incentives to bring NGOs and civil society organizations back to East Jerusalem. Civil society organizations in East Jerusalem have the responsibility to provide planning and management skills, to import international experience and expertise, and to provide education on various issues and many other important contributions outlined below. These incentives for locally operating organizations will contribute to community development, galvanize sovereignty, and help improve security, thereby strengthening the peace process proposed by Secretary Kerry.

Any successful conclusion of the peace process and the resolution of the Jerusalem issue will be best implemented and accepted if a number of issues are addressed. The topics covered in this paper review many of the same issues first

raised in the United Nations Resolution 181 regarding socio-economic, religious, municipal, and sovereignty aspects affecting the peaceful existence of Israelis and Palestinians in Jerusalem (2). The peace process, with support of the regional and international community, must build on resolution like 181 and other instruments of international law when addressing the various issues regarding Jerusalem. The topics covered in this paper, therefore include, inter alia, developmental considerations, potential paths for building sovereignty, exploration of negotiability, socio-economic and religious issues, and mechanisms for the provision of sufficient human and state security.

Sovereignty:

There are a number of themes on potential scenarios for dividing the sovereignty of Jerusalem. These main categories for sovereignty options are: 1) joint 2) shared 3) scattered (IPCRI (3) Plan, Clinton Parameters), and 4) divided (4). There are also multiple combination of these categories. For example, the option to treat the entire city as one aggregated space, as opposed to disaggregating the various neighborhoods and boroughs, adds even greater possible combinations of sovereignty structure. There is also a possibility to apply the concept of Functional Sovereignty, such as the United Nations Laws of the Seas Treaties of 1958, 1960, and 1982 (5).

The complexity that has hindered past agreements and caused them to falter must be addressed directly. The situation in Jerusalem and its place in the peace process becomes complex regarding only the question of territory in isolation from the other social, economic, and political aspects being discussed. It is therefore important, when attempting to solve the issue of sovereignty and territory in the midst of conflicting nationalisms, cultural and religious narratives, past failures, and a volatile history, that the peace process take advantage of every possible resource and every form of assistance from the regional and international community.

Settlements:

There are a number of challenges for a municipal structure in both the Old City, and Jerusalem as a whole, which have been made extremely contentious by the continuing policy of settlements and settlement expansion. The settlements in East Jerusalem represent a combination of land seized, expropriated, and managed for municipal, political, and security purposes on the national level. The settlements were built on the land of the 38 villages and their Palestinian inhabitants who were expelled in 1948 and built on the lands of East Jerusalem after 1967 in places such as French Hill, Ramot, Atarot Industrial Zone, East Talapot, Pisgat Ze'ev, Hizma, Shu'fat, Reches Shu'fat, Road 45, etc. Due to the selective allocation of municipal services, discrimination in planning and building due to politicized and militarized decision making with regard to planning and zoning regulations, housing demolitions, and asymmetric residency rights, the number of Jewish housing units has been steadily increasing while Palestinian housing development remains in a dire state (6). The municipal situation, including settlement activity in East Jerusalem since 1967, which has involved zoning restrictions, permit restrictions, expropriated land, lack demographic support, and disproportional spending of municipal revenue, are some of the most important areas that desperately need improvement (7).

Religion:

The "idiosyncrasy of Jerusalem" as such a contentious issue is due to it's navigation between three religious narratives and two national narratives all cohabitating the same area (8). While the religious protection of worshipers has been recognized internationally since the U.N. General Assembly Resolution 181 passed on November 29, 1947, there are still a number of problems, which must be solved in any peace agreement (9). Therefore, recognizing the importance of Jerusalem to the monotheistic religions of Judaism, Islam, and

Christianity, as well as political, economic, and security concerns, this paper points out the immense importance of including the regional countries and the international community in supporting a Jerusalem solution. The importance of the involvement and support of groups such as the Quartet, the Arab League, the Arab League API Follow-up Committee, the Organization of Islamic Cooperation, a Regional Support Group, and Israeli and Palestinian groups, cannot be understated.

The immense significance of the Old City to Jews, Christians, and Muslims, implies that it must be accessible to all three of these groups in any agreement reached. Administration and control of the Holy places, including those inside and outside the old city, must deal with practical details of public order, such as allowing other concerned parties access to the holy places, archaeology and tourism, preventing friction on a religious background, housing, infrastructure, electricity, security, monitoring and supervision. Therefore, the options for administration of the old city and holy places must also be taken into account.

Components of the conflict which must be addressed, specifically in the area of religion, within the three track framework of Secretary Kerry's Initiative are: 1) Geographic and Demographic Component 2) Religious Component 4) Legal Component: Ownership and Property 5) Institutional 6) Psychological Component (10). The options for addressing these components may fall in line with the sovereignty scenarios under which the whole of Jerusalem is placed, they may involve a combination of sovereignty scenarios, or they may involve the separation of the Old City agreement from that of the agreement on the rest of Jerusalem.

Negotiability:

It has been said that “while the negotiability of Jerusalem may be a necessary condition for lasting peace, successful negotiation may

depend heavily on the prior emergence of the hallmarks of peace” (11). This statement raises the need to examine the negotiability of Jerusalem in terms of an international framework. We must make the least negotiable issues more negotiable, and we must capitalize on those aspects of the issue which are already highly negotiable.

The concept of negotiability is something that must be taken into account by all parties involved in the peace process. The Concession Dilemma, which is apparent from the results of polling done among the Israeli and Palestinian population provides an important example of the importance of negotiability. The results of polling suggested that there is a very strong fear among Israeli-Jewish respondents that making a concession on Jerusalem would embolden the Palestinians to demand additional concessions. The authors of this study examining the Concession Dilemma conclude that this fear of concession contributes greatly to the reluctance and opposition to negotiating on Jerusalem in any way whatsoever. This reluctance points out the need not only to pay attention to the public's support of the negotiability of Jerusalem, but also to discover the mechanisms by which individuals find the issue non-negotiable. Repeated failures in previous negotiations have led the public to question the negotiability of the issue entirely. It is imperative that all parties to the negotiations explore new ways in which to approach the negotiations, not only to improve the negotiation process itself, but also to garner the support of the Israeli and Palestinian public. The regional and international supporting actors must assist both parties in exploring different approaches and structures for the peace process.

It is also important to distinguish between the concept of negotiability and the concept of peace. What is the interface between what a population considers possible in terms of the potential for peace and what they consider possible in terms of negotiability? Polls done among the Israeli and Palestinian population have shown that the public has very different views as to

the potential for peace and the possibility of successful negotiations. Belief in a lasting peace is shown to be much higher than belief in a successful negotiation process. This dichotomy must be explored and addressed in terms of differing public interests on these issues.

An example of addressing the dichotomy between negotiability and peace is evident in response to questions regarding the relative importance of specific aspects of Jerusalem (12). An important difference in public view has been shown regarding the issue of aggregation and disaggregation of Jerusalem. In “Negotiating Jerusalem,” the authors find that treating Jerusalem in its distinctive parts when determining the public’s opinion provides significantly different views on the relative importance of various aspects of the issue. Answers on the importance of Jerusalem are very polarized while answers regarding the importance of certain areas of Jerusalem shows great variation. Certain neighborhoods and boroughs, for example, are clearly less important to different groups, and therefore offer an important insight into the values and interests underlying individual answers. Thus, while there are many who may believe genuine peace is, possible, many of these same people do not believe certain issues are negotiable. The international and regional envelope of support must assist the Israelis and Palestinians in bridging this divide.

Strategies of Support

A point on impasse in all negotiations to the present has been the assumption that Jerusalem must be controlled by one sovereign nation with access to the holy places (13). As is evident by the geography of Jerusalem, the issue is not one of a homogenous city but of a fractured collection of Israeli and Palestinian neighborhoods, boroughs, villages, etc. that have differing levels of needs.

Therefore, the regional and international communities cannot simply solve the question of Jerusalem with outside intervention and regulation alone. There must be support and assistance from all sides, both domestically and abroad, in order to identify the most effective structure of sovereignty, which can provide the greatest benefits to both sides with as little cost as possible. The question of Jerusalem is not just about sovereignty and territory, ownership and national rights. Similar to the entire Israel/Palestine peace process, the question of Jerusalem is also over ownership, control, and recognition (14). Thus, in addition to questions of territorial and functional sovereignty, there are also questions over, personal, social, and religious sovereignty (15).

While the summary above has addressed a number of theoretical and practical aspects of the Jerusalem issue, the suggestions below are specific suggestions along the important issues outlined above. These suggestions have come from a number of workshops, conferences, and meetings during which the issue of Jerusalem was discussed and debated among bilateral and multilateral groups of individuals and diplomats, civil society and government organizations. These should be taken as representative of the current mindset of a large percentage of Palestinians and Israeli who strive for a successful two state resolution to the conflict. While these suggestions are viewed as the most viable at present, the goal of this policy paper is not to prescribe solutions but to outline a number of issues and options, which might serve as a starting point from which to proceed.

The goal of the policy suggestions below is to make Jerusalem an integral part of the negotiation process, along with all of the issues this entails. Mr. Robert Serry, the United Nations Special Coordinator of the Middle East Peace Process, has made it clear that Jerusalem is a key issue for the successful resolution to the conflict. He has pointed out that the issue of Jerusalem is not only a Palestinian and Israeli issue, but also one that is immensely

significant, both regionally and internationally. Therefore, issues such as the return and/or compensation of refugees, impact on Israeli settlements established within the borders of East Jerusalem, Palestinian villages and communities that will require changes in the negotiating agenda regarding the city. By following Secretary Kerry's framework, and by utilizing the advice of Mr. Robert Serry to develop both a regional and international envelope of support, we conclude that this negotiation policy will lead to improved living conditions for both sides and help contribute to a peaceful resolution to the conflict.

Political Track:

There are a number of preferred outcomes from the resolution of the Jerusalem issue. On the political level, these outcomes are divided below into three proposals offering alternative ideas on the main issues of security, borders, mobility, citizenship, holy sites, and property ownership.

The first option suggests that negotiations begin with the issue of borders as recognition of the existence of both states' existence and rights, respecting U.N. Resolution 67/158 of December 20, 2012 recognizing the right of the Palestinian people to self-determination. The second suggests a border resolution based on the Clinton Parameters from 2000, and the third suggests freedom of movement in a politically divided Jerusalem.

Option One: Using borders as a starting point for negotiations

Borders:

Since U.N. recognition of Palestine as a state in November of 2012, the argument for the existence of East Jerusalem as Palestinian land should no longer be an issue of contention. What now needs to be

discussed are appropriate borders for the Palestinian and Israeli capitals, which effectively solve the associated issues. Therefore, recognizing that East Jerusalem as a currently occupied territory, this option focuses on recognition of International Law, which calls for the establishment of the 1967 borders, at the six square kilometer size Jerusalem was comprised of in 1967. Since 1967, a large portion of Palestine has been annexed and is now included in the perceived boundaries of Jerusalem. We should therefore not discuss the issue of city itself, but rather discuss the issue of borders. This option is in full agreement with the tenets of the API.

Property Ownership:

This option recognizes full Palestinian sovereignty. It therefore presumes Israeli settlements in Palestinian territory, which are in clear violation of international law, be dismantled.

One issue of contention is that of property ownership of Jewish properties in East Jerusalem acquired before 1948. Examples include the Hebrew University and Hadassah Hospital on Mount Scopus; the Jewish quarter in the Old City, which has expanded well past its 1948 allocation of 5 dunams; and the issue of the Jewish cemetery, which was built on Islamic endowment property on the Mount of Olives.

Citizenship, Mobility, and Holy Sites:

The above suggestions for borders, security, and property ownership raise two important questions, among others, regarding issues of citizenship, mobility, and access to holy sites.

How will we determine Palestinian rights in West Jerusalem after the establishment of the two capitals?

How can we deal with the issues of closed borders, which offer security to both Israel and Palestine, in such a way as to maintain the freedom of access for the Jewish public to the Wailing Wall, freedom of access for the Muslims to the Islamic cemetery in Mamila in West Jerusalem, and also the freedom of Palestinians to visit their properties in West Jerusalem?

Option Two: using the Clinton Parameters and Geneva Initiative as a basis for resolution:

This solution suggests that the Clinton Parameters be used to preserve the character and placement of both Israelis and Palestinians in East Jerusalem. This would preserve and simplify issues of citizenship and property ownership, while complicating the system of security, affecting mobility and access to holy sites.

Borders:

This option goes in line with the Clinton Parameters that involve recognition and acceptance of Palestinian East Jerusalem communities as a part of Palestine and Israeli Settlement communities in East Jerusalem as a part of Israel. The rationale for this approach is based on the realization that if we begin arguing over the various issues associated with property ownership and mobility will complicate negotiations and not be effective. It is therefore suggested that both sides be realistic and accept the Clinton Parameters.

If the Clinton Parameters were accepted, both sides would have to agree on whether the Palestinian and Jewish neighborhoods would be accepted at their size in the year 2000, when the Parameters were originally suggested, or at their present size.

This solution would involve a departure from the Oslo Agreement's statement that Jerusalem as a contiguous whole be the basis for negotiations.

This solution does not follow the tenets of the API.

The Palestinians originally demanded the dismantlement of settlements in East Jerusalem.

Citizenship

While the Clinton Parameters did not specifically mention Palestinian rights however, this issue of citizenship needs to be explored by both sides. One option since Jerusalem is divided is for the Palestinians in to be given the option of simply gaining full Palestinian citizenship and rights in the new capital of East Jerusalem. Another option is for the Palestinian refugees from west Jerusalem to be given the option of returning to the properties they lost in 1948.

Option Three: Jerusalem physically united while politically divided into two capitals for two states

Borders:

This solution suggests that Jerusalem be politically divided into the two sovereign capitals of Palestine and Israel while allowing individuals to move freely between both capitals.

This option accords with the Oslo agreement as well as the API. This arrangement recognizes the right of 1967 displaced persons to return to East Jerusalem. It also suggests that the 1948 refugees be given the right to re-obtain their properties in West Jerusalem and/or to reach a financial settlement with Israel if they choose.

Citizenship:

This political division would involve the resolution of pre-1948 refugee issues of ownership. Refugees would be given the right to choose between return and compensation. Every individual refugee will have the choice between return and compensation. The Palestinians who have applied for Israeli citizenship would be given the option of choosing either Palestinian or Israeli citizenship.

This would require the enforcement of the rights of all citizens and residents of Jerusalem to live and reside freely in all the areas and locations in the city. It also calls for equal rights in the entire city for all its citizens without discrimination.

Holy Sites:

This solution involves complete freedom of access to religious and cultural sites of importance for the three monotheistic religions. However, special arrangements would be required in order to ensure that the Old City remain internally open while maintaining security outside the old city.

The Al-Buraq British Committee of 1929 resolution, which was accepted by the leadership of the Zionist movement and Palestinians, should be respected. These resolution states that no permanent structures be built on the square facing the Wailing Wall.

Such an arrangement would allow the monotheistic religious community free access, freedom, and rights without exclusion or prejudice of any kind.

Security Track:

The PA and Israel have experienced instances of cooperation in terms of security in the past. During past periods in the conflict the PA informed Israel about potential attacks which led to the seizure of weapons from Palestinian extremist groups. In addition, in 2007, the PA proved they could dismantle the infrastructure of terror in the West Bank. If they can be successful in the West Bank, they can be successful in East Jerusalem as well. Therefore, when the Israelis question the ability of Arab and Islamic forces in Al Aqsa Mosque to protect the security of the Jews praying at the Wailing Wall, it should be remembered that the PA is capable of providing this security. Along with the assistance electronic security capabilities, which can

be utilized by both sides, the security of the Old City can be also enhanced.

Option One Security: Using borders as a starting point for negotiations

The political sovereignty of each capital would also require that individuals be in possession of a visa in order to traverse the clear-cut borders between the Palestinian capital of East Jerusalem and the Israeli capital of West Jerusalem. Both Israel and Palestine will feel more secure knowing their borders are secure. This visa policy will require a system of checkpoints, on both the Palestinian and Israeli side of the border.

Option Two Security: using the Clinton Parameters as a basis for resolution:

Every citizen would need a visa in order to travel between the two countries and for entry into the Old City. These visas would need to include all citizens of both Palestine and Israel, including citizens of the West Bank and Gaza, as well as the Israeli citizens of West Jerusalem and the Settlement communities. The Old City would be an international zone in which all individuals can enjoy freedom of movement. The settlers who continue to reside in East Jerusalem will not need visas to go from East to West Jerusalem according to this option.

Option Three: Jerusalem as two capitals physically united while politically divided

This arrangement might or might not require a system of checkpoints between East and West Jerusalem. Such a system would need to be negotiated and agreed upon by both Israelis and Palestinians with input and support from the regional and international communities. These checkpoints would grant passage

to Jerusalem residents into the East Jerusalem capital of Palestine, and the West Jerusalem capital of Israel. Based on this option, there is a question as to how the security of both states and Jerusalem will be ensured in both the Palestinian and Israeli capitals. The establishment of checkpoints will need to be discussed in order to grant access to both the sovereign Palestinian and Israeli capitals for the citizens of the West Bank, Gaza, and Israel.

Economic track:

In order to lay the foundations for a Palestinian capital in Jerusalem the economy of the Jerusalemites, in addition to the West Bank and Gaza, must improve significantly. The rationale behind calling for the improvement and focus on an economic track stems from the need to produce tangible changes in the life of the people in order for them to begin to feel the fruits of peace. Such tangible benefits are good for the general population and therefore good for the negotiation process itself. However, these changes need to be implemented in conjunction with the political process. Political and economic improvements are not mutually exclusive but interrelated and complement each other. The improvements in economics and politics should not be sought as a means to sustain the lives of Palestinians under occupation, but to sustain a process of growth and prosperity in a regional context of freedom and cooperation.

The economic track should include methods for Israel to implement its commitments, according to the previous agreements in order to support a continuing presence of the Palestinian people in East Jerusalem, which called for freedom of access for individuals and goods to the city of East Jerusalem. These improvements should occur in conjunction with the implementation of the regional envelope including the Arab league commitments to Jerusalem, such as their decision during the Sirte Summit of March 2010 in Libya to allocate five hundred million dollars to Jerusalem, and in the Doha

Summit of March 2013 to allocate one billion for Jerusalem. Additionally, the international envelope must support the economic improvements, with contributions such as budget allocations, to allow the private sector needs to initiate plans for the development of East Jerusalem. These plans should include both large investments and micro-projects that are mainly community-based in order to support community development.

Below are a number of suggestions, covering specific economic measures, and suggestions for social and political improvements, that will establish the basis for a Palestinian run municipal structure in East Jerusalem. These measures need to be initiated and implemented during the negotiations so that both the Palestinian and Israel people experience tangible improvements as early as possible. The daily situation of Palestinians in East Jerusalem is not easy. It is recommended that Jerusalemites work on a strategy for steadfastness to support and sustain their presence in the future Palestinian capital. This support will need to come from every direction, including the creation of a solidarity between Palestinian familial, tribal, and village relations.

As a starting point for economic improvement, providing financial support, and rebuilding municipal structure, businesses in East Jerusalem must re-open to accommodate the needs of the present population, and to prepare for the return of any 1967 displaced persons who choose to return to East Jerusalem. In order for businesses to function properly there must be increased freedom of movement between WB, Gaza strip, and E.J. for goods and people.

The large number of institutions and NGOs who were forced to close by Israeli authorities and leave Jerusalem should be given the opportunity to re-open and to return voluntarily and given incentives if necessary. This can lead to the building of a non-official civil society leadership in East Jerusalem. The NGOs should be allowed to re-open based on the letter of Shimon Peres (then Israel's Minister

of Foreign Affairs) to Yohan Holst of Norway in which Mr. Peres clearly stated that the Israeli government would not close any Palestinian institutions in East Jerusalem. The continued restrictions of these institutions is a clear violation of this letter and indicates that they be allowed to re-open immediately.

There has also been little action from Palestinian political factions in East Jerusalem. We need to revive the Palestinian National Movement focusing on political issues as well as social issues so these factions can do their part to help provide tangible benefits to the people.

Establishment of an Interim East Jerusalem Administration:

During the negotiations, the communities of East Jerusalem need to establish an interim administration that will function as a Palestinian Municipality. The current situation, having the Palestinians in East Jerusalem pay taxes to the Israeli Municipality, has not led to the basic maintenance of municipal services in areas such as housing, education, health care, or maintenance of roads and sewage systems. Data from numerous reports, such as the EU Final report of December 2012 Entitled “Private Sector and Economic Development in East Jerusalem,” that the Israeli municipality disproportionately favors West Jerusalem when distributing funding and services. This report provides extensive information on the poor economic and business sectors in East Jerusalem (16).

This paper therefore recommends that an interim administration be established to provide necessary services to the Palestinians of East Jerusalem, to lay the groundwork for a functioning and prosperous municipal system in the future, and to show both Palestinians and Israelis that the existence of a Palestinian capital in Jerusalem is

both feasible and beneficial. Both the interim Palestinian Municipality established during negotiations, and the permanent Municipality established after negotiations must be comprised of leaders elected by the Palestinian community itself. This representative municipal structure must include all basic services, from day to day infrastructure and sanitation, to the police services and legal system.

This East Jerusalem Administration will require opening an office with lawyers, planners, and financing experts to set up and maintain the interim municipal system. This municipal system will include a Palestinian Chamber of Commerce, professional organizations, a judiciary system and Palestinian civil police, a health authority, and an educational board. The municipal office will require the creation of a bank account into which the Administration can deposit tax money paid to them by the inhabitants of East Jerusalem. The regional and international envelopes of support, including the Quartet, the Arab League, the Arab League API Follow-up Committee, the Organization of Islamic Cooperation, a Regional Support Group, and Israeli and Palestinian groups, can provide support to the Palestinian people by channeling funding through the Administration office to be used to municipal services.

It is important that a tax fund be created through contributions from Jerusalemites, as well as other sources of aid, in a manner such that everyone who contributes has an equal share to use for financing development projects.

It lieu of such an Administration, another option for the financial support of Jerusalemites is to set up a company that can act as the institution which will provide the capital support for a Jerusalemite fund, mentioned above. This company can have administrative representation sensitive to Jerusalemites issues, which can function as an informal municipality.

Closely related to the East Jerusalem Administration is the need to create a new Palestinian leadership, as suggested in the three security track solutions above, which will pressure the PA for Palestinian rights. These leaders should have a stake in Jerusalem and believe in the cause of the Palestinian people. It is suggested that this leadership be elected from a Jerusalemite Lobby Conference. Since the current composition of representation in the Lobby Conference is not inclusive or representative of the population, we need a new leadership for Jerusalem to be elected.

The Social and Economic Needs of Jerusalemites

To address the economic needs of East Jerusalem it is recommended that, based on the current state of the private sector the PA Ministry of Planning and Administrative Development seek advice and assistance from the international and regional actors when developing their National Development Plan (NDP) for 2014-2016. The East Jerusalem Administration Office needs to coordinate the Kerry Plan with the Palestinian National Development Plan to create a synthesis of the two. Additionally, the Quartet office, led by Tony Blair, has developed a Palestinian Economic Initiative aimed to increase private sector investment in the most important economic sectors of Palestine. This Economic Initiative should also be pursued in East Jerusalem, along all eight suggested sectors of agriculture, construction, tourism, information and communication technology, light manufacturing, building materials, energy and water. The PA should thus utilize all available resources to address pressing social problems in East Jerusalem.

Additional support can come in forms similar to the agreements made by the Arabs in the Sirte conference in 2010, when regional groups allocated \$500 million dollars to Jerusalem; or during the Doha summit in March 2001 when regional groups decided to allocate \$1 billion to East Jerusalem. These kinds of allocations should find their way to implementation of tangible projects

supporting housing, health, education, and other necessary institutions.

Palestinians in East Jerusalem must demand their right to create a municipality run by leaders elected by the Palestinians themselves. The current situation for Jerusalemites need to use a Palestinian, rather than Israeli, courts and police services. Participants noted a strong need for intensive internal dialogue between Jerusalemites and the Israeli Palestinians in Jerusalem. There is a need frank open discussion to discuss the issue of the Palestinians in Israeli institutions being used as a tool against the Jerusalemites in the in E.J. We need to stop this from continuing.

Recommendations for Negotiations

The recommendations in this section come from a collection of discussions regarding the status of Jerusalem in the negotiations, under the 9-month timeline of the Kerry Initiative, include suggestions for the Arab world and the international community to support the negotiations and the Palestinian presence in East Jerusalem. These recommendations come with the recognition, as mentioned above in the introduction, that Jerusalem is important not only to Jerusalemites but also to all Palestinians, Muslims, and Christians around the world. Therefore, the approach should be comprehensive in a way that will keep human rights and security concerns at the forefront of all negotiation strategies, be inclusive to all relevant parties, and utilize both the regional and international envelope of support for the peace process.

In addition to the specific recommendation mentioned in this section, the Palestinian Negotiating Team is encouraged to consider *all* of the above recommendations and options as representative of the needs of East Jerusalem Palestinians.

Recommendations for the Palestinian Negotiator:

Viewing Palestine as a State:

It is important to approach negotiations in a way that goes beyond the Oslo agreement's suggestions because Oslo was based on the future establishment of a Palestinian state. The negotiation strategy should change to reflect the United Nations' recognition of Palestinian statehood.

As suggested above, negotiations must reflect the need for economic development in the context of political change. Any agreement must have the end of illegal occupation as its main focus. The sovereignty, and international recognition of this sovereignty, for both the Palestinian and Israeli state, must be recognized both domestically, regionally, and internationally.

Specific Strategies Suggestions:

Secretary Kerry has stated the importance of using the API as a starting point for negotiations. Based on this approach, it is recommended that negotiations begin with recognition of the sovereignty of East Jerusalem and the withdrawal of Israeli forces from the territories occupied after 1967, as stated in U.N. Resolution 242.

The Palestinians need to pick a different starting point for the negotiations. Since the U.N. has recognized Palestine as a state, it is no longer an area under dispute. We need to negotiate as a state against the state of Israel. We need to take, as a beginning, the approach of Moshe Shertouk, the Israeli Minister of Foreign Affairs, in his letter to the U.N. in 1948 to ask for recognition of Israel. He confirmed that the borders of Israel are those decided on in U.N. Resolution 181. Therefore, the areas under dispute between

Palestine and the Israelis are not the 1967 territories, but those that Israel annexed beyond what was allocated to it in the U.N. Resolution 181. This is the general framework recommended for the negotiations.

The Need to Revive Jerusalemite Culture and Political Activities:

While Palestinians consider East Jerusalem as the political and cultural capital of Palestine, the city and its population have recently not been engaged in any cultural activities. The PA, civil society, political factions, and the public must encourage an increase in cultural activities and social events.

There also must be an increase in activity among the Palestinian media in East Jerusalem to publicize cultural events and to help communicate current events in East Jerusalem to the Palestinians residing in the West Bank and Gaza.

The PA must also have one unified position when it comes to public statements regarding the negotiations. The Palestinian public must know that its leadership is united in representing their interests during the negotiation process. Failure to convey this confidence in the PA will encourage dissension and unrest.

Recommendations for the Israeli Government

The Israeli government should realize the importance of allowing the Jerusalem to take a prominent position in the peace negotiation process.

The Israeli government must take action to promote tangible changes that take place on the ground, both during and after negotiations. These actions, as noted above, should be based on

previous agreements and should inform the approach to current peace negotiations.

During the Negotiations: the Israeli government can allow Palestinian Institutions to re-open based on the letter of Shimon Peres to Johan Holst (Minister of Foreign Affairs to Norway, 1994) committing the Israelis to keeping the Palestinian institutions open.

The Israeli government can also allow freedom of movement and access for individuals and goods into and out of Jerusalem, for economic, social, and religious reasons. Closely related to this issue is the Israeli government's ability to allow family re-unification in such a way that 1967 displaced persons are allowed to go back to East Jerusalem.

Recommendations for Mr. Kerry and Quartet:

Secretary Kerry needs to present Jerusalem as an important issue in the negotiations, which should not be postponed to be discussed at a later date. He needs to develop a time-frame and benchmarks to discuss and reach an agreement on the issue of Jerusalem. He needs to follow and expand upon the Arab and Islamic envelope for their support and commitments to improving the situation in East Jerusalem. He can also urge the Israeli government to implement its commitments in East Jerusalem based on the previous agreements between the two sides.

Secretary Kerry can encourage funding and investments for projects in Jerusalem by supporting cooperation between the private sector the Quartet Office in Jerusalem.

Secretary Kerry can encourage the international community and civil society to implement more projects in the city to support community economic and political development.

Secretary Kerry can help to bring Israelis and Palestinians together in such a way as to promote understanding and cooperation between equals. He can help the Israeli government and people understand that the Palestinians do not want to boycott the Israelis but want to create understanding and cooperation with them.

Recommendations to the Arab and Islamic Countries:

The regional Arab community should support the negotiation position of the Palestinians by working in conjunction with the Palestinian leadership of East Jerusalem.

The Arab and Islamic countries should present incentives to Israel with diplomatic and economic relations based on progress in the peace process regarding Jerusalem, in addition to the other important negotiation issues.

The Arab community should develop mega projects and investments in Jerusalem, including bringing in the money agreed to be allocated by the Arab summits to be used for development in the city.

Jordan can also play an important role in assisting the peace process. For example, based on the agreement between King Abdullah and President Abu Mazen on Mach 31st 2013, Jordan can help administer the Islamic locations in East Jerusalem.

Conclusion:

The above proposals outline important steps in the process of establishing borders, security, property ownership, citizenship, mobility, and access to holy sites, among other important issues. Israel will be forced to deal with all of these issues during and after

negotiations and the proposals outlined above provide an important starting point from which to engage in discussion on their resolution.

A number of suggested approaches and potential solutions to the Jerusalem Issue have been proposed over the years. An important approach, which allows for revision and adjustment during the negotiation process, is one in which takes into account the vision each side has for the future, practical considerations regarding scenarios and strategies, as well as conflict management tools which will improve the effectiveness of the peace process (17). The elements of such an approach might include: 1) constructing a shared vision for Jerusalem 2) reconciling what is desired with what is possible 3) choosing scenarios from which to work toward the shared vision 4) ensuring there is movement between the scenarios 5) creating strategies of intervention.

We must stop focusing only on the positions of both sides and begin addressing the underlying interests. Study shows that there is a very important difference regarding which aspects of Jerusalem Israelis and Palestinians consider as importance. The comparative importance of a given issue in the negotiations on Jerusalem therefore provides an important zone of potential agreement where none may have been noticed before. In order to reach a successful conclusion of a peace agreement, which includes territorial division of the city, it is important for civil society and the regional and international community to provide support to the peace process in both the Israeli and Palestinian side. All strategies of conflict resolution, such as those mentioned above for preventing escalation, and managing and transforming the conflicting interests, must be pursued in tandem (18).

The resolution of the Jerusalem question, if it is to be successful, must address the process through which resolution will proceed. It is not enough to come up with a plan that takes us from the present situation into an agreed upon future. We must examine the stages

through which the present situation will progress into the future situation.(19) Dissidents throughout the history of the peace process have been successful in disrupting negotiations and agreements. As is evident from the past, a final plan for peace is not what has been lacking. What every negotiation has failed to address adequately are the specific steps to go from one point to the next, while at the same time allowing for evaluation and restructuring of the agreement as necessary and appropriate.

An important aspect of the negotiations, which has not been fully explored, is incorporating a dynamic plan directly into the negotiation process. The process of conflict management and peacemaking is not a static process. The various individuals, organizations, and governments involved in these process are constantly evolving. A dynamic problem requires a dynamic solution.

Statistical evidence shows a correlation between those individuals who support the rights of the other side and who also support a genuine peace. Conversely, those individuals who do not support a genuine peace tend not to recognize the rights of the other side. The issue of Jerusalem is therefore not only a question of practical and theoretical issues surrounding economics, politics, and security, but also must address the symbolic importance of these. If the population on both sides has symbolic and tangible importance, any peace process and negotiated agreements must support both tangible and symbolic attributes.

The peace negotiations present an important opportunity to create an umbrella municipality structure that includes a development plan, which will improve relations, standards of living, and security for both sides. Elected committees, serving the Palestinians in East Jerusalem during the negotiations, will not only prove that Jerusalemites are willing and capable to maintain the sovereignty of a capital, but will also lay the foundation for what will become a

more permanent municipal structure following successful negotiations. However, actions taken at the individual and municipal levels must also be complemented at the state and international level.

With the support of the regional and international community, both Israelis and Palestinians must create strategies such as escalation prevention, conflict management, and conflict transformation. Escalation prevention may help maintain security and stabilization, engage civil society, and initiate a peace-making process. Conflict Management can help guarantee freedoms to re-open businesses and service-based institutions, address hardships of Palestinians, promote economic and urban development, address policy makers, the public, and assist the network of local and international civil society organizations. Conflict transformation involves enhancing inter-communal cooperation in both the political and physical arena. All parties to the peace process must discuss how to identify societal discord and how to manage, address, and avoid it.

With the support of Secretary Kerry and his Initiative for Peace, the International and Regional envelopes of support, the Quartet, the Arab League, the Arab League API Follow-Up Committee, and the Organization of Islamic Cooperation, as well as Palestinians and Israeli civil society, these peace negotiations can lead to an important power-sharing scheme. It is evident that a tremendous amount of work must be done on these issues. However, the recommendations outlined above, for creation and strengthening of the Palestinian community, social structure, economy, and political situation, will lead to increase in security for both sides, and will lay the foundation for a sustainable peace between two neighboring countries with positive relations.

The regional and international envelopes of support of the peace process, in both the economic and political realm, are invaluable in achieving peace. There are a number of incentives for Israel in

accepting the proposals presented in this policy paper, as mentioned above. However, these incentives depend heavily on the regional and international envelopes working together to provide support for both the Israelis and the Palestinians to go forward with negotiations on East Jerusalem and to provide both parties with incentives. The importance of using the API in Secretary Kerry's Initiative for the Israelis is that it guarantees economic and diplomatic support of 57 Arab countries. In order to capitalize on existing incentives, and to create additional ones, the API follow-up committee will continue to work, both during and after the negotiation process, in cooperation with Quartet to take leadership and to develop the plans that will help implementing the ideas suggested in this paper.

The suggestions mentioned above, regarding power-sharing schemes, sovereignty, security, municipality structures, and the inclusion of state and non-state actors, should be pursued as interrelated and mutually beneficial to one another. Each option provided in this paper, and the theoretical considerations regarding the negotiation process in general, result in the simplification of some issues while complicating others. The conclusion one can draw from these suggestions is that, in order for real and lasting peace to be achieved, the people of East Jerusalem and all Palestinians, must be supported in their daily lives by tangible changes. These changes must occur on all levels, from economy to politics to security, and will depend on support from a regional and international actors throughout the peace process. This will help ensure the establishment of good relations between two sovereign neighboring countries, and contribute to sustainable peace and prosperity for the entire region.

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Palestinian Refugees in Lebanon: Increasing the Possibilities for Bilateral and Multilateral Engagement

By Scott Rattner

To date, the dismal reality the 250-450,000 Palestinian refugees in Lebanon remains essentially unchanged since the arrival of the first generation of refugees in 1948. The overwhelming majority of Palestinians in Lebanon, whether urban residents or inhabitants of one of the 12 refugee camps, remain discriminated against in virtually every civic, political, social, and economic domain. Over the course of the last few decades, the predicament of Lebanon's Palestinian population has led to chronic instability in the country and the death and displacement of thousands of Palestinians and Lebanese.

Even with the plight of the Palestinians and the recurring chaos that Palestinian refugee camps have engendered in Lebanese society, any discussion of improving the lot of the refugees and their descendants remains marred in controversy due to its potential to upset Lebanon's fragile sectarian balance. Notwithstanding this pitfall, a recalibrated modus vivendi can do much to improve the living conditions of the Palestinian community in Lebanon without destabilizing the Lebanese state. Moreover, far from an obstacle to implementing far reaching changes in the state of Palestinians in Lebanon, the impact of the Civil War in Syria on Lebanon create an unprecedented opportunity for both sides to arrest the possibility of Palestinians entering the fray.

Executive Summary

Specifically, the recognition of Palestine as an observer state to the United Nations in November 2012 enables Lebanon to grant Palestinians residing in the country prior to 2011 the official status of "foreign national" but as nationals of an Arab state (see below) and create a new legal category that acknowledges the uniqueness of their historical and current presence in the country. Such a policy, particularly when advanced in conjunction with the Arab Peace Initiative, does not grant citizenship to the Palestinians or seek to integrate them into the political framework of Lebanon. It does, however, offer Lebanese and Palestinians a means of promoting civil rights to the Palestinian in Lebanon and engaging in dialogue, providing an alternative to affiliating with armed factions in the camps, and perhaps most importantly, regionalizing the issue of Palestinian refugees by incorporating the Palestinian Liberation Organization, Arab League, Quartet, and UNRWA, into the equation.

Recommendations to Lebanese government:

- It is incumbent upon all political parties and sectarian factions in the Lebanese state and society to recognize that changing the status of Palestinians to "foreign nationals" (though still under a special category specific to Palestinian residents of Lebanon prior to 2011) is not equivalent to "citizenship." Such a status does not entail tawteen, or permanent settlement for all Palestinians of Lebanon. Rather, it is a means of formalizing and institutionalizing a relationship between the two entities based on symmetry of civil rights, responsibilities, and improving the living conditions of the Palestinian camp and non-camp residents. Most importantly, Lebanese political figures should not insinuate to or incite the general public that a step in this direction will inevitably lead to "naturalization"

of the Palestinian community as citizens of Lebanon which would require a reworking of the sectarian balance of power.

- While key accomplishments have been made over the course of the last decade with regard to the establishment of Lebanese political and civil society institutions dedicated to fostering Lebanese-Palestinian cooperation and dialogue, a consolidated Palestinian presence in these organizations remains lacking. The Lebanese-Palestinian Dialogue Committee (LPDC), created in 2005, constitutes the largest and most cohesive bloc of Lebanese political figures dedicated to toward improving the state's relationship with the country's Palestinian population. However, the LPDC does not conduct dialogue on a regular basis with representatives from the PLO Popular Committees in the camps. As a result, the asymmetrical relationship of "patron-client" is maintained and reified in the absence of any collaboration with Palestinian civil society or political institutions on matters that directly affect their status and welfare. Therefore, while the LPDC itself should remain solely comprised of Lebanese figures so that they can conduct internal dialogue and reconciliation toward the Palestinian question, it must nonetheless work to ensure that it works with Palestinians institutions and that it provides them with channels to have their voices heard.

- Despite the reopening of the PLO office in Lebanon in 2006 after an almost 20 year hiatus, relations between it and the Lebanese state remain tenuous. Consequently, various Salafi groups composed of Arabs and international members, many of which are heavily militarized and antagonistic toward the state, have entered the camps and gained influence at the expense of the more moderate PLO. The Lebanese state and the PLO must therefore formalize their relationship, preferably through a specialized body in the PLO (see section below for further details) dedicated to the Palestinians in Lebanon. Optimally, such a reinvigorated relationship between the two sides would include working with the United Nations Relief and Works Agency to improve service provision (particularly with

regard to education and reconstruction of the overcrowded and dilapidated refugee camps) and ensure their orderly administration. Only through strengthening the presence of the PLO and their interaction with Palestinian actors and organizations in the camps can material accomplishments be made and assurances given to the Lebanese people that they will not be expected to bear the social and financial costs of Palestinian resettlement.

Recommendations to the PLO:

- The PLO is a paramount institution in terms of its historic role in advancing Palestinian nationalist aspirations and providing essential services to millions of stateless, destitute refugees and their descendants. To date, however, the presence of the PLO, and Fatah in particular, has withered substantially in Palestinian refugee camps throughout Lebanon. As a result, various Salafi and Jihadi organizations such as Jund a-Sham and al-Ansar composed of Arab and international jihadists have filled the social and political void. In addition to their more receptive stances on violence, these groups are antagonistic toward the Palestinian diplomatic mainstream, which leaves little opportunity that the majority of Palestinians in Lebanon will be represented in future negotiations or a political settlement. Therefore, the PLO should create a separate office- as part of the refugees department- dedicated exclusively to the Palestinian residents of Lebanon in light of their unique history and political status. Such a bureau should work with the Lebanese state and lobby it to create a separate category for Palestinians as "foreign nationals" and iron out how both parties can engage more directly with the host-country Palestinians.

- Popular Committees in the camps remain important sociopolitical and cultural institutions, yet they contrary to what their name implies, they are not elected by the people but rather appointed by the PLO. This method inhibits the Palestinian camp leadership from forming organic roots with its constituency and

constitutes one of the primary reasons that the influence and legitimacy of the Popular Committees has been in decline over the last few decades. The PLO should therefore work to promote a democratically-based local leadership more responsive to the needs and aspirations the people they represent.

- PLO should play a role in providing services and support to the Palestinian refugees in Lebanon

Recommendations to the Arab League and API Follow Up Committee:

- While the state of Lebanon has been a signatory to the Protocol on the Treatment of Palestinians in Arab States (drafted by the Arab League in 1965) since the protocol's inception, the Lebanese government has not lived up to its responsibilities of the agreement to provide Palestinians the same treatment as nationals of Arab League states concerning employment and travel rights. It is therefore incumbent upon the Arab League to enforce the provisions of the Casablanca Protocol on the Lebanese state and impose sanctions on it for as long it denies basic civic and legal rights to all Palestinians that have been residing in the country for over a certain period of time.
- The API Follow Up Committee, currently headed by Qatar, should work with the PLO on developing a series of practical mechanisms for actualizing the Palestinian right of return. In order to move forward on the API's solution to the refugee issue, the Follow Up Committee needs to be able to present all relevant stakeholders – including Israel and the refugees themselves– with a series of realistic, implementable plans, including figures and means of socioeconomic absorption. However, any such plans need to take into consideration that the API explicitly calls for normal relations with Israel and working with it as a partner after it agrees to a just solution to the refugee issue; upon such recognition from Israel, it should accept to be a partner of concerned Arab countries in resolving the plight of the Palestinian refugees.

Recommendations to the Quartet:

- As a key mediator between Israel and the Arab world, the Quartet should be involved in crafting solutions for Israel, Lebanon, and the PLO towards a joint solution to the refugee issue.
- Quartet countries can provide with financial assistance that can help preserve the civil rights of the refugees in Lebanon.

Recommendations UNRWA:

- Shortcomings in donor support and bureaucratic obstacles from the Lebanese government have delayed the reconstruction of Nahr el Bared refugee camp and led to the prolonged suffering of tens of thousands of Palestinians in the nearby, unofficial Beddawi camp. It is essential that UNRWA provide these Palestinians with medical and infrastructural services, which it currently does not. Given UNRWA's limited weight in Lebanese decision-making bodies, there is little likelihood that it alone can induce the state to take a more proactive role the reconstruction effort. In order to close the gaps in its funding for Palestinians in Lebanon and incentivize the Lebanese government to expedite the reconstruction of Naher el Bared, UNRWA should work more closely with the member states of the Arab League, particularly the Gulf States, to increase their share of the agency's budget and encourage Lebanese political leaders to remove the red tape surrounding the repair of Beddawi camp (in the short-term) and Nahr el Bared (in the long-term). UNRWA must also emphasize that any reconstitution of the refugee camp should not be confused with the permanent resettlement of the Palestinian population but rather the improvement of their living conditions.

Recommendations to Civil Society

- Both Lebanese and Palestinian civil society organizations have worked separately and together toward alleviating the plight of

the resident Palestinians. These efforts have taken the form of various social movements and right to work campaigns that are dedicated to removing formal and informal prohibitions of Palestinians in the political, legal, economic, and cultural arenas. It is essential that these organizations expand their mobilization campaigns to the most discriminated and marginalized Palestinian communities in and outside of the refugee camps. Alongside these grassroots activities, human rights education and a concise political program detailing the future vision of Palestinians in Lebanon as “foreign nationalists” from an Arab state with civic rights though still entitled to their legal right of return to Palestine should also be made part and parcel of the agenda advanced by Lebanese and Palestinian civil society organizations.

Recommendations to Israel:

- Although the current Israeli political climate does not favor constructive debate on possible means of implementing any form of the right of return for Palestinian refugees and their descendants, it is nonetheless crucial for the Israeli government to publicly state that it does not officially consider any measures undertaken to improve the socioeconomic conditions of the refugees in their host states as tantamount to closing the file on the right of return. Any insinuation from the Israeli government that it plans to nullify the possibility of return should the Palestinians pursue measures to acquire legal status in a separate country (including within a future Palestinian state comprising the West Bank and Gaza Strip) will inevitably create resentment and forestall efforts to improve the socioeconomic lot of the refugees, thereby prolonging the issue indefinitely. Rather, the Israeli government and society should work toward identifying strategies aimed at creating a new relationship with the refugees based on historic reconciliation, integration of some of them into Israel itself, and ensuring their legal protection under international law.

- Proposals have been sporadically put forward by various Israeli political figures regarding a reserved yet palpable willingness to accept the return of a certain, even if symbolic, number of Palestinian refugees. It is important that the Israeli government follow through such proclamations with a tangible blueprint for the actualization of a plan and that it set the standards to which Palestinians would be eligible to return to their pre-1948 homes. Along with the PLO, the Israeli government should develop a criteria based on socioeconomic status that ensures that the most destitute and politically deprived populations are given priority for return. Likewise, the PNA should develop similar criteria regarding the resettlement of Palestinian refugees within its territory. Such a policy would help map out future strategies for Palestinian refugees across the Middle East and enable them to determine their living arrangements based on the available alternatives. However, Israel can only expect to have its voice heard if it agrees in principle that diaspora Palestinians have an inalienable right to return and/or compensation.

Introduction

Since the influx of over 100,000 Palestinian refugees into Lebanon in 1948, any discussion of civil rights of the refugees has elicited the rancor of the country’s non-Sunni majority and contributed to the internecine violence that this tiny yet important Middle Eastern state has witnessed over the course of the last few decades. As a result of the Lebanese state’s refusal to give civil rights to the Palestinian refugees in Lebanon, the approximately 250-450,000 strong Palestinian refugees in Lebanon continues to suffer from decades of oppression and while the spectrum of armed conflict remains on the horizon.

Notwithstanding its tenuous and often explosive inner-sectarian dimensions, Lebanon stands to gain significantly from engaging its Palestinian community in open dialogue. Under the appropriate

framework and conditions, the two sides possess potentially compatible interests in arresting the regional instability associated with the deteriorating conditions of the Palestinian refugee camps, facilitating regional dialogue and, by extension, the freeing of the refugee camps from the Salafi Jihadi groups that infiltrated into the camps. Moreover, such a multi-layered resolution need not come at the expense of forcing Lebanon to alter its delicate sectarian balance nor its Palestinian population of relinquishing their Right to Return. Accomplishing these formidable goals requires the comprehensive framework detailed in the Arab Peace Initiative (API), a resolution that the state of Lebanon has already formally endorsed. While continued bilateral and multilateral negotiations remain an intrinsic component of a future political accord, the API nonetheless provides the blueprint for creating a common understanding to initiate dialogue between the Lebanese state and its Palestinian population. In particular, its call for a “just and agreed upon solution” to the Palestinian refugee question based on a joint resolution entailing a combination of return, compensation, and giving civil rights to the Palestinians can satiate the security, political, legal, and economic ambitions of the two national entities.

Despite the Arab League’s official acceptance of the API as a vision for a future Middle East peace, Lebanon’s commitment to the API has yet to manifest itself in any tangible changes to the status quo regarding the Palestinians. It is therefore the goal of the current policy paper to analyze the historic context of the Palestinian question as it pertains to Lebanon as well as to offer a series of policy-oriented recommendations for utilizing the API as a means of alleviating the plight of the Palestinian community of Lebanon.

Particular attention will be given to strengthening the currently limited presence of the Palestinian Liberation Organization (PLO) in the Palestinian camps, improving the provision of basic social services (education, medical care, community outreach programs, etc.), and redefining the existing sociopolitical and economic regime governing Lebanon’s Palestinian population. Moreover, emphasis

will also be placed on how the API can foster Lebanese engagement on the Palestinian question, at once providing a means of satisfying the security requirements of the Lebanese state while simultaneously improving the civic and collective rights of the country’s Palestinian refugees.

The Arab Peace Initiative

First presented at the Arab League Summit in 2002 by then Crown Prince Abdullah Bin Abd al-Aziz of Saudi Arabia, the API has remained the standard frame of reference for Arab states and a sizeable share of western officials despite its lukewarm reception in the Israeli political and societal mainstream. Having been reaffirmed at each successive Arab League summit since the 2007 meeting in Riyadh, the API has received the official support of all 22 member states of the Arab League in addition to each of the 57 states of the Organization of Islamic Countries (OIC). At its core, the API calls for the Israeli withdrawal of all military forces from the territories it occupied in the 1967 Six Day War – including the Golan Heights and East Jerusalem – and a just solution to the Palestinian refugee problem. In exchange for implementing these measures, the API obligates all signatories (which include representative of every Arab and Muslim nation) to formally cease the current state of belligerency with the state of Israel and to uphold Israel’s national security as part and parcel of their own domestic security agendas.

While a guideline for the precise implementation of the API requires a greater consensus among the respective parties, at no point does it reject the necessity of further negotiations to iron out lingering details or ambiguities. Consequently, the API should be viewed as a set of principles to reinvigorate the Israeli-Palestinian and Israeli-Arab negotiation tracks with two firm goals in mind: the establishment of a sovereign Palestinian state in the West Bank and Gaza Strip and the termination of the state of conflict that the overwhelming majority of Arab and Muslim states maintain against

Israel. Essentially, the API contains the recipe for Israel's inclusion in the Arab and Muslim worlds at the political, economic, and even cultural levels. Although non-state religious groups remain adamantly defiant of the API and its proposal to integrate Israel into the regional fold, its acceptance by all regional states, even traditionally hardline governments such as Iran, indicates that the prevailing current throughout the Middle East, North Africa, and Central Asia views peace with Israel as a desirable objective. It should thus come as no surprise that the API has been heralded by international statesmen as "One of the Pillars of the Peace Process" and even been referred to as "...Inspirational and Promising" by Israeli President Shimon Peres. Accordingly, among the primary benefits, even necessities, in adopting the API is that it, as opposed to its predecessors and counterparts, espouses a regional means inclusive of all states to address the menace of non-state actors. It is this dimension of the API that offers the greatest hope for securing a peaceful and stable Middle East, in particular where the interests of Lebanon, Israel, and the Palestinian refugees diverge.

Lebanon and its Palestinian Population

Prior to the Madrid multilateral talks in 1991, Lebanon's relationship with the state of Israel was marked almost exclusively by conflict over borders, natural resources (water and most recent natural gas finds along the Israeli-Lebanese maritime border), and mutual incriminations of terrorism and occupation. Although not a protagonist in the 1948 Israeli-Arab war, Lebanon withstood the inundation of approximately 104,000 Palestinian refugees into its borders. From the onset, the Lebanese state, itself a conglomeration of ethno-religious sects organized around strict – and highly disproportionate – sectarian quotas, imposed an austere policy of separation and segregation toward its Palestinian people. The Maronite-Christian led government refused to grant the Palestinian refugees civic rights in terms of political representation, property, labor, or education, and monitored all Palestinian movement and

activity – typically though extreme levels of brutality – through the Lebanese Army Intelligence, or Deuxième Bureau.

For the first two decades of the Palestinian experience in Lebanon, few achievements were made by either the first or second generation of refugees in the realms of individual or collective rights, the overwhelming majority barred from obtaining political representation or socioeconomic rights. However, the waves of Palestinian nationalism that grew out of political organizations across the Middle East, particularly in Egypt, Jordan, and the Gulf States during the 1950s and 1960s had a tremendous impact on Palestinians in Lebanon. With the rise in Palestinian guerilla activity after 1967, clandestine Palestinian groups in Lebanese refugee camps grew more organized, armed, and assertive, enabling them to eke out a substantial degree of freedom within the confines of the camps. Enshrined in the 1969 Cairo Agreement, Palestinian factions gained the right to control political and military activities inside Lebanon's 16 Palestinian refugee camps. After the events of Black September in Jordan of 1970 and the PLO's subsequent relocation to Lebanon the following year, Palestinian revolutionary organizations operated throughout the country with an unprecedented level of impunity. Taking advantage of the growing military weakness and political fragmentation of the Lebanese state, the different factions of the PLO established a de facto mini-state throughout parts of Beirut and Lebanon's southern region, launching cross-border attacks against Israel and building an administrative apparatus that openly recruited and employed thousands of Palestinians.

Inevitably, the Palestinian armed presence threatened the interests of powerful Lebanese political factions as well as Israel and Baathist Syria. Armies from the latter two nations entered the fray beginning in 1975 and which culminated in one of Israel's most destructive military adventures in the region in 1982. Upon withdrawing to Lebanon's southern border at the Litani River, Syria under President

Hafez al Assad assumed control over most of Lebanon, catalyzing more than two decades of Syrian intervention in Lebanon and polarizing the country into multiple fronts of violent political contestation. The PLO's departure from its base in Beirut in 1982 signaled the ultimate decline of the prominence of Lebanon's Palestinian population in Palestinian nationalist politics. Throughout the 1980s, the remaining PLO and Fatah strongholds were gradually decimated in a vicious military campaign spearheaded by the Syrian army and its various Lebanese and Palestinian proxies. In 1987, the Cairo Accords were unilaterally abrogated by the Lebanese government, acting under Syrian tutelage, and Palestinian rights and concerns were abandoned two years later in the Ta'if Accords that ended the Lebanese Civil War. Upon the destruction of the military and civilian infrastructure laid by the PLO, Lebanon's Palestinian community was left without a leadership or organic tie to the mainstream Palestinian political leadership, rendering it at perhaps its most vulnerable point vis-à-vis the Lebanese state. Syria followed a policy of divide and conquer toward the Palestinians in Lebanon until its departure in 2005, stymieing any efforts at Palestinian political unity, socioeconomic advancement, or involvement in the mainstream Palestinian affairs of the PLO.

The current reality of Palestinians in Lebanon appears as dim as ever. According to UNWRA and Human Rights watch, Lebanon contains the highest percentage of impoverished Palestinians in the Middle East, with at least 25 professions denied to Palestinians. Despite a series of diminutive measures enacted by the Lebanese Ministries of Interior and Labor throughout the last decade to ease the plight of undocumented Palestinian laborers, Palestinians remain ineligible from receiving social security benefits, owning land, or inheriting property or assets. In some cases, Palestinians are required to obtain a permit to simply to leave their camp. Building and construction in the vastly overcrowded and destitute camps remains strictly limited by Lebanese authorities, rendering natural

growth a process fraught with instability and insecurity. Furthermore, armed conflict between armed Palestinian actors in the camps and the Lebanese state throughout the 1970s and 1980s cost the lives of thousands of Palestinians and Lebanese. More recently, that lack of state governing authorities in the camps manifested itself in the 2007 destruction of Nahr al-Bared refugee camp in northern Lebanon, when Fath al-Islam, a militant Salafi-Jihadi terrorist organization consisting of Palestinians, Lebanese, and Saudi nationals challenged state forces in a violent three month confrontation. Other Palestinian camps in Lebanon, particularly those located in the south such as Ain Hilweh and Mieh Mieh are also highly conflict-prone due to the multiplicity of competing state, local, and Salafi-Jihadi groups vying for membership and control. To date, no formalized arrangement governing relations or interactions between the Lebanese state and Palestinian political structures in the camp exists, and non-camp residents do not fare any better when it comes to receiving political, legal, or economic protection. Lacking an official framework between the two entities renders the prospect of an improvement in the status of the Palestinians unlikely and the resumption of armed conflict, particularly in the wake of the increased political tension and turmoil emanating from the ongoing civil war in Syria, dangerously high.

Nor have Lebanon's Palestinian populated benefitted from the financial or political intervention of the PLO's Department of Refugee Affairs. Popular Committees in each of the 12 refugee (four were completely destroyed during the War of the Camps in the 1980s) camps – which are appointed by the PLO rather than democratically elected – are allocated a paltry \$22,000 US per month, while the entire sum dedicated to Palestinian camps in Lebanon amounts to between \$3-4 million US, a figure mostly spent on salaries rather than developmental initiatives per se. Additional Palestinian institutions such as the Palestinian Investment Fund and the Abu Mazen Fund provide assistance to Palestinians in Lebanon in the fields of healthcare, education, and microfinance, yet even the

combined efforts of these groups pale in comparison to the needs of their targeted beneficiaries.

Moreover, of the approximately 213 Palestinian NGO's and institutions operating in the refugee camps, an estimated two-thirds are not registered due to Lebanese restrictions on refugee organizations. Nonetheless, these organizations provide essential services in healthcare, education, workers compensation, afterschool activities, cultural programs, and human rights that few other actors can replace. As a result of the lackluster performance of the PLO and the prohibitive conditions imposed on both Palestinian and foreign support organizations, the overwhelming majority of Palestinians in Lebanon have grown utterly dependent on UNRWA for their sustenance and basic services. However, UNRWA's budget dedicated to Lebanon's Palestinian community cannot meet the demands of the population due to shortfalls in contributions from the world community, leaving the organization in a constant state of financial disarray when it comes to paying the salaries of its workers, the annual rent of the land where the camps are situated, or providing the financial assistance that its constituents desperately need.

Facilitating Palestinian-Lebanese Engagement in the Midst of Unprecedented Regional Change

Since the inception of the refugee issue in the country, any discussion of tawteen, or resettlement/naturalization of Palestinians in Lebanon, continues to elicit acrimonious debate in political and cultural forums. This stalemate has had a direct bearing on the welfare and socioeconomic status of the Palestinians in Lebanon, on the one hand preventing them from achieving a modicum of normality while simultaneously denying them the means to improve their precarious situation. All the same, advocacy efforts to

strengthen the Palestinian community in Lebanon, even through minor or purely symbolic measures, inexorably leads to further polarization and entrenchment of the competing sociopolitical agendas. Therefore, a careful reading of the Lebanese ethno-religious fabric underscores the necessity of packaging and contextualizing a revised program of Lebanese-Palestinian relations to fit the Lebanese, regional, and international political reality.

Essential to the API is the provision of an agreed upon and just solution to the Palestinian refugee problem. Paragraph II of the initiative calls for a solution to the refugee question according to United Nations General Assembly Resolution 194 yet does not explicitly make reference to the actualization of the long-held Palestinian desire for the "Right of Return." Instead, Article 4 of the API proposes a looser definition of "tawteen" in favor of bestowing non-citizen Palestinians residing in host countries throughout the Middle East with the option of relocating to a future Palestinian state in the West Bank or maintaining their residency rights in their current host state without either acquiring citizenship or forfeiting their right to return to their pre-1948 homes in modern-day Israel at a future date. To be certain, the original crafters of the API have envisioned the return of a small number of refugees to Israel as a symbolic gesture. Needless to say, an insignificant figure from a population approaching five million does little to alleviate the plight of the vast majority of stateless Palestinian refugees. It does, nevertheless, set a precedent that, if can be successfully implemented, could pave the way for the future reconsideration of additional numbers from among the most marginalized and destitute segments of the Palestinian refugee community. Accordingly, it should be emphasized that alternatives to the Right of Return to pre-1948 Palestinian villages and homes need not come at the expense of the forfeiture of this right altogether. Rather, they should be viewed as a step in a long-term process toward the ultimate fulfillment of Palestinian's right to live in peace and prosperity in their country of choice.

Although ambiguities and contradictions undoubtedly remain with regard to the API's formulation of the rights of Palestinian refugees and the responsibilities of their host states, the basic conceptualization outlined above, whereby Palestinians can be eligible for residency and a variety of civic and economic rights in their current host states, does not contradict or threaten to undermine the sociopolitical order of the state of Lebanon. By bestowing residency rather than citizenship rights to its Palestinian population, the presence of residency rights would not compel Lebanon to reconsider its sectarian balance of power favoring the country's Maronite Christian population nor force them to update the country's antiquated population census – a procedure that none of Lebanon's ethno-religious groups, including the marginalized Shiite community, is anxious to undertake. Under such an equation, political institutions like the Lebanese-Palestinian Dialogue Committee (LPDC), founded in 2005, that are dedicated to improving the material conditions of the Palestinians in Lebanon, reconciling Lebanese political factions toward the Palestinian issue, and fostering their engagement with Lebanese civil society would not be considered axiomatic or, in the parlance of a number of anti-Palestinian Lebanese statesmen, treasonous.

Perhaps most importantly, creating an institutional framework for the Palestinians in Lebanon and the host state would obviate the need for the harsh military regime imposed on the camps. Although the Lebanese authorities recognize the dire necessity of disarming Salafi Jihadist groups that have infiltrated the refugees camps partially governing the camps and avoiding another incident along the lines of Nahr el-Bared – particularly in lieu of the multiplicity of unmonitored armed actors and refugees in Lebanon as a result of the conflagration currently engulfing Syria – there are few proposed arrangements being considered for how such a disarmament campaign can be peacefully enacted. Suffice it say that the primary reason that some Palestinian camp residents find solace in and often

enthusiastically support militant organizations such as Fath al-Islam, Jund a-Sham, and al-Ansar lies in the lack of security that characterizes the camp and the failure of Palestinian or Lebanese institutions to offer an alternative path to stability or prosperity.

Inducing these armed factions to lay down their weapons requires that their members and the constituencies that they provide protection to are convinced that a post-conflict settlement will adequately address their needs, not leave them vulnerable to government caprice, and guarantee them a strong bargaining position in the absence of possessing weaponry. Working through the existing informal arrangements between the two sides will not offer the armed factions the necessary assurances that disarmament will lead to a long-term, reciprocal relationship. Quite conversely, it will likely compel them to search for armed allies with a similar interest in weakening the already deteriorating Lebanese state. Thus, particularly as Lebanon currently finds itself bedeviled by a wide array of competing local and Syrian Salafi paramilitary and terrorist networks, offering Palestinian refugees a path to the formal sector of Lebanese society would guarantee that Palestinian grievances in Lebanon are not translated into increased support for Sunni militants while simultaneously providing an incentive for Palestinians to work through rather than against the system.

While Palestinian groups and individuals in Lebanon typically share the Lebanese mainstream's disdain for the prospect of tawteen, it is nonetheless likely that the dismal reality of their status in the country will render them receptive to any transformative change in the status quo insofar as it does not negate the possibility of return to historic Palestine. Few surveys have been conducted to assess how the majority of Palestinians in Lebanon feel regarding their desired relationship with the Lebanese state. Still, the willingness of Palestinian – as well as Lebanese – figures to participate in discussion alongside the LPDC and other grassroots movements such as the Right to Work Campaign suggests that enough local

support could be found when it comes to improving the conditions in the camps as well as advancing the socioeconomic rights of the non-camp Palestinian population.

Expanding the reach of the LPDC would also necessarily involve the PLO in addition to the Popular Committees in the camps and other unrecognized and informal Palestinian sociopolitical institutions. Dr. Khaldoun el Cheriff, the current president of the LPDC, has already called for the creation of a Lebanese “High Commission for the Palestinian Refugee Affairs” which, if passed by the Lebanese parliament, would consist of senior Lebanese politicians. The establishment of a committee along these lines would also necessitate the creation of other one with the Palestinian representatives from the camps, Lebanese civil society, and of course, the PLO. In order to ensure that Lebanese society can conduct its own internal dialogue on the Palestinian question as it pertains to their country’s sovereignty and national rights, having Palestinian membership in such an organization may be not be optimal. However, a High Commission for Palestinian Refugee Affairs would be able to work in tandem with official Palestinian institutions and thus ensure that Palestinian demands could be voiced and their participation directed through legitimate channels. It would also increase the scope and institutionalization of PLO involvement in Lebanon’s local Palestinian affairs. Encouraging Palestinians to participate in matters that affect them as non-citizen yet officially documented persons would at once remove incentives for Palestinians in Lebanon to challenge their status through force while also keeping alive their Palestinian identity and not upsetting the national balance of power.

Under the current circumstances of regional war and upheaval that have left the Lebanese state paralyzed and dysfunctional, it is difficult to delineate precisely what type of civic, economic, or political rights should be made available to Lebanon’s Palestinian community. Complicating the matter even further is the fact that

Palestinians in Lebanon do not all fall neatly into the same demographic category; neither UNRWA nor the Lebanese government recognize the status of a large influx of Palestinians that entered the country between 1952-1956 nor after 1970 when Palestinian resistance organizations were expelled from their bases in Jordan by state forces in the infamous events of Black September. Furthermore, UNRWA estimates that since 2011, between 40-50,000 Palestinian refugees from Syria have made their way to Lebanon to avoid the bloodletting. Given these troubling trends, it is doubtful that a population census could be organized as long as Lebanon remains locked in throws of the neighboring Syrian crisis. A more realistic substitute to a census conducted by the Lebanese state, therefore, would be the creation of a specific file, or even department, for Palestinian refugees in Lebanon with the PLO.

Subsequent to the official recognition of Palestine as a non-member state in the United Nations in November 2012 – in which Lebanon voted in favor of Palestine – Lebanon could bestow the status of “foreign national” from an Arab state to all Palestinians within its territory prior to the onset of the Syrian Civil War, thereby rendering them eligible for important civic rights such as owning and inheriting real estate. Such a move would, in addition to fulfilling Lebanon’s commitments to the 1965 Casablanca Protocol and International Convention on the Elimination of All Forms of Racism (also 1965), provide unprecedented economic opportunities to resident Palestinians. Moreover, as holders of an official Palestinian identity card and passport, along with their UNRWA Green Card, Palestinians could be afforded social services, physical protection, economic rights, and freedom of movement as foreign nationals while still remaining subject to the legal jurisdiction of the Lebanese state.

To be certain, Palestinians in Lebanon are categorically different than other expatriate populations in Lebanon such as Sri Lankans, Bangladeshis, Iraqis, or Syrians; unlike the former two who

relocated to Lebanon primarily for economic reasons or the latter two who aspire to return to their original residence when the security situation improves, the Palestinians are virtually all political asylum seekers with few realistic prospects of returning to their native homeland in the foreseeable future. It thus follows that the Palestinian community in Lebanon should occupy a separate and distinct legal status that ensures that they receive a more proportional share of public services in the fields of higher education, housing, and employment. None of these provisions would be tantamount to *tawteen* yet would enable Lebanese policies to accord with the general guidelines of the 1951 Convention on the Status of Refugees without forcing the government to officially sign the agreement or provide concomitant benefits to the state's other burdensome refugee populations.

Palestinians in Lebanon themselves need work together through the popular committees, UNRWA, the PLO, and the LPDC to implement a strategy of long-term, durable reconciliation among Palestinian factions in the different camps and between Palestinians and the Lebanese state and society. Foremost among the difficulties facing the LPDC is the lack of a single, unified representative body of Palestinians that they can work with to effectively reach out to the entire community. The PLO must take a leading role in this regard to reinvigorate the relationship it once had in the refugee camps yet this time work in tandem with the Lebanese state. As a recognized and *de jure* sovereign entity, the state of Palestine has the international authority to extend its representative authority over the affairs of the Palestinian Diaspora in Lebanon, and the Lebanese state would be well advised to welcome this historic opportunity to improve the lives of one of its most potentially explosive and destabilizing non-citizen populations. By strengthening the efforts of the LPDC and facilitating Palestinian unity among its scattered refugee population and with the PLO, Lebanon can at once temper the belligerency of the Palestinian refugees without reforming its own governing structures. Lastly, just as Palestinian refugee camps

in the West Bank have successfully balanced the necessity of improving their lives without relinquishing their cultural attachment to pre-1948 Palestine or zeal for return, so can Palestinians in Lebanon engage in constructive dialogue with the Lebanese state and civil society in a similar manner.

Conclusion

There can be little doubt that political considerations aside, Palestinian residents of Lebanon continue to suffer from a largely unchanged status quo that, since 1948, bars them from owning or inheriting most forms of property and assets, acquiring employment in a variety of fields and sectors, or obtaining any measure of social security. The state of Lebanon rightfully fears the detrimental consequences that naturalization of its Palestinian population will have on the stability of the country, yet the acceptance of the state of Palestine by the international community in November 2012 renders their refusal to grant Palestinians a new status as foreign nationals from Arab countries obsolete. Positive engagement and constructive dialogue can now be institutionalized on the basis of rights and responsibilities rather than stateless subjects and an unrepresentative government.

Initiating such a revised framework between the Palestinians in Lebanon and the Lebanese state must also entail the direct participation of all Palestinians residing in Lebanon – both camp and non-camp residents – prior to the onset of the Syrian Civil War, the PLO, and Lebanese civil society organizations. Unlike the bilateral agreements currently under consideration, the API encompasses the entire spectrum of state and non-state actors and places a specific focus on the active engagement of civil society in the peace and reconciliation processes. Moreover, the API provides the general outline for bestowing an improved socioeconomic and political standing to the Palestinians in Lebanon without prejudicing the Right of Return or the security needs of the Lebanese state and

society. Existing political institutions and grassroots social movements such as the LPDC and the Right to Work Campaign have already demonstrated a common Palestinian-Lebanese will to work together to address this sensitive issue and advance the cause of Palestinian rights. What remains is for the Lebanese state, PLO, and camp committees to lay the groundwork for further multilateral cooperation and dialogue to finally resolve the suffering of almost a half million Palestinians.

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The Gaza Strip

Recommendations
for
Palestinian-Israeli Negotiations
By
Cate Bush & Walid Salem

Introduction

This policy paper implores the international community and major regional actors to insist on the consideration of the Gaza Strip within the current Palestinian-Israeli negotiations. Additionally, this policy paper provides a recommended approach to negotiations, particularly examining political, economic, and security components of the current peace negotiations. Further, a regional envelope must be simultaneously cultivated to support negotiations and achieve effective results.

The Gaza Strip represents a significant portion of Palestinian land and population (1). Currently, a dire humanitarian situation exists in Gaza, which will only become worse if the status quo continues. Further, Hamas is positioned to undermine Palestinian-Israeli peace negotiations and reject any agreement that may be reached. Therefore, it would be a fatal flaw in the Palestinian-Israeli peace negotiations to disregard the importance of addressing the situation in the Gaza Strip.

Part Two of this paper provides background on the current situation in the Gaza Strip, highlighting the need for immediate action. Part Three explores political components of the current negotiations. Part Four focuses on the Gaza Strip's economic situation, examining plans for reconstruction and development. Lastly, Part Five recommends security arrangements. Regional support is referred to throughout each discussion, as regional participation is essential to a sustainable agreement.

Background and Context

Since Israel's 2005 unilateral disengagement from the Gaza Strip, Gaza has been essentially isolated from the rest of the world. In 2007, the current policy of isolation was severely and intentionally imposed to produce a political climate that would overturn Hamas. It is clear now that isolation has failed to meet this end. Rather, isolation has eliminated Gaza's economic viability, created dependence on external funding, and fueled an alternative tunnel economy that benefits Hamas at the expense of legitimate economic avenues.

Additionally, isolation has perpetuated the estranged relationship between the West Bank and the Gaza Strip, further deteriorating Palestinian national unity and undermining the notion of a two-state solution. Accordingly, the policy of isolation has proved to be a brutal tool of collective punishment in Gaza, continuing to perpetrate devastation today. In addition, the War on Gaza in 2008, 2009, and in November 2012 further devastated the Gaza Strip, particularly damaging infrastructure and housing.

The War on Gaza in December 2008 and January 2009 completely destroyed more than 4,000 houses with a total area of about 665,693 square meters damaged (2). This devastation left approximately 26,000 people without their homes, and an estimated 75,000 people were left displaced or living in inadequate conditions. (3) Additionally, factories and industrial enterprises were severely damaged. In total, an estimated 1,000 establishments from various economic sectors were affected totally or partially with an aggregate direct loss in the private sector at an estimated USD 140 million (4). In terms of number, the most affected sector was industry, while the most affected sector in terms of value

was the food industry. Due to this destruction, an estimated 35,000 people in the labor force were prevented from working (5).

The agricultural sector was also severely affected, with approximately USD 200 million lost due to the wars on Gaza (6). This loss included the destruction of approximately 1,000 ground wells, bulldozing of more than 3,000 dunums (1 dunum = 1,000 sq. m.) of fertile lands, and the leveling of more than one million trees. In all, 57 square kilometers of fertile land was destroyed, a sum that represents 29% of the total arable lands in the Gaza Strip (7).

Accordingly, agricultural production declined to levels that fail to provide the Gaza Strip with an adequate food supply. Military operations destroyed additional agricultural infrastructure, increasing food damage to more than USD 340 million. In addition, policies of isolation prevented importation of basic materials for agricultural production, such as fertilizers, insecticides, nylon, seeds, and machinery parts, leading to shortages and severe price inflation (8). Further, military operations and the policy of isolation harshly prevent export of agricultural products to the West Bank and Israel.

Consequently, the current situation in the Gaza Strip is one of economic peril and humanitarian struggle. Residents of the Gaza Strip dwell in impoverished conditions with inadequate fundamental services, limited resources, and a harshly restrictive economy. Moreover, the continuation of this status quo threatens to create an even worse situation in the coming years. The United Nations report *Gaza in 2020: A liveable place?* carefully reviews the situation in Gaza and presents a frightening projection of the future (9).

Despite a modest increase in the real GDP per capita before the revolution in Egypt, the living situation in Gaza is expected to worsen by 2020. In 1994, the GDP per capita was USD 1,327 (in 2004 constant USD). By 2011, the real GDP per capita lowered to USD 1,165 (in 2004 constant USD). In the coming years it is projected that the real GDP per capita will grow, but only modestly.

By 2015, the real GDP per capita is expected to be USD 1,273 (in 2004 constant USD), which is a slight increase, but still less than Gaza's real GDP per capita in the 1990s. Notwithstanding these projections, the real GDP per capita in 2015 will likely be lower than predicted due to the demolishing of the smuggling tunnels, the continuous Israeli closure on many essential materials, and prevention of exports from Gaza to the West Bank and Israel.

The unemployment rate in 2011 was 29 percent and it has increased since then. In particular, women and youth are affected. During the first quarter of 2012, the unemployment rate for women was 47 percent and the unemployment rate for people between 20-24 years of age was 58 percent. Further, 60 percent of households were designated as food insecure or vulnerable to food insecurity in 2011 (10). Within this group, 44 percent of households were designated as food insecure. In addition, 39 percent of people in Gaza live below the poverty line and 80 percent of households receive some form of assistance. By 2020, it is expected that a greater number of people will require assistance due to an increase in the population.

Currently, 1.64 million people live in the Gaza Strip with 51 percent of the population represented by children under the age of 18. The population density is 4,505 people per square kilometer (11). By 2020, the population in Gaza is expected to increase to 2.13 million people with a population density increase to 5,835 people per square kilometer. This increase in half of a million people will further tax Gaza's limited resources and crowd its severely restricted living area.

Specifically, the availability of housing units is grossly inadequate for the current population. In 2012, 71,000 housing units were needed in Gaza. With an increase in population, this unmet demand is likely to increase significantly. Further, existing infrastructure is unable to meet the demands of the current population for basic services such as electricity, sanitation, and

water. The current capacity for electricity supply is 242 MW. Of this capacity, 120MW are received from Israel, up to 100MW are produced at Gaza's only power plant, and Gaza imports 22MW from Egypt. However, the peak electricity demand in 2011 was 350 MW. By 2020, the peak electricity demand is projected to be 550 MW.

Water and sanitation are particularly urgent concerns in the Gaza Strip. Gaza depends on the underlying coastal aquifer. However, the aquifer is gravely threatened by incursion from seawater infiltration due to the decrease of groundwater levels because of over demand, rain storage, and contamination by sewage and fertilizers. Today only 5-10 percent of the aquifer's water is safe for drinking without treatment. Further, the water aquifer threatens to become unusable by 2016 and damage to the aquifer may be irreversible by 2020. The gravity of the situation is compounded by 27 extremely deep wells constructed by Israel along Gaza's eastern border to appropriate water resources (12). The situation will worsen severely in the near future with demand for water in 2020 projected to increase by 60 percent.

As existing infrastructure in Gaza struggles to meet the demands of the current population, it will be incredibly difficult for social services to adequately provide for an increased population. Currently, schools are significantly inadequate in number with an estimated 250 additional schools needed to provide education to the youth in Gaza today. By 2020 an additional 190 schools will be necessary to meet educational needs. Further, the demand on medical services will increase sharply over the coming years. By 2020, an additional 800 hospital beds and over 1,000 additional doctors and 2,000 nurses are needed to maintain current levels of service.

Accordingly, peace negotiations are important not only to establish a peaceful existence between Israelis and Palestinians, but also to avoid the horrific scenario unfolding in the Gaza Strip. In addition, it is necessary to prevent Gaza's continued deterioration,

which inevitably will increase tensions between the Gaza Strip and its neighbors, perpetuating regional instability. In order to prevent this miserable situation from becoming a reality, we recommend current peace negotiations take the following approach.

The Political Component of Peace Negotiations

The political track must allow Palestinians to establish a unified government composed of technocratic independents. In addition, the political track should mediate the tense relationship between Israel and Hamas.

Allow Palestinians to compose a unified government.

The current lack of Palestinian political unity is particularly problematic for peace negotiations. The division of Palestinian representation makes political agreements difficult to negotiate, legitimize, or implement. Additionally, the rift between Palestinian political parties complicates the economic and territorial integration of the Gaza Strip and the West Bank, as well as frustrates security arrangements.

We ask the international community to recognize the right of Palestinians to compose a unified government. This government will initially be composed of technocratic independents. Additionally, the unified government must commit to a policy of nonviolence, particularly towards Israel. Palestinians need an opportunity for political empowerment achieved through the establishment of a unified government.

In the past, Palestinian political factions, including Fatah and Hamas, have agreed to the composition of such a government. For instance, the Fatah-Hamas Unity Agreement was signed in May 2011 (13). This agreement aimed to establish plans for local and national elections, unify the Gaza Strip and the West Bank, and

reconstruct Gaza. In addition, the Fatah-Hamas Unity Agreement discussed reformation of the PLO and reconciliation between Hamas and the Palestinian Authority.

In February 2012, the Fatah Movement, represented by Palestinian Authority President Mahmoud Abbas, and the Palestinian Islamic Resistance Movement – Hamas, represented by its Political Bureau Chairman, Khaled Meshaal, signed the Doha Agreement. This significant step affirmed the need for reconciliation and unity. In addition, the Doha Agreement called for the formation of the Palestinian National Reconciliation Government of independent technocrats under President Mahmoud Abbas. The terms of the agreement devise that after six months under a joint government led by Abbas, elections will be held to determine permanent offices. Further, the Doha Agreement called for organization of elections and reconstruction efforts in Gaza, while emphasizing the continued work of previously established committees, and stressing the implementation of past agreements concerning the Central Election Committee of the West Bank, the Gaza Strip, and Jerusalem (14).

Building on the Doha Agreement, Fatah and Hamas signed an additional agreement in May 2012. This recent agreement takes steps to implement the Doha Agreement by registering new voters in the Gaza Strip and planning for an interim government (15).

While these agreements promise political reconciliation and an opportunity for Palestinian unity, the terms have not yet been realized. And, as time has passed without fulfillment of the agreements, several political realities have become clear. In particular, it is increasingly apparent that Hamas is not interested in democratic elections at this time. This disinterest is due in part to the defensive positioning of Hamas because of the current situation in Egypt. Additionally, Hamas's reluctance to agree to elections is due to its loss of political support in the Gaza Strip as it appears that the majority of Gazans do not support Hamas. In fact, hundreds of thousands of citizens and Fatah supporters appeared at a Fatah-

sponsored rally in Gaza in early January 2013 to demonstrate their dissatisfaction with Hamas and support for President Abbas (16).

While Hamas is reluctant to hold democratic elections, it appears that it is willing to compose a unified government of technocratic independents as arranged in the Doha Agreement. Simultaneously, President Abbas insists on imminent elections in order to allow reconciliation. “Without elections there will be no reconciliation,” Abbas stated in May 2012 (17). In part, this insistence is due to the international community's veto on inclusion of Hamas in a unified government. These positions eliminate any zone of mutual agreement.

Accordingly, we strongly recommend that the international community lift the veto on the composition of a Palestinian government that includes members of Hamas. We plead with the international community to support reconciliation and Palestinian unity by allowing the Palestinian people to compose a unified government. To do so, we suggest implementation of the Doha Agreement, including the establishment of a technocratic government led by President Abbas with a plan for future elections. In addition, a cease-fire will be maintained with Israel. Also, Abbas will represent the Palestinian people in negotiations, bringing any agreement achieved to referendum.

Mediate the relationship between Israel and the Gaza Strip.

The division in Palestinian political representation is further complicated by the relationship between Israel and the Gaza Strip. As journalist Lawrence Wright states, “Gaza is a place that Israel wishes it could ignore.” (18) In particular, there is immense tension between Israel and Hamas. Israel continues to insist that Hamas recognize Israel as a state, accept previous agreements, and

condemn terrorism. However, Hamas continually refuses to meet these demands.

Although Hamas continues to refuse to officially recognize Israel as a state or accept past agreements, it is important to note that Hamas tacitly recognizes Israel. In fact, Hamas has accepted Israel as its neighbor upon the establishment of a Palestinian state with 1967 borders. In May 2011, Meshaal stated, “We need to achieve the common goal: a Palestinian state with full sovereignty on the 1967 borders with Jerusalem as the capital, no settlers, and we will not give up the right of return.” (19) Further, Hamas has made significant diplomatic gains in recent years, including substantial efforts to minimize violence towards Israel and prevent terrorism.

Accordingly, the international community must mediate the tense relationship between Israel and Hamas by allowing the composition of a unified Palestinian government that includes political leadership from diverse Palestinian factions. In doing so, the international community should recognize the complex narratives at conflict in the region and work within the existing paradigm to establish a sustainable peace agreement. While the international community must insist on security, respect for human rights, and nonviolence, diplomacy also requires creativity and recognition of possibility rather than restrictive hard bargaining.

The Economic Component of Peace Negotiations

The economic track must emphasize reconstruction in the Gaza Strip, including the implementation of development plans presented at the International Conference in Support of the Palestinian Economy and Reconstruction of Gaza at Sharm el-Sheikh in 2009. In addition, programs that strengthen the economy in Gaza are essential, particularly in the eight key sectors

emphasized by the Kerry Initiative. Additionally, the success of economic revitalization is dependent on providing access to Gaza by land, sea, and air. Also, negotiations must aim to integrate the economies of the Gaza Strip and the West Bank. Finally, research is needed to explore the possibility of establishing an industrial zone in Gaza.

Implement the plans presented by Ali Abu Shahla in reflection on the International Conference in Support of the Palestinian Economy and Reconstruction of Gaza at Sharm el-Sheikh in 2009.

The War on Gaza in December 2008 and January 2009 left significant damage and devastation in the Gaza Strip, compounding the need to reconstruct infrastructure and rebuild the economy. These goals can be accomplished in part through implementation of the development plans presented by Ali Abu Shahla at the April 2011 conference, “Two Years Since Sharm Elsheikh Donors Conference: Reconstruction of Gaza Strip Has Not Resumed.” In addition, developmental projects and reconstruction plans that build trade, create jobs, encourage investment, and support Palestinian industry should be considered.

At the April 2011 conference, participants reflected on the passed two years since the International Conference in Support of the Palestinian Economy and Reconstruction of Gaza at Sharm el-Sheikh in 2009 (Donor’s Conference). Further, participants devised strategic approaches to the reconstruction of the Gaza Strip considering prior plans. At the 2009 Donors Conference, participating nations including 70 countries and 16 regional and international organizations agreed to provide about USD 4.7 billion. The amount committed was approximately four times the USD 1.3 billion proposed by the Palestinian Authority for reconstruction. However, the financing was contingent on the Palestinian Authority

taking charge of the reconstruction process without assigning a role to Hamas, without publicizing the reopening of the border crossings, and without mentioning the lifting of the siege on Gaza for construction materials. Due to these conditions and the complex political situation in the Gaza Strip, the reconstruction project has not yet materialized.

Considering the immense complexities presented by the Gaza situation and the disagreements between its key stakeholders, the Donor's Conference advised the formation of an independent committee to work with donors, manage development and reconstruction, and guide the implementation process in Gaza. This Reconstruction Committee will have a duty to control standards, impose timelines on the process, manage expectations, facilitate implementation, and prevent delays. Another significant duty of the committee will be to manage funding of reconstruction projects. This will include receiving and distribute funds in a way that does not allow Hamas to collect a percentage of the funds. Accordingly, the committee will need to negotiate an arrangement with Hamas that will ensure that funds are invested in the private sector without taxation by Hamas. Coming to an agreement that prevents Hamas from benefiting from contributed funds will give donors the ability contribute to Gaza's reconstruction, including those at the Sharm el-Sheikh Conference.

The Donors Conference concluded that the most effective way to reconstruct buildings is to provide financial support for private owners to plan and implement construction independently, according to regulations developed by the Reconstruction Commission (20). Accordingly, the owners of private buildings are permitted to modify original construction plans, with owner's bearing any difference in cost between the modified construction plan and the original reconstruction cost. Under the development plan, this Reconstruction Commission will be responsible for studying reports

and projects, managing building owners' plans and building processes, and facilitating the acquisition of building permits.

Compensation for reconstruction of fully destroyed buildings will be disbursed in five increments with an initial installment of 25 percent paid at the commencement of construction. This initial installment is followed by second 25 percent payment after completion of the foundations and ground beams. A third installment of 25 percent is disbursed when all concrete and brickwork is finished. A fourth installment of 12.5 percent is disbursed at the start of finishing work. Once construction is completed, a final 12.5 percent installment is disbursed. It is suggested that priority be given to compensating owners of buildings built on private property or government lands.

For partially damaged buildings, reconstruction payments can be disbursed in three installments. The initial installment will be 50% of the compensation value disbursed at the commencement of construction. A second installment of 25 percent will be disbursed after completion of the concrete and brick works. A final installment of 25 percent will be disbursed upon completion of all repair work and reconstruction.

The Donors Conference also suggested a process for the reconstruction of infrastructure in the Gaza Strip. This suggested process stipulates that municipalities and ministries have a right to develop infrastructure according to original construction plans. Detailed requests for reconstruction are submitted to the Reconstruction Commission and should include drawings and tender documents. Upon acceptance, the Reconstruction Commission will disperse necessary funds and supervise the reconstruction project. Priority will be given to local contractors in the Gaza Strip, though other contractors will be accepted if necessary.

The process of compensation for the reconstruction of infrastructure includes the Reconstruction Commission disbursing

an initial installment of 50 percent to the municipality at the beginning of the project. A subsequent installment of 25 percent of the compensation amount is disbursed at the end of the project. A final installment of 25 percent is disbursed after the primary receipt of the project, according to the signed contract.

Pursue economic development with an emphasis on the Kerry Initiative's eight key sectors.

Economic development in the Gaza Strip should focus on the Kerry Initiative's eight key sectors. These sectors include agriculture, construction, tourism, information and communication technology (ICT), light manufacturing, building materials, energy and water (21). In addition to these specific sectors, there must be a supplementary program in Gaza on the micro, macro, and mezzo economic levels to generate a concerted system of growth that assists all circles and layers of the economy.

In Gaza, the small-farm agricultural industry cultivates land well and produces high-value, high-yielding crops (22). Accordingly, cultivated land should expand to utilize Gaza's capacity for agriculture. Geo-spatial analysis show that approximately 50 percent of arable land in the Gaza Strip is being cultivated and an additional 34 percent can be further cultivated. (23) Therefore, it would be advantageous to Gaza's economic development for land cultivation to commence on previously abandoned land such as the land used in the past as an extended buffer zone. In addition, procedures should be established to improve irrigation systems, increase agricultural knowledge, and facilitate the sale of Gaza's agricultural products to the West Bank and Israel.

Construction in Gaza will focus on affordable housing development. We reiterate the Office of the Quartet's Palestinian

Economic Initiative, which strives to build 10,000 to 16,000 housing units each year. Overall, the plan stipulates the construction of an additional 25,000 to 40,000 housing units priced at USD 35,000 to 50,000 in the Palestinian Territories. (24) Additionally, housing units will be developed to accommodate the Palestinian rental market. In order to commence construction plans, restrictions on building materials must be lifted and developer investment permitted.

The tourism sector offers immense potential for Palestinian economic growth, particularly along the coast-lined Gaza Strip. In the short term, there is a strategic focus on marketing Palestinian tourism. In the medium term, there is a focus on developing tourism hubs within the West Bank and Gaza. This step includes the development of resorts, along with additional marketing, improved access, and the establishment of a public-private partnership such as tourism board to monitor and coordinate tourism development. Additionally, in the Gaza Strip it is necessary to further establish infrastructure and necessary services such as energy and water to facilitate proper development of the tourism sector.

In addition, there is a great deal of potential for Gaza to thrive in the Information and Communication Technology (ICT) sector. Israel's ICT sector has proved to be a major economic asset and similar success can result in Gaza as well. In order for this sector to develop, technology, equipment, and infrastructure must be established to allow a viable market to be established. The sector's success is dependent upon the ability to establish the necessary components of ICT, along with the training of local personnel. In particular, investment must be encouraged to bring in necessary financing.

Since 2005, exports in light manufacturing have significantly fallen (25). However, local actors are still present and hold advantages over regional players. It is estimated that access to Israeli and West Bank markets would provide Gazan manufacturers with specific advantages over competitors if closures are lifted.

Accordingly, there is a potential for the light-manufacturing sector in Gaza to substantially increase Palestinian GDP and employment.

The availability of building materials is essential to the growth of the other economic sectors. In particular, the viability of construction, tourism, water, and energy is dependent on the ability to acquire necessary building materials. Accordingly, there must be a concerted effort to expand the building material sector. The Palestinian economy heavily imports building materials, though stone and marble are potential sources of export revenue.

Therefore, an increase in production of stone and marble could contribute to economic growth in the building material sector. Additionally, diversification of import sources, improvement of machinery and technology, increased market knowledge, and increased access to resources should be the focus of efforts toward a thriving Palestinian economy. In order to meet these goals, several steps should be enacted, including surveying existing resources with an emphasis on potential expansion of building materials, constructing necessary infrastructure for production expansion, and providing access to necessary equipment and materials for these efforts.

Improvement of the energy sector in the Gaza Strip is necessary to enable the growth of the Palestinian economy and support a growing population. It is essential that the supply of electricity keep up with the increasing demand for energy. In order to do so, there must be an immediate increased supply from existing sources including the Israel Electricity Corporation and independent energy producers. Moreover, energy production must increase through the development of local power plants and expansion of renewable energy production.

Further, the natural gas field project led by BG Group should be revived to encourage economic development. The project entails USD 1 billion in capital investment and it is expected to bring in

about USD 6 billion to USD 7 billion of revenues per year, some of which will go to the Palestinian Authority through royalties and taxes (26). In addition to an economic boost, the project would loosen Palestinians dependence on Israel for electricity. Previously, Israel blocked the project; however, recent progress toward implementation appears promising. Still, there must be continued vigilance to protect materialization of the project and direct effective investment.

Lastly, water is a critical sector to the economic development of the Gaza Strip. Accordingly, significant improvement of the existing aquifer and development of new water sources is essential. We repeat the aims of the Office of the Quartet's Palestinian Economic Initiative, which include development of infrastructure such as a large desalination project in Gaza, stabilization of the coastal aquifer, and protection of water rights. Additionally, additional water resources should be explored along with the rehabilitation of existing sources. Wastewater treatment facilities, including the North Gaza Emergency Sewage Treatment Plant, must also be expanded to improve health and sanitation issues as well as provide an additional water resource.

Establish accessibility to and from the Gaza Strip by land, sea, and air.

In order to build a viable economy, Gaza must be accessible to the outside world by land, sea, and air. The main land crossings between Israel and the Gaza Strip include Erez Crossing, Karni Crossing, and Sufa Crossing. Karem Shalom, another major border crossing, is situated between Egypt, Israel, and the Gaza Strip. In addition, a major border crossing exists between Egypt and the Gaza Strip at Rafah Crossing. Currently, there is no operable seaport or airport in the Gaza Strip (27).

Three of the main land crossings between Israel and the Gaza Strip, Erez Crossing, Karni Crossing, and Sufa Crossing, are either closed or offer severely restricted access for specific persons, due to security concerns and a continued policy toward Gaza of isolation. Even when these crossings are open, restrictions make the transfer of goods particularly difficult. For instance, at Karni Crossing trucks were subjected to a back-to-back process whereby a truck must transfer all of its contents into a second vehicle. This process is extremely time and energy intensive. Future crossings should utilize technologies that permit surveillance and security screenings instead of requiring the costly manual transfer of goods.

Currently, the only crossing open between Israel and the Gaza Strip is Kerem Shalom, which is used primarily for the import of goods from Israel (28). However, access through the Kerem Shalom Crossing is restricted to humanitarian aid, agricultural products, commercial commodities, and limited fuel and gas. Specifically, construction material is not permitted (29). This arrangement is particularly problematic considering the narrow capacity of Karem Shalom compared to Karni Crossing. Prior to the Israeli closure, Karni Crossing supported approximately 700 truckloads per day. In comparison, the maximum capacity of Kerem Shalom Crossing is around 300 to 350 truckloads per day.

Israel's restrictions on the border crossings have left many people in Gaza with only one option for entering and exiting Gaza: Rafah Crossing. Rafah crossing in Egypt offers an additional site to enter and exit Gaza. However, violence and instability in Egypt has led to frequent closures and dangerous passage, leaving merchants, students, medical patients, and others stranded.

A ban on the sale of goods from Gaza to Israel and the West Bank remains in effect since Hamas gained control in June 2007. (30) While export abroad is permitted, the demand abroad is relatively low for Gaza-made products (31). In addition, goods are subject to lengthy transfers through the border crossing and across

Israel, which can make many agriculture goods in Gaza unsuitable for export.

These conditions and additional restrictions at border crossings create an alternative economy where goods are transferred through a series of tunnels into Egypt. This alternative economy benefits Hamas, who controls access, while severely harming legitimate merchants in Gaza. (32) By opening border crossings for imports and exports, Hamas's control of the Gaza economy will be weakened, which can economically empower a moderate, middle class. Accordingly, Israeli border crossings must be opened permanently to allow free movement of people and goods to the West Bank and abroad. Raw materials for constructing necessary infrastructure must be allowed into Gaza with fewer restrictions.

Additionally, Gaza must be allowed to build a seaport and airport. These are essential components of a modern economy that will facilitate the import and export of goods, as well as provide additional job opportunities, and connect Gaza to the outside world. The reconstruction should also be supplemented by the building of a sea harbor for touristic interests; a sea port for trade and economic interests; and that the blockade of the Israelis be lifted for the aforementioned touristic and economic port interests to materialize without any interference and obstacles.

Integrate Gaza and the West Bank.

In particular, it is essential to facilitate travel between Gaza and the West Bank, which share an economy, education system, and healthcare system. Along with less restrictive border crossings, a secure transit corridor is necessary for the economic integration of Gaza and the West Bank to allow freedom of movement of people and goods. Economic exchange between Gaza and the West Bank is necessary to strengthen the Palestinian economy and local

integration. Further, freedom of access to the West Bank includes access to East Jerusalem so that Palestinians throughout the Palestinian state can worship, visit family, and establish a thriving capital city.

In addition, the geographic division of the Palestinian Territories further complicates the establishment of a unified Palestinian state. Increasingly, Palestinians in Gaza are becoming estranged from Palestinians in the West Bank and Palestinian Jerusalemites. Therefore, there is a serious need to connect Gaza and the West Bank through the establishment of a transit corridor. Allowing contact between the two populations will cultivate Palestinian national unity as well as expose Palestinians in Gaza to Fatah's more successful management of the Palestinian Authority in the West Bank, further weakening support for Hamas (33).

Three notable plans to establish a transit corridor between Gaza and the West Bank include RAND Corporation's Arc Proposal, Ehud Barak's proposed highway, and previous Israeli security proposals. The Arc Proposal is particularly promising for a future, viable Palestinian state. The Arc Proposal is a RAND-sponsored report that proposes to build a fast rail system with a primary line connecting Rafah in Gaza to Jenin in the West Bank (34). The rail system plan consists of numerous stops throughout Gaza and the West Bank with the potential to connect to neighboring countries if a regional agreement is reached. In addition, the Arc Proposal includes substantial infrastructure development and modernization of urban areas in Gaza and the West Bank. The estimated cost of constructing the core elements of the project is USD 9.4 billion (in 2008 dollars) and the construction and operation of the fast rail system would directly employ approximately 100,000 to 160,000 Palestinians per year over a five year building period (35). Additional employment would emerge from new business developed along the Arc's corridor (36).

In 1999, former Israeli Prime Minister Ehud Barak presented a second notable proposal that would involve construction an elevated highway connecting Gaza to the West Bank. The proposed elevated highway would include four-lanes, a railway line, a water pipe, and a communication cable. At the time, it was estimated that this plan would cost USD 200 million (37). Additional proposals have been made, including a series of corridors connecting Gaza to Hebron and Tulkarem. These proposals recognize that a Palestinian state must be territorially connected for economic integration and political unity.

Explore possibility of establishing an industrial zone in Gaza.

Exploration is needed regarding the possibility of establishing an industrial zone in Gaza. An initial step is to determine the feasibility and logistics of creating a distinct commercial area in Gaza. Additional research should examine the possibility of transforming Gaza into an industrial zone, compliant with the Free Trade Act that serves the entire region. The industrial zone in Gaza could prove beneficial to a Palestinian state, as well as its neighbors and the greater region, while producing income to revive Gaza economically and compensate Palestinians in Gaza for their losses. Further, a Free Trade Agreement would not only develop Gaza's domestic infrastructure and trade but would open it up for external and regional trade. With it, the foundations of the ICT sector, along with the private sector, can be built for success and longevity.

The Erez Industrial Zone was established in 1970 and operated for more than three decades in the Gaza Strip. Approximately 187 businesses existed in the Erez Industrial Zone, employing 5,000 Gazans (38). The project was viewed as a symbol of cooperation between Palestinians and Israelis and a source of goodwill, offering hope for political and economic progress. However, after a series of

violent attacks and mounting security concerns in 2004, Israeli firms pulled out of the Erez Industrial Zone.

In 2006, Turkey proposed to revive the Erez Industrial Zone by developing a Palestinian Industrial Free Zone (PIFZ). The project, headed by the Union of Chambers and Commodity Exchanges of Turkey and led by Turkish businesses, would revive and expand the Erez Industrial Zone. The proposal encourages investment by Turkish companies in particular, though investment is welcome by all countries, including Israel. Additionally, the proposal stipulates that goods be permitted to enter the European Union, the Gulf States, and the United States duty free. Further, the proposal promises to create 10,000 employment opportunities for Palestinians (39). Under the proposal, a private Turkish security company provides security arrangements. While much of the initial design, organization, and funding is already established for the project, political complexities and security concerns continue to impede realization (40).

The Security Component of Peace Negotiations

The security track must address Gaza's internal security situation, Israeli security, and regional security by providing acceptable security agreements. In particular, security arrangement must consider border crossings and buffer zones. Additionally, while security is a necessary component of negotiations, freedom of movement for individuals and goods is also a vital element of any sustainable agreement. Accordingly, a successful agreement must establish security without significantly hampering freedom of movement.

Establish security arrangements for border crossings.

A precedent for security arrangements at border crossings is found in the Agreement on Movement and Access and the Agreed Principles for Rafah Crossing, signed between the Palestinian Authority and Israel under the guidance of Condoleezza Rice in November 2005 (41). The agreement stipulates continuous operation of the Rafah crossing by the Palestinian Authority and Egypt according to international standards. Additionally, the agreement directs the European Union to implement the agreement, enforce compliance with security arrangements, and ensure adherence to proper procedures as a third party.

The Rafah Crossing agreements devise strategic security arrangements including screening, inspection procedures, and camera monitoring. These security arrangements should be implemented to establish a secure border crossing. In addition to the existing arrangements, we recommend that an international force monitor the Rafah Crossing on site, with indirect Israeli monitoring. This can easily be accomplished through modern surveillance equipment. Additionally, an update will include permitting Presidential cars to pass through the crossing.

Establish an international security force to maintain borders.

Buffer zones are incredibly evasive to the effective utilization of land in the Gaza Strip. As of 2011, the buffer zone extends over approximately 17 percent of the land in the Gaza Strip (42). Approximately 95 percent of this land is arable, meaning that the buffer zone occupies over 35 percent of the agricultural land available in the Gaza Strip (43). In addition, Israeli management of the buffer zone along the Gaza Strip provides a site for escalated conflict and has resulted in gross human rights violations (44).

Accordingly, an international force should be deployed to monitor the borders of the Gaza Strip and Israel. This international force will secure both sides of the border in a reasonable manner that is acceptable to both sides of the conflict. Implementation should include joint security cooperation similar to the arrangement at the border between Israel and the West Bank.

Conclusion

We urge the international community to approach Palestinian-Israeli negotiations with several specific objectives. The political track must encourage Palestinian political unity by allowing Palestinians to compose their own government. In order to establish a viable economy in Gaza and the West Bank, it is imperative that the economic track includes the implementation of a reconstruction plan, specific strategies to revitalize Gaza's economy, provide Gaza with access to the outside world, and integrate Gaza and the West Bank. Simultaneously, the security of Israel, Palestine, and regional actors must be addressed so that strategic policies may be implemented with confidence and effectiveness. These components must be an integral part of the current Palestinian-Israeli peace negotiations in order to establish a viable, unified Palestinian state within the framework of an enduring two-state solution.

Like many aspects of the Palestinian-Israeli conflict, there is no easy way to approach the situation in the Gaza Strip. However, in spite of the existing difficulties, decisions must be made to proceed with a strategic course of resolution. Continuation of the status quo or failure to adequately address the situation in the Gaza Strip will severely undermine the current Palestinian-Israeli negotiations and any agreement that may be reached. Therefore, it is imperative to approach to the situation in the Gaza Strip with

creativity, boldness, compassion, and a commitment to enduring peace.

(1) *According to the Palestinian Central Bureau of Statistics, the current population of the Gaza Strip is 1,701,437, while the population of the Palestinian Territories as a whole is 4,420,549. The Gaza Strip includes 365 sq. Km, while the West Bank is composed of 5,655 sq. Km.*

(2) *Conference, "Two Years Since Sharm Elsheikh Donors Conference Reconstruction of Gaza Strip has not Resumed Yet." 4/4/2011, Gaza-Palestine.*

(3) *Conference, "Two Years Since Sharm Elsheikh Donors Conference Reconstruction of Gaza Strip has not Resumed Yet." 4/4/2011, Gaza-Palestine.*

(4) *Conference, "Two Years Since Sharm Elsheikh Donors Conference Reconstruction of Gaza Strip has not Resumed Yet." 4/4/2011, Gaza-Palestine.*

(5) *Conference, "Two Years Since Sharm Elsheikh Donors Conference Reconstruction of Gaza Strip has not Resumed Yet." 4/4/2011, Gaza-Palestine.*

(6) *Conference, "Two Years Since Sharm Elsheikh Donors Conference Reconstruction of Gaza Strip has not Resumed Yet." 4/4/2011, Gaza-Palestine.*

(7) *The Gaza Strip contains a total of approximately 196 square kilometers of arable land.*

(8) *Prices increased by 20 percent for irrigation systems. Prices of fertilizers and seeds increased by 43 percent compared to the price prior to the War on Gaza.*

(9) *Office of the United Nations Special Coordinator for the Middle East Process. 2012. Gaza in 2020: A liveable place?*

- (10) *The World Food Summit defines food security as existing “when all people at all times have access to sufficient, safe, nutritious food to maintain a healthy and active life”.* See <http://www.who.int/trade/glossary/story028/en/>.
- (11) *Office of the United Nations Special Coordinator for the Middle East Process. 2012. Gaza in 2020: A liveable place?*
- (12) *Ramahi, Sawsan. The Health Risks Posed by Water Pollution in the Gaza Strip. Middle East Monitor, Jan. 2013. Web. 24 Nov. 2013.*
- (13) *Fatah-Hamas Unity Agreement. Cairo, Egypt. 4 May 2011.*
- (14) *Doha Agreement. Doha, Qatar. 21 May 2008.*
- (15) *Rudoren, Jodi. “Palestinians Sign Deal to Set Up Elections.” The New York Times. The New York Times Company, 20 May 2012. Web. 1 Nov. 2013.*
- (16) *“Gaza: Fatah holds biggest Rally since Hamas came to power.” BBC. BBC News, 4 Jan. 2013. Web. 2 Nov. 2013.*
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- (28) *“The Gaza Cheat Sheet: Real Data on the Gaza Closure.” Gisha – Legal Center for Freedom of Movement. 8 Oct. 2013. Web. 16 Oct. 2013.*
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- (30) *“The Gaza Cheat Sheet: Real Data on the Gaza Closure.” Gisha – Legal Center for Freedom of Movement. 8 Oct. 2013. Web. 16 Oct. 2013.*
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3: Roles of Different Actors



Specific Roles in the International Envelope

European Union Roles

Specific Roles in the International Envelope International

API based regional envelop for enhancing
Israeli Palestinian Peace

The roles of actors in the process of developing a
peaceful two state solution between Israel and
Palestine

by

Laura Pascale Petrak

This policy paper presents a summary of the previous chapters and additions on suggestions to different parties which are involved or should be more involved in the peace process between Israelis and Palestinians. Each country or coalition will be looked upon through the framework of the three tracks presented by John Kerry. For each actor which can contribute to the process of developing a peaceful two state solution recommendations have been put forward concerning the matters of; security, economics and politics.

These recommendations will be structured by presenting the different actors (countries or collations) one after the other on the three mentioned issues, starting with Israel and Palestine, followed by Arab nations and the remaining other international actors. The role of the European Union will be captured separately in chapter seven of this booklet.

1. Israel

Security:

- Israel should communicate with the Arab League via the appropriate instruments and organization of Islamic cooperation as it involves 57 Arab and Islamic countries and has a high influence on the whole region. Creating a dialogue will encourage peace in the whole Middle Eastern terrain.
- Israel is requested to withdraw from all the Palestinian, Syrian and Lebanese occupied territories according to the 1967 borders in the context of a full and secure peace agreement.
- Stop dealing with the changes in the region from the point of view of threat and responding with further preparation of military force and further isolation from the region with more walls around Israel. And instead, to start opening up to the new forces in the region and engaging with them in a positive dialogue to promote peace between the people.
- The achievement of the API will provide regional security (real security that can lead to people's peace rather than military hegemony) and establish normal relations between Israel and 57 Arab and Muslim states as an outcome of a peace deal with the Palestinians.

Political:

- Israel should address its public to raise awareness about the ongoing conflict to counteract the process of normalization.

- Israel should understand that it is the occupying force and thus has the strongest and most effective means of bringing peace, by ending the occupation and not needing to prolong it any further.
- Acceptance of an independent Palestinian State with East Jerusalem as its capital.
- Reach peace agreements with Syria and Lebanon as a starting point to normal relations with all the Arab and Islamic countries.

Economical:

- Should remove any restriction on economic issue to help develop a strong Palestinian economy mainly in Area C, East Jerusalem and Gaza strip.
- Until an agreement has been made concerning East Jerusalem the Israeli government should spend the same amount of taxes on services like it does in the West of Jerusalem and allowing the flow of Palestinian goods to East Jerusalem.
- Allowing import and export from neighboring countries to Palestinian territory without any restrictions.
- Israel should allow an economic building of Palestinian statehood including lifting all the restrictions on the Palestinian Economy including Area C, East Jerusalem, rebuilding Gaza strip and creating the link between West Bank and Gaza.
- Israel needs to allow the donor community to implement their projects for the Palestinian statehood in Area C, in East Jerusalem and Gaza strip.
- Israel should give support for the Kerry initiative for building the economic Palestinian state.

2. Palestinian Authority

Security:

- If the API gets accepted by Israel normal relations will be established to guarantee a safe region.
- Non-violent resistance should be promoted. Palestinians should stop seeing the concept of civil resistance as only marches and demonstrations, but to put the development dimension into it, and put it forward as a methodology and a way of life and not merely demonstration activities, and develop activities of civil resistance with a peaceful sustainable nature as an alternative to thinking about it as events to throw stones for a limited period followed by return to the practice of normal everyday life, as if nothing had happened.
- Building a Palestinian Statehood in a bottom up approach , regardless of the status of negotiation and establish link between Area C, East Jerusalem and Gaza.

Political:

- Present the API to the Israeli and international society through media, campaigns and other ways of spreading information and knowledge.
- The third birth of a Palestinian nationalism should be pushed forward, uniting all classes and groups of the Palestinian people around one program. The inner division between Palestinians has to be overcome.
- The newly formed unified program between Fatah, Hamas and different Palestinian groupings can be formed based on the common set of outstanding issues representing the current common concerns of all Palestinians: At the forefront of these issues is preserving the idea of Palestine alive and vivid as a free and democratic country

given what this idea is exposed to in terms of escalating attempts to limit it or scatter it. The second of these issues: working together to achieve the individual and collective rights, by tackling the question of Palestine as a human rights issue.

- Coordination with the countries of the world to boycott the settlements should be stressed more until an agreement has been reached.
- Palestinians have to stop relying on negotiations and stop employing it as only method the resorting to international organizations. Experience has shown that it is not enough to meet Palestinian rights, if not accompanied with national nonviolent effective resistance, the building of an international supportive coalition, diplomatic resistance, building facts on the ground particularly in Area C and East Jerusalem. An alternative way of working must be created instead of just "repairing the damage" and working within the ceiling imposed by the occupation.
- Preparing and implementing a vast campaign for communicating with Israel and search for open talks as a neighboring nation.
- With the PLO being a political institution and the PA being an economic institution, it is suggested that they should work separately and not at the expense of the other. It should be actively worked on avoiding that they will be used by Israel to "twist the Palestinians' arms".

Economical:

- Since it is almost impossible to separate the economic situation from the political and security ones (completely opposite to Benjamin Netanyahu's concept of economic peace), any economic development which will improve creates a favorable atmosphere for political progress between two parties.

- Use the opportunity presented by Kerry Initiative in order to build the Palestinian economy bottom up focusing on Area C , East Jerusalem , developing Gaza and creating the link between the three

3. Jordan

Security:

- Jordan can help with Israeli and Palestinian security issues as a neighbor to Israel that has a peace agreement with, and as a neighbor to Palestine as well.
- Help dealing actively with the 'Jerusalem issue.'
- If Israel accepts the turns of the API, Jordan can actively help to keep the region peaceful making sure that both sides are secure and motivate the other Arab and Islamic countries to have normal relations with Israel.
- Jordan can help the Israeli and Palestinian to create a security strategy and agreement for the Jordan Valley, by security arrangements from the Jordanian side.

Political:

- Jordan is one of the two states (with Egypt) that were delegated to communicate the Arab peace initiative (API) by the Arab League. So they should keep communication the initiative and should have a plan for systematic actions.
- Jordan being a member of the API follow up committee can communicate actively with the international community.
- Jordan should offer incentives to both parties to push forward the process, before and after by giving advice to the communicators and taking the responsibility on Jerusalem.

- Help the Palestinians actively with communicating the API to Israel.
- State officials are suggested to visit Israel and search for open talks.
- Activate a committee of Jordan-Palestinian- Israel- Egypt for the 1967 displaced people.

Economical:

- Encourage Israelis to remove the restrictions on Palestinian economy.
- Encourage in- and export of goods to and from Jordan and via Jordan to the other Arab countries and to the other world countries.
- If Israel accepts the API trilateral mega economic projects can be developed between Jordan, Israel and Palestine.

4. Egypt

Security:

- Egypt can help with the Israeli security issue as neighbor. Furthermore Israel has a peace agreement with Egypt which should make them an especially viable partner in developing a solution for the security issue of Israel.
- Egypt should help with developing security arrangements between Gaza, Israel and Egypt including providing trilateral arrangements in this regard.

Political:

- Egypt can provide incentives to Israel and Palestine during and after the process.

- Help with communicating the API to Israel.
- Egypt can help with communication with Hamas and try to promote the API to Hamas and calm down the situation in Gaza.
- Egypt is one of the two states that were delegated to communicate the Arab peace initiative (API) by the Arab League. So they should keep communicating the initiative and develop a plan for systematic action.

Economical:

- Improving Gaza's economy as a neighboring country and opening the border crossing for transferring resources and goods.
- Encourage Israelis to remove the restrictions on Palestinian economy and encourage in- and export of goods from and to Egypt with Palestinian people.
- Encourage in- and export of goods to ,from and via Egypt to other countries.

5. Saudi Arabia

Political:

- Has to define their responsibilities to support the Palestinians and provide incentives to Israel via back channels till Israel accepts the API.
- Can play an essential role in moving the process of peace forward through its role in the G20, OIC, Arab League and in the API follow up committee.

Economical:

- Saudi Arabia obtains a high income economy and could support like the United Arab Emirates, Oman and Qatar the development and sustainability of a Palestinian Statehood.

6. Qatar

Political:

- Using its position as head of the API follow up committee Qatar can actively work on ideas how the two state solution can be achieved peaceful. Furthermore its position in the Arab League can be used to present achievements made by the API follow up committee work.
- Also as the head of the API follow up committee they can actively communicate with the international community.
- Qatar can host track 1, 5 and track 2 meetings in order to develop ideas for moving the peace process forward.
- The diplomatic office in Tel Aviv should be re-opened based on the progress of the negation process.

Economical:

- Qatar obtains a high income economy and could support, like the United Arab Emirates and Oman, the development and sustainability of a Palestinian Statehood financially

7. Arab League

Security:

- Promoting the fact of Israeli state recognition by 57 Arab and Islamic countries if API is implemented.

Political:

- Arab leaders must address Israel directly via the media till Israel accepts the API (so far President Abbas was the only one who did it).
- Help with communicating the API to Israel via Jordan and Egypt and also via back channel meetings.
- The Arab League should work together with the EU, BRICS, OIC, nonaligned countries, African Union and other international bodies to present a more united position towards the negotiations which would drive for consensual and reasonable solutions.
- Creation of a continuous process of communication with the international Quartet for peace in the Middle East in order to provide ideas and create a regular process of consultations.

Economical:

- The Arab League should promote the fact that if Israel accepts the API that economic cooperation will come into existence in the whole region and therefore create a stronger economy in the whole Middle Eastern area.
- Follow the Arab countries in order to take the responsibilities in the bottom up process for building a Palestinian statehood.

8. API Follow up Committee

Political:

- Communication with international community and promote the API to them.
- Should offer incentives to both parties if API is accepted and develop a grand plan to build the Palestinian economy and create normal relations between the Arab countries and Israel.

- Try to promote the API to Israeli government and public, through spokesmen and women, media, public seminars and conferences.

- If API gets accepted by both sides, the committee has to monitor that both sides achieve what they have been promised before.

- API follow up committee can host track 2 and track 1, 5 back channel meetings.

Economical:

- Help the Arab and Islamic countries to take the responsibility to help building a Palestinian statehood.

9. United Arab Emirates

Political:

- The United Arab Emirates are part of the Gulf Cooperation Council together with Qatar, Saudi Arabia, Oman, Bahrain and Kuwait. It is suggested that within the council work sustaining Palestinian Statehood should play a bigger role.

- The diplomatic office in Tel Aviv should be re-opened based on the progress of the negation process.

- As a member of the Arab League stronger support for the API should be performed.

- Intense focus on track two initiatives to help bringing track one forward.

Economical:

- The United Arab Emirates obtain a well-functioning economy and

have already built one city in Gaza; therefore it could be invested in building more cities and help sustaining Palestinian statehood in general and especially in Jerusalem.

10. Oman

Political:

- As a member of the Gulf Cooperation Council and the Arab League Oman can push for support developing a Palestinian Statehood and give the topic more space in the council work.

- The diplomatic office in Tel Aviv should be re-opened based on the progress of the negation process.

Economical:

- Oman obtains a high income economy and could support, like the United Arab Emirates, the development and sustainability of a Palestinian Statehood.

11. Tunisia and Morocco

Political:

- Tunisia and Morocco have to define their responsibilities to support the Palestinians and provide incentives to Israel.

- Active supports of track two meetings are suggested to help the track one in progressing.

- Both enjoy having Israeli citizen who are originally from their countries therefore the two countries can play a role in promoting the API via those citizen.

- The diplomatic office in Tel Aviv should be re-opened based on the progress of the negation process.

12. The Quartet as a whole

Political:

- The Quartet can support to Kerry Initiative to develop peace between the two sides including by giving feedback and creating a process of regular meetings in order to insure a participatory decision making process.
- A development of a permanent contact with LAS, Israel and OIC and other international bodies is suggested in order to broaden the process of participation for finding Israeli- Palestinian peace.
- Following the regional parties including the Arab countries in order to take the responsibilities in pushing the Israeli Palestinian peace process forward.
- Prepare bridging proposals to be presented to the parties when they are stuck in the negotiations.
- Proposing a new Security Council resolution about comprehensive peace in the region that is inclusive to the API.

Economical:

- The Quartet can participate in state building through financial support.
- Investments in Palestinian Economic Initiative are suggested.
- Encourage the other regional and international countries and the private sector worldwide to take the responsibilities on supporting the Palestinian economy.

13. United Nations

Security:

- If API gets implemented the UN should help to sustain a peaceful region like it is done in the UNIFIL in South Lebanon.
- The UN should address Israel direct and stress the benefits they could achieve for their security when accepting the API.
- The UN should provide support to both sides in developing a sustainable peace process and therefore ensuring a better security situation.

Political:

- The UN should alert the international community that status quo is unacceptable
- Help with communicating the API to Israel and initiate more open talks to Israeli officials.
- UN should create a new UN resolution that includes mechanisms for the API implementation towards a Middle East comprehensive peace draft.
- See also below what individual countries can achieve through the UN general assembly.
- Playing an active role in the Quartet by providing suggestions and feedback to move the Palestinian Israeli negotiation forward.

Economical:

- Support the development of a Palestinian Statehood financially.
- Follow the implementation of the international community programs of building the Palestinian statehood.

14. U.S.

Security:

- All mentioned points in the UN section (see above).

Political:

- Alert the international community that status quo is unacceptable
- Help with communicating the API to Israel.
- Actively drive the parties into an agreement.
- The U.S. can help to engage Arab countries in the peace process.
- Use their political skill for outreach to the Israeli public to mobilize its support for the process.
- There must be a renewed and sustained commitment by the United States to a comprehensive Arab-Israeli peace on all fronts: Lebanon and Syria, and President Bush's June 2002 commitment to a two-state solution for Israel and Palestine should be included.
- This effort should include—as soon as possible—the unconditional calling and holding of international conference like Geneva two about the Syrian issue which will deal with the Israeli-Arab conflict, under the auspices of the United States or the Quartet (i.e., the United States, Russia, European Union, and the United Nations), between Israel and Lebanon and Syria on the one hand, and Israel and Palestinians (who acknowledge Israel's right to exist) on the other. The purpose of these meetings would be to negotiate peace as it was done at the Madrid Conference in 1991, on three separate tracks—one Syrian/Israeli, Israel/Lebanese, and the other one Palestinian/Israeli.

Economical:

- Utilize their financial investments to neutralize potential spoilers and to build a Palestinian Statehood in Gaza, East Jerusalem and Area C.
- Support the development and sustainability of a Palestinian Statehood financially.

15. Turkey, Indonesia and Malaysia (through the UN general assembly)

Political:

- Influencing Iran for a more contrastive role in the process.
- Creation of an OIC policy and plans to work constantly on the API on the Israeli-Palestinian track.
- It is expected from those countries to take more part in supporting and stressing the work of API.
- Giving incentives to both sides during and after the process.
- Development of diplomatic relations gradually with Israel in order to give encouragement on continuing the peace process.

Economical:

- Follow and implement Turkey 2006 projects in Erez Industrial Zone, a Palestinian Industrial Free Zone investment in Palestinian economy and creating working places. Turkey should promote this project to other countries so it can develop even more (See chapter 5).
- Indonesia and Malaysia should also encourage and support the Palestinian economy and encourage the other members of OIC to help building the Palestinian economy.

16. Russia

Security:

- As a member of the Quartet Russia can play a role in creating internal Palestinian reconciliation and help articulate a formula for regional security.

Political:

- Russia should try to host a dialogue between Israelis and Palestinians through track 2 channels.
- Needs to overcome issue of media in Russian language which is very restrictive and limits awareness of the issue.
- Communicate with Russian communities and the Knesset Caucus which support the two state solution and can help to move the peace process forward.

17. Brazil, India and China, Russia and South Africa (As the BRICS coalition)

Security:

- India employs soldiers in the Jordan Valley and could encourage other BRICS countries to do the same to create a stable terrain.
- As India, Brazil and China have employed soldiers through UNIFIL in South Lebanon; (UNFIL was created by the Security Council in March 1978 to confirm Israeli withdrawal from Lebanon, restore international peace and security and assist the Lebanese Government in restoring its effective authority in the area (UN)), India, Brazil and China could reach out to UNFIL and suggest employing soldiers in the Jordan Valley to pursue their work there as well.

Political:

- As a big coalition of countries which have an enormous impact on issues all over the world it is suggested that the topic of the Palestinian- Israeli peace process is brought more forward in the active work of the group.
- A more active role in the Israeli-Palestinian track through possible inclusion in the Quartet is suggested. Russia who is already a part of the Quartet could reach out with suggestions from the BRICS coalition to the Quartet.

Economical:

- Especially the economical well equipped BRICS countries could support economically the development of a general Palestinian Statehood.

18. South Africa

Political:

- South Africa could emphasize the topic of conciliation and could play a role model for the conflict between Israelis and Palestinians. Their experience in bringing conciliation to people could be used as a tool with initiating talks with parliamentarians from both sides.

19. Other suggestions to the Quartet about Iran

Security:

- A combined track (within API) is suggested that discusses in one package peace in the Middle East and weapons of mass destructions free region like suggested in the Hamilton backer report.

- Creation of conversation with Iran under the supervision of the International Community with a special focus on the nuclear issue. Since the API was approved by OIC at a conference held in Tehran in 2003 Iran should be convinced to take an active role in promoting comprehensive Middle Eastern peace.

Conclusion:

If all countries and coalitions involved actively focus their work on the recommendations mentioned above and push for implementation of the API, the outcome is almost inevitably a peaceful two state solution, allowing Israelis and Palestinians alike to live peacefully.

Also the international community will benefit when the region is peaceful as political and economic interaction is a lot more likely to happen to a greater extent.

European Union Roles

by

Jannie Kuik & Apo Sahagian

The European Union has been an integral part of the peace process between the Israelis and the Palestinians. The following paper presents the EU's position in and complimenting the Kerry Initiative to bring forth peace and security over the course of the ongoing Israeli/Palestinian peace process. The issues addressed below present a summary and extension of the issues discussed in previous chapters on the issues of Jerusalem, Refugees, Security, Settlements, Borders, Water, and Gaza. These discussions illustrate CDCD's policies that conform with the Kerry Initiative, and encourage the regional and international envelope of support which together aim for the same goal.

The EU and the Peace Process

Recent History of the European Union involvement in the Peace Process

The European Union (EU) has been for a long time involved in the peace process between the Israelis and the Palestinians. However, the EU has in the past been seen as merely a 'payer' and not a 'player', leaving the political lead to the United States. An historical weaknesses of the EU have been it's sometime declaratory policies; conclusions of the European Council that are to be seen as statements of intent, which sometimes encounter many problems before implementation is possible. This aspect of the EU's policies goes especially for the Israeli Palestinian conflict due in large part to it's deep historical roots in Europe.

The EU has at times been an international leader in setting norms for a solution to the conflict based on international law. In its Venice declaration of 1980 the (then 9) European Community members took the position that the only way forward would be a solution based on relevant UNSC resolutions (242,381), acknowledging the rights of existence and secure borders of all countries in the region, including Israel, and justice for all people, meaning the legitimate rights of the Palestinian people. Up till today the EU has admirably and correctly refused to recognize the Israeli annexation of East Jerusalem, while for a long time the EU did not actively follow up it's own laws and regulations vis-à-vis Israel.

The EU already in 2003 welcomed the API as an important initiative to bring about a comprehensive peace in the Middle East. In response to the hesitations of

then prime minister Ehud Olmert in 2007, Javier Solano (EU High Representative for the Common Foreign and Security Policy), acknowledged the API as a central element for any comprehensive peace in the ME. He urged participants at the Arab summit in 2007 to view the API as a general concept for peace, which should be developed and utilized. Javier Solano urged the Arabs and Israel to deal with the plan as a starting point in negotiations rather than a take-it-or-leave-it proposal.

The EU Role in the Peace Process:

Through its meetings and resolutions vis-à-vis the Middle East, the EU has constantly stressed the importance of regional peace and security by building an envelope that would accommodate the regions' countries and their mutual concerns/interests. For example, in the Cairo Declaration of November 2012, between the Arab League and the EU, both parties agreed to cooperate collectively to attain peace, security, justice, and prosperity for the Middle East. Particularly significant to the Israeli-Palestinian track, the Cairo Declaration indicated a regional envelop to contribute to the peace process by a special mention of the Arab Peace Initiative. It was stated that "The Ministers reaffirmed their shared position that a just, comprehensive peace in the Middle East is a strategic objective and vital for the stability of the region and international peace and security. They reaffirmed their continued support for the Arab Peace Initiative..." In an EU Council meeting on Dec 12 2012, the institution once again reaffirmed when it was stated: "The European Union recalls that the Arab Peace Initiative provides regional support for a comprehensive Israeli-Palestinian peace agreement."

Additionally, the commitment of the Cairo Declaration to Palestinian state-building has been expressed and pursued regardless how far the negotiations have progressed. The Declaration has stressed that the parties have agreed "on the need to continue to support Palestinian state-building efforts, both politically and financially." And it is clear that the progress of Palestinian statehood is tied to

improving the situation of Gaza, Area C, and Jerusalem, which the EU has called upon Israel "to take positive steps to enable sustainable economic development" in these areas.

The EU Council conclusions of May 14, 2012 stated: "Ending the conflict is a fundamental interest of the EU as well as of the parties themselves and the wider region, and it can be achieved through a comprehensive peace agreement, based on the relevant UN Security Council Resolutions, the Madrid principles including land for peace, the Roadmap, the agreements previously reached by the parties and the Arab Peace Initiative. The EU recalls the applicability of international humanitarian law in the occupied Palestinian territory, including the applicability of the fourth Geneva Convention relative to the protection of civilians."

The EU welcomed the agreement between secretary of state Kerry and the Arab League (April 2013) when meeting in Washington that the Arab League would support limited, mutually agreed upon land swaps as part of a peace deal.

Conclusion:

The EU Council resolutions, head of mission statements, and Cairo Declaration all unequivocally underline the importance of the two-state solution viability and any action counter to that- mainly settlement building and expansion- is condemned and seen as illegal and illegitimate.

To support the Kerry Initiative, the EU must act on its conclusions, passed resolutions and public statements that display the EU's stance against any maneuver meant to threaten the viability of the two-state solution and a peaceful co-existence between Israelis and Palestinians. Therefore the EU should not give in to the demands of Israel and United States to soften EU's position and policies on the principal borders between Palestine and Israel. Although both the EU and the Arab states have taken the position that the borders in

the end will be the result of successful negotiations between the parties, it is needed in negotiations to agree on a 'principled baseline'. This 'baseline' cannot be the wall/fence protecting areas that not only Palestinians but also the international community, including the EU and the Arab states/Arab League, consider occupied territories. Since Kerry succeeded in making the Arab Peace Initiative on this issue politically more relevant, the EU should not politically devalue this position by giving in to Israeli and US pressure 'for the sake of the peace negotiations'.

Jerusalem:

Summary

One of the sensitive final-status issues in the negotiations is Jerusalem. The EU has emphasized that without its inclusion in a Palestinian state, sustainable peace will not be possible. An EU Head of Mission paper stated "the interlinked Israeli policies and measures continue to negatively affect East Jerusalem's crucial role in Palestinian political, economic, social, and cultural life." Highlighted in the Council conclusions of December 8, 2009 (and many subsequent Council conclusions as recent as 2013), the EU reaffirmed its refusal to recognize the annexation of East Jerusalem, "if there is to be a genuine peace, a way must be found through negotiations to resolve the status of Jerusalem as the future capital of two states." The EU can make a significant contribution to the peace process by encouraging and supporting initiatives such as "Strategic Multi-sector Development Plan for East Jerusalem 2011-2013" and not only urging the government of Israel to end all settlement activities but also to act upon their stated policies. The EU should also consequently deal with East Jerusalem as occupied territory on which international humanitarian law is applicable.

The EU Head of Mission report states that the economy of East Jerusalem "remains a major source of concern." The restrictions set on the Palestinian market vis-à-vis the West Bank and East Jerusalem have made it costly for the Palestinians in East Jerusalem to trade in the local market". "Moreover, though Palestinians are 37% of the city's population, they receive only 10% of the municipal budget".

Up till now the Israeli authorities have not ceased their closure of numerous Palestinian institutions on the accusation that the institutions are affiliated to the Palestinian Authority contrary to the Oslo Accords and the Roadmap for Peace. With these closures the Israeli authorities however ignore a 1993 Jerusalem letter from the Foreign Minister of Israel (Shimon Peres) stating that Israel would not hamper on the activities of the Palestinian institutions in Jerusalem. The continued restrictions of these institutions is a clear violation of the Jerusalem letter. The institutions should be allowed to re-open immediately. This can lead to the building of a non-official civil society leadership in East Jerusalem.

To address the economic needs of East Jerusalem it is recommended that, based on the current state of the private sector, an EU-supported East Jerusalemite body needs to coordinate the Kerry Plan with the Palestinian National Development Plan to create a synthesis of the two. The PA should also utilize its resources to address pressing social problems in East Jerusalem.

Housing, tourism, education, and health are the four main issues that need to be addressed for Jerusalemites. Housing must be supported and expanded with the acquisition of zoning plans and building permits, the lack of sufficient classroom facilities must be addressed, and the tourism sector needs general attention and support.

Palestinians in East Jerusalem must demand their right to create a municipality run by leaders elected by the Palestinians themselves.

The current situation for Jerusalemites needs the use of Palestinian, rather than Israeli, courts and police services.

Settlements:

Summary:

Along with the issue of Jerusalem, settlement expansion has also been a fundamental obstacle in the progress of the negotiations and the stalemate in the peace process. The EU has described the building and expansion of the settlements as “systematic, deliberate, and provocative.” The EU’s opposition to the settlements was clearly seen when the EU set out the guidelines of its economic relations with Israel that excluded settlement products from its preferential customs agreement.

For the Kerry Initiative to become successful there must be prevention and dissuasion of economic activity from EU MS actors that encourage settlement activity in East Jerusalem and on the West Bank, which should be supported by an EU law for that end.

Moreover, the guidelines of the EU can help ensure that goods produced in the East Jerusalem settlements do not make their way into the European market. This should be complemented by an awareness campaign to label settlement product. Preferably settlement products should be banned from the European market.

Area C

Summary

According to the EU Head of Mission report, the “Israeli planning policies hinder socio-economic incentive for Palestinian development in Area C...Frequent destructions of houses; public buildings and livelihood-related constructions result in forced transfer of the native population.” A substantial part of Area C land is used by the Israel for military interests (bases, firing zones) and

for settlement building/expansion, leaving no room for the Palestinians to grow or progress.

For the economic components of the Kerry Initiative to succeed, the Area C is a very significant pillar for that proposed goal. The development of Area C will have a wide and positive effect on the general Palestinian economy. For that to occur, Israel will have to cease its destruction and annexation of Area C property belonging to Palestinians and Palestine. The expulsion of Palestinians from Area C must also completely halt. Demolitions of Palestinian structures must cease as part of a just and non-discriminate zoning plan, by establishing local committee that can have oversight in these plans.

Internationally-funded projects meant to assist the communities must be immune to Israeli demolition or restrictions. When EU funded projects in area C are targeted and destroyed by Israel this should lead to financial claims of the EU or individual MS to Israel.

In the EU HoM report there are calls to support “Palestinian private sector development in Area C in areas such as tourism, site protection, industrial parks, wastewater treatment, solid waste, landfills, water pipelines, electricity infrastructures, etc” in a similar approach of the Kerry Initiative that aims to improve the said areas of the economy. But for these developments to materialize Israel must reduce its strict restrictions on the Palestinian-owned land and the closed-off agriculture lands, to also build greenhouses, irrigation systems and management of livestock.

There must be a comprehensive economic link between all the Palestinian territories- East Jerusalem, West Bank, and Gaza- to facilitate and rehabilitate the economy on sustainable and beneficial foundations. However the prolongation of the strict Israeli measures will only reduce and tear down the achievements that the Palestinians have made so far in not the most accommodating economic circumstances.

Arab League:

Summary

As a core pillar in the regional envelope for supporting the negotiations between the Israelis-Palestinians, the Arab League must be approached and confided in the policies and actions to be taken by the international community/EU.

The inclusion of the Arab League yields two advantages: to reassure their support when the Palestinians would have to compromise, and to reassure their commitment to peace by giving incentives to Israel to also compromise. Having the regional players at the table can quicken the process of negotiating the more sensitive issues, since their presence can indicate the reality that the region is there to encourage and come to reasonable solutions.

The cooperation history of EU and the Arab League is not in deficit when pertaining to the region. The recent upheavals of the Arab Spring has lead to more intensive contacts between EU and Arab countries/Arab League to finding solutions to the various problems. Similarly, the EU and the Arab League should work together to present a more formidable and able front in the negotiations which would drive for consensual and reasonable solutions in the Israeli-Palestinian negotiations.

A significant closeness of the EU and the Arab League is of course the Barcelona Process - Mediterranean Union (MU) in which the Arab League participates. Though the Barcelona – MU process mostly focuses on economic issues it states as its goal to contribute to peace and stability in the region. According to the EU's External services "The Barcelona Process remains the only forum which allows a constructive dialogue that promotes the pursuit of political and socio-economic reform and the modernization of the Mediterranean region. Trade liberalization with the EU, with a view to establishing a free-trade area, has notably favored exports and

investment. However further and faster reforms are needed to achieve effective regional integration."

A recent workshop of Civil Society Dialogue Network Meeting regarding the relationship of the EU and Arab League stated: The relationship between the EU and the LAS could be improved through provision of strategies by both sides; cooperation with civil society could be part of the relationship. The EU response to transformations in the Arab region has been revised since 2011, but it still needs adaptation and re-evaluation, especially in terms of the real needs in the region and mutual interests. The channel of the Israeli-Palestinian negotiations can offer new impetus and reshaping to the relationship to reflect on mutual interests and complimenting strategies.

Moreover, the introduction of European expertise is highly valuable to the solutions of the Israeli-Palestinian negotiations and regional peace building. The example of the OSCE, with its mandate in arms control, security, and human rights, can serve as an inspiration for the creation of a similar organization to undertake the same relevant tasks in the Middle East as a guarantor of regional peace and security, which can have the trust and commitment of all regional states, including Israel and Palestine. Such intergovernmental institutions that deal with conflict preventions, early warnings, and post-conflict rehabilitation will be of great importance in the creation and maintenance of sustainable regional peace and security.

Accordingly, the engagement with the regional envelope can not only solve the current problems of the Middle East but can also prevent the eruption of new problems, by the close cooperation of the EU with the Arab world.

Specific Suggestions for EU support in general:

1. The EU should support the current negotiations by ongoing support for state building in Palestine. This state building should also concentrate on East Jerusalem and C-areas.
2. The EU should hold on to its principles and discourage companies that are legally based in EU countries to invest in settlement activities both in the C-areas and in East Jerusalem. The EU MS should start a process of legislation forbidding investments in occupied territories on behalf of the occupying power.
3. The EU should not only label settlement products but should legally ban the import of products from occupied territories to the EU.
4. The EU should, next to conditionality, also explore what its own strategic interest are in order to build its own credibility (based on commitment to human rights, rule of law and non-recognition of legal violations) in the case of a peace deal. The EU should organize a high level conference involving academia and specialized NGO's to discuss its strategic interests.
5. Given the changes in the Middle East, the EU should actively promote a common civil peace building agenda in the Middle East based on the Arab Peace Initiative and the eventual outcomes of the current peace negotiation. The new ENP Civil Society Facility and the new Eastern and Southern Endowment for Democracy should focus on peace and democracy.
6. The EU should strengthen the position of its Special Representative for the Middle East Peace process by sending an EU envoy to the Arab League/Arab States with a special focus on the API.

7. The EU should look for ways to officially involve the regional players in the ME into a multi lateral framework dealing with conflict resolution mechanisms.

