THE ISRAELI PALESTINIAN PEACE PROCESS DOCUMENTS

Israeli-Palestinian Interim Agreement on the West Bank and the Gaza Strip. Washington, D.C., September 28, 1995

And previous agreements

PREFACE

This book includes the documents relevant to Peace Process between the Government of Israel and the PLO (The sole representative of Palestinian People); which were published an made available to public

The documents were collected from of the Israeli Ministry of foreign Affairs web site achieve and the Congress Library website.

The purpose of this effort is to provide the reader with an easy tool to reach to proper documents relating to the peace process and the Israeli- Palestinian conflict.

The book was divided into six parts:

Part 1: The main Agreement (the interim agreement)

Part 2: Previous Agreements (The agreement signed before the Interim agreement)

Part 3: Other documents relating to Peace Process

Part 4: Palestinian Israeli- Conflict Documents

Part 3: Pre Oslo Document

Part 6: Post Oslo Documents

Part 1: Main Agreement

Israeli-Palestinian Interim Agreement on the West Bank and the Gaza Strip.

Washington, D.C., September 28, 1995

Israeli-Palestinian Interim Agreement on the West Bank and the Gaza Strip.

Washington, D.C., September 28, 1995

The Government of the State of Israel and the Palestine Liberation Organization (hereinafter "the PLO"), the representative of the Palestinian people;

PREAMBLE

WITHIN the framework of the Middle East peace process initiated at Madrid in October 1991;

REAFFIRMING their determination to put an end to decades of confrontation and to live in peaceful coexistence, mutual dignity and security, while recognizing their mutual legitimate and political rights;

REAFFIRMING their desire to achieve a just, lasting and comprehensive peace settlement and historic reconciliation through the agreed political process;

RECOGNIZING that the peace process and the new era that it has created, as well as the new relationship established between the two Parties as described above, are irreversible, and the determination of the two Parties to maintain, sustain and continue the peace process;

RECOGNIZING that the aim of the Israeli-Palestinian negotiations within the current Middle East peace process is, among other things, to establish a Palestinian Interim Self-Government Authority, i.e. the elected Council (hereinafter "the Council" or "the Palestinian Council"), and the elected Ra'ees of the Executive Authority, for the Palestinian people in the West Bank and the Gaza Strip, for a transitional period not exceeding five years from the date of signing the Agreement on the Gaza Strip and the Jericho Area (hereinafter "the Gaza-Jericho Agreement") on May 4, 1994, leading to a permanent settlement based on Security Council Resolutions 242 and 338;

REAFFIRMING their understanding that the interim self-government arrangements contained in this Agreement are an integral part of the whole peace process, that the negotiations on the permanent status, that will start as soon as possible but not later than May 4, 1996, will lead to the implementation of Security Council Resolutions 242 and 338, and that the Interim Agreement shall settle all the issues of the interim period and that no such issues will be deferred to the agenda of the permanent status negotiations;

REAFFIRMING their adherence to the mutual recognition and commitments expressed in the letters dated September 9, 1993, signed by and exchanged between the Prime Minister of Israel and the Chairman of the PLO;

DESIROUS of putting into effect the Declaration of Principles on Interim Self-Government Arrangements signed at Washington, D.C. on September 13, 1993, and the Agreed Minutes thereto (hereinafter "the DOP") and in particular Article III and Annex I concerning the holding

of direct, free and general political elections for the Council and the Ra'ees of the Executive Authority in order that the Palestinian people in the West Bank, Jerusalem and the Gaza Strip may democratically elect accountable representatives;

RECOGNIZING that these elections will constitute a significant interim preparatory step toward the realization of the legitimate rights of the Palestinian people and their just requirements and will provide a democratic basis for the establishment of Palestinian institutions;

REAFFIRMING their mutual commitment to act, in accordance with this Agreement, immediately, efficiently and effectively against acts or threats of terrorism, violence or incitement, whether committed by Palestinians or Israelis;

FOLLOWING the Gaza-Jericho Agreement; the Agreement on Preparatory Transfer of Powers and Responsibilities signed at Erez on August 29, 1994 (hereinafter "the Preparatory Transfer Agreement"); and the Protocol on Further Transfer of Powers and Responsibilities signed at Cairo on August 27, 1995 (hereinafter "the Further Transfer Protocol"); which three agreements will be superseded by this Agreement;

HEREBY AGREE as follows:

CHAPTER I - THE COUNCIL

ARTICLE I
Transfer of Authority

1. Israel shall transfer powers and responsibilities as specified in this Agreement from the Israeli military government and its Civil Administration to the Council in accordance with this Agreement. Israel shall continue to exercise powers and responsibilities not so transferred.

2. Pending the inauguration of the Council, the powers and responsibilities transferred to the Council shall be exercised by the Palestinian Authority established in accordance with the Gaza-Jericho Agreement, which shall also have all the rights, liabilities and obligations to be assumed by the Council in this regard. Accordingly, the term "Council" throughout this Agreement shall, pending the inauguration of the Council, be construed as meaning the Palestinian Authority.

3. The transfer of powers and responsibilities to the police force established by the Palestinian Council in accordance with Article XIV below (hereinafter "the Palestinian Police") shall be accomplished in a phased manner, as detailed in this Agreement and in the Protocol concerning Redeployment and Security Arrangements attached as Annex I to this Agreement (hereinafter "Annex I").

4. As regards the transfer and assumption of authority in civil spheres, powers and responsibilities shall be transferred and assumed as set out in the Protocol Concerning Civil Affairs attached as Annex III to this Agreement (hereinafter "Annex III").

5. After the inauguration of the Council, the Civil Administration in the West Bank will be dissolved, and the Israeli military government shall be withdrawn. The withdrawal of the military government shall not prevent it from exercising the powers and responsibilities not transferred to the Council.

6. A Joint Civil Affairs Coordination and Cooperation Committee (hereinafter "the CAC"), Joint Regional Civil Affairs Subcommittees, one for the Gaza Strip and the other for the West Bank, and District Civil Liaison Offices in the West Bank shall be established in order to provide for coordination and cooperation in civil affairs between the Council and Israel, as detailed in Annex III.

7. The offices of the Council, and the offices of its Ra'ees and its Executive Authority and other committees, shall be located in areas under Palestinian territorial jurisdiction in the West Bank and the Gaza Strip.

ARTICLE II
Elections

1. In order that the Palestinian people of the West Bank and the Gaza Strip may govern themselves according to democratic principles, direct, free and general political elections will be held for the Council and the Ra'ees of the Executive Authority of the Council in accordance with the provisions set out in the Protocol concerning Elections attached as Annex II to this Agreement (hereinafter "Annex II").

2. These elections will constitute a significant interim preparatory step towards the realization of the legitimate rights of the Palestinian people and their just requirements and will provide a democratic basis for the establishment of Palestinian institutions.

3. Palestinians of Jerusalem who live there may participate in the election process in accordance with the provisions contained in this Article and in Article VI of Annex II (Election Arrangements concerning Jerusalem).

4. The elections shall be called by the Chairman of the Palestinian Authority immediately following the signing of this Agreement to take place at the earliest practicable date following the redeployment of Israeli forces in accordance with Annex I, and consistent with the requirements of the election timetable as provided in Annex II, the Election Law and the Election Regulations, as defined in Article I of Annex II.

ARTICLE III
Structure of the Palestinian Council

1. The Palestinian Council and the Ra'ees of the Executive Authority of the Council constitute the Palestinian Interim Self-Government Authority, which will be elected by the Palestinian people of the West Bank, Jerusalem and the Gaza Strip for the transitional period agreed in Article I of the DOP.

2. The Council shall possess both legislative power and executive power, in accordance with Articles VII and IX of the DOP. The Council shall carry out and be responsible for all the legislative and executive powers and responsibilities transferred to it under this Agreement. The exercise of legislative powers shall be in accordance with Article XVIII of this Agreement (Legislative Powers of the Council).

3. The Council and the Ra'ees of the Executive Authority of the Council shall be directly and simultaneously elected by the Palestinian people of the West Bank, Jerusalem and the Gaza Strip, in accordance with the provisions of this Agreement and the Election Law and Regulations, which shall not be contrary to the provisions of this Agreement.

4. The Council and the Ra'ees of the Executive Authority of the Council shall be elected for a transitional period not exceeding five years from the signing of the Gaza-Jericho Agreement on May 4, 1994.

5. Immediately upon its inauguration, the Council will elect from among its members a Speaker. The Speaker will preside over the meetings of the Council, administer the Council and its committees, decide on the agenda of each meeting, and lay before the Council proposals for voting and declare their results.

6. The jurisdiction of the Council shall be as determined in Article XVII of this Agreement (Jurisdiction).

7. The organization, structure and functioning of the Council shall be in accordance with this Agreement and the Basic Law for the Palestinian Interim Self-government Authority, which Law shall be adopted by the Council. The Basic Law and any regulations made under it shall not be contrary to the provisions of this Agreement.

8. The Council shall be responsible under its executive powers for the offices, services and departments transferred to it and may establish, within its jurisdiction, ministries and subordinate bodies, as necessary for the fulfillment of its responsibilities.

9. The Speaker will present for the Council's approval proposed internal procedures that will regulate, among other things, the decision-making processes of the Council.

ARTICLE IV
Size of the Council

The Palestinian Council shall be composed of 82 representatives and the Ra'ees of the Executive Authority, who will be directly and simultaneously elected by the Palestinian people of the West Bank, Jerusalem and the Gaza Strip.

ARTICLE V
The Executive Authority of the Council

1. The Council will have a committee that will exercise the executive authority of the Council, formed in accordance with paragraph 4 below (hereinafter "the Executive Authority").

2. The Executive Authority shall be bestowed with the executive authority of the Council and will exercise it on behalf of the Council. It shall determine its own internal procedures and decision making processes.

3. The Council will publish the names of the members of the Executive Authority immediately upon their initial appointment and subsequent to any changes.

4. a. The Ra'ees of the Executive Authority shall be an ex officio member of the Executive Authority.

b. All of the other members of the Executive Authority, except as provided in subparagraph c. below, shall be members of the Council, chosen and proposed to the Council by the Ra'ees of the Executive Authority and approved by the Council.

c. The Ra'ees of the Executive Authority shall have the right to appoint some persons, in number not exceeding twenty percent of the total membership of the Executive Authority, who are not members of the Council, to exercise executive authority and participate in government tasks. Such appointed members may not vote in meetings of the Council.

d. Non-elected members of the Executive Authority must have a valid address in an area under the jurisdiction of the Council.

ARTICLE VI
Other Committees of the Council

1. The Council may form small committees to simplify the proceedings of the Council and to assist in controlling the activity of its Executive Authority.

2. Each committee shall establish its own decision-making processes within the general framework of the organization and structure of the Council.

ARTICLE VII
Open Government

1. All meetings of the Council and of its committees, other than the Executive Authority, shall be open to the public, except upon a resolution of the Council or the relevant committee on the grounds of security, or commercial or personal confidentiality.

2. Participation in the deliberations of the Council, its committees and the Executive Authority shall be limited to their respective members only. Experts may be invited to such meetings to address specific issues on an ad hoc basis.

ARTICLE VIII
Judicial Review

Any person or organization affected by any act or decision of the Ra'ees of the Executive Authority of the Council or of any member of the Executive Authority, who believes that such act or decision exceeds the authority of the Ra'ees or of such member, or is otherwise incorrect in law or procedure, may apply to the relevant Palestinian Court of Justice for a review of such activity or decision.

ARTICLE IX
Powers and Responsibilities of the Council

1. Subject to the provisions of this Agreement, the Council will, within its jurisdiction, have legislative powers as set out in Article XVIII of this Agreement, as well as executive powers.

2. The executive power of the Palestinian Council shall extend to all matters within its jurisdiction under this Agreement or any future agreement that may be reached between the two Parties during the interim period. It shall include the power to formulate and conduct Palestinian policies and to supervise their implementation, to issue any rule or regulation under powers given in approved legislation and administrative decisions necessary for the realization of Palestinian self-government, the power to employ staff, sue and be sued and conclude contracts, and the power to keep and administer registers and records of the population, and issue certificates, licenses and documents.

3. The Palestinian Council's executive decisions and acts shall be consistent with the provisions of this Agreement.

4. The Palestinian Council may adopt all necessary measures in order to enforce the law and any of its decisions, and bring proceedings before the Palestinian courts and tribunals.

5. a. In accordance with the DOP, the Council will not have powers and responsibilities in the sphere of foreign relations, which sphere includes the establishment abroad of embassies, consulates or other types of foreign missions and posts or permitting their establishment in the West Bank or the Gaza Strip, the appointment of or admission of diplomatic and consular staff, and the exercise of diplomatic functions.

b. Notwithstanding the provisions of this paragraph, the PLO may conduct negotiations and sign agreements with states or international organizations for the benefit of the Council in the following cases only:

(l) economic agreements, as specifically provided in Annex V of this Agreement:

(2) agreements with donor countries for the purpose of implementing arrangements for the provision of assistance to the Council,

(3) agreements for the purpose of implementing the regional development plans detailed in Annex IV of the DOP or in agreements entered into in the framework of the multilateral negotiations, and

(4) cultural, scientific and educational agreements. Dealings between the Council and representatives of foreign states and international organizations, as well as the establishment in the West Bank and the Gaza Strip of representative offices other than those described in subparagraph 5.a above, for the purpose of implementing the agreements referred to in subparagraph 5.b above, shall not be considered foreign relations.

6. Subject to the provisions of this Agreement, the Council shall, within its jurisdiction, have an independent judicial system composed of independent Palestinian courts and tribunals.

CHAPTER 2 - REDEPLOYMENT AND SECURITY ARRANGEMENTS

ARTICLE X
Redeployment of Israeli Military Forces

1. The first phase of the Israeli military forces redeployment will cover populated areas in the West Bank - cities, towns, villages, refugee camps and hamlets - as set out in Annex I, and will be completed prior to the eve of the Palestinian elections, i. e., 22 days before the day of the elections.

2. Further redeployments of Israeli military forces to specified military locations will commence after the inauguration of the Council and will be gradually implemented commensurate with the assumption of responsibility for public order and internal security by the Palestinian Police, to be completed within 18 months from the date of the inauguration of the Council as detailed in Articles XI (Land) and XIII (Security), below and in Annex I.

3. The Palestinian Police shall be deployed and shall assume responsibility for public order and internal security for Palestinians in a phased manner in accordance with XIII (Security) below and Annex I.

4. Israel shall continue to carry the responsibility for external security, as well as the responsibility for overall security of Israelis for the purpose of safeguarding their internal security and public order.

5. For the purpose of this Agreement, "Israeli military forces" includes Israel Police and other Israeli security forces.

ARTICLE XI
Land

1. The two sides view the West Bank and the Gaza Strip as a single territorial unit, the integrity and status of which will be preserved during the interim period.

2. The two sides agree that West Bank and Gaza Strip territory, except for issues that will be negotiated in the permanent status negotiations, will come under the jurisdiction of the Palestinian Council in a phased manner, to be completed within 18 months from the date of the inauguration of the Council, as specified below:

a. Land in populated areas (Areas A and B), including government and Al Waqf land, will come under the jurisdiction of the Council during the first phase of redeployment.

b. All civil powers and responsibilities, including planning and zoning, in Areas A and B, set out in Annex III, will be transferred to and assumed by the Council during the first phase of redeployment.

c. In Area C, during the first phase of redeployment Israel will transfer to the Council civil powers and responsibilities not relating to territory, as set out in Annex III.

d. The further redeployments of Israeli military forces to specified military locations will be gradually implemented in accordance with the DOP in three phases, each to take place after an interval of six months, after the inauguration of the Council, to be completed within 18 months from the date of the inauguration of the Council.

e. During the further redeployment phases to be completed within 18 months from the date of the inauguration of the Council, powers and responsibilities relating to territory will be transferred gradually to Palestinian jurisdiction that will cover West Bank and Gaza Strip territory, except for the issues that will be negotiated in the permanent status negotiations.

f. The specified military locations referred to in Article X, paragraph 2 above will be determined in the further redeployment phases, within the specified time-frame ending not later than 18 months from the date of the inauguration of the Council, and will be negotiated in the permanent status negotiations.

3. For the purpose of this Agreement and until the completion of the first phase of the further redeployments:

a. "Area A" means the populated areas delineated by a red line and shaded in brown on attached map No. 1;

b. "Area B" means the populated areas delineated by a red line and shaded in yellow on attached map No. 1, and the built-up area of the hamlets listed in Appendix 6 to Annex I, and

c. "Area C" means areas of the West Bank outside Areas A and B, which, except for the issues that will be negotiated in the permanent status negotiations, will be gradually transferred to Palestinian jurisdiction in accordance with this Agreement.

ARTICLE XII
Arrangements for Security and Public Order

1. In order to guarantee public order and internal security for the Palestinians of the West Bank and the Gaza Strip, the Council shall establish a strong police force as set out in Article XIV below. Israel shall continue to carry the responsibility for defense against external threats, including the responsibility for protecting the Egyptian and Jordanian borders, and for defense against external threats from the sea and from the air, as well as the responsibility for overall security of Israelis and Settlements, for the purpose of safeguarding their internal security and public order, and will have all the powers to take the steps necessary to meet this responsibility.

2. Agreed security arrangements and coordination mechanisms are specified in Annex I.

3. A Joint Coordination and Cooperation Committee for Mutual Security Purposes (hereinafter "the JSC"), as well as Joint Regional Security Committees (hereinafter "RSCs") and Joint District Coordination Offices (hereinafter "DCOs"), are hereby established as provided for in Annex I.

4. The security arrangements provided for in this Agreement and in Annex I may be reviewed at the request of either Party and may be amended by mutual agreement of the Parties. Specific review arrangements are included in Annex I.

5. For the purpose of this Agreement, "the Settlements" means, in the West Bank the settlements in Area C; and in the Gaza Strip - the Gush Katif and Erez settlement areas, as well as the other settlements in the Gaza Strip, as shown on attached map No. 2.

ARTICLE XIII
Security

l. The Council will, upon completion of the redeployment of Israeli military forces in each district, as set out in Appendix 1 to Annex I, assume the powers and responsibilities for internal security and public order in Area A in that district.

2. a. There will be a complete redeployment of Israeli military forces from Area B. Israel will transfer to the Council and the Council will assume responsibility for public order for Palestinians. Israel shall have the overriding responsibility for security for the purpose of protecting Israelis and confronting the threat of terrorism.

b. In Area B the Palestinian Police shall assume the responsibility for public order for Palestinians and shall be deployed in order to accommodate the Palestinian needs and requirements in the following manner:

(l) The Palestinian Police shall establish 25 police stations and posts in towns, villages, and other places listed in Appendix 2 to Annex I and as delineated on map No. 3. The West Bank RSC may agree on the establishment of additional police stations and posts, if required.

(2) The Palestinian Police shall be responsible for handling public order incidents in which only Palestinians are involved.

(3) The Palestinian Police shall operate freely in populated places where police stations and posts are located, as set out in paragraph b(1) above.

(4) While the movement of uniformed Palestinian policemen in Area B outside places where there is a Palestinian police station or post will be carried out after coordination and confirmation through the relevant DCO, three months after the completion of redeployment from Area B, the DCOs may decide that movement of Palestinian policemen from the police stations in Area B to Palestinian towns and villages in Area B on roads that are used only by Palestinian traffic will take place after notifying the DCO.

(5) The coordination of such planned movement prior to confirmation through the relevant DCO shall include a scheduled plan, including the number of policemen, as well as the type and number of weapons and vehicles intended to take part. It shall also include details of arrangements for ensuring continued coordination through appropriate communication links, the exact schedule of movement to the area of the planned operation, including the destination and routes thereto, its proposed duration and the schedule for returning to the police station or post.

The Israeli side of the DCO will provide the Palestinian side with its response, following a request for movement of policemen in accordance with this paragraph, in normal or routine cases within one day and in emergency cases no later than 2 hours.

(6) The Palestinian Police and the Israeli military forces will conduct joint security activities on the main roads as set out in Annex I.

(7) The Palestinian Police will notify the West Bank RSC of the names of the policemen, number plates of police vehicles and serial numbers of weapons, with respect to each police station and post in Area B.

(8) Further redeployments from Area C and transfer of internal security responsibility to the Palestinian Police in Areas B and C will be carried out in three phases, each to take place after an interval of six months, to be completed 18 months after the inauguration of the Council, except for the issues of permanent status negotiations and of Israel's overall responsibility for Israelis and borders.

(9) The procedures detailed in this paragraph will be reviewed within six months of the completion of the first phase of redeployment.

ARTICLE XIV
The Palestinian Police

1. The Council shall establish a strong police force. The duties, functions, structure, deployment and composition of the Palestinian Police, together with provisions regarding its equipment and operation, as well as rules of conduct, are set out in Annex I.

2. The Palestinian police force established under the Gaza-Jericho Agreement will be fully integrated into the Palestinian Police and will be subject to the provisions of this Agreement.

3. Except for the Palestinian Police and the Israeli military forces, no other armed forces shall be established or operate in the West Bank and the Gaza Strip.

4. Except for the arms, ammunition and equipment of the Palestinian Police described in Annex I, and those of the Israeli military forces, no organization, group or individual in the West Bank and the Gaza Strip shall manufacture, sell, acquire, possess, import or otherwise introduce into the West Bank or the Gaza Strip any firearms, ammunition, weapons, explosives, gunpowder or any related equipment, unless otherwise provided for in Annex I.

ARTICLE XV
Prevention of Hostile Acts

1. Both sides shall take all measures necessary in order to prevent acts of terrorism, crime and hostilities directed against each other, against individuals falling under the other's authority and against their property and shall take legal measures against offenders.

2. Specific provisions for the implementation of this Article are set out in Annex I.

ARTICLE XVI
Confidence Building Measures

With a view to fostering a positive and supportive public atmosphere to accompany the implementation of this Agreement, to establish a solid basis of mutual trust and good faith, and in order to facilitate the anticipated cooperation and new relations between the two peoples, both Parties agree to carry out confidence building measures as detailed herewith:

1. Israel will release or turn over to the Palestinian side, Palestinian detainees and prisoners, residents of the West Bank and the Gaza Strip. The first stage of release of these prisoners and detainees will take place on the signing of this Agreement and the second stage will take place prior to the date of the elections. There will be a third stage of release of detainees and prisoners. Detainees and prisoners will be released from among categories detailed in Annex VII (Release of Palestinian Prisoners and Detainees). Those released will be free to return to their homes in th West Bank and the Gaza Strip.

2. Palestinians who have maintained contact with the Israeli authorities will not be subjected to acts of harassment, violence, retribution or prosecution. Appropriate ongoing measures will be taken, in coordination with Israel, in order to ensure their protection.

3. Palestinians from abroad whose entry into the West Bank and the Gaza Strip is approved pursuant to this Agreement, and to whom the provisions of this Article are applicable, will not be prosecuted for offenses committed prior to September 13, 1993.

CHAPTER 3 - LEGAL AFFAIRS

ARTICLE XVII
Jurisdiction

1. In accordance with the DOP, the jurisdiction of the Council will cover West Bank and Gaza Strip territory as a single territorial unit, except for:

a. issues that will be negotiated in the permanent status negotiations: Jerusalem, settlements, specified military locations, Palestinian refugees, borders, foreign relations and Israelis; and

b. powers and responsibilities not transferred to the Council.

2. Accordingly, the authority of the Council encompasses all matters that fall within its territorial, functional and personal jurisdiction, as follows:

a. The territorial jurisdiction of the Council shall encompass Gaza Strip territory, except for the Settlements and the Military Installation Area shown on map No. 2, and West Bank territory, except for Area C which, except for the issues that will be negotiated in the permanent status negotiations, will be gradually transferred to Palestinian jurisdiction in three phases, each to take place after an interval of six months, to be completed 18 months after the inauguration of the Council. At this time, the jurisdiction of the Council will cover West Bank and Gaza Strip territory, except for the issues that will be negotiated in the permanent status negotiations.

Territorial jurisdiction includes land, subsoil and territorial waters, in accordance with the provisions of this Agreement.

b. The functional jurisdiction of the Council extends to all powers and responsibilities transferred to the Council, as specified in this Agreement or in any future agreements that may be reached between the Parties during the interim period.

c. The territorial and functional jurisdiction of the Council will apply to all persons, except for Israelis, unless otherwise provided in this Agreement.

d. Notwithstanding subparagraph a. above, the Council shall have functional jurisdiction in Area C, as detailed in Article IV of Annex III.

3. The Council has, within its authority, legislative, executive and judicial powers and responsibilities, as provided for in this Agreement.

4. a. Israel, through its military government, has the authority over areas that are not under the territorial jurisdiction of the Council, powers and responsibilities not transferred to the Council and Israelis.

b. To this end, the Israeli military government shall retain the necessary legislative, judicial and executive powers and responsibilities, in accordance with international law. This provision shall not derogate from Israel's applicable legislation over Israelis in personam.

5. The exercise of authority with regard to the electromagnetic sphere and air space shall be in accordance with the provisions of this Agreement.

6. Without derogating from the provisions of this Article, legal arrangements detailed in the Protocol Concerning Legal Matters attached as Annex IV to this Agreement (hereinafter "Annex IV") shall be observed. Israel and the Council may negotiate further legal arrangements.

7. Israel and the Council shall cooperate on matters of legal assistance in criminal and civil matters through a legal committee (hereinafter "the Legal Committee"), hereby established.

8. The Council's jurisdiction will extend gradually to cover West Bank and Gaza Strip territory, except for the issues to be negotiated in the permanent status negotiations, through a series of redeployments of the Israeli military forces. The first phase of the redeployment of Israeli military forces will cover populated areas in the West Bank - cities, towns, refugee camps and hamlets, as set out in Annex I - and will be completed prior to the eve of the Palestinian elections, i.e. 22 days before the day of the elections. Further redeployments of Israeli military forces to specified military locations will commence immediately upon the inauguration of the Council and will be effected in three phases, each to take place after an interval of six months, to be concluded no later than eighteen months from the date of the inauguration of the Council.

ARTICLE XVIII
Legislative Powers of the Council

1. For the purposes of this Article, legislation shall mean any primary and secondary legislation, including basic laws, laws, regulations and other legislative acts.

2. The Council has the power, within its jurisdiction as defined in Article XVII of this Agreement, to adopt legislation.

3. While the primary legislative power shall lie in the hands of the Council as a whole, the Ra'ees of the Executive Authority of the Council shall have the following legislative powers

a. the power to initiate legislation or to present proposed legislation to the Council;

b. the power to promulgate legislation adopted by the Council; and

c. the power to issue secondary legislation, including regulations, relating to any matters specified and within the scope laid down in any primary legislation adopted by the Council.

4. a. Legislation, including legislation which amends or abrogates existing laws or military orders, which exceeds the jurisdiction of the Council or which is otherwise inconsistent with the provisions of the DOP, this Agreement, or of any other agreement that may be reached between the two sides during the interim period, shall have no effect and shall be void ab initio.

b. The Ra'ees of the Executive Authority of the Council shall not promulgate legislation adopted by the Council if such legislation falls under the provisions of this paragraph.

5. All legislation shall be communicated to the Israeli side of the Legal Committee.

6. Without derogating from the provisions of paragraph 4 above, the Israeli side of the Legal Committee may refer for the attention of the Committee any legislation regarding which Israel considers the provisions of paragraph 4 apply, in order to discuss issues arising from such legislation. The Legal Committee will consider the legislation referred to it at the earliest opportunity.

ARTICLE XIX
Human Rights and the Rule of Law

Israel and the Council shall exercise their powers and responsibilities pursuant to this Agreement with due regard to internationally-accepted norms and principles of human rights and the rule of law.

ARTICLE XX
Rights, Liabilities and Obligations

1. a. The transfer of powers and responsibilities from the Israeli military government and its civil administration to the Council, as detailed in Annex III, includes all related rights, liabilities and obligations arising with regard to acts or omissions which occurred prior to such transfer. Israel will cease to bear any financial responsibility regarding such acts or omissions and the Council will bear all financial responsibility for these and for its own functioning.

b. Any financial claim made in this regard against Israel will be referred to the Council.

c. Israel shall provide the Council with the information it has regarding pending and anticipated claims brought before any court or tribunal against Israel in this regard.

d. Where legal proceedings are brought in respect of such a claim, Israel will notify the Council and enable it to participate in defending the claim and raise any arguments on its behalf.

e. In the event that an award is made against Israel by any court or tribunal in respect of such a claim, the Council shall immediately reimburse Israel the full amount of the award.

f. Without prejudice to the above, where a court or tribunal hearing such a claim finds that liability rests solely with an employee or agent who acted beyond the scope of the powers assigned to him or her, unlawfully or with willful malfeasance, the Council shall not bear financial responsibility.

2. a. Notwithstanding the provisions of paragraphs l.d through l.f above, each side may take the necessary measures, including promulgation of legislation, in order to ensure that such claims by Palestinians including pending claims in which the hearing of evidence has not yet begun, are brought only before Palestinian courts or tribunals in the West Bank and the Gaza Strip, and are not brought before or heard by Israeli courts or tribunals.

b. Where a new claim has been brought before a Palestinian court or tribunal subsequent to the dismissal of the claim pursuant to subparagraph a. above, the Council shall defend it and, in accordance with subparagraph l.a above, in the event that an award is made for the plaintiff, shall pay the amount of the award.

c. The Legal Committee shall agree on arrangements for the transfer of all materials and information needed to enable the Palestinian courts or tribunals to hear such claims as referred to in subparagraph b. above, and, when necessary, for the provision of legal assistance by Israel to the Council in defending such claims.

3. The transfer of authority in itself shall not affect rights, liabilities and obligations of any person or legal entity, in existence at the date of signing of this Agreement.

4. The Council, upon its inauguration, will assume all the rights, liabilities and obligations of the Palestinian Authority.

5. For the purpose of this Agreement, "Israelis" also includes Israeli statutory agencies and corporations registered in Israel.

ARTICLE XXI
Settlement of Differences and Disputes

Any difference relating to the application of this Agreement shall be referred to the appropriate coordination and cooperation mechanism established under this Agreement. The provisions of Article XV of the DOP shall apply to any such difference which is not settled through the appropriate coordination and cooperation mechanism, namely:

1. Disputes arising out of the application or interpretation of this Agreement or any related agreements pertaining to the interim period shall be settled through the Liaison Committee.

2. Disputes which cannot be settled by negotiations may be settled by a mechanism of conciliation to be agreed between the Parties.

3. The Parties may agree to submit to arbitration disputes relating to the interim period, which cannot be settled through conciliation. To this end, upon the agreement of both Parties, the Parties will establish an Arbitration Committee.

CHAPTER 4 - COOPERATION

ARTICLE XXII
Relations between Israel and the Council

1. Israel and the Council shall seek to foster mutual understanding and tolerance and shall accordingly abstain from incitement, including hostile propaganda, against each other and, without derogating from the principle of freedom of expression, shall take legal measures to prevent such incitement by any organizations, groups or individuals within their jurisdiction.

2. Israel and the Council will ensure that their respective educational systems contribute to the peace between the Israeli and Palestinian peoples and to peace in the entire region, and will refrain from the introduction of any motifs that could adversely affect the process of reconciliation.

3. Without derogating from the other provisions of this Agreement, Israel and the Council shall cooperate in combating criminal activity which may affect both sides, including offenses related to trafficking in illegal drugs and psychotropic substances, smuggling, and offenses against property, including offenses related to vehicles.

ARTICLE XXIII
Cooperation with Regard to Transfer of Powers and Responsibilities

In order to ensure a smooth, peaceful and orderly transfer of powers and responsibilities, the two sides will cooperate with regard to the transfer of security powers and responsibilities in accordance with the provisions of Annex I, and the transfer of civil powers and responsibilities in accordance with the provisions of Annex III.

ARTICLE XXIV
Economic Relations

The economic relations between the two sides are set out in the Protocol on Economic Relations signed in Paris on April 29, 1994, and the Appendices thereto, and the Supplement to the Protocol on Economic Relations all attached as Annex V, and will be governed by the relevant provisions of this Agreement and its Annexes.

ARTICLE XXV
Cooperation Programs

1. The Parties agree to establish a mechanism to develop programs of cooperation between them. Details of such cooperation are set out in Annex VI.

2. A Standing Cooperation Committee to deal with issues arising in the context of this cooperation is hereby established as provided for in Annex VI.

ARTICLE XXVI
The Joint Israeli-Palestinian Liaison Committee

1. The Liaison Committee established pursuant to Article X of the DOP shall ensure the smooth implementation of this Agreement. It shall deal with issues requiring coordination, other issues of common interest and disputes.

2. The Liaison Committee shall be composed of an equal number of members from each Party. It may add other technicians and experts as necessary.

3. The Liaison Committee shall adopt its rules of procedures, including the frequency and place or places of its meetings.

4. The Liaison Committee shall reach its decisions by agreement.

5. The Liaison Committee shall establish a subcommittee that will monitor and steer the implementation of this Agreement (hereinafter "the Monitoring and Steering Committee"). It will function as follows:

a. The Monitoring and Steering Committee will, on an ongoing basis, monitor the implementation of this Agreement, with a view to enhancing the cooperation and fostering the peaceful relations between the two sides.

b. The Monitoring and Steering Committee will steer the activities of the various joint committees established in this Agreement (the JSC, the CAC, the Legal Committee, the Joint Economic Committee and the Standing Cooperation Committee) concerning the ongoing implementation of the Agreement, and will report to the Liaison Committee.

c. The Monitoring and Steering Committee will be composed of the heads of the various committees mentioned above.

d. The two heads of the Monitoring and Steering Committee will establish its rules of procedures, including the frequency and places of its meetings.

ARTICLE XXVII
Liaison and Cooperation with Jordan and Egypt

1. Pursuant to Article XII of the DOP, the two Parties have invited the Governments of Jordan and Egypt to participate in establishing further liaison and cooperation arrangements between the Government of Israel and the Palestinian representatives on the one hand, and the Governments of Jordan and Egypt on the other hand, to promote cooperation between them. As part of these arrangements a Continuing Committee has been constituted and has commenced its deliberations.

2. The Continuing Committee shall decide by agreement on the modalities of admission of persons displaced from the West Bank and the Gaza Strip in 1967, together with necessary measures to prevent disruption and disorder.

3. The Continuing Committee shall also deal with other matters of common concern.

ARTICLE XXVIII
Missing Persons

1. Israel and the Council shall cooperate by providing each other with all necessary assistance in the conduct of searches for missing persons and bodies of persons which have not been recovered, as well as by providing information about missing persons.

2. The PLO undertakes to cooperate with Israel and to assist it in its efforts to locate and to return to Israel Israeli soldiers who are missing in action and the bodies of soldiers which have not been recovered.

CHAPTER 5 - MISCELLANEOUS PROVISIONS

ARTICLE XXIX
Safe Passage between the West Bank and the Gaza Strip

Arrangements for safe passage of persons and transportation between the West Bank and the Gaza Strip are set out in Annex I.

ARTICLE XXX
Passages

Arrangements for coordination between Israel and the Council regarding passage to and from Egypt and Jordan, as well as any other agreed international crossings, are set out in Annex I.

ARTICLE XXXI
Final Clauses

1. This Agreement shall enter into force on the date of its signing.

2. The Gaza-Jericho Agreement, except for Article XX (Confidence-Building Measures), the Preparatory Transfer Agreement and the Further Transfer Protocol will be superseded by this Agreement.

3. The Council, upon its inauguration, shall replace the Palestinian Authority and shall assume all the undertakings and obligations of the Palestinian Authority under the Gaza-Jericho Agreement, the Preparatory Transfer Agreement, and the Further Transfer Protocol.

4. The two sides shall pass all necessary legislation to implement this Agreement.

5. Permanent status negotiations will commence as soon as possible, but not later than May 4, 1996, between the Parties. It is understood that these negotiations shall cover remaining issues, including: Jerusalem, refugees, settlements, security arrangements, borders, relations and cooperation with other neighbors, and other issues of common interest.

6. Nothing in this Agreement shall prejudice or preempt the outcome of the negotiations on the permanent status to be conducted pursuant to the DOP. Neither Party shall be deemed, by virtue of having entered into this Agreement, to have renounced or waived any of its existing rights, claims or positions.

7. Neither side shall initiate or take any step that will change the status of the West Bank and the Gaza Strip pending the outcome of the permanent status negotiations.

8. The two Parties view the West Bank and the Gaza Strip as a single territorial unit, the integrity and status of which will be preserved during the interim period.

9. The PLO undertakes that, within two months of the date of the inauguration of the Council, the Palestinian National Council will convene and formally approve the necessary changes in regard to the Palestinian Covenant, as undertaken in the letters signed by the Chairman of the PLO and addressed to the Prime Minister of Israel, dated September 9, 1993 and May 4, 1994.

10. Pursuant to Annex I, Article IX of this Agreement, Israel confirms that the permanent checkpoints on the roads leading to and from the Jericho Area (except those related to the access road leading from Mousa Alami to the Allenby Bridge) will be removed upon the completion of the first phase of redeployment.

11. Prisoners who, pursuant to the Gaza-Jericho Agreement, were turned over to the Palestinian Authority on the condition that they remain in the Jericho Area for the remainder of their sentence, will be free to return to their homes in the West Bank and the Gaza Strip upon the completion of the first phase of redeployment.

12. As regards relations between Israel and the PLO, and without derogating from the commitments contained in the letters signed by and exchanged between the Prime Minister of Israel and the Chairman of the PLO, dated September 9, 1993 and May 4, 1994, the two sides will apply between them the provisions contained in Article XXII, paragraph 1, with the necessary changes.

13. a. The Preamble to this Agreement, and all Annexes, Appendices and maps attached hereto, shall constitute an integral part hereof.

b. The Parties agree that the maps attached to the Gaza-Jericho Agreement as:

a. map No. 1 (The Gaza Strip), an exact copy of which is attached to this Agreement as map No. (in this Agreement "map No. 2");

b. map No. 4 (Deployment of Palestinian Police in the Gaza Strip), an exact copy of which is attached to this Agreement as map No. 5 (in this Agreement "map No. 5"); and

c. map No. 6 (Maritime Activity Zones), an exact copy of which is attached to this Agreement as map No. 8 (in this Agreement "map No. 8"; are an integral part hereof and will remain in effect for the duration of this Agreement.

14. While the Jeftlik area will come under the functional and personal jurisdiction of the Council in the first phase of redeployment, the area's transfer to the territorial jurisdiction of the Council will be considered by the Israeli side in the first phase of the further redeployment phases.

Done at Washington DC, this 28th day of September, 1995.

For the Government of
the State of Israel

For the PLO

Witnessed by:

The United States of America

The Russian Federation

The Arab Republic of Egypt

The Hashemite Kingdom of Jordan

The Kingdom of Norway

The European Union

Agreement Annexes

Annex 1: Protocol Concerning Redeployment and Security Arrangements

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ARTICLE I
Redeployment of Israeli Military Forces and Transfer of Responsibility

First Phase of Redeployment

1. The first phase of Israeli military forces redeployment will cover populated areas in the West Bank - cities, towns, villages, refugee camps and hamlets, as shown on map No. 1. This redeployment will be effected in stages, as set out in the schedule attached to this Annex as Appendix 1, and will be completed prior to the eve of the Palestinian elections, i.e., 22 days before the day of elections.

2. In order to maintain the territorial integrity of the West Bank and the Gaza Strip as a single territorial unit, and to promote their economic growth and the demographic and geographical links between them, both sides shall implement the provisions of this Annex, while respecting and preserving without obstacles, normal and smooth movement of people, vehicles, and goods within the West Bank, and between the West Bank and the Gaza Strip.

3. Any security arrangements and measures which become effective commensurate with the redeployment of the Israeli military forces will not undermine the importance of, nor will they prejudice, the Palestinian development programs and projects for reconstruction and development of the West Bank and the Gaza Strip, as well as the moral and physical dignity of the Palestinian people in the West Bank and the Gaza Strip.

4. After the inauguration of the Palestinian Council, the unity and integrity of the Palestinian people in the West Bank and the Gaza Strip shall be maintained and respected. All Palestinian people residing in the West Bank and the Gaza Strip will be accountable to the Palestinian Council only, unless otherwise provided in this Agreement.

5. After the inauguration of the Palestinian Council, the Israeli Civil Administration will be dissolved and the Israeli military government will be withdrawn.

6. The Council will assume powers and responsibilities for civil affairs, as well as for public order and internal security, according to this Agreement.

7. Nothing in this Article shall derogate from Israel's security powers and responsibilities in accordance with this Agreement.

8. There will be a period of 10 days prior to each stage of redeployment according to paragraph I of this Article, during which the commanders of the Israeli military forces will acquaint the respective commanders of the different echelons of the Palestinian Police with the respective area and its specific problems.

Further Redeployments After the Inauguration of the Palestinian Council

9. The further redeployments of Israeli military forces to specified military locations will be gradually implemented in accordance with the DOP in three phases, each to take place after an interval of six months, after the inauguration of the Council, to be completed within 18 months from the date of the inauguration of the Council.

10. The specified military locations referred to in Article X, paragraph 2 of this Agreement will be determined in the further redeployment phases within the specified time-frame ending not later than 18 months from the date of the inauguration of the Council, and will be negotiated in the permanent status negotiations .

ARTICLE II
Security Policy for the Prevention of Terrorism and Violence

1. The Palestinian security policy as defined by the Palestinian Authority on March 9, 1995, for the Gaza Strip and the Jericho Area will also be implemented in the rest of the West Bank in areas which come under Palestinian security responsibility as follows:

a. The Palestinian Police is the only Palestinian security authority.

b. The Palestinian Police will act systematically against all expressions of violence and terror.

c. The Council will issue permits in order to legalize the possession and carrying of arms by civilians. Any illegal arms will be confiscated by the Palestinian Police.

d. The Palestinian Police will arrest and prosecute individuals who are suspected of perpetrating acts of violence and terror.

2. Both sides will, in accordance with this Agreement, act to ensure the immediate, efficient and effective handling of any incident involving a threat or act of terrorism, violence or incitement, whether committed by Palestinians or Israelis. To this end, they will cooperate in the exchange of information and coordinate policies and activities. Each side shall immediately and effectively respond to the occurrence or anticipated occurrence of an act of terrorism, violence or incitement and shall take all necessary measures to prevent such an occurrence.

3. With a view to implementing the above, each side shall, in accordance with the provisions of this Agreement, carry out the following functions in the areas under its security responsibility:

a. protect all residents of, and all other persons present in, these areas;

b. actively prevent incitement to violence, including violence against the other side or persons under the authority of the other side;

c. apprehend, investigate and prosecute perpetrators and all other persons directly or indirectly involved in acts of terrorism, violence and incitement; and

d. prevent and deal with any attempt to cause damage or harm to infrastructure serving the other side, including, inter alia, roads, water, electricity, telecommunications and sewage infrastructure.

4. Both sides undertake to deal with the issue of persons who are present in the areas in violation of this Agreement, and to take further measures in accordance with procedures to be determined by the JSC.

ARTICLE III
Coordination and Cooperation In Mutual Security Matters

1. Joint Security Coordination and Cooperation Committee

a. A Joint Coordination and Cooperation Committee for Mutual Security Purposes is hereby established (hereinafter "the JSC"). It will deal with all security matters of mutual concern regarding this Agreement in the West Bank and the Gaza Strip.

b. The JSC shall:

(l) recommend security policy guidelines for the approval of the Joint Israeli-Palestinian Liaison Committee and implement such approved guidelines;

(2) deal with security issues raised by either side;

(3) provide the proper channel for exchanging information between the two sides, needed to solve security problems; (4) provide directives for the Joint Regional Security Committees (hereinafter "the RSCs") and for the Joint District Coordination Offices (hereinafter "the DCOs"); and

(5) subject to the provisions of Article XXVI (the Joint Israeli Palestinian Liaison Committee), and Article XXI (Settlement of Differences and Disputes) of this Agreement, deal with alleged violations, as well as differences relating to the application or implementation of the security arrangements set out in this Agreement.

c. The JSC shall comprise between five and seven members from each side. Decisions of the JSC will be reached by agreement between the two sides.

d. The JSC shall determine its rules of procedure. Meetings of the JSC shall be held every two weeks. In the event that either side requests a special meeting, it shall be convened within forty-eight (48) hours.

e. Unless otherwise agreed by the two sides, JSC meetings will be hosted by each of the sides alternately.

f. The JSC shall develop a comprehensive plan to ensure full coordination between the Israeli military forces and the Palestinian Police during the interim period, starting from the date of signing of this Agreement.

g. This coordination will be implemented through the RSCs in the West Bank and the Gaza Strip and the DCOs, as mentioned hereafter in this Article.

h. The comprehensive plan will include a plan for the West Bank, consisting of arrangements for the entry of the Palestinian Police and the introduction of police arms, ammunition and equipment, as well as arrangements intended to facilitate the smooth transfer of authority and assumption by the Palestinian Police of its security responsibilities according to this Agreement.

i. The above mentioned comprehensive plan will also include two regional plans that will include arrangements for coordination and cooperation in security matters after the redeployment is effected.

j. These regional plans will be reviewed every six months, or whenever needed, by the JSC and the relevant RSC.

2. Regional Security Committees

a. Two RSCs are hereby established, one in the West Bank and one in the Gaza Strip.

b. Each RSC shall:

(1) guide the relevant DCOs with security policy guidelines; (2) deal with security issues referred to it by the DCOs;

(3) ensure proper transfer of information and guidelines to the relevant DCOs; and

(4) propose to the JSC security policy guidelines, and forward issues to the JSC for determination.

c. The Israeli side and the Palestinian side in the RSCs will maintain contact with each other as follows:

(l) regular as well as special meetings shall be held between the commander of the Israeli military forces and the commander of the Palestinian Police in the West Bank or in the Gaza Strip, as appropriate; and

(2) each side will operate a regional security coordination office 24 hours a day, with direct and constant communication links between the two sides.

d. The RSCs shall commence operations immediately upon the signing of this Agreement and shall determine by agreement their mode of procedure.

3. District Coordination Offices

a. DCOs are hereby established in the West Bank and the Gaza Strip, as set out below.

b. The location of the DCOs is as detailed on attached map Nos. 2 and 4.

c. Each DCO shall:

(l) monitor and manage matters requiring coordination as determined by the JSC and/or the relevant RSC, according to the policy and guidelines established by either of them;

(2) monitor and manage all matters of a joint nature within the respective district of the DCO, including the coordination of activities by one side which may affect the other side;

(3) review, investigate and report to the relevant RSC on the overall situation within the DCO's respective district, with special regard to specific events, incidents and activities occurring in the district; and

(4) direct the Joint Patrols and the Joint Mobile Units set up in accordance with paragraphs 4 and 5 of this Article and Article V, paragraph 2.c below, operating within the DCO's respective

district. d. The DCOs shall commence operations immediately upon the signing of this Agreement.

e. Each DCO will be continuously staffed by a team of up to six officers from each side, comprising one commander and five duty officers.

f. The DCOs will be operated jointly by both sides, 24 hours a day. At least one duty officer from each side, as well as the necessary number of assistants, will be present during each eight-hour shift.

g. With a view to preventing friction and to enabling the two sides to deal with possible incidents, both sides shall ensure that the relevant DCO shall immediately be notified of any of the following events:

(1) routine, scheduled or unscheduled activity or deployment by the Israeli military forces or the Palestinian Police that directly affects the security responsibility of the other side. This includes activity or deployment in the proximity of Settlements or Palestinian populated localities, as the case may be;

(2) events that pose a threat to public order;

(3) activities that disturb the regular flow of traffic on the main roads, including roadblocks and roadworks;

(4) incidents involving both Israelis and Palestinians, such as road accidents, rescue of casualties or persons in mortal danger, engagement steps or any incident in which a weapon is used;

(5) a terrorist action of any kind and from any source;

(6) infiltrations between the West Bank, the Gaza Strip and Israel; and

(7) all cases in which Israelis are hospitalized in the West Bank or the Gaza Strip, or in which Palestinians of the West Bank or the Gaza Strip are hospitalized in Israel.

h. Each DCO shall notify the relevant Israeli and Palestinian headquarters, as well as the Joint Patrols operating in the relevant district, of the occurrence of any of the events listed in subparagraph g. above.

i. The JSC may modify the content of the list of events included in subparagraph g. above.

j. Any event involving injury to Israelis, at any location within the West Bank or the Gaza Strip shall be immediately reported to Israel through the relevant DCO. Israel may employ any means necessary for the evacuation and treatment of such injured persons, and will coordinate such activity through the relevant DCO.

k. The DCOs shall be equipped with the necessary means of communication to enable direct and immediate contact both with the Joint Patrols and the relevant RSC, as well as with each side's respective police or military district headquarters.

4. Joint Patrols

a. The mission of the Joint Patrols shall be to assist in ensuring free, unimpeded and secure movement along the roads designated in Articles V and VI below.

b. Unless the JSC decides otherwise, the Joint Patrols shall each be composed of two 4-wheel drive vehicles, one Palestinian and one Israeli, equipped with adequate communications systems. The vehicles shall be marked so as to be easily distinguishable from all other vehicles in the area. In each vehicle there will be an officer and three uniformed and armed guards.

c. The Joint Patrols will patrol 24 hours a day, in vehicles along their routes of activity, or as directed by the relevant DCO. Joint Patrols on the Lateral Roads in the Gaza Strip will also patrol on foot along their routes of activity, and on the adjacent sides of the roads upon which the security of the traffic along these roads is dependent.

d. On roads under Israeli security responsibility, the Israeli vehicle will be the leading vehicle. On roads under Palestinian security responsibility, the Palestinian vehicle will be the leading vehicle. The Joint Patrols will be under the direction of the relevant DCO.

e. The Joint Patrols shall continuously monitor movement within their area of operation and shall act to prevent and deal with incidents that may threaten or endanger persons using the roads. They shall report any such incident or threat thereof, as well as any action taken, to the relevant DCO, and to the respective Israeli military and Palestinian police district headquarters.

f. On reaching the scene of an incident, the Joint Patrol will take all measures necessary to deal with the incident, and provide assistance as necessary. The Joint Patrol shall verify that the appropriate measures have been taken and report to the relevant DCO accordingly.

5. Joint Mobile Units

a. The mission of the Joint Mobile Units (hereinafter "JMUs") is to provide rapid response in the event of incidents and emergency situations, in order to ensure free, unimpeded and secure movement along their designated routes of activity, or in their areas of activity. b. The composition of the JMUs will be similar to that of the Joint Patrols.

c. In areas under Israeli security responsibility, the Israeli vehicle will be the leading vehicle. In areas under Palestinian security responsibility, the Palestinian vehicle will be the leading vehicle. The Joint Mobile Units will be under the direction of the relevant DCO.

d. The functions of the JMUs are:

(1) to monitor movement along their designated routes of activity from their stationary locations, from where they may patrol on agreed roads as directed by the relevant DCO, in which case their duties will be the same as those of the Joint Patrols;

(2) in the event of an incident involving both Israelis and Palestinians, to reach the site of the incident in order to provide assistance and to investigate; and

(3) any other function determined by the relevant DCO.

6. Joint Liaison Bureaus

Joint Liaison Bureaus established by the two sides shall operate at crossing points and at terminals as described in Articles V, VI and VIII of this Annex.

7. Other joint activities may be agreed upon in the JSC and/or the RSC.

ARTICLE IV
The Palestinian Police

1. Duties and Functions

As detailed in the Palestinian law, the Palestinian Police shall carry out its duties and functions in accordance with this Agreement as follows:

a. maintaining internal security and public order;

b. protecting the public and all other persons present in the areas, as well as protecting their property, and acting to provide a feeling of security, safety and stability;

c. adopting all measures necessary for preventing crime in accordance with the law;

d. protecting public installations, infrastructure and places of special importance; e. preventing acts of harassment and retribution;

f. combating terrorism and violence, and preventing incitement to violence; and

g. performing any other normal police functions.

2. Structure and Composition

a. The Palestinian Police shall consist of one integral unit under the control of the Council. It shall be composed of six branches:

(1) Civil Police (Al Shurta);

(2) Public Security;

(3) Preventive Security;

(4) Amn Al Ri'asah;

(5) Intelligence; and

(6) Emergency Services and Rescue (Al Difa'a Al Madani).

In each district, all members of the six Police branches shall be subordinate to one central command.

b. The Palestinian Police shall have a Palestinian Coastal Police unit in accordance with Article XIV of this Annex.

3. Deployment

a. During the interim period, the total number of policemen of the Palestinian Police in all its branches in the West Bank and the Gaza Strip will be no more than 30,000 out of which up to 12,000 policemen may be deployed in the West Bank and up to 18,000 policemen in the Gaza Strip. These numbers may be changed by agreement, if necessary. The Palestinian side will notify Israel of the names of the policemen recruited to the Palestinian Police in the Gaza Strip.

b. In accordance with the stages of the first phase of redeployment of Israeli forces in the West Bank, up to 6,000 of the above-mentioned 12,000 Palestinian policemen may be deployed in the West Bank in Area A and, as set out in paragraph 3 of Article V, in Area B, as detailed in Appendix 2.

c. The remaining 6,000 Palestinian policemen will be deployed in the West Bank according to the phases of the further redeployments or as needed, as agreed upon by the two Parties.

d. The Palestinian Police shall be deployed as shown on attached map Nos. 3 and 5.

4. Recruitment

a. The Palestinian Police shall consist of policemen recruited locally, and from abroad (from among individuals holding Jordanian passports or Palestinian documents issued by Egypt). The number of Palestinian recruits from abroad shall not exceed 5,000 in the West Bank and 7,000 in the Gaza Strip.

b. Palestinian policemen coming from abroad may be accompanied by their spouse and sons and daughters.

c. The Palestinian policemen to be recruited pursuant to this Agreement shall be West Bank or Gaza Strip residents who will be duly trained to perform police functions.

d. The Palestinian side will notify Israel of any candidate for recruitment to the Palestinian Police. Should Israel object to the recruitment of any such candidate, that person shall not be recruited.

e. In accordance with Palestinian law, the employment of policemen who have been convicted of serious crimes, or have been found to be actively involved in terrorist activities subsequent to their recruitment, will be immediately terminated, and their weapons and police identification documentation will be confiscated.

5. Arms, Ammunition and Equipment

a. In the West Bank and the Gaza Strip, uniformed policemen may carry arms, and plainclothes policemen on duty who hold special accreditation may carry personal light arms concealed in their clothing, in accordance with this Agreement.

b. In the West Bank, the Palestinian Police will possess the following arms and equipment:

(1) up to 4,000 rifles;

(2) up to 4,000 pistols;

(3) up to 120 machine guns of 0.3" or 0.5" caliber; and

(4) up to 15 light, unarmed riot vehicles of a type to be agreed on between the two sides in the JSC.

c. In the Gaza Strip, the Palestinian Police will possess the following arms and equipment:

(1) 7,000 light personal weapons;

2) up to 120 machine guns of 0.3" or 0.5" caliber; and

(3) up to 45 wheeled armored vehicles of a type to be agreed on between the two sides, and of which 22 will be deployed in protecting Council installations. The use of wheeled armored vehicles in the Security Perimeter, on the Lateral Roads and on their adjacent sides, or in the vicinity of the Settlements shall be approved through the relevant DCO. Movement of such vehicles along the central North-South road (Road No. 4) in the Gaza Strip may take place only after providing notification to the relevant DCO.

d. The number of arms or items of equipment specified in subparagraphs b. and c. above may be increased subject to the agreement of both sides.

e. The Palestinian Police will maintain an updated register of all weapons held by its personnel.

f. The Palestinian Police may possess communication systems, subject to Article 36 of Annex III, and distinctive uniforms, identification badges and vehicle markings.

g. In this Annex, the term "weapons" includes firearms, ammunition and explosives of all kinds.

6. Introduction of Arms. Equipment and Foreign Assistance

a. All foreign contributions and other forms of assistance to the Palestinian Police must comply with the provisions of this Agreement.

b. The introduction of arms, ammunition or equipment intended for the Palestinian Police shall be coordinated through the JSC, in accordance with its established practices.

7. Movement

Movement of Palestinian policemen between the West Bank and the Gaza Strip will be conducted in accordance with Article X of this Annex.

ARTICLE V
Security Arrangements in the West Bank

1. Coordination and Cooperation in the West Bank

As shown on map No. 4, eight DCOs will function in the West Bank, as follows:

a. a DCO for the Jenin District, located at the Quabatiya junction or in its vicinity;

b. a DCO for the Nablus District, located at the Hawara Junction;

c. a DCO for the Tulkarm District, located at the Kaddouri Junction;

d. a DCO for the Qalqilya District located at Tsufin Junction;

e. a DCO for the Ramallah District, located at the Beth El junction or in its vicinity;

f. a DCO for the Bethlehem District, located at the Panorama Hills in Beit Jala;

g. a DCO for the Hebron District, located at Har Manoakh (Jabal Manoah); and

h. a DCO for the Jericho District, located at Vered Yericho, that will maintain a subordinate Joint Liaison Bureau in the Allenby Terminal.

2. Area A

a. The Council will, upon completion of the redeployment of Israeli military forces it each district, as set out in Appendix 1 to this Annex, assume the powers and responsibilities for internal security and public order in Area A in that district.

b. Jewish Holy Sites

(1) The following provisions will apply with respect to the security arrangements in Jewish holy sites in Area A which are listed in Appendix 4 to this Annex:

(a) While the protection of these sites, as well as of persons visiting them, will be under the responsibility of the Palestinian Police, a JMU shall function in the vicinity of, and on the access routes to, each such site, as directed by the relevant DCO.

(b) The functions of each such JMU shall be as follows:

(i) to ensure free, unimpeded and secure access to the relevant Jewish holy site; and

(ii) to ensure the peaceful use of such site, to prevent any potential instances of disorder and to respond to any incident.

(c) Given the Jewish religious nature of such sites, Israeli plainclothes guards may be present inside such sites.

(2) The present situation and the existing religious practices shall be preserved.

c. Clarifications Concerning the Jericho Area

With regard to the definition of the Jericho Area, as delineated on attached map No. 1, it is hereby clarified that Route No. 90 crossing Auja from South to North and the East-West road connecting Route No. 90 with Yitav, and their adjacent sides, shall remain under Israeli authority. For the purpose of this Article, the width of each such road and its adjacent sides, as shown on attached map No. 1, shall extend at least 12 meters on each side measured from its center.

3. Areas B and C

a. There will be a complete redeployment of Israeli military forces from Area B. Israel will transfer to the Council and the Council will assume responsibility for public order for Palestinians. Israel shall have the overriding responsibility for security for the purpose of protecting Israelis and confronting the threat of terrorism.

b. In Area B the Palestinian Police shall assume the responsibility for public order for Palestinians and shall be deployed in order to accommodate the Palestinian needs and requirements in the following manner:

(l) The Palestinian Police shall establish 25 police stations and posts in towns, villages, and other places listed in Appendix 3 to this Annex and as delineated on map No. 3. The West Bank RSC may agree on the establishment of additional police stations and posts, if required.

(2) The Palestinian Police shall be responsible for handling public order incidents in which only Palestinians are involved.

(3) The Palestinian Police shall operate freely in populated places where police stations and posts are located, as set out in paragraph b.l above.

(4) While the movement of uniformed Palestinian policemen in Area B outside places where there is a Palestinian police station or post will be carried out after coordination and confirmation through the relevant DCO, three months after the completion of redeployment from Area B, the DCOs may decide that movement of Palestinian policemen from the police stations in Area B to Palestinian towns and villages in Area B on roads that are used only by Palestinian traffic will take place after notifying the DCO.

(5) The coordination of such planned movement prior to confirmation through the relevant DCO shall include a scheduled plan, including the number of policemen, as well as the type and number of weapons and vehicles intended to take part. It shall also include details of arrangements for ensuring continued coordination through appropriate communication links, the exact schedule of movement to the area of the planned operation, including the destination and routes thereto, its proposed duration and the schedule for returning to the police station or post. The Israeli side of the DCO will provide the Palestinian side with its response, following a request for movement of policemen in accordance with this paragraph, in normal or routine cases within one day and in emergency cases no later than 2 hours.

(6) The Palestinian Police and the Israeli military forces will conduct joint security activities on the main roads as set out in this Annex.

(7) The Palestinian Police will notify the West Bank RSC of the names of the policemen, number plates of police vehicles and serial numbers of weapons, with respect to each police station and post in Area B.

(8) Further redeployments from Area C and transfer of internal security responsibility to the Palestinian Police in Areas B and C will be carried out in three phases, each to take place after an interval of six months, to be completed 18 months after the inauguration of the Council, except for the issues of permanent status negotiations and of Israel's overall responsibility for Israelis and borders.

(9) The procedures detailed in this paragraph will be reviewed within six months of the completion of the first phase of redeployment.

4. Joint Patrols

a. Joint Patrols led by a Palestinian vehicle will operate on each of the following roads, as indicated on map No. 4:

(l) the main north-south road (Route No. 60) crossing Jenin;

(2) the main north-south road (Route No. 60) crossing Nablus;

(3) the main east-west road (Route Nos. 57 and 60) crossing Nablus;

(4) the main east-west road (Route No. 57) crossing Tulkarm;

(5) the main east-west road (Route No. 55) crossing Qalqilya;

(6) the main north-south road (Route No. 60) crossing Ramallah;

(7) the main east-west road (Route No. 3) crossing Ramallah;

(8) the main north-south road (Route No. 60) crossing Bethlehem;

(9) the main east-west road crossing Beit Jala;

(10) the main north-south road (Route No. 90) crossing Jericho; and

(11) the road crossing Hebron, as set out in Article VII (Hebron) below. The operation of the Joint Patrols in each district will commence after the completion of redeployment in the respective district.

b. Each DCO will be allowed, within 3 months after the completion of the redeployment in its respective district, to decide that Joint Patrols will function on roads crossing areas A, B and C.

5. Joint Mobile Units

a. Joint Mobile Units will operate in Area B and will be led by the Israeli vehicle. Three such Joint Mobile Units shall be located at each

DCO. One will be on alert 24 hours a day. The two others will perform missions as directed by the DCO during daylight hours.

b. A Joint Mobile Unit shall be located at the Auja junction being the intersection of Route No. 90 and the road to Yitav. This unit shall be led by the Israeli vehicle, and may be directed by the DCO to deal with certain incidents occurring on the road between Auja and Jericho in which Palestinians are involved.

c. A Joint Mobile Unit shall be located at the Nahal Elisha junction on the road from Jericho to the Mousa Allami project.

6. Movement of Palestinian Policemen

Movement of uniformed policemen, whether armed or unarmed, as well as armed on-duty plainclothes policemen, in Area C, will be confirmed and coordinated by the relevant DCO. Movement of such policemen between Area A and Area B will be approved by the relevant DCO.

7. Rachel's Tomb

a. Without derogating from Palestinian security responsibility in the City of Bethlehem, the two sides hereby agree on the following security arrangements regarding Rachel's Tomb which will be considered a special case during the Interim Period:

(l) While the Tomb, as well as the main road leading from Jerusalem to the Tomb, as indicated on map No.l, will be under the security responsibility of Israel, the free movement of Palestinians on the main road will continue.

(2) For the purpose of protecting the Tomb, three Israeli guard posts may be located in the Tomb, the roof of the Waqf building, and the parking lot.

b. The present situation and existing practices in the Tomb shall be preserved.

ARTICLE VI
Security Arrangements in the Gaza Strip

1. The Delimiting Line

a. For the purpose of the present Agreement only, and without prejudice to the permanent status negotiations on borders, the line delimiting the northern and eastern edge of the Gaza Strip follows the fence on the ground, as delineated on attached map No. 2 by an unbroken green line (hereinafter "the Delimiting Line") and shall have no other effect.

b. The Parties reaffirm that, as long as this Agreement is in force, the security fence between the Gaza Strip and Israel shall remain in place, and that the line demarcated by the fence shall be authoritative only for the purpose of this Agreement.

2. Security Perimeter

a. There will be a security perimeter along the Delimiting Line inside the Gaza Strip as delineated on attached map No. 2 by a broken green line (hereinafter "the Security Perimeter").

b. In accordance with the provisions of this Agreement, the Palestinian Police will be responsible for security in the Security Perimeter.

c. The Palestinian Police will enforce special security measures aimed at preventing infiltrations across the Delimiting Line or the introduction into the Security Perimeter of any arms, ammunition or related equipment, except for the arms, ammunitions or equipment of the Palestinian Police, authorized through the relevant DCO.

d. Activities of the Palestinian Police inside the Security Perimeter will be coordinated through the relevant DCO. Security activities in Israel in the vicinity of the Delimiting Line that directly affect the other side will be coordinated with the Palestinian Police through the relevant DCO.

3. The Israeli Settlements

a. In accordance with the DOP, during the interim period, the Gush Katif and Erez settlement areas, as well as the other settlements in the Gaza Strip, as delineated on attached map No. 2 by a blue line, will be under Israeli authority.

b. Palestinians will be free to move along the coast road and along the road from the Netzarim Junction to the seashore.

4. The Yellow Area

a. In the areas delineated by a broken red line and shaded in yellow in attached map No. 2 (hereinafter "the Yellow Area"), and without derogating from Palestinian authority, responsibility will be shared as follows: the Israeli authorities will have the overriding responsibility and powers for security, and the Council will have the responsibility and powers for civil affairs, subject to this Agreement. In addition, with regard to the Yellow Area, cooperation and coordination in security matters, including Joint Patrols, as agreed, will be implemented.

b. Entry of Palestinian policemen into the Yellow Area and their activity therein may take place as agreed upon through the relevant DCO.

c. Without derogating from the above, while the Palestinian side shall have responsibility and powers for public order for Palestinians in the Mawasi Area, Israel shall retain the responsibility and powers for internal security. Accordingly, the area shall be treated as Area B throughout the interim period in accordance with the provisions of paragraph 3 of Article V above. For the purpose of exercising Palestinian public order responsibility and powers, Palestinian uniformed Civil Police (Al Shurta) policemen may enter the Mawasi Area after coordination and confirmation of their movement and activity through the relevant DCO.

5. The Mawasi Area

a. As shown on map No. 2, two Joint Patrols will operate in the Mawasi area, the fishermen's wharves of Rafah and Khan Yunis and along the coast road, led by the Israeli vehicle.

b. Access of Palestinians to the Mawasi area, as delineated on attached map No. 2, will be by the following roads:

(1) Rafah - Tel Sultan - Mawasi;

(2) Khan Yunis - El Bahr Village; and

(3) Deir El Ballah - along the beach to the Mawasi.

c. The Mawasi Beach

(1) Notwithstanding Israeli authority over the Gush Katif settlement area, the Council may operate sections of the Mawasi beach page extending to the east up to the coast road, totaling,

together with the Rafah and Khan Yunis wharves, five (5) kilometers. Israel has notified the Palestinian Authority of the locations of these sections.

(2) These sections may be used for the following purposes:

(a) sport and recreation, including boat hire facilities;

(b) operating food establishments,

(c) enlarging the wharves;

(d) expanding the facilities for fishermen, such as offices, warehouses and cold storage facilities; and

(e) an hotel.

(3) In these sections, the Council, in exercising its civil authority, will be able to grant licenses for businesses, collect fees and taxes, set and enforce public health standards and develop and manage the tourist sector.

(4) In each of the fishermen's wharves, the Council may have an office building which shall be protected.

(5) There will not be any construction by Israelis of new sites along the beach.

(6) During a period of three months from the signing of this Agreement, Israel may consider, in light of the security situation, the use by the Council of additional beach sections.

6. The Egyptian Border

The Military Installation Area along the Egyptian border in the Gaza Strip, as delineated on attached map No. 2 by a blue line and shaded in pink, will be under Israeli authority.

The village of Dahaniya will remain part of the Military Installation Area pending a declaration of a general amnesty for the residents of the village, and provision having been made for their protection. Upon realization of the above amnesty and protection, the village of Dahaniya will become part of the Yellow Area.

7. Lateral Roads to the Settlements

a. Without derogating from Palestinian authority and in accordance with the Declaration of Principles:

(l) On the three lateral roads connecting the Israeli settlements in the Gaza Strip to Israel, namely the Kissufim - Gush Katif road; the Sufa - Gush Katif road; and the Karni - Netzarim road, as indicated by a light blue line on attached map No. 2, including the adjacent sides upon which the

security of traffic along these roads is dependent (hereinafter "the Lateral Roads"), the Israeli authorities will have all necessary responsibilities and powers in order to conduct independent security activity, including Israeli patrols.

(2) Joint Patrols will operate along the Lateral Roads. Such joint patrols will be led by the Israeli vehicle.

(3) Where the Israeli authorities carry out engagement steps, they will do so with a view to transferring, at the earliest opportunity, the continued handling of the incidents falling within the Palestinian responsibility, to the Palestinian Police.

(4) Overpasses will be constructed on intersections between the Lateral Roads and the central North- South road (Road No. 4).

b. Where the Lateral Roads overlap the Security Perimeter, the two sides, in the exercise of their respective powers and responsibilities, will fully coordinate their activity in order to prevent friction.

8. The Central North-South Road (Road No. 4)

A Joint Patrol led by the Palestinian vehicle will be operated along the central North-South road (Road No. 4) in the Gaza Strip between Kfar Darom and Wadi Gaza.

9. Joint Mobile Units

a. Joint Mobile Units will be located at the following junctions:

(l) the Nissanit junction;

(2) the Netzarim junction,

(3) the Deir el-Ballah junction; and

(4) the Sufa-Morag junction.

b. At the Netzarim junction, the Israeli side of this Joint Mobile Unit will check Israeli vehicles, which will then be able to continue their journey without interference. This Joint Mobile Unit will also operate as a Joint Patrol between the Netzarim junction and Wadi Gaza under the direction of the relevant DCO.

10. Coordination and Cooperation in the Gaza Strip

Two DCOs will function in the Gaza Strip as follows:

a. A DCO for the Gaza district, located at the Erez crossing point with subordinate Joint Liaison Bureaus at the Erez and Nahal Oz crossing points.

b. A DCO for the Khan Yunis district, located at the Nuriya Camp with subordinate Joint Liaison Bureaus at the Sufa crossing points and at the Rafah Terminal.

ARTICLE VII
Guidelines for Hebron

1. a. There will be a redeployment of Israeli military forces in the city of Hebron except for places and roads where arrangements are necessary for the security and protection of Israelis and their movements. The areas of such redeployment are delineated by red and blue lines and shaded in orange stripes on a yellow background on attached map No. 9 (hereinafter "Area H-l").

b. This redeployment will be completed not later than six months after the signing of this Agreement.

2. a. The Palestinian Police will assume responsibilities in Area H-1 similar to those in other cities in the West Bank.

b. All civil powers and responsibilities, set out in Annex III of this Agreement, will be transferred to the Council in the City of Hebron as in the other cities in the West Bank.

c. Palestinian police stations or posts will be established in Area H-l, manned by a total of up to 400 policemen, equipped with 20 vehicles and armed with 200 pistols, and 100 rifles for the protection of those stations.

d. The Palestinian Police shall operate freely in Area H-l. Any activity or movement by it outside this area will be carried out after coordination and confirmation through the DCO established in paragraph 6 of this Article.

e. The Imara will be turned over to the Palestinian side upon the completion of the redeployment, and will become the headquarters of the Palestinian Police in the city of Hebron.

3. According to the DOP, Israel will continue to carry the responsibility for overall security of Israelis for the purpose of safeguarding their internal security and public order.

4. a. In the area of the city of Hebron from which Israel military forces will not redeploy, as delineated by red and blue lines on attached map No. 9 (hereinafter "Area H-2"), Israel will retain all powers and responsibilities for internal security and public order.

b. In Area H-2, the civil powers and responsibilities will be transferred to the Council; except for those relating to Israelis and their property which shall continue to be exercised by Israeli Military Government.

c. In Area H-2, plainclothes unarmed municipal inspectors will monitor and enforce vis-a-vis Palestinians, compliance with the laws and regulations, within the civil powers and responsibilities transferred to the Council in Hebron.

5. The municipality of Hebron will continue to provide all municipal services to all parts of the city of Hebron.

6. a. A DCO will be located at Har Manoakh (Jabal Manoah).

b. Upon completion of the redeployment of Israeli military forces, a JMU will operate throughout the city of Hebron, including in the Old City, if required to do so by the abovementioned DCO.

c. A Joint Patrol will function in Hebron on the road from Ras e-Jura to the north of the Dura junction via E-Salaam road and on Route No. 35.

d. Three months after the completion of the redeployment, the DCO will consider the reassignment of the Joint Patrol to other parts of Hebron.

7. Measures and procedures for normalizing life in the Old City and on the roads of Hebron will be taken immediately after the signing of this Agreement, as follows:

a. opening of the wholesale market - Hasbahe, as a retail market;

b. removal of the barrier on the road leading from Abu Sneineh to Shuhada Road in order to facilitate the movement on these roads;

c. reopening of the main entrance to the Islamic College;

d. replacement of the closed roadblock at the Ras e-Jura junction by a normally open traffic supervision system;

e. replacement of the roadblock at the Harsina junction by a regular position;

f. opening of the route from the Sa'air Shiukh road to Hebron;

g. opening of the Tnuva Road; and

h. removal of the two barriers in the vicinity of the Raranta School near the North Dura junction.

8. A high level Joint Liaison Committee will be established in order to deal with the security situation in Hebron after completion of the redeployment.

9. a. Since the two sides are unable to reach agreement regarding the Tomb of the Patriarchs / Al Haram Al Ibrahimi, they have agreed to keep the present situation as is.

b. Three months after the redeployment the high level Joint Liaison Committee will review the situation.

10. There will be a Temporary International Presence in Hebron (TIPH). Both sides will agree on the modalities of the TIPH, including the number of its members and its area of operation.

11. Immediately after the completion of the redeployment, measures must be taken to ensure a stable and secure situation throughout the Hebron area, free from efforts to undermine this Agreement or the peace process.

12. Hebron will continue to be one city, and the division of security responsibility will not divide the city.

ARTICLE VIII
Passages

1. General

a. While Israel remains responsible during the interim period for external security, including along the Egyptian and Jordanian borders, border crossing shall take place according to the arrangements included in this Article. These arrangements aim at creating a mechanism that facilitates the entry and exit of people and goods, reflecting the new reality created by the DOP, while providing full security for both sides.

b. The arrangements included in this Article shall apply to the following border crossings:

(1) the Allenby Bridge crossing; and

(2) the Rafah crossing.

c. A joint Israeli-Palestinian committee will decide on applying the arrangements included in this Article to the Damya Bridge crossing and, in parallel, on alternatives.

d. The provisions of the Protocol Regarding Arrangements with Respect to Passages, signed on October 31, 1994 in Casablanca, as amended and attached to this Annex as Appendix 5 (hereinafter "Appendix 5"), will continue to be applicable for the duration of this Agreement, unless otherwise agreed upon. Immediately upon the signing of this Agreement, the CAC shall review the amended Protocol and, in this context, consider the Palestinian request that with regard to the administration of the passages, the Israel Airport Authority be replaced by the Israeli military government.

e. The same arrangements will be applied by the Parties, with the necessary adjustments, to agreed seaports, airports or other international crossings, such as the Abdullah bridge.

f. The two sides are determined to do their utmost to maintain the dignity of persons passing through the border crossings. To this end, the mechanism created will rely heavily on brief and modern procedures.

g. In each border crossing there will be one terminal, consisting of two wings. The first wing will serve Palestinian residents of the West Bank and the Gaza Strip and visitors to these areas (hereinafter "the Palestinian Wing"). The second wing will serve Israelis and others (hereinafter "the Israeli Wing"). There will be a closed Israeli checking area and a closed Palestinian checking area, as set out below.

h. Special arrangements applicable to VIPs crossing through the Palestinian Wing, are set out in Appendix 5.

2. Control and Management of the Passages

a. For the purpose of this Article, "passage" is defined to mean the area from the crossing barrier at the Egyptian border or the Allenby Bridge, passing through and including the terminal and:

(1) with regard to the Allenby Bridge crossing, from the terminal up to the Jericho Area; and

(2) with regard to the Rafah crossing, from the terminal up to the outer limit of the Israel military location along the Egyptian border.

b. (1) Israel will have the responsibility for security throughout the passage, including for the terminal.

(2) An Israeli director-general will have the responsibility for the management and security of the terminal.

(3) The director-general will have two deputies who will report to him.

(a) an Israeli deputy who will be the manager of the Israeli Wing. Israel will have exclusive responsibility for the management of the Israeli Wing; and

(b) a Palestinian deputy, appointed by the Council, who will be the manager of the Palestinian Wing.

(4) Each deputy will have an assistant for security and an assistant for administration. The assignments of the Palestinian deputies for security and administration are set out in Appendix 5.

(5) The Palestinian deputy director-general at the Allenby Bridge terminal will be able to travel between this terminal and the Jordanian terminal for the purpose of exercising his functions.

(6) There will be maximum coordination between the two sides. Both sides will maintain cooperation and coordination on matters of mutual concern.

(7) The director-general will continue to use Palestinian contractors to provide bus services and other administrative and logistical services.

(8) Palestinian policemen present at the terminal will be armed with handguns. Their deployment is set out in Appendix 5. Other Palestinian officials present at the terminal will be unarmed.

(9) The details of management and security including those relating to the Liaison Bureau referred to in subparagraph 5 below are set out in Appendix 5.

(10) The two sides will work together in order to seek ways for additional arrangements in the Rafah terminal.

c. Except for all the arrangements included in this Article, the current procedures and arrangements applicable outside the terminal shall continue to apply throughout the passage.

d. (l) Once incoming passengers have crossed the terminal, they will proceed to the West Bank or the Gaza Strip, as appropriate, without any interference from Israeli authorities (safe passage).

(2) Outgoing passengers may proceed to the terminal without any interference from Israeli authorities after joint verification that such passengers hold the necessary documentation for exiting the area to Jordan or Egypt, as set out in this Agreement.

3. Arrangements for Entry from Egypt and Jordan Through the Palestinian Wing

a. At the entrance to the Palestinian Wing there will be a Palestinian policeman and a raised Palestinian flag.

b. Before entering the Palestinian Wing, passengers will identify their personal luggage and it will be placed on a conveyor belt. Each side will be able to inspect such luggage inside its own checking area, using its own personnel and, if necessary, may open the luggage for inspection in the presence of the owner and a Palestinian policeman.

c. Persons entering the Palestinian Wing will pass through a magnetic gate. An Israeli policeman and a Palestinian policeman will be posted on each side of this gate. In the event of suspicion, each side will be entitled to require a physical inspection to be conducted in inspection booths to be located adjacent to the gate. Passengers will be inspected by a Palestinian policeman in the presence of an Israeli policeman. Accompanying personal belongings may also be inspected at this point.

d. Having completed the above phase, persons entering the Palestinian Wing will pass through one of two lanes for the purpose of identification and document control, as follows:

(1) The first lane will be used by Palestinian residents of the West Bank and the Gaza Strip. These passengers will pass via a Palestinian counter, where their documents and identity will be checked. Their documents will be checked by an Israeli officer who will also check their identity indirectly in an invisible manner.

(2) The second lane will serve visitors to the West Bank and the Gaza Strip. These passengers will first pass via an Israeli counter, where their documents and identity will be checked. Then

they will continue via a Palestinian counter, where their documents and identity will be checked. The two counters will be separated by tinted glass and a revolving door.

e. In the event of suspicion regarding a passenger in any of the two lanes described in subparagraph d. above, each side may question such passengers in its closed checking area. Suspicion justifying questioning in the closed checking area may be one of the following:

(l) the passenger was involved, directly or indirectly, in criminal or planned criminal activity, or in terrorist or planned terrorist activity, and is not a beneficiary of the amnesty provisions of this Agreement;

(2) the passenger conceals arms, explosives or related equipment;

(3) the passenger holds forged or non-valid documentation or the details included in the documentation are inconsistent with those included in the population registry (in case of a resident) or in the data base (in case of a visitor), except that questions relating to such inconsistency will initially be raised at the counter and the passenger will be questioned in the closed checking area only if the suspicion has not been removed, or

(4) the passenger acts in an obviously suspicious behavior during the passage via the terminal.

If, at the conclusion of this questioning, the suspicion has not been removed, such passenger may be apprehended, after the other side has been notified. In case of a Palestinian suspect being apprehended by the Israeli side, a Palestinian policeman will be asked to meet with the suspect. Following notification to the Liaison Bureau, any further treatment of the apprehended person will be in accordance with Annex IV.

f. In the Palestinian Wing, each side will have the authority to deny the entry of persons who are not residents of the West Bank and the Gaza Strip.

For the purpose of this Agreement, "residents of the West Bank and the Gaza Strip" means persons who, on the date of entry into force of this Agreement, are registered as residents of these areas in the population registry maintained by the military government of the West Bank and the Gaza Strip and by the Council, as well as persons who have subsequently obtained permanent residency in these areas with the approval of Israel, as set out in this Agreement.

g. Following the above procedure, the passengers will collect their luggage and proceed to the customs area as described in Annex V, and as set out in Appendix 5.

h. The Palestinian side will provide passengers whose entry is approved with an entry permit stamped by the Palestinian side and attached to their documents.

At the conclusion of the direct and indirect checking of the documents and identity of passengers passing via the first lane and stamping their entry permits, the Palestinian officer will provide the passenger with a white card issued by the Israeli officer. A Palestinian official posted at the exit

of the Palestinian Wing will verify that the passenger holds such white card and will collect the cards with indirect and invisible Israeli checking.

For passengers going through the second lane, the Israeli officer will provide the passengers with a blue card, after checking their documents and identity, and verifying their entry permits. An Israeli and a Palestinian official posted at the exit of the Palestinian Wing will verify and collect the cards. White and blue cards collected will be checked by Israeli and Palestinian officials.

In cases where either side denies the entry of a non-resident passenger, that passenger will be escorted out of the terminal and sent back to Jordan or Egypt, as appropriate, after notifying the other side.

4. Arrangements for Exit to Egypt and Jordan Through the Palestinian Wing

Passengers exiting to Egypt or Jordan through the Palestinian Wing will enter the terminal without their luggage. Thereafter, the same procedures described in paragraph 3 above will apply to them, except that the order of passing via the Israeli and Palestinian counters will be reversed.

5. Joint Liaison Bureau

a. There will be a Joint Liaison Bureau at each crossing point in order to deal with matters arising regarding passengers passing through the Palestinian Wing, issues regarding coordination, and differences regarding the implementation of these arrangements. Without derogating from Israel's responsibility for security, the bureau will also deal with incidents.

b. This bureau will be comprised of an equal number of representatives from each side and will be located at a specified location inside each terminal.

c. This bureau will be subordinate to the relevant subcommittee of the CAC.

6. Miscellaneous

a. Special arrangements will be agreed upon by the two sides regarding the passage of goods, buses, trucks and privately-owned vehicles. Pending this agreement, the current arrangements will continue to apply. The above mentioned arrangements will be agreed upon within six months from the date of signing this Agreement.

b. In order to cross through the border crossings into and out of the West Bank and the Gaza Strip, residents of these areas will use documents as detailed in Annex III

c. The Allenby Bridge terminal will operate from Sunday through Thursday, between the hours of 08:00 and 24:00, and on Fridays and Saturdays, between the hours of 08:00 and 15:00, except on Yom Kippur.

ARTICLE IX
Movement Into, Within and Outside the West Bank and the Gaza Strip

1. General

a. Israel declares that work to relocate the Erez crossing point currently within the Gaza Strip to a location within Israel adjacent to the Delimiting Line, is underway. Israel will make every effort to complete this work as soon as possible. A joint Israeli-Palestinian committee will decide, within one month from the signing of this Agreement, the timeframe for completing this work and all related issues. Pending the completion of this work, Israel shall retain control over this crossing point and operate it in accordance with the provisions of this Article.

b. Israelis entering the West Bank and the Gaza Strip shall carry Israeli documentation (if they are above the age of 16) and, if driving a vehicle, a driving license and vehicle registration documentation recognized in Israel. Tourists to Israel entering the West Bank and the Gaza Strip shall be subject to Palestinian laws in accordance with the provisions of this Agreement, shall carry their passports and other relevant documentation, and may be required by the Palestinian Police to identify themselves by presenting their passport or documentation, unless otherwise provided in this Article.

c. Entry of persons from the West Bank and the Gaza Strip to Israel shall be subject to Israeli laws and procedures regulating entry into Israel, and residents of these areas shall be required to carry the identity card as agreed upon in this Agreement, as well as documentation specified by Israel and notified through the CAC to the Council.

d. The provisions of this Agreement shall not prejudice Israel's right, for security and safety considerations, to close the crossing points to Israel and to prohibit or limit the entry into Israel of persons and of vehicles from the West Bank and the Gaza Strip. In addition, the provisions of this Agreement shall not prejudice the use of safe passage.

e. Tourists to the West Bank and the Gaza Strip from countries having diplomatic relations with Israel, who have passed through an international crossing, will not be required to pass any additional entry control before entry into Israel.

2. Passage within the West Bank and between the West Bank and Israel.

a. Without derogating from Israel's security powers and responsibilities in accordance with this Agreement, movement of people, vehicles and goods in the West Bank, between cities, towns, villages and refugee camps, will be free and normal, and shall not need to be effected through checkpoints or roadblocks.

b. Movement between the West Bank and Israel shall be governed by the applicable laws, regulations and rules regulating the movement of persons and vehicles between the West Bank and Israel, while respecting the importance of the economic and social life, development programs and projects, and emergency health care services of the Palestinian population.

c. The Palestinian Police shall set up checkpoints in areas under its security responsibility on roads connecting the West Bank and Israel, for the purpose of inspection and identification of Palestinian vehicles and passengers in order to prevent illegal introduction of weapons into or from Israel.

3. Passage between the Gaza Strip and Israel

a. Passage between the Gaza Strip and Israel will be via one or more of the following crossing points:

(1) the Erez crossing point;

(2) the Nahal Oz crossing point,

(3) the Sufa crossing point, and

(4) the Karni (commercial) crossing point (for goods only).

b. The Council may set up a checkpoint, within the Gaza Strip, on the road leading to the Erez crossing point and on the road leading to the Nahal Oz crossing point, at locations to be coordinated between the two sides, for the purpose of inspection and identification of passengers and vehicles. Israelis and tourists to Israel passing through these checkpoints may be only required to identify themselves by presenting Israeli documentation or a passport, as set out in subparagraph l.b above. The above requirements shall not apply to uniformed members of the Israeli military forces.

c. The Council may set up a checkpoint, within the Gaza Strip, on the road leading to the Sufa crossing point, at a location acceptable to both sides for the purpose of inspection and identification of Palestinian passengers and vehicles. Israeli vehicles may bypass this checkpoint unimpeded.

d. The Council will allow passage of Israelis and tourists to Israel between the Gaza Strip and Israel, in addition, via the following crossing points:

(l) the Karni (non-commercial) crossing point;

(2 the Kisufim crossing point;

(3) the Kerem Shalom crossing point; and

(4) the Elei Sinai crossing point.

e. Israelis, and tourists to Israel, who have passed through any of the above crossing points into the West Bank and the Gaza Strip shall not be required to undergo inspection, identification or other requirements in addition to the stated provisions for entry into the West Bank and the Gaza Strip outlined in this Article.

f. Arrangements for the movement of goods between the Gaza Strip and Israel through the crossing points are set out in Annex V.

g. A Palestinian liaison officer will be present at each of the crossing points on the Lateral Roads.

ARTICLE X
Safe Passage

1. General

a. There shall be a safe passage connecting the West Bank with the Gaza Strip for movement of persons, vehicles and goods, as detailed in this Article.

b. Israel will ensure safe passage for persons and transportation during daylight hours (from sunrise to sunset) or as otherwise agreed by the JSC, but in any event not less than 10 hours a day.

c. Safe passage through Israel between the West Bank and the Gaza Strip will be effected via the following designated crossing points:

(1) the Erez crossing point (for persons and vehicles only);

(2) the Karni (commercial) crossing point (for goods only);

(3) the Tarkumya crossing point; and

(4) an additional crossing point around Mevo Horon.

d. Israel will make such passage available through the routes indicated on attachedmap No. 6.

e. Consistent with Article XXXI, paragraph 6 of the Agreement, the arrangements included in this Article are without prejudice to the permanent status negotiations.

2. Use of Safe Passage

a. As detailed below, persons using the safe passage shall carry, in addition to personal and vehicle documentation, the following documents:

(1) a safe passage card; and

(2) (for drivers only) a vehicle safe passage permit.

Arrangements for the implementation of the safe passage usage, as well as modalities for the issuance by Israel of safe passage cards and vehicle safe passage permits, shall be discussed and agreed in the JSC, in consultation with the CAC.

b. Residents of the West Bank and the Gaza Strip in possession of a permit enabling them to enter Israel will be able to use this permit as a safe passage card. c. Safe passage cards and vehicle safe passage permits shall be stamped by the Israeli authorities at the crossing point, with the time of departure from the crossing point and the estimated time of arrival.

d. Israel may deny the use of its territory for safe passage by persons who have seriously or repeatedly violated the safe passage provisions detailed in this Article.

e. Persons who are denied entry into Israel will use safe passage by means of shuttle buses which will be escorted by the Israel Police and which will operate from 7:00 AM to 2:00 PM on two days of every week. The exact date and times of such operation will be coordinated through the JSC. Applications by persons denied entry to Israel to use safe passage must be submitted to, and agreed upon in, the relevant DCO at least five days prior to the planned journey.

f. Special arrangements will apply with respect to the passage of Palestinian leaders, senior Council officials, distinguished personalities and guests of the Ra'ees of the Council. The CAC will define the scope and nature of the special arrangements, in consultation with the JSC.

g. The movement of Palestinian policemen on duty through the safe passage between the West Bank and the Gaza Strip will be coordinated through the JSC.

h. Any additional matters relating to the usage of safe passage will be coordinated through the JSC.

3. Mode of Use of Safe Passage

a. Persons and vehicles using safe passage under these arrangements shall neither break their journey nor depart from the designated routes, and shall complete the passage within the designated time stamped on their safe passage cards and permits, unless a delay is caused by a medical emergency or a technical breakdown.

b. Persons using the safe passage through Israel shall be subject to Israeli law.

c. Persons and vehicles using the safe passage shall not carry explosives, firearms or other weapons or ammunition, except for special cases that may be agreed in the JSC.

4. General Provisions Regarding the Safe Passage Routes

a. The above arrangements shall in no way affect the status of the safe passage and its routes.

b. The safe passage arrangements will not be available on Yom Kippur, Israel's Memorial Day and Israel's Independence Day.

c. Israel may, for security or safety reasons, temporarily halt the operation of a safe passage route or modify the passage arrangements while ensuring that one of the routes is open for safe passage. Notice of such temporary closure or modification shall be given to the JSC.

d. Israel shall notify the Council of incidents involving persons using safe passage routes, through the JSC.

ARTICLE XI
Rules of Conduct in Mutual Security Matters

1. Human Rights and the Rule of Law

Subject to the provisions of this Agreement, the Palestinian Police and the Israeli military forces shall exercise their powers and responsibilities pursuant to this Agreement with due regard to internationally-accepted norms of human rights and the rule of law, and shall be guided by the need to protect the public, respect human dignity and avoid harassment.

2. Weapons

a. Each side shall enforce upon civilians, Palestinians or Israelis, in the West Bank and the Gaza Strip, in accordance with their security responsibility, a prohibition on possession or carrying of weapons without a license.

b. The Palestinian Police may grant licenses to possess or carry pistols for civilian use. The modalities for granting such licenses, as well as categories of persons who may be granted such licenses, will be agreed upon in the JSC.

c. Upon the assumption of security responsibility, and in accordance with the Palestinian law, the Palestinian Police shall declare a period of grace of one month, during which period holders of unlicensed weapons will be required to declare that they hold such weapons and to apply for licenses. The Palestinian Police may grant such licenses in accordance with subparagraph b. above, and will enforce the Palestinian security policy set out in Article II, paragraph 1 of this Annex, against persons who hold unlicensed weapons.

d. Israelis may carry weapons licensed in accordance with subparagraph a. above.

e. The Palestinian Police will maintain an updated register of all weapons licensed by it.

f. The Palestinian Police will prevent the manufacture of weapons as well as the transfer of weapons to persons not licensed to possess them.

g. The use of explosives in quarries and for other civilian purposes will be only in accordance with modalities and procedures agreed upon in the JSC.

3. Engagement Steps

a. For the purpose of this Article, engagement" shall mean an immediate response to an act or an incident constituting a danger to life or property that is aimed at preventing or terminating such an act or incident, or at apprehending its perpetrators.

b. Within the territory under the security responsibility of the Council, in places where Israeli authorities exercise their security functions in accordance with this Annex and in their immediate vicinities, the Israeli authorities may carry out engagement steps in cases where an act or incident requires such action. In such cases, the Israeli authorities will take any measures necessary to bring to an end such an act or incident with a view to transferring, at the earliest opportunity, the continued handling of the incident falling within the Palestinian responsibility to the Palestinian Police. The Palestinian Police will immediately be notified, through the relevant DCO, of such engagement steps.

c. Engagement with the use of firearms in responding to such acts or incidents shall not be allowed, except as a last resort after all attempts at controlling the act or the incident, such as warning the perpetrator or shooting in the air, have failed, or are ineffective or without any promise of achieving the intended result in the circumstances. Use of firearms should be aimed at deterring or apprehending, and not at killing, the perpetrator. The use of firearms shall cease once the danger is past.

d. Any activity involving the use of firearms other than for immediate operational purposes shall be subject to prior notification to the relevant DCO.

e. If a person is injured or otherwise in need of assistance, such assistance will be provided by the side that first reaches the site. If such a person is under the security responsibility of the other side, the assisting side shall notify the relevant DCO and appropriate arrangements shall be made, pursuant to this Agreement, for treatment and hospitalization.

4. Rules of Conduct on Roads for Israelis

a. Israeli military forces and Israeli civilians may continue to use roads freely within the West Bank and the Gaza Strip.

b. On the main roads that are jointly patrolled, vehicles bearing Israeli license plates shall not be stopped except for identification, which shall be conducted by a Joint Patrol, pursuant to the provisions of Article III of this Annex. The Israeli side of such a patrol may carry out identity and vehicle documentation checks. In the event that a vehicle bearing a license plate issued by either the Council or the Civil Administration is stopped, the Palestinian side of the Joint Patrol may carry out identity and vehicle documentation checks.

c. On other roads vehicles bearing Israeli license plates shall not be stopped by the Palestinian Police, except that such vehicles may be stopped in the Gaza Strip, in Area A or in places in Area B where there is a police station or post for the purpose of identification checks of the above-mentioned documentation.

d. Israelis shall under no circumstances be apprehended or placed in custody or prison by Palestinian authorities. However, where an Israeli is suspected of having committed an offense, he or she may be detained in place by the Palestinian Police while ensuring his or her protection, in accordance with the provisions of Annex IV, until the arrival of a Joint Patrol, called

immediately by the Palestinian Police, or of other Israeli representatives dispatched by the relevant DCO.

e. Israeli pedestrians may be required to produce identity documentation (if above the age of sixteen). Thereafter, they shall be treated in accordance with the provisions of this Article.

f. Uniformed members of the Israeli military forces, as well as vehicles of the Israeli military forces, shall not be stopped by the Palestinian Police in any circumstances, and shall not be subject to any identification requirements. Without derogating from the above, in the event of suspicion regarding such a person or vehicle, the Palestinian Police may notify the Israeli authorities through the relevant DCO, in order to request appropriate assistance.

g. Verification, pursuant to this Article, of the identity of persons who claim to be Israelis but cannot present appropriate identification documentation, will be confirmed by the Israeli side of a Joint Patrol, called by the Palestinian Police, or by other Israeli representatives dispatched by the relevant DCO.

ARTICLE XII
Security Arrangements Concerning Planning, Building and Zoning

1. General Provisions

a. Notwithstanding the provisions relating to planning, building and zoning set out elsewhere in this Agreement, the provisions of this Article shall apply with respect to the areas specified below.

b. These arrangements will be reviewed within a period of six months from the signing of this Agreement, and, thereafter, every six months, with a view to modifying them, with due consideration to Palestinian plans for establishing economic projects, and to the security concerns of both sides.

c. The limitations set out below on the construction of buildings and installations in specific areas shall not require the demolition or removal of existing buildings or installations.

2. Provisions regarding the West Bank

a. Buildings or installations shall not be constructed or erected and natural and artificial culture shall not be altered, on either side of the roads delineated in blue on map No. 7 up to a distance of 50 meters from the center of these roads.

b. Bridges or other structures will not be built which may prevent the movement on roads of vehicles of a height of up to 5.25 meters.

c. In the areas shaded in purple on map No. 7, construction will be limited to a height of 15 meters.

d. Any buildings or installations constructed or erected contrary to this paragraph shall be dismantled.

3. Provisions regarding the Gaza Strip

a. The existing buildings, installations and natural and artificial culture in the Gaza Strip within a distance of 100 meters from the Delimiting Line shall remain as they are at present.

b. Within the next 500 meters of the Security Perimeter, and within the Yellow Area, buildings or installations may be constructed, provided that:

(1) one building or installation may be constructed on each plot, the size of which shall not be less than 25 dunams; and

(2) such building or installation shall not exceed two floors, of a size not exceeding 180 sq. meters per floor.

The Council shall maintain the predominantly agricultural character of the remaining areas of the Security Perimeter.

c. Buildings or installations shall not be constructed on either side of the Lateral Roads us to a distance of 75 meters from the center of these Roads.

d. For the purpose of enforcing this Article, the United States has provided both sides with satellite photographs of the Gaza Strip depicting the buildings, installations and natural and artificial culture existing at the time of the signing of the Gaza-Jericho Agreement.

ARTICLE XIII
Security of the Airspace

1. Operation of aircraft for the use of the Council in the West Bank and the Gaza Strip shall be initially as follows:

a. Two (2) transport helicopters for VIP transportation within and between the West Bank and the Gaza Strip.

b. Up to 3 helicopters for the purpose of transport missions to approved landing pads.

c. 3 fixed-wing transport aircraft with up to 35 persons capacity, for transporting persons between the West Bank and the Gaza Strip.

2. Changes in the number, type and capacity of aircraft may be discussed and agreed upon in a Joint Aviation Subcommittee of the JSC (hereinafter "the JAC").

3. The Council may immediately establish and operate in the West Bank and the Gaza Strip provisional airstrips for the helicopters and fixed wing aircraft referred to in paragraph 1 above, in accordance with arrangements and modalities to be discussed and agreed upon in the JAC.

4. All aviation activity or use of the airspace by any aerial vehicle in the West Bank and the Gaza Strip shall require prior approval of Israel. It shall be subject to Israeli air traffic control including, inter alia, monitoring and regulation of air routes as well as relevant regulations and requirements to be implemented in accordance with the Israel Aeronautical Information Publication, the relevant parts of which will be issued after consultation with the Council.

5. Aircraft taking off from, and landing in the West Bank and the Gaza Strip shall be registered and licensed in Israel or in other states members of International Civil Aviation Organization (ICAO). Air crews of such aircraft shall be licensed in Israel or in such other states, provided that such licenses have been approved and recommended by the Council and validated by Israel.

6. Palestinian Civil Aviation and airline staff may be recruited locally and from abroad. The number of Palestinians recruited from abroad shall not exceed 400. This number may be changed by agreement, if necessary.

7. Aircraft referred to in this Article shall not carry firearms, ammunition, explosives or weapons systems unless otherwise approved by both sides. Special arrangements for armed guards escorting high ranking officials, will be agreed upon in the JAC.

8. The location of navigational aids and other aviation equipment will be approved by Israel through the JAC.

9. a. The Council shall ensure that only the aviation activity in accordance with this Agreement will take place in the West Bank and the Gaza Strip.

b. Further powers and responsibilities may be transferred to the Council through the JAC.

c. The Council may establish a Palestinian Civil Aviation Department to act on its behalf in accordance with the provisions in this Article and of this Agreement.

10. a. Aviation activity by Israel will continue to be operated above the West Bank and the Gaza Strip, with the same limitations applicable in Israel regarding civil and military flights over densely-populated areas.

b. Israel will notify the Council of emergency rescue operations, searches and investigation of aerial accidents in the West Bank and the Gaza Strip. Searches and investigations of civilian aircraft accidents in which Palestinians or their property are involved, will be conducted by Israel with the participation of the Council.

11. Guided by the principle that the two sides view the West Bank and Gaza Strip as a single territorial unit, as set out in Article IV of the DOP, and in order to enable the smooth operation of flights between the West Bank and the Gaza Strip:

a. The JAC will agree on special arrangements to facilitate flights of the Ra'ees of the Executive Authority of the Council between the West Bank and the Gaza Strip. The Ra'ees and his spouse, and family members of the Ra'ees, his body guards and VIPs when accompanying the Ra'ees will fly without prior inspection of their person, personal belongings, and luggage.

b. The minimum time of notification of VIPs' flights will be four hours. The notification will include the list of passengers.

c. Flights of other persons will be handled in accordance with the procedures agreed in the JAC.

12. Flights between the West Bank and the Gaza Strip may be operated through the Gaza - Tel Aviv (sea shore) corridor.

Monitoring and regulations of this air route will be discussed in the JAC.

13. Commercial, domestic and international air services to, from and between the West Bank and the Gaza Strip may be operated by Palestinian, Israeli or foreign operators approved by both sides, certified and licensed in Israel or in ICAO member states maintaining bilateral aviation relations with Israel. Arrangements for such air services, beginning with a service between Gaza and Cairo using two (2) fixed-wing aircraft with capacity up to fifty passengers each, as well as arrangements regarding the establishment and operation of airports and air terminals in the West Bank and the Gaza Strip, will be discussed and agreed upon by the two sides in the JAC.

Any such international commercial air services will be carried out in accordance with Israel's bilateral aviation agreements. The implementation phase will be discussed and agreed on in the JAC.

ARTICLE XIV
Security along the Coastline to the Sea of Gaza

1. Maritime Activity Zones

a. Extent of Maritime Activity Zones

The sea off the coast of the Gaza Strip will be divided into three Maritime Activity Zones, K, L, and M as shown on map No. 8 attached to this Agreement, and as detailed below:

(1) Zones K and M

(a) Zone K extends to 20 nautical miles in the sea from the coast in the northern part of the sea of Gaza and 1.5 nautical miles wide southwards.

(b) Zone M extends to 20 nautical miles in the sea from the coast, and one

(1) nautical mile wide from the Egyptian waters.

(c) Subject to the provisions of this paragraph, Zones K and M will be closed areas, in which navigation will be restricted to activity of the Israel Navy.

(2) Zone L

(a) Zone L bounded to the south by Zone M and to the north by Zone K extends 20 nautical miles into the sea from the coast.

(b) Zone L will be open for fishing, recreation and economic activities, in accordance with the following provisions:

(i) Fishing boats will not exit Zone L into the open sea and may have engines of up to a limit of 25 HP for outboard motors and up to a maximum speed of 18 knots for inboard motors. Four months after the signing of this Agreement the Maritime Coordination and Cooperation Center (hereinafter "the MC"), as referred to in paragraph 3 below, will consider raising the limit for outboard motors up to 40 hp. in accordance with the types of the boats. The boats will neither carry weapons nor ammunition nor will they fish with the use of explosives.

(ii) Recreational boats will be permitted to sail up to a distance of 6 nautical miles from the coast unless, in special cases, otherwise agreed within the Maritime Coordination and Cooperation Center as referred to in paragraph 3 below. Recreational boats may have engines up to a limit of 10 horsepower. Marine motor bikes and water jets will neither be introduced into Zone L nor be operated therein.

(iii) Yachts may sail up to a distance of 6 nautical miles from the coast at a maximum speed of 15 knots.

(iv) Foreign vessels entering Zone L will not approach closer than 12 nautical miles from the coast except as regards activities covered in paragraph 4 below.

b. General Rules of the Maritime Activity Zones

(1) The aforementioned fishing boats and recreational boats and their skippers sailing in Zone L shall carry licenses issued by the Council, the format and standards of which will be coordinated through the JSC.

(2) The boats shall have identification markings determined by the Council. The Israeli authorities will be notified through the JSC of these identification markings.

(3) Residents of Israeli settlements in the Gaza Strip fishing in Zone L will carry Israeli licenses and vessel permits.

(4) As part of Israel's responsibilities for safety and security within the three Maritime Activity Zones, Israel Navy vessels may sail throughout these zones, as necessary and without limitations, and may take any measures necessary against vessels suspected of being used for terrorist activities or for smuggling arms, ammunition, drugs, goods, of for any other illegal activity. The

Palestinian Police will be notified of such actions, and the ensuing procedures will be coordinated through the MC.

2. The Palestinian Coastal Police

a. The Palestinian Coastal police (hereinafter the "PCP") may function in Zone L, up to a distance of 6 nautical miles from the coast. In special cases, it may also exercise control over Palestinian fishing boats fishing in Zone L in an additional area of 6 nautical miles, up to the limit of 12 nautical miles from the coastline, after clearance and coordination through the MC.

b. The PCP shall have up to 10 boats, with a displacement of up to 50 tons and maximum speed of up to 25 knots

c. The boats shall carry weapons of up to a 7.62 mm caliber.

d. Boats of the PCP shall fly a Palestinian flag, have police identification markings and shall operate identification lights.

e. The two sides shall cooperate on all sea matters, including mutual help at sea, and pollution and environmental issues.

f. The boats of the Palestinian Coastal Police will initially use the Gaza Wharf.

g. Boats belonging to Israelis are solely subject to the control, authority and jurisdiction of Israel and the Israel Navy.

3. Maritime Coordination and Cooperation Center

a. The MC shall function as part of the JSC, to coordinate civil maritime activities and coastal police affairs off the coast of the Gaza Strip.

b. The MC shall function within the relevant DCO, and will determine its own rules of procedure.

c. The MC shall function 24 hours a day.

d. The MC shall be staffed by members of the Israel Navy and the PCP, each providing a liaison officer and an assistant liaison officer.

e. A direct radio telephone link (hot line) shall be set up between the Israel Navy vessels and the PCP vessels.

f. The role of the MC is to coordinate:

(1) assistance between the PCP and the Israel Navy as may be necessary to deal with incidents arising at sea;

(2) PCP training involving the use of firearms;

(3) joint activities between the PCP and the Israel Navy when preplanning is operationally necessary;

(4) radio contact between PCP and Israel Navy vessels in the event that "hot line" communication between vessels of the two sides has not been established;

(5) search and rescue operations; and

(6) maritime activities related to an agreed port, when established in the Gaza Strip.

4. Gaza Strip Port

a. Plans for the establishment of a port in the Gaza Strip in accordance with the DOP, its location, and related matters of mutual interest and concern, as well as licenses for vessels and crews sailing on international voyages will be discussed and agreed upon between Israel and the Council taking into consideration the provisions of Article XXX (Passages) of this Agreement. To this end a special committee will be established by the two sides.

b. The Gaza Sea Port Authority referred to in the DOP shall act on behalf of the Council in accordance with the provisions of this Agreement.

c. Pending construction of a port, arrangements for entry and exit of vessels passengers and goods by sea, as well as licenses for vessels and crews sailing on international voyages in transit to the West Bank and the Gaza Strip, shall be through Israeli ports in accordance with the relevant rules and regulations applicable in Israel and in accordance with the provisions of Annex V.

APPENDIX-1
Redeployment of Israeli Military Forces

A. Stages of the First Phase of Redeployment of Israeli Military Forces

Pursuant to Article I paragraph 1 of this Annex:

The first phase of Israeli military forces redeployment will commence 10 days after the signing of this Agreement. The Israeli Government intends to complete the first phase of redeployment in all areas but the city of Hebron by the end of December 1995, in which redeployment will be completed by six months after the signing of this Agreement. Within two weeks of the signing of this Agreement, the two sides will decide on a precise redeployment schedule on a district-by-district basis.

B. Phases of the Further Redeployments of Israeli Military Forces

Pursuant to Article I paragraph 9 of this Annex, the further redeployments of Israeli military forces to specified military locations will take place in phases as follows:

Phase 1

Six months after the inauguration of the Council.

Phase 2

Twelve months after the inauguration of the Council.

Phase 3

Eighteen months after the inauguration of the Council.

APPENDIX- 2
Deployment of Palestinian Policemen

1. Pursuant to paragraph 3 b of Article IV of this Annex, the details of the deployment of the 6,000 Palestinian policemen in Areas A and B will be as follows:

(1) in the Jenin District: 1,000 policemen;

(2) in the Tulkarm District: 400 policemen;

(3) in the Qalqilia District: 400 policemen;

(4) in the Nablus District: 1,200 policemen;

(5) in the Ramallah District: 1,200 policemen;

(6) in the Bethlehem District: 850 policemen;

(7) in the Hebron District: 950 policemen including 400 policemen in the City of Hebron; and

(8) in the Jericho District: 600 policemen that will be considered part of the number of policemen allocated to the Gaza Strip in accordance with Article IV of this Annex.

2. Changes in the numbers of policemen in each district during the further redeployment phases, when the number of policemen in the West Bank will increase to 12,000, will be agreed upon in the West Bank RSC.

APPENDIX- 3
Police Stations and Posts in Area B

1. The Palestinian Police shall establish 25 Civil Police (Al Shurta) police stations and posts in the towns, villages and other places listed below and shown on map No. 3, with personnel and equipment as follows:

a. Jenin District

(l) El-Yamun: 50 policemen, 2 vehicles, 9 rifles, 17 pistols;

(2) Meithalun: 50 policemen, 2 vehicles, 9 rifles, 17 pistols;

(3) Kafr Rai: 45 policemen, 2 vehicles, 8 rifles, 15 pistols;

(4) Jalqamus: 45 policemen, 2 vehicles, 8 rifles, 15 pistols; and

(5) Burqin: 45 policemen, 2 vehicles, 8 rifles, 15 pistols.

b. Nablus District

(l) Asiraat A-Shumaliyya: 50 policemen, 2 vehicles, 9 rifles, 17 pistols;

(2) Talouza: 45 policemen, 2 vehicles, 8 rifles, 15 pistols;

(3) Tell: 30 policemen, 2 vehicles, 5 rifles, 10 pistols;

(4) Talfit: 60 policemen, 2 vehicles, 12 rifles, 20 pistols;

(5) Tamun: 50 policemen, 2 vehicles, 9 rifles, 17 pistols; and

(6) Aqraba: 50 policemen, 2 vehicles, 9 rifles, 17 pistols.

c. Tulkarm and Qalqilya District

(1) Shuweika: 45 policemen, 2 vehicles, 8 rifles, 15 pistols;

(2) Kafr Zibad: 50 policemen, 2 vehicles, 9 rifles, 17 pistols;

(3) Anabta: 50 policemen, 2 vehicles, 9 rifles, 17 pistols; and

(4) Illar: 45 policemen, 2 vehicles, 8 rifles, 15 pistols.

d. Ramallah District

(l) Arura: 50 policemen, 2 vehicles, 9 rifles, 17 pistols;

(2) Deir Ghassana: 45 policemen, 2 vehicles, 8 rifles, 15 pistols;

(3) Khirbat Abu Falah: 45 policemen, 2 vehicles, 8 rifles, 15 pistols; and

(4) Bir Zeit: 70 policemen, 3 vehicles, 14 rifles, 23 pistols;

e. Bethlehem District

Tuqua: 50 policemen, 3 vehicles, 9 rifles, 17 pistols.

f. Hebron District

(l) Yata: 80 policemen, 3 vehicles, 15 rifles, 27 pistols;

(2) Dhahiriya: 70 policemen, 3 vehicles, 14 rifles, 23 pistols;

(3) Nuba: 45 policemen, 2 vehicles, 8 rifles, 15 pistols;

(4) Dura: 70 policemen, 3 vehicles, 14 rifles, 23 pistols; and

(5) Bani-Naiem: 45 policemen, 3 vehicles, 8 rifles, 17 pistols.

2. The rifles in each of these police stations will be used only for the purpose of guarding the police station. In special cases, where the use of rifles outside the police station is required for the exercise of public order responsibility, prior notification shall be given to the DCO.

APPENDIX- 4
Jewish Holy Sites

Pursuant to Article V of this Annex the Jewish Holy Sites are as follows:

1. Joseph's Tomb (Nablus)

2. Shalom Al Israel synagogue (Jericho)

APPENDIX- 5
Protocol Rewarding Arrangements with Respect to Passages (as amended)

Pursuant to paragraph 1.d of Article VIII to this Annex:

SECTION A
Definitions

For the purpose of this Protocol:

a. "The Agreement" means the Interim Agreement:

b. "Annex I" means Annex I to the Interim Agreement;

c. All other terms will have the same meaning as in the Agreement.

SECTION B
Entry and Exit through the Palestinian Wing

Pursuant to Article VIII of Annex I to the Agreement, the following arrangements will apply with respect to the terminals at the Rafah and Allenby Bridge crossings:

1. Entry from Egypt and Jordan

a. At the entrance to the Palestinian wing there will be a Palestinian policeman and a raised Palestinian flag.

b. Before entering the Palestinian wing, passengers will identify their personal luggage and it will be placed on a conveyor belt. Each side will be able to inspect such luggage inside its own checking area, using its own personnel and, if necessary, may open the luggage for inspection in the presence of the owner and a Palestinian policeman.

c. Persons entering the Palestinian Wing will pass through a magnetic gate. An Israeli policeman and a Palestinian policeman will be posted on each side of this gate. In the event of suspicion, each side will be entitled to require a physical inspection to be conducted in inspection booths to be located adjacent to the gate. Passengers will be inspected by a Palestinian policeman in the presence of an Israeli policeman. Accompanying personal belongings may also be inspected at this point.

d. Having completed the above phase, persons entering the Palestinian wing will pass through one of two lanes for the purpose of identification and document control, as follows:

(1) the first lane will be used by Palestinian residents of the West Bank and the Gaza Strip. These passengers will pass via a Palestinian counter, where their documents and identity will be checked. Their documents will be checked by an Israeli officer who will also check their identity indirectly in an invisible manner;

(2) the second lane will serve visitors to the Gaza Strip and West Bank. These passengers will first pass via the Israeli counter, where their documents and identity will be checked. Then they will continue via the Palestinian counter, where their documents and identity will be checked. The two counters will be separated by tinted glass and a revolving door.

e. In the event of suspicion regarding a passenger in any of the two lanes described in subparagraph l.d above, each side may question such passenger in its closed checking area. Suspicion justifying questioning in the closed checking area may be one of the following:

(1) the passenger was involved, directly or indirectly, in criminal or planned criminal activity, in terrorist or planned terrorist activity and is not a beneficiary of the amnesty provisions of the Agreement;

(2) the passenger conceals arms, explosives or related equipment;

(3) the passenger holds forged or non-valid documentation or the details included in the documentation are inconsistent with those included in the population registry (in the case of a resident) or in the data base (in case of a visitor), except that questions relating to such inconsistency will initially be raised at the counter and the passenger will be questioned in the closed checking area only if the suspicion has not been removed; or

(4) the passenger acts in an obviously suspicious behavior during the passage via the terminal.

If, at the conclusion of this questioning, the suspicion has not been removed, such passenger may be apprehended, after the other side has been notified. In case of a Palestinian suspect being apprehended by the Israeli side, a Palestinian policeman will be asked to meet with the suspect. Following notification to the Liaison Bureau, any further treatment of the apprehended person will be in accordance with Annex IV to the Agreement.

f. In the Palestinian wing, each side will have the authority to deny the entry of persons who are not residents of the Gaza Strip and West Bank.

For the purpose of the Agreement and this Protocol, "residents of the Gaza Strip and West Bank" means persons who, on the date of entry into force of the Gaza-Jericho Agreement, were registered as residents of these areas in the population registry maintained by the military government of the Gaza Strip and West Bank, as well as persons who have subsequently obtained permanent residency in these areas with the approval of Israel, as set out in the Agreement.

g. Following the above procedure, the passengers will collect their luggage and proceed to the customs area where they will be dealt with as set out in Section H of this Protocol.

h. The Palestinian side will provide passengers whose entry is approved with an entry permit stamped by the Palestinian side and attached to their documents.

At the conclusion of the direct and indirect checking of the documents and identity of passengers passing via the first lane and stamping their entry permits, the Palestinian officer will provide the passenger with a white card issued by the Israeli officer. A Palestinian official posted at the exit of the Palestinian wing will verify that the passenger holds such a white card and will collect the cards with indirect and invisible Israeli checking.

For passengers going through the second lane, the Israeli officer will provide the passengers with a blue card, after checking their documents and identity, and verifying their entry permits. An Israeli and a Palestinian official posted at the exit of the Palestinian wing will verify and collect the cards. White and blue cards collected will be checked by Israeli and Palestinian officials.

In cases where either side denies the entry of a non-resident passenger, that passenger will be escorted out of the terminal and sent back to Jordan or Egypt, as appropriate, after notifying the other side.

2. Exit to Egypt and Jordan

Passengers exiting to Egypt or Jordan through the Palestinian wing will enter the terminal without their luggage.

Thereafter, the same procedures described in paragraph 1 above will apply to them, except that the order of passing via the Israeli and Palestinian counters will be reversed.

SECTION C
Control and Management of the Passages

1. General

a. Israel will have the responsibility for security throughout the passage, including for the terminal.

b. An Israeli Director-General will have the responsibility for the management and security of the terminal (hereinafter - "the Director-General").

c. Israel will have exclusive responsibility for the management of the Israeli wing.

d. The Director-General will have two deputies who will report to him:

(1) A Palestinian deputy appointed by the Council, who will be the manager of the Palestinian wing (hereinafter - "the Manager of the Palestinian wing"); and

(2) An Israeli deputy who will be the manager of the Israeli wing (hereinafter - "the Manager of the Israeli wing").

e. The Israeli Director-General will be assisted by a professional team appointed at his discretion. Such team shall include:

(1) an officer who will assist the Director-General with respect to the general security of the terminal (hereinafter - "the security officer");

(2) an expert who will advise the Director-General and the wing managers with respect to the general administration of the terminal (hereinafter - "the administration expert"); and

(3) an expert who will be responsible for the performance of those duties which the Director-General shall require him to perform when the need arises (hereinafter - "the duty officer").

f. The Director-General may appoint any of the persons set out in paragraphs l.d.(2) and l.e above or another specialized Israeli official employed in the terminal to fulfill the role of the Director-General in his absence (hereinafter- "the substitute officer").

g. Each wing Manager will have an assistant for security and an assistant for administration. The assignments of the Palestinian assistants are set out in paragraphs 3 and 4 of this Section.

h. All assignments and functions of the Manager of the Palestinian wing, the Assistant for administration of the Manager of the Palestinian wing and the Assistant for security of the Manager of the Palestinian wing and any other Palestinian employee shall be exercised in a manner consistent with the Agreement and with this Protocol.

2. Assignments of the Manager of the Palestinian wing

The assignments of the Manager of the Palestinian wing shall be the following:

a. employment of Palestinian staff in the Palestinian wing. The list of Palestinian candidates for employment in the Palestinian wing shall be passed by the Manager of the Palestinian wing to the Director-General for security clearance, which shall be a pre-requisite to their engagement.

The Council shall have, through the Manager of the Palestinian wing, full responsibility for all personnel matters of the Palestinians employed in the Palestinian wing including, inter alia, their salary, their social insurance and claims by such employees with respect to their employment;

b. release of Palestinian staff from employment in the Palestinian wing, whilst informing the Director-General. Upon consultation with the Manager of the Palestinian wing, the Director-General may also decide to release a Palestinian from employment in the Palestinian wing due to security reasons of substantial nature. The Manager of the Palestinian wing shall inform the employee of his release.

Other non-security related grounds for the release of Palestinian employees from employment in the Palestinian wing shall be specified in a procedure to be promulgated by the Director-General upon consultation with the Manager of the Palestinian wing and his two Assistants.

For the purpose of this Protocol, "Palestinians employed in the Palestinian wing" means all Palestinians employed in the Palestinian wing, except the Manager of the Palestinian wing;

c. general training and briefing of Palestinian employees in the Palestinian wing and handling of their work related problems;

d. supervision of the daily opening and closing of the Palestinian wing itself;

e. declaration of an emergency situation in the Palestinian wing. This assignment is without prejudice to the power of the Director-General, the substitute officer and/or the security officer to declare a state of emergency in the Palestinian wing and to act forthwith as deemed fit within their complete discretion, in full cooperation with the Manager of the Palestinian wing.

f. other powers and responsibilities assigned to him under paragraph 3 of Article VIII of Annex I;

g. professional guidance of the Palestinian document control officials with respect to the performance of their assignments;

h. appointment of a person as his substitute and appointment of a duty officer for the Palestinian wing;

i. with respect to the Rafah crossing, the Manager of the Palestinian wing shall also have the following assignments:

(1) responsibility for the efficient movement of passengers traveling abroad, from the entrance to the terminal, through the Palestinian wing and up to their embarkation on the bus or other vehicle leaving the terminal in the direction of Egypt;

(2) responsibility for the efficient movement of passengers arriving from abroad from the sheltered waiting area located near the entrance to the Palestinian wing, through the Palestinian wing and up to their embarkation on the bus or other vehicle leaving the terminal in the direction of the Gaza Strip;

(3) responsibility for the orderly functioning of the service car defined in Section F of this Protocol with respect to the transportation of VIPs traveling abroad, from the entrance to the terminal to the entrance to the Palestinian wing;

(4) responsibility for the canteen serving passengers traveling abroad through the Palestinian and the Israeli wing;

(5) responsibility to allocate tasks to specific Palestinian service personnel employed and assigned by the Director-General to work in the Palestinian wing;

(6) responsibility to contact Palestinian contractors and to pass to the Director-General their offers regarding tenders with respect to administrative and logistical services in the terminal; and

(7) responsibility for the orderly functioning of the emergency clinic to be established in the Palestinian wing. This clinic will be staffed by a Palestinian physician and a nurse.

These assignments shall also apply, at a later stage, with respect to the Allenby Bridge crossing, with the necessary adjustments; and

j. within the framework of the functions assigned to him pursuant to this paragraph, the promulgation of procedures for the Palestinian employees in the Palestinian wing.

3. Assignments of the Palestinian Assistant for Security

The Palestinian Assistant for Security shall be appointed from the ranks of the Palestinian Police, shall be subordinate to the Manager of the Palestinian wing and his assignments shall be within the Palestinian wing, as follows.

a. implementation of standard security procedures promulgated by the Director-General pursuant to Paragraph 5 of this Section;

b. implementation of other security related measures pursuant to the instructions of the Director-General, the substitute officer and in emergencies or exceptional cases, the security officer;

c. in conjunction with the Manager of the Palestinian wing and after duly informing the Director-General and the security officer, training and briefing of each Palestinian employee in the Palestinian wing as to the performance of his specific security related task;

d. supervision, maintenance and storage of all handguns in the possession of Palestinian policemen present in the Palestinian wing;

e. responsibility for ensuring the due and proper execution of the procedures set out in paragraph 3 of Article VIII of Annex I;

f. ensuring the immediate arrival of a Palestinian policeman pursuant to an Israeli demand for his presence, made pursuant to paragraphs 3.b, 3.c, and/or 3.e of Article VIII of Annex I;

g. ensuring maintenance of secrecy amongst the Palestinian employees with respect to the nature of their employment, the layout of the terminal, security procedures, and all other information, the revelation of which could compromise the general security of the terminal;

h. ensuring decorum and good public order in a routine working context;

i. declaration of an emergency situation in the Palestinian wing, without prejudice to the provisions of paragraph 2.e of this Section; and

j. upon discovery of a suspicious object, immediately to notify the security officer and the Manager of the Palestinian wing. The security officer will then have complete discretion to act as he deems fit in the circumstances.

4. Assignments of the Palestinian Assistant for Administration

The Palestinian Assistant for Administration shall be subordinate to the Manager of the Palestinian wing and shall deal with matters relating to manpower, organization and logistics within the Palestinian wing, as follows:

a. ensuring the efficient movement of passengers in the Palestinian wing,

b. implementation of standard administration procedures promulgated by the Director-General pursuant to paragraph 5 of this Section;

c. implementation of other non-security related matters pursuant to the instructions of the Manager of the Palestinian wing given upon consultation with the Director-General;

d. escorting the elderly, the ill, children and disabled;

e. ensuring orderly behavior and presentable appearance of Palestinian employees;

f. ensuring cleanliness, the presence and efficient functioning of fire fighting facilities and the supply of provisions;

g. training and briefing of each Palestinian employee in the Palestinian wing, engaged in non-security related matters with respect to the specific nature of his employment; and

h. uninterrupted functioning of the section of the conveyor belt under Palestinian supervision as set out in paragraph 3 of Article VIII of Annex I.

5. Standard Security and Administration Procedures

The Director-General upon consultation with the Israeli and Palestinian wing Managers, shall determine and shall furnish to the persons set out in Paragraphs l.d, l.e and l.g above and to the Liaison Bureau a compendium detailing standard procedures with respect to security and administration of the terminal. Such procedures shall include:

a. procedures in a state of emergency;

b. procedures with respect to inspection of persons, personal belongings and/or luggage pursuant to paragraphs 3.b, 3.c and/or 3.e of Article VIII of Annex I;

c. procedures with respect to road-markings, signs, plaques and flags in the terminal;

d. procedures with respect to handling of luggage and the loading of the conveyor belt;

e. procedures with respect to operation of the conveyor belt;

f. procedures with respect to media and public relations;

g. procedures with respect to public transportation and taxis passing through the terminal, as will be agreed upon between the two sides;

h. procedures with respect to maintenance and upkeep of the terminal;

i. procedures with respect to supply of provisions and services;

j. procedures with respect to general conduct and behavior of employees within the terminal and changing of work shifts;

k. procedures with respect to escorting the elderly, the ill, children and disabled;

l. procedures with respect to escorting VIPs;

m. procedures with respect to people denied exit or entry through the Palestinian wing; and

n. procedures with respect to comportment, personal appearance and identification tags of employees in the terminal.

The Director-General may promulgate, upon consultation with the Israeli and the Palestinian wing Managers, additional procedures not provided for in this paragraph.

All of the abovementioned procedures will be consistent with the Agreement and with this Protocol, and will be reviewed at a later date by the two sides if the circumstances so necessitate.

SECTION D
Weapons in the Passages

1. General

a. Pursuant to paragraph 2. b(8) of Article VIII of Annex 1, the Palestinian policemen present in the terminals will be armed with handguns.

b. The Palestinian officials entitled to carry handguns in the terminals shall be those Palestinian policemen explicitly provided for in paragraph 2 of this Section and other Palestinian officials explicitly provided for in Section F below.

2. Functions of Armed Palestinian Policemen in the Terminals

Palestinian policeman present in the terminals will be entitled to carry a handgun. In the initial stage, only the Palestinian policemen deployed as detailed below will carry a handgun;

a. In the Palestinian wing of the terminals serving passengers arriving from Egypt or Jordan;

(1) one policeman posted at the entrance to the Palestinian wing as provided for in paragraph 3.a of Article VIII of Annex I;

(2) one policeman who may be called for from the Palestinian checking area when an Israeli official requires the opening of luggage for inspection within the Israeli checking area, as provided for in paragraph 3.b of Article VIII of Annex I;

(3) one policeman posted at the side of the magnetic gate serving all persons entering the Palestinian wing, as provided for in paragraph 3.c of Article VIII of Annex I; and

(4) one policeman who may be requested by an Israeli official, when necessary, to carry out a physical inspection in an inspection booth in the presence of an Israeli policeman as provided for in paragraph 3.c of Article VIII of Annex I;

b. In the Palestinian wing of the terminals serving passengers leaving for Egypt or Jordan,

(1) one policeman posted at the entrance to the Palestinian wing;

(2) one policeman posted at the side of the magnetic gate serving all persons leaving for Egypt and Jordan; and

(3) one policeman who may be requested by an Israeli official when necessary, to carry out a physical inspection in an inspection booth in the presence of an Israeli policeman;

c. The Palestinian Assistant for Security, and

d. The Palestinian Liaison Bureau coordinating officer defined in paragraph 2.c of Section E below.

The number of armed Palestinian policemen may be increased in cases in which both sides agree that the circumstances so necessitate. Such agreement will also include the deployment of the additional Palestinian policemen.

3. Licensing of Weapons

Palestinian policemen entitled to carry handguns within the Palestinian wing in the course of their duty pursuant to Paragraph 2 above, shall be required to obtain a written license from all of the following:

a. The Council;

b. The Manager of the Palestinian wing; and

c. The Director-General.

4. Handguns and Ammunition

The Palestinian policemen entitled to carry handguns in the Palestinian wing pursuant to paragraph 2 above, shall:

a. carry handguns which shall be:

(1) of 0.22 inch 7.65 mm or 9 mm caliber; and

(2) secured and tied safely to their body;

b. carry one magazine with regular ammunition; and

c. carry their handguns in a uniform and visible manner, as fixed in procedures promulgated by the Director-General pursuant to Section C of this Protocol.

5. Registration and Storage

a. Handguns carried by the Palestinian policemen:

(l) shall be passed to the Director-General for the purpose of examination before they are brought into the terminal;

(2) their registration numbers shall be noted by the Director-General;

(3) shall be allocated to one user only and not exchanged between Palestinian policemen working in the terminal unless coordinated through the Director-General or whoever was appointed by him for that purpose, and registrated by him;

(4) shall be substituted with other handguns only after the new handgun has been passed to the Director-General for the purpose of examination;

(5) shall not be taken out of the Palestinian wing; and

(6) shall, when the Palestinian policemen are not present in the Palestinian wing, be stored in a safe in the office of the Palestinian Assistant for Security.

b. The Director-General shall promulgate procedures with respect to the storage of handguns, in accordance with Section C of this Protocol.

6. Use of Handguns

a. A Palestinian policeman shall be authorized to use his handgun in the following cases:

(1) where there is a substantial and immediate danger to his life, in which case the handgun may only be used in a reasonable manner in the circumstances;

(2) pursuant to the instructions of the Director-General, the substitute officer or the Security officer; or

(3) pursuant to a security procedure to be agreed with respect to this matter.

b. The Director-General shall promulgate procedures with respect to the use of handguns, in accordance with Section C of this Protocol.

7. Weapons Outside the Terminals

In accordance with the provisions of the Agreement:

a. with respect to the Rafah crossing, all outgoing passengers destined for the Palestinian wing shall not enter the Military Installation Area armed with a weapon; and

b. with respect to the Allenby Bridge crossing, all outgoing passengers destined for the Palestinian wing shall not leave the Jericho Area towards the terminal armed with a weapon.

The Council shall do its utmost to ensure compliance with paragraphs 7.a and 7.b above.

8. Weapons in the Terminals

a. Persons destined for the Palestinian wing and who are not subject to paragraph 7 above shall deposit their weapon with the Joint Verification Team established by Section E below.

b. Notwithstanding the provisions of paragraph 8. a above, VIPs and bodyguards who are entitled to enter the terminals with a handgun pursuant to Section F below, shall carry the handgun in accordance with procedures to be promulgated by the Director-General in accordance with Section C of this Protocol.

9. The Palestinian Policemen

Palestinian policemen present in the Palestinian wing as set out in paragraph 2 above shall wear a Palestinian police uniform.

SECTION E
Liaison Bureau

1. General

A Joint Liaison Bureau (hereinafter "Liaison Bureau") shall be set up at the Rafah crossing and at the Allenby Bridge crossing, pursuant to paragraph 5 of Article VIII of Annex I.

2. Structure of the Liaison Bureau

Each Liaison Bureau will be composed of 6 persons, 3 from each side, as follows:

a. an Israeli coordinating officer and a Palestinian coordinating officer who shall both be members of the relevant JRCAC and whose assignments shall be:

(1) to coordinate the routine activity of the Palestinian wing in conjunction with the relevant Joint Regional CAC (hereinafter - "the JRCAC");

(2) to coordinate the passage of VIPs through the Palestinian wing, pursuant to Section F below;

b. an Israeli official and a Palestinian official, who shall both be members of the relevant JRCAC, and who shall deal with:

(1) complaints with respect to passage through the Palestinian wing; and

(2) other problems relating to such passage; and

c. an Israeli coordinating officer and a Palestinian coordinating officer who shall both be members of the relevant DCO and whose assignments shall be to coordinate the passage of members of the Palestinian police and their equipment.

3. Functions of the Liaison Bureau

a. The functions of each Liaison Bureau shall be to coordinate and to facilitate the following activities with respect to the Palestinian wing:

(1) verification of the status of VIPs and the implementation of the special arrangements provided for them by virtue of Section F below;

(2) passage of members of the Palestinian police;

(3) passage of the elderly, the ill and the disabled,

(4) transfer of the deceased;

(5) resolution of problems with respect to documentation, luggage and passenger delay;

(6) resolution of differences regarding the implementation of procedures with respect to passage; and

(7) provision of guidance to the JVT with respect to its assignments.

b. The Liaison Bureau shall be notified of the apprehension of persons in the Palestinian wing pursuant to paragraph 3.e of Article VIII of Annex I.

c. Without derogating from Israel's responsibility for security, the Liaison Bureau will also deal with incidents.

d. The execution of each Liaison Bureau's functions shall not prejudice the powers and responsibilities set out in Section C of this Protocol.

e. The Liaison Bureau shall carry out its functions in full cooperation and coordination with the Director-General, the Palestinian and the Israeli wing managers and shall seek to promote coordination between the Director General and the two wing managers.

f. The Liaison Bureau shall be subordinate to the relevant JRCAC.

4. Joint Verification Team

a. A Joint Verification Team (hereinafter - the "JVT") shall be established, in order to verify that outgoing passengers destined for the Palestinian wing hold the necessary documentation for exiting the area to Jordan or Egypt, as set out in the Agreement.

b. The JVT will be composed of one officer and one official from each side, and shall be subordinate to the Liaison Bureau.

c. (l) With respect to the Rafah crossing, the JVT shall be based at the outer limit of the northern entrance gate to the terminal.

(2) With respect to the Allenby Bridge crossing, the JVT shall be based at the entrance to the Mousa Allami project.

(3) Once incoming passengers have crossed the terminal, they will proceed to the Jericho Area or the Gaza Strip, as appropriate, without any interference from Israeli authorities.

(4) Outgoing passengers may proceed to the terminal without any interference from Israeli authorities once the JVT has verified that such passengers hold the necessary documentation for exiting the area to Jordan or Egypt, as set out in the Agreement.

d. The JVT shall inform the Liaison Bureau of the imminent arrival of a VIP pursuant to Section F below.

e. The JVT shall also regulate the traffic coming from the Jericho Area or the Gaza Strip towards the terminals in order to prevent congestion.

SECTION F
Passage of VIPs

1. General

a. Whilst representing the special status of certain persons and at the same time without prejudicing the dignity of other persons, the two sides have agreed upon a standard procedure for the treatment of VIPs passing through the Palestinian wing of the terminals, as detailed below.

b. VIPs may include the following:

(1) holders of the most senior positions within the Council and officers of the Palestinian Police of the rank of Major-General (hereinafter "category 1");

(2) director-generals of departments in the Council, officials of the Council of equivalent rank to such persons and officers of the Palestinian Police of the rank of Brigadier-General (hereinafter "category 2"); and

(3) heads of units in departments in the Council, officials of the Council of equivalent rank to such persons and officers of the Palestinian Police of the rank of Commander (Aqid) (hereinafter - "category 3").

The extent of the categories 1-3 above shall be determined by the CAC. Any exceptions to categories 1-3 may be dealt with by the CAC.

2. Procedures for the Granting of VIP Status

a. Only the CAC may grant or withdraw VIP status.

b. The Council may present the CAC with a list of persons eligible for VIP status and shall specify the registration-plates number of the vehicles to be used by individuals entitled to enter or pass through the terminal with a vehicle.

c. Upon approving VIP status, the CAC will issue to the person concerned a certificate confirming such status. The duration of such status shall be for one year or until the completion of the term of duty of the person in his VIP capacity, whichever be the sooner.

d. Prior to the expiration of the duration of the VIP certificate, the Council may request that the CAC renew the VIP status.

e. The Palestinian representatives to the CAC shall, every six months or whenever the need shall arise, whichever be the sooner:

(1) review the list of VIPs in order to ensure that every recipient of VIP status retains a valid entitlement to such status; and

(2) inform the Israeli representatives to the CAC of the results of such review.

f. Categories 1 and 2 VIPs may submit to the CAC a list of persons who shall also be granted VIP status. Such persons shall only be:

(l) the spouse, children and parents;

(2) one chauffeur; and

(3) one bodyguard;

of the VIP (hereinafter - "Secondary VIPs").

3. Arrangements With Respect to Passage of VIPs

a. Category 1 VIPs shall give prior notification of their arrival to the Liaison Bureau and upon arrival at the terminal, shall be accommodated in a VIP lounge pending:

(l) a brief visual inspection of their vehicle by an Israeli official;

(2) transfer of their documentation by an employee of the Palestinian wing for the purpose of the immediate performance of all the necessary procedures with respect to the documentation, as set out in Article VIII of Annex I; and

(3) transfer of their vehicle through the terminal by their chauffeur, whereupon those VIPs shall continue their journey.

b. For the purpose of clarification:

(l) cargo and freight other than personal luggage brought by category 1 VIPs shall be subject to the same procedures and customs arrangements which apply to all passengers passing through the Palestinian wing; and

(2) only category 1 VIPs and one bodyguard accompanying them shall be entitled to enter the terminal with a handgun, once the registration number of the handgun has been noted by the JVT.

c. Category 2 VIPs who arrive at the terminal with a vehicle shall, after their vehicle has been subjected to a brief visual inspection at the entrance to the terminal:

(1) be accommodated in the VIP lounge whilst an employee of the Palestinian wing shall take that VIP's luggage and documentation for the purpose of the immediate and full performance of all the necessary procedures with respect to the luggage and documentation, as set out in Article VIII of Annex I; and

(2) pass through the terminal in a service car which shall be provided for them or in a taxi unless otherwise agreed pursuant to paragraph 4.c of Section H of this Protocol.

d. Category 3 VIPs shall:

(1) be transported from the entrance to the terminal to the Palestinian wing in a service car which shall be provided for them or in a taxi;

(2) be subject to the inspection procedures set out in paragraph 3 of Article VIII of Annex I, which shall be performed immediately with an employee of the Palestinian wing accompanying them throughout this process; and

(3) pass through the terminal in a service car which shall be provided for them or in a taxi, unless otherwise agreed pursuant to paragraph 4.c of Section H of this Protocol.

e. Secondary VIPs:

(1) when traveling with the VIP in whose name they are registered, shall be accorded the same treatment as is accorded to that VIP;

(2) when traveling without the VIP in whose name they are registered:

(a) if they are the spouse, parents and/or children of that VIP, shall be accorded equal treatment to that VIP;

(b) if they are the chauffeur or bodyguard of that VIP, shall receive the treatment accorded to category 3 VIPs.

f. In the event of a duly substantiated suspicion within the course of the aforementioned inspection procedures, the Director-General, after consulting his superiors and after informing the Manager of the Palestinian wing of the suspicion, shall be entitled, upon consultation with the Manager of the Palestinian wing, temporarily to withdraw the preferential treatment accorded to a VIP until the matter has been dealt with in accordance with the provisions of the Agreement. Category 1 and Category 2 VIPs will be transferred to the Council if the suspicion is proved to be well founded, and their VIP privileges will be canceled by the CAC.

4. Foreign VIPs visiting the Gaza Strip or the West Bank

a. The Liaison Bureau established pursuant to Section E of this Protocol shall have the power to grant VIP status to a visitor to the Gaza Strip or the West Bank passing through the Palestinian wing, and to specify the treatment that that person shall receive according to one of the categories set out in paragraph 1 above.

b. Thereafter, the arrangements set out in paragraph 3 above shall apply.

5. Miscellaneous

a. With respect to persons destined for the Palestinian wing, the Liaison Bureau established pursuant to Section E of this Protocol shall have the power to make arrangements, in conjunction with the Director-General, regarding access to the terminals and to other areas of the passages of persons greeting incoming VIPs or escorting and parting from exiting VIPs, and to coordinate the implementation of these arrangements.

b. The following procedure will apply with respect to the passage of category I VIPs, family members of the Ra'ees of the Executive Authority of the Council except the spouse of the Ra'ees of the Executive Authority of the Council, bodyguards of the Ra'ees of the Executive Authority of the Council and other persons approved by the CAC, when any of these persons are accompanying the Ra'ees of the Executive Authority of the Council in his vehicles.

(1) notification of their arrival at the terminal shall be given to the Liaison Bureau as soon as possible and not later than 4 hours prior to such arrival. The Liaison Bureau shall, on receipt thereof, coordinate:

(a) passage of these persons without delay;

(b) passage of these persons without inspection of their person, personal belongings, luggage or vehicle; and

(c) completion of all necessary documentary procedures prior to these persons' arrival.

The above will be coordinated in a conference to be attended by a Palestinian and an Israeli representative and the members of the Liaison Bureau, in the duty officer's office, not less than one hour prior to such passage. During this conference, the documents of persons subject to this paragraph shall be presented.

The two officers defined in paragraph 2.a of Section E of this Protocol shall hand over to these persons their documentation, upon their arrival at the terminal; and

(2) the abovementioned prior notification will also mention the number of bodyguards accompanying the Ra'ees of the Executive Authority of the Council. These bodyguards shall be entitled to enter the terminal with a handgun, once the registration number of the handgun has been noted by the JVT.

c. Passage of the Ra'ees of the Executive Authority of the Council and the spouse of the Ra'ees of the Executive Authority of the Council will be performed pursuant to paragraph 5.b above, except that paragraph 3.f of this Section will not apply. No prior notification will be required with respect to such passage.

SECTION G
Passenger Fee

1. General

a. Passengers exiting through the Rafah passage to Egypt and through the Allenby Bridge passage to Jordan shall pay a passenger fee equivalent to 26 USA dollars.

b. This passenger fee will be collected by Israel. The Council may sell passenger fee vouchers to passengers passing through the Palestinian wing of the terminals, after having purchased them from Israel by means of a letter of guarantee given by an Israeli bank for each quota of vouchers transferred to the Council, or any other method of payment to be agreed upon. The design and content of the vouchers or stamps used will be agreed.

c. Diplomats and children under two years of age will be exempt from the passenger fee.

2. Use of Passenger Fee

a. Passenger fee income from up to a total of 750,000 paying passengers each year will be equally divided between the two sides. With respect to these 750,000 passengers, the Council will pay Israel the equivalent of 1 USA dollar for services, maintenance and development of the terminals.

b. As from the first paying passenger thereafter during the same year, Israel will receive the equivalent of 10 USA dollars of the passenger fee and the Council will receive the equivalent of 16 USA dollars thereof.

3. Miscellaneous

a. The Council will be responsible for the 90 Palestinian personnel employed in the Allenby Bridge crossing by the Director-General and the 20 Palestinian personnel employed at the Rafah crossing by the Director General, in accordance with the provisions of paragraph 2.a of Section C of this Protocol.

b. Israel will be responsible for maintenance and development costs with respect to the terminals.

c. With respect to the Rafah crossing:

(1) taxis arriving from the Gaza Strip in the direction of the terminal will be permitted entry to the terminal, in accordance with procedures to be promulgated by the Director-General pursuant to Section C of this Protocol; and

(2) upon request by the Council, the present bus service transporting passengers destined for the Palestinian wing from the entrance to the terminal to the entrance to the Palestinian wing will be replaced by a bus service to be chosen by the Council. Such replacement will be effected not less than one month after the date of signing of this Protocol, and will be fully coordinated with the Director-General.

d. Arrangements will be agreed upon by the two sides with respect to the passage of buses, trucks and privately owned vehicles. Until such arrangements are established, the current arrangements will continue to apply. e. Israel will transfer to the Council the agreed share of the collected fees pursuant to paragraph 2 above, at the end of each calendar month following the month in which those fees were collected.

SECTION H
Passenger Customs Lane

1. General

In the Palestinian wing there will be one passenger customs hall consisting of a passenger customs lane administered by customs officials of the Council and serving residents of the West Bank and the Gaza Strip and visitors thereto.

2. Procedures with regard to the Customs Lane

a. Israeli customs officials shall be present in this lane and shall be entitled to request the Palestinian customs officials to conduct an inspection of goods and the collection of taxes when due.

b. The inspection of goods and the collection of taxes will be conducted by a Palestinian customs official in a separate room in the presence of an Israeli customs official.

c. Inspection of goods and the collection of taxes shall be carried out in accordance with Annex V to this Agreement.

d. With respect to veterinary matters, plant protection, medicines and goods, all of the procedures referred to above shall apply, except that the customs officials shall be replaced by Palestinian and Israeli Agriculture Service and Health Service officials.

3. Miscellaneous

a. Any other matters regarding the abovementioned passenger customs lane shall be dealt pursuant to the provisions of Annex V to the Agreement.

b. Arrangements will be agreed upon by the two sides with respect to goods and freight shipment. Until such arrangements are established, the current arrangements will continue to apply.

c. (1) A branch of a Palestinian bank may be opened in the Palestinian wing.

(2) Commercial aspects of the terminals, including the number of commercial projects, will be agreed between the two sides.

SECTION I
Document Control in the Palestinian Wing

1. General

a. Pursuant to paragraphs 3 and 4 of Article VIII of Annex I, Palestinian and Israeli officials shall check the documents and the identity of passengers in the Palestinian wing.

b. This Section sets out the agreed-upon document control procedures with respect to the Palestinian wing with due respect to the distinction between the following categories of persons mentioned in Article VIII of Annex I:

(1) residents of the West Bank and the Gaza Strip; and

(2) visitors to the Gaza Strip and the West Bank passing through the Palestinian wing.

c. In the Palestinian wing, there will be a Palestinian and an Israeli document control manager. There will also be, in every working shift, a Palestinian and an Israeli document control duty officer.

d. Any required coordination between the Israeli and the Palestinian document control officials shall be done through the document control duty officers.

2. Passengers Exiting to Egypt or Jordan

In the Palestinian exit wing, the following procedures shall apply:

a. with respect to a resident of the West Bank and the Gaza Strip:

(1) the passenger will pass via a Palestinian counter, where his documents and identity will be checked by a Palestinian official according to a procedure promulgated by the Manager of the Palestinian wing;

(2) having completed examining the documents of the passenger, the Palestinian official shall compare the passenger's identity card number with the population registry records of the West Bank and the Gaza Strip residents, and then pass the documents to the Israeli official via a drawer installed for that purpose,

(3) the documents to be passed by the Palestinian official shall be a valid passport/travel document, or Palestinian passports/travel documents.

Residents of the West Bank and the Gaza Strip accompanying a passenger shall be subject to the procedures detailed in subparagraph a(1) - (3) above, unless their personal details, including their identity card number, are detailed in the passenger's documents, in which case they will be processed together with the passenger;

(4) thereafter:

(a) the passenger and the persons accompanying him shall wait in front of the Palestinian counter;

(b) the documents shall be checked by an Israeli official without unjustified delay. The Israeli official shall also check the passenger's identity indirectly;

(c) in case of a delay with respect to the checking of a passenger's documents or identity, the passenger shall wait in a special waiting area pending resolution of the matter;

(5) the Israeli official will return the documents to the Palestinian official after having identified the passenger and checked and approved the documents, together with the white card referred to in paragraph 3.h of Article VIII of Annex I;

(6) the Palestinian official will return the stamped documents and the abovementioned white card to the passenger;

(7) the passenger will be directed to the exit of the Palestinian wing, where he will then hand over the white card to a Palestinian official; and

(8) the Palestinian official will pass the white card to the Israeli official and will allow the passenger to pass if the card is valid;

b. with respect to a visitor to the Gaza Strip or the West Bank passing through the Palestinian wing:

(1) the passenger will pass via an Israeli counter where his documents and identity will be checked by an Israeli official. The Israeli official shall then return the documents to the passenger, together with the abovementioned blue card;

(2) the passenger will continue via a Palestinian counter, where his documents and identity will be checked by a Palestinian official according to a procedure promulgated by the Manager of the Palestinian wing; and

(3) the passenger will be directed to the exit of the Palestinian wing, where he will then hand over the abovementioned blue card to the Israeli and Palestinian officials posted there.

3. Passengers Entering from Egypt or Jordan

a. The procedure set out in paragraph 2.a above will also apply with respect to the entry of residents of the West Bank and the Gaza Strip.

b. The procedure set out in paragraph 2.b above will also apply with respect to the entry of visitors to the Gaza Strip and West Bank passing through the Palestinian wing, with the following adjustments:

(1) without prejudice to each side's authority to deny the entry of visitors passing through the Palestinian wing pursuant to Article VIII of Annex I, only visitors holding a passport or travel document valid for at least six months shall be permitted entry;

(2) in exceptional cases, visitors holding a passport or a travel document valid for less than six months shall be permitted entry for a stay of 30 days. Such passengers' visitor's permits will not be extended by the Council unless the validity of their passport or their travel document has been extended for at least six months; and

(3) the extension of the abovementioned visitors permit shall be carried out in accordance with Appendix 1 to Annex III of the Agreement.

4. Miscellaneous

a. Should a passenger in the Palestinian wing be apprehended by either side pursuant to paragraph 3.e of Article VIII of Annex I:

(1) the document control duty officer of the apprehending side shall notify the document control duty officer of the other side of the apprehension;

(2) if the passenger is apprehended by an Israeli official, the Palestinian document control duty officer will ensure the immediate arrival of a Palestinian policeman to meet with the apprehended passenger; and

(3) following notification to the Liaison Bureau, any further treatment of the apprehended passenger will be in accordance with Annex IV to the Agreement.

b. A passenger shall be denied exit abroad in the following circumstances:

(1) if the passenger has been duly apprehended in accordance with the Agreement;

(2) if the passenger is not in possession of the required documents to travel abroad pursuant to Appendix 1 to Annex III of the Agreement, or

(3) if a restraining order has been issued with respect to the passenger pursuant to paragraph 5 of Article II of Annex IV to the Agreement.

c. Special document control arrangements will apply to certain categories of passengers, as follows:

(1) with respect to VIPs, the arrangements are set out in Section F of this Protocol;

(2) passengers will be considered disabled if they are connected to medical equipment separation from which could endanger their lives, or if they cannot pass through the magnetic gate. Such passengers will wait in an ambulance whilst their documents, luggage and personal belongings undergo a full inspection as set out in Article VIII of Annex I.

The Director-General shall specify, in procedures to be promulgated pursuant to Section C, any other matters regarding treatment to be accorded to the disabled;

(3) residents of the West Bank and the Gaza Strip between the ages of 12 and 16 who have not been issued with a passport/travel document and do not have an identity card, may travel abroad alone only if they possess an exit permit issued by the CAC. A recent photograph shall be stamped and attached to the exit permit;

(4) residents of the West Bank and the Gaza Strip between the ages 5 and 12 may travel abroad as set out above, only when accompanied by a person over the age of 16;

(5) Palestinian policemen and other employees of the Council who have not been issued with passports/travel documents and do not have identity cards, shall only be allowed to travel abroad if they possess the documents that enabled them to enter the West Bank and the Gaza Strip and an exit permit issued by the CAC, and have a copy of a request form for an identity card;

(6) upon the arrival of a Palestinian policeman or another employee of the Council for the first time to the West Bank and the Gaza Strip, a request for an identity card will be filled out in triplicate at the terminal. This request shall be registered once the name of the person has been cleared by the relevant Israeli official and after he has presented a valid travel document and a computerized number has been issued.

A stamp indicating that the passenger is a Palestinian policeman or an employee of the Council shall then be placed on the request form. After the document control procedures have been carried out the form will be stamped with an entry stamp;

(7) arrangements for the entry of spouse and children of Palestinian policemen and of other employees of the Council will be established by the

CAC. The present procedures will continue to apply until such arrangements are established; and

(8) residents of the West Bank and the Gaza Strip who have lost their documentation abroad may apply to the Council from abroad, through their relatives. In such circumstances, they will be issued with documents of temporary nature by the same side which issued the original lost documents.

d. Palestinian document control officials will stamp the documents of residents of the West Bank and the Gaza Strip and of visitors to the Gaza Strip and to the West Bank.

e. The CAC may alter the arrangements set out in this section when the circumstances so necessitate.

APPENDIX 6
List of Hamlets included in Area B

Pursuant to Article XI, paragraph 3.b of the Agreement, the list of hamlets included in Area B is as follows

A. Tulkarm District

l. Akkaba
2. Al Nazla Al Wusta
3. Koor
4. Kife

B. Nablus District

1. Jalood
2. Al-Juneid
3. Al-Aqrabinya
4. Nisf Jbeil
5. Yanoon
6. Iraq Bureen
7. A'mouria

C. Salfit District

Khirbat Qays

D. Jericho District

Al-Zubeidet

E. Qalqilya District

1. Seer
2. Khirbat Salman
3. Falamiya
4. Khirbat Ras Tera
5. Asalah
6. Al-Funduq
7. Al-Modawar

F. Jenin District

1. Toura Al-Gharbiyyah
2. Al-Zawiyyah
3. Mashrou' Beit Qad
4. Al Kafir
5. Al Mutla
6. Talfit
7. Toura-Al Sharqiyyah

G. Hebron District

1. Al Aziz
2. Khirbat Al-salam
3. Abu Al-A'sja
4. Sikka
5. Wadi Al-Shajna
6. Beit Marseem
7. Al-Hijra
8. Deir Razeh
9. Khilat Al-Mayat
10. Khilat Al A'qd
11. Um Lasafa
12. Qinan Jaber
13. Raboud
14. Shweik
15. Khirbat Skeik
16. Jroun Al-Louz
17. Beit Makdoum
18. Al-Mouriq
19. Al Beira
20. Al Juba
21. Beit I'mra
22. Turama
23. Hadb Al-Alaka
24. Deir Al-A'sal Al Tahta

25. Beit Al Roush Al-Tahata
26. Al-Deir
27. Kuezeiba
28. Hitta
29. Korza

H. Ramallah District

1. Jibaa
2. Ein Qinya
3. Yabroud
4. Deir Nitham
5. Um Saffa
6. Burham
7. Al-Nabi Saleh
8. Shibteen
9. Khirbat Um Al-Lahm
10. Beit Ijza

I. Bethlehem District

1. Wadi Al-Neis
2. Mirah Rabah
3. Al Mas'ara
4. Um Salamouna
5. Al-Khas
6. Khilat Al-louz
7. Abu-Nijem
8. Beit Faloh
9. Breide'a
10. Khirbat Al-Deir
11. Daher Al-Nada
12. Al-Minshya
13. Khilat al-Hadad
14. Keisan
15. Al-Rashaida
16. Harmala
17. Mrah Mia'alla

Annex II- Protocol Concerning Elections

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ARTICLE I
Basis of Elections

General Provisions

1. Pursuant to Article III of the Declaration of Principles and in accordance with the provisions of this Annex, direct, free and general political elections will be held for the Council and, simultaneously, for the Ra'ees of the Executive Authority.

2. The holding of elections for the position of Ra'ees and for the Palestinian Council shall be governed by this Annex, and the Law on the Election of the Ra'ees and the Palestinian Council (hereinafter "the Election Law") and the regulations made under this law (hereinafter "the Election Regulations"). The Election Law shall be adopted by the Palestinian Authority. The Election Law and the Election Regulations shall be consistent with the provisions of this Agreement. Unless otherwise specifically provided in this Annex, all persons voting or standing as candidates in the elections shall be uniformly subject to the provisions of the Election Law and the Election Regulations.

The Central Election Commission

3. The Palestinian Central Election Commission (hereinafter "the CEC"), which will be appointed by the Palestinian Authority; will be responsible for the administration of the elections. The CEC will be responsible for the preparation and conduct of the elections and shall have the powers and competences necessary to fulfill these functions, as defined in the Election Law. All matters related to the elections which are not subject to specific provision in this Agreement shall be subject to determination by the Palestinian Authority or the CEC in accordance with the Election Law, the Election Regulations and any relevant procedures set out in this Agreement. The CEC and its subordinate bodies shall be independent.

4. a. All of the offices of the CEC and of its subordinate bodies, including the offices of the District Election Commissions (hereinafter "the DECs") and the District Election Offices (hereinafter "the DEOs"), shall be situated in constituencies set out in the Palestinian Election Law in areas under the jurisdiction of the Council.

b. All aspects of the electoral administration (such as publication of lists of electors or candidates, and other information concerning the conduct of the elections, appeals, counting votes, and publication of results) shall take place only in the offices of the relevant DEO.

ARTICLE II
Right to Vote and the Electoral Register

1. Right to Vote

a. The right to vote will be universal, regardless of sex, race, religion, opinion, social origin, education, or property status. Every Palestinian who meets the qualification to vote shall have the right to be registered to vote.

b. Only a person whose name appears on the Electoral Register, as defined in paragraph 2 below, and who is 18 years old or older on the day of the elections, will have the right to vote.

c. No person may be registered as an elector in more than one polling district, as defined in paragraph 2 below.

d. The qualification to vote will be the same for the election for the Ra'ees of the Executive Authority of the Council and the election for the Council.

e. Israeli citizens shall not be entered on the Electoral Register.

f. To be qualified to be entered on the Electoral Register, a person must:

(1) be Palestinian;

(2) be 17 years old or older;

(3) have his or her abode in the polling district where he or she is registered to vote;

(4) not be disqualified under subparagraph k. below; and

(5) be entered in the population register maintained by the Palestinian Authority or the Israeli authorities (hereinafter together "the Population Register"), and thus be the holder of an identity card issued by the Palestinian Authority or the Israeli authorities.

g. Any person who:

(l) will be at least 40 years old on January 1, 1996 and can provide satisfactory evidence that he or she has actually lived in the West Bank or the Gaza Strip continuously, except for short absences, for at least 3 years immediately prior to the date of the signing of this Agreement; or

(2) will be less than 40 years old on January 1, 1996 and can provide satisfactory evidence that he or she has actually lived in the West Bank or the Gaza Strip continuously, except for short absences, for at least 4 years immediately prior to the date of the signing of this Agreement, shall be entitled notwithstanding the fact that he or she was not previously entered in the Population Register, to be entered in the Population Register and to receive the appropriate identity card. The Palestinian Authority and Israel, through the CAC, shall together invite applications to be so entered in the Population Register. Such applications shall be submitted prior to the date of the elections to the Civil Administration or the relevant joint Israeli-Palestinian liaison body as appropriate and shall be dealt with by the Civil Administration or by both sides of such joint liaison body on an expedited basis to assist the process of registration.

h. The inclusion of any person on the Electoral Register at any address shall be without prejudice to the question of that person's legal abode at that address.

i. In this Agreement, the word "abode" denotes the main permanent fixed address within any polling district at which, at the time of the initial registration canvass, a person actually lives.

j. In this Agreement, the word "address" denotes the community, house, street, neighborhood or other description identifying the specific abode in which a person actually lives, where such information exists.

k. The following persons will be disqualified from being entered on the Electoral Register:

(l) any person deprived of the right to vote by judicial sentence, while that sentence is in force;

(2) any person declared incapable by judicial decision; and

(3) any person detained in a psychiatric institution by judicial decision during the period of that detention.

"Judicial sentence" means a judicial verdict or sentence made by a Palestinian court.

2. The Electoral Register

a. In accordance with the provisions of this Article, the Election Law and the Election Regulations, the CEC shall compile and maintain the list of all persons registered as qualified to vote (hereinafter "the Electoral Register"). A separate section of the Electoral Register (hereinafter "an electoral register") shall be kept for each defined geographical area possessing its own polling station (hereinafter "polling district"). b. In accordance with the arrangements agreed between the two sides, the CEC will compile the initial draft register. The compilation of the register in each polling district will be the responsibility of the Polling Station Commission (hereinafter "PSC") for that district.

c. The PSC must enter on the initial draft register the name of any person who is 18 or over, is qualified to be registered in the particular polling district, is the holder of an identity card issued by the Israeli authorities or the Palestinian Authority, and provides all the required information as long as the PSC believes the information to be correct.

d. The PSC will also enter on the initial draft register the name of any person who is 17 and otherwise meets all the criteria to be entered thereon. Such a person may vote if he or she has reached his or her 18th birthday on or before polling day.

e. The initial draft register will be displayed within each polling district at the site of the PSC. It shall bear upon each sheet the following text:

"This is the initial draft of the register of the persons entitled, if they are 18 years old or more on the day of the election, to vote in this polling district in the election for the Palestinian Council and the Ra'ees of its Executive Authority. The entry on this draft register of any individual is subject to confirmation that he or she is entered in the population register maintained by the Palestinian Authority or the Israeli authorities and thus the holder of an identity card issued by the Palestinian Authority or the Israeli authorities. Any person who believes that he or she has been wrongly omitted, and any person who believes that the information published about him or her is wrong, may submit a claim to the Polling Station Commission. Any person who believes that any other person entered on the draft register is not qualified to appear on this register may submit an objection to the Polling Station Commission. The deadline for receipt of claims and objections is YYMMDD".

f. A subcommittee established by the Joint Civil Affairs Coordination and Cooperation Committee shall consider questions of registration defined in this Agreement and coordinate the implementation of the registration arrangements (hereinafter in this Article "the CAC subcommittee").

g. Within 6 weeks of the compilation of the initial draft register, and following adjudication of all claims and objections, the Palestinian side of the CAC subcommittee will provide the Israeli side with a copy of this register as amended in the computer format agreed between the two sides and set out in Appendix 1 to this Annex. Upon receipt of this information, the Israeli side in the CAC subcommittee will confirm the information contained in the initial draft register with that contained in the Population Register. Subject to compliance with the provisions of Appendix 1, and with any agreed amendments following the experimental input or otherwise, this confirmation will take place within 7 days. Persons whose details do not appear, or whose details are significantly different from those in the Population Register, shall be removed from the initial draft register, unless the Palestinian side can provide satisfactory evidence within 7 days that the person is entered in the Population Register.

h. The publication of the Electoral Register and the display of the relevant electoral register in each polling district shall follow the confirmation provided for in subparagraph g. above. Each electoral register shall bear the following text:

"This is the register of the persons entitled, if they are 18 years old or more on the day of the election, to vote in this polling district in the election of the Palestinian Council and the Ra'ees of its Executive Authority."

i. At least three days prior to its publication, the final Electoral Register shall be forwarded by the CEC to the Israeli side in the CAC subcommittee in the form, and containing the information, described in Appendix 1.

ARTICLE III
Qualification and Nomination of Candidates

1. Qualification to be a candidate

a. Every candidate for the Council and every candidate for the position of Ra'ees of the Executive Authority of the Council shall be a registered elector.

b. Every candidate for the Council from the various constituencies set out in the Palestinian Election Law must have a valid address in an area under the jurisdiction of the Council in the constituency for which he or she is a candidate. Every candidate for the position of the Ra'ees must have a valid address in an area under the jurisdiction of the Council. A valid address shall be that of a residential property which is owned or rented or otherwise legitimately occupied by the candidate. This valid address shall be entered in the candidate's nomination paper. Where a candidate has more than one valid address, he may enter all such addresses on his nomination paper.

c. Israeli citizens may not be candidates for election to be a member of the Council or to be the Ra'ees.

2. Nominations

The nomination of any candidates, parties or coalitions will be refused, and such nomination or registration once made will be canceled, if such candidates, parties or coalitions:

(1) commit or advocate racism; or

(2) pursue the implementation of their aims by unlawful or nondemocratic means.

3. Nomination procedures - The Council

a. Nominations shall be submitted to the DEC on the official nomination papers, as specified in the Palestinian Election Law.

b. Following the close of nominations the DEC for each constituency will immediately publish the provisional Statement of Persons Nominated for its constituency in accordance with the Palestinian Election Law.

c. Upon publication of the provisional Statement of Persons Nominated, any person may, within 7 days, submit an objection to the CEC that a provisionally nominated candidate does not satisfy the criteria set out in paragraphs l.b, 1.c and 2 above.

d. Following the resolution of all appeals, and not later than 22 days before polling day, the DEC will publish the final Statement of Persons Nominated.

4. Nomination procedures - The position of the Ra'ees

a. The nomination of any candidate shall be submitted to the CEC on the official nomination paper, as specified in the Palestinian Election Law.

b. The CEC will publish the provisional Statement of Persons Nominated 3 days after the close of nominations.

c. Upon publication of the provisional Statement of Persons Nominated, any person may, within 2 days, submit an objection to the CEC that a provisionally nominated candidate does not satisfy the criteria set out in paragraphs l.b, 1.c and 2 above.

d. Following the resolution of all appeals (and therefore not later than 22 days before polling day) the CEC will publish the final Statement of Persons Nominated.

ARTICLE IV
The Election Campaign

1. General campaign provisions

a. All activities carried out by nominated candidates, or by political parties, coalitions, or groupings of electors who have nominated candidates, or for their benefit, that are directly addressed to obtain the electorate's vote, shall constitute campaign activities. Candidates and their supporters may promote their campaign by any legal means.

b. The official campaign period of the election, during which the provisions relating to the election campaign will apply, will start 22 days before polling day and close 24 hours before the polls open. Campaigning on the day before polling day, or on polling day itself, will not be permitted.

2. Rallies and meetings

a. The CEC will publish a list of venues and facilities available for election rallies and meetings, which shall include all recognized public open air meeting places and all public buildings with a recognized public meeting hall. The CEC will also publish a list of routes available for marches. These lists will be posted in each constituency in the respective

DEO. Such campaign activities shall be conducted at venues and facilities included in the lists published by the CEC.

b. Without derogating from the principle that the Palestinian Police will ensure public order during the Palestinian elections, and in order to enable the elections to proceed smoothly, without any interference, obstacle or friction, the two sides agree to deal with, and coordinate with regard to, security issues that may arise in relation to the electoral process in the relevant DCO in each constituency.

c. Security issues relating to the international observers will also be dealt with in the relevant DCO, within the framework of the trilateral Palestinian Israeli-European Union forum, as set out in Article V, paragraph 7 below.

d. Each side shall take all necessary measures with regard to persons under its authority to prevent public disorder during campaign activities, to ensure that such activities do not interfere with the free flow of traffic, and to protect the electoral process from any violence, incitement, hostile propaganda or other undemocratic interference.

e. (l) The representative of a candidate or candidates wanting to hold a rally, meeting or march must submit an application to the relevant DEO giving details of the proposed time and venue.

(2) With regard to applications to hold such a campaign activity in areas in which the Palestinian Police exercises responsibility for public order, but there is no Palestinian police station or post, the DEO shall give prior notification of the activity to the relevant DCO.

(3) With regard to applications to hold such a campaign activity outside the areas in which the Palestinian Police exercises responsibility for public order, the activity shall only take place after coordination and confirmation through the relevant DCO.

ARTICLE V
International Observation of Elections

1. International Standards

The election process will be open to international observation. Observation will be conducted according to accepted international standards.

2. Scope of observation

a. All stages of the electoral process will be open to observation. This includes registration of electors, the campaign, the operation of polling stations during polling, the operation of the count in each polling station, and the totaling and scrutiny (including the determination of claims made by candidates or their representatives) at district and central level.

b. The observers will be asked to assess whether all stages of the electoral process are free and fair. The activity of the observers will be limited to observation, reporting and dialogue with the relevant authorities.

c. Observer delegations may wish at any point to make comments or representations about the conduct of the elections to the CEC, which shall consider them and reply appropriately.

d. In order to facilitate the independence of the observation, the mandate and operating instructions of each international observer delegation shall be determined by that delegation in consultation with the international observer coordinating body under the common terms of reference attached as Appendix 2 to this Annex.

3. Source of observers

It is envisaged that observers will be present from all parts of the world.

a. Observer delegations will, in particular, be present from the European Union, the United Nations, the United States of America, the Russian Federation, Canada, Egypt, Japan, Jordan, Norway, South Africa, the Movement of Non-Aligned Nations, the Organization of African Unity and the Islamic Conference Organization. Observer delegations from other governments or intergovernmental organizations may be added to this list upon consultation.

b. Other observers, including those representing non-governmental organizations, will also be present.

4. Coordinating body

The European Union will act as the coordinator for the activity of observer delegations.

5. Accreditation of observers

a. All observers, both international and domestic, shall be accredited through machinery established by the CEC. Accreditation will be issued by the CEC on request and will be conditional on acceptance of the common terms of reference. The accreditation card will contain a trilingual text (Arabic, English and Hebrew).

b. The accreditation card of members of observer delegations and members of the Coordinating Body shall contain the following details:

(1) full name;

(2) country of origin;

(3) the following text: "The bearer of this card is an International Observer and is entitled to Privileges and Immunities in accordance with the Interim Agreement"; and

(4) a photograph.

c. The accreditation card of other observers shall not be the same color as the card for members of observer delegations in subparagraph b. above, and shall contain the following details:

(l) name;

(2) organization;

(3) the words "Election Observer"; .

(4) the following text: "The bearer of this card is an Election Observer entitled to all possible assistance in the conduct of his or her tasks in accordance with the Interim Agreement."; and

(5) a photograph.

6. Privileges and immunities

a. Observer delegations and members of the coordinating body (hereinafter "delegation members") shall be granted, according to international standards, the privileges and immunities necessary for the fulfillment of their activities in accordance with Appendix 3 to this Annex.

b. The names of delegation members will be supplied in advance by the CEC to Israel, following which privileges and immunities will be granted in accordance with Appendix 3 .

7. Trilateral coordination forum for logistics and security

The CEC, Israel and the European Union shall establish a trilateral forum for the purpose of dealing with issues (for example: security of observers, communications, visas, identification, and other questions of logistics) which are raised by observer delegations as requiring assistance, or which otherwise require coordination between the members of the trilateral forum. Other matters relating to the conduct of the elections may be dealt with between the CEC and the European Union bilaterally. The operational modalities of the trilateral forum will be agreed by the parties at its first meeting.

8. Freedom of movement

a. For the purposes of election observation, all measures necessary will be taken to ensure freedom of movement in all areas of operation.

b. Observers will not be accompanied by official representatives of the CEC or of Israel unless they so request.

9. Equipment of observers

a. Members of observer delegations will be identifiable by a distinctive outfit (cap, shirt, jacket etc.) and an overjacket carrying the words "INTERNATIONAL OBSERVER" in Arabic and English. Other observers will be otherwise identified.

b. Observers will not carry arms.

10. Reporting by observer delegations

During and following the election, the coordinating body, each individual observer delegation, and other observers may issue statements and hold press conferences as to their findings.

11. Domestic observers and parallel vote tabulations

Domestic observer organizations will be required to be independent of parties, coalitions and groupings of electors with nominated candidate(s) and will be accredited by the CEC on request. Domestic observer organizations will operate under the common terms of reference for domestic observers attached in Appendix 2. Any parallel vote tabulation organization will also be accredited as a domestic observer organization.

12. Provisions for journalists

Domestic and international journalists will be accredited by the CEC upon production of valid press documentation. Journalists shall enjoy freedom of the press and of movement in all areas in order to cover the electoral process. Journalists shall have access to all electoral facilities during all stages of the electoral process. The electoral authorities may request the presentation of the issued accreditation in order to facilitate this access.

ARTICLE VI
Election Arrangements Concerning Jerusalem

1. Election Campaigning

A subcommittee of the CAC shall be established comprising representatives of the CEC and Israel, to coordinate issues relating to election campaigning in Jerusalem. Candidates conducting campaign activities in Jerusalem shall apply for the necessary permits through the CEC. The CEC shall obtain the necessary permits from the Israeli side in the CAC subcommittee. In addition, the CEC may disqualify candidates whose election campaigning in Jerusalem fails to comply with the provisions of the Palestinian Election Law and this Agreement.

2. Polling Arrangements

a. Location

A number of Palestinians of Jerusalem will vote in the elections through services rendered in post offices in Jerusalem, in accordance with the capacity of such post offices. The relevant post offices for the purposes of these arrangements shall be:

(1) Salah-a-din post office;

(2) Jaffa Gate post office;

(3) Shuafat post office;

(4) Beit Hanina post office; and

(5) Mount of Olives post office.

b. International Observation

International observers will be present in the above post offices on the day of the elections.

c. Procedure for Voting

(1) Those Palestinians of Jerusalem who will vote in the elections through post offices in Jerusalem shall be notified of the relevant post office by Electoral Registration card provided by the CEC (hereinafter "the electors").

(2) On arrival at the post office, electors shall identify themselves to the relevant postal personnel (hereinafter "the personnel") and present their Electoral Registration card.

(3) The personnel shall provide the electors with the following:

(a) two ballot papers, one for the election of the Ra'ees, and one for the election to the Council; and

(b) two envelopes addressed to the DEO.

(4) The electors shall mark the ballot papers at the post office counter, then place them in the envelopes to be inserted in receptacles, the size and shape of which shall be agreed between the two sides.

(5) At the end of the day, the receptacles shall be promptly delivered to the office of the relevant DEO. Such delivery shall be open to international observers. These receptacles shall be sealed prior to delivery.

(6) The DEO shall be responsible for the counting and totaling of votes cast through the arrangements set out above as part of the total election count.

APPENDIX 1
Agreed Format for Canvass Information

1. Computer specifications

a. The data will be provided on a DAT (2GB) tape. If possible, the data will be transferred by means of the TAR program.

b. The data will be provided in a file which accords with Microsoft Windows Arabic Standard.

c. The data will be provided in a flat file and not an export file.

2. General points

a. A table indicating the relationship between the PSC codes and the names of their respective localities will be provided.

b. An experimental input of 100 entries will be tried, not later than two weeks after the start of the canvass.

3. Format of the data

a. The file to be transferred shall be in the following format:

Content	**Type**	**Length**
ID Number	NUMBER	9
ID Type	NUMBER	1
Date of birth	DATE	6-YYMMDD
Sex	NUMBER	1
PSC code	NUMBER	5

b. The ID Number may have a length of 8 where there is no check digit. In this case, the final space should be left blank.

c. The ID Type field may contain one of three values:

1 Israeli ID (West Bank)

2 Palestinian Authority ID

3 Israeli ID (Jerusalem).

d. The Sex field may contain one of two values:

1 Male

2 Female.

e. When not fully known, dates of birth will be entered as follows:

i. When the day of the month is not known, 00 will be entered.

ii. When the month is not known, 00 will be entered.

iii. Where the entire date of birth is unknown, it will be entered as 000000.

APPENDIX 2
Common Terms of Reference for Observers

A. International Observers

1. Observers are invited to observe the full Palestinian election process, from the announcement through registration, campaign, polling, counting, compiling of results and complaints procedures.

2. All bodies sending observers will be free in their choice of observers. All observers will be issued on arrival with accreditation by the CEC.

3. Any accredited observer is free to have contact with any person at any time and anywhere and to attend all election related events.

4. Israel will allow accredited observers to travel through and to get accommodation in Israel.

5. The premises, equipment and property, including papers, documents (including computerized documents), communications, correspondence and databases of observer organizations shall be respected by each side according to its applicable laws. This provision shall apply also to the property of observers created, maintained or used for the purposes of their work or duties.

6. Members of observer delegations will wear their distinctive outfit (caps, shirts, jackets etc., including the words "INTERNATIONAL OBSERVER" in Arabic and English) whenever and wherever they go on duty. Observers who are not members of observer delegations in accordance with Article V, paragraph 3.a of this Annex (hereinafter "other observers") will be otherwise identified.

7. All observers will be responsible for the arrangement of their own accommodation, equipment, means of transport, and medical and other insurance.

8. The CEC and Israel will bear no financial liability in respect of expenditure undertaken by observers, or of injury, damage or loss incurred by observers in the course of their duties or otherwise. The European Union will only bear such liability in relation to members of the coordinating body and to the European Union observers and only to the extent that it explicitly agrees so to do.

9. No restriction shall be placed on introducing foreign currency to fund the activities of observers nor on the repatriation of such funds to any country abroad nor on the free exchange of foreign currency through an authorized dealer in exchange at the market rate of exchange.

10. All necessary measures shall be taken to ensure the security of observers. Enhanced security will be provided as necessary on request.

11. All observers have the right to emergency medical assistance, including emergency evacuation as necessary. The appropriate Israeli and Palestinian authorities undertake to provide such emergency assistance and evacuation.

B. Domestic Observers

1. Domestic observers are invited to observe the full Palestinian election process, from the announcement through registration, campaign, polling, counting, compiling of results and complaints procedures.

2. All domestic observer bodies will be free in their choice of observers. Domestic observers will be issued with accreditation by the CEC.

3. Any accredited domestic observer is free to move and to have contact with any person at any time and anywhere and to attend all election related events.

4. Freedom of speech for domestic observers in regard of words spoken or written in their official capacity shall be guaranteed.

5. The premises, equipment and property, including papers, documents (including computerized documents), communications, correspondence and databases of domestic observer organizations shall be respected by each side, according to its applicable laws. This provision shall apply also to the property of domestic observers created, maintained or used for the purposes of their work or duties.

6. Israel will allow accredited domestic observers from the list provided by the CEC to travel through Israel in the course of their duties.

7. All observers will be responsible for the arrangement of their own equipment, means of transport, and medical and other insurance.

8. The CEC and Israel will bear no financial liability in respect of expenditure undertaken by observers, or of injury, damage or loss incurred by observers in the course of their duties or otherwise.

APPENDIX 3
Privileges and Immunities of International Observer Delegations

For the purpose of this Appendix, privileges and immunities shall be granted to all accredited members of international observer delegations, and members of the coordinating body and personnel appointed by observer delegations to perform activities related to the election observation (hereinafter "delegation members").

1. Delegation members shall:

a. be immune from personal arrest or detention, and from seizure of any personal belongings,

b. be immune from legal process in respect of words spoken or written or acts done by them in the course of the performance of their mission;

c. enjoy inviolability for all papers and documents, including computerized documentation; and

d. be permitted, for the purposes of their official communications, to use codes and to receive papers and correspondence by courier or sealed bags.

2. The inviolability and freedom of communications and correspondence to and from delegation members shall be assured.

3. The premises, including all archives and databases, property, funds and assets of delegation members shall:

a. be protected and inviolable; and

b. be immune from search, requisition, confiscation, expropriation and any other form of interference, whether by executive, administrative, judicial or legislative action.

4. Without prejudice to their privileges and immunities, it is the duty of all persons enjoying these privileges and immunities to respect the laws and regulations in force in the areas under each side's jurisdiction.

5. The coordinating body and each observer delegation will be able to acquire and use freely and efficiently, from the beginning to the end of its operation, the means of communication necessary for it to fulfill its duty. Within the framework of the trilateral forum as defined in Article V, paragraph 7 of this Annex (hereinafter "the trilateral forum"), the Israeli and Palestinian authorities will ensure access to all necessary communication lines and frequencies.

6. The coordinating body and each observer delegation will have access to either or both of:

a. special license plates and necessary permits, agreed in the trilateral forum, for cars bought or hired locally; and

b. special license plates for cars imported and re-exported.

Comprehensive motor insurance shall be acquired for each such car.

7. Any equipment, materials, articles or goods imported by the coordinating body or any observer delegation in connection with their activities shall be exempt from all custom and import taxes and duties. It is understood, however, that such exemption does not include charges for services provided at Israeli points of entry. In the event of a request to pay storage charges resulting from an undue delay caused by Israeli authorities as certified by the trilateral forum, storage charges shall be reimbursed.

Questions relating to such imports regarding any prohibitions or restrictions in accordance with the law, shall be raised in the trilateral forum and dealt with under expedited procedures.

Each observer delegation will be allowed to import and re-export all necessary equipment, including cars, which it considers necessary to fulfill its duties. Within the framework of the trilateral forum, Israeli and/or Palestinian customs authorities will perform appropriate customs clearances through a special expedited procedure under the supervision of senior customs officials. All imported equipment, materials, articles or goods exempted from import taxes and duties will be re-exported or donated according to applicable customs procedures agreed upon between the two sides at the conclusion of the mission of the observer delegations.

8. a. Palestinians recruited locally to perform services for the coordinating body or for an observer delegation (hereinafter "local personnel") shall, subject to the provisions of this paragraph, enjoy in the West Bank and the Gaza Strip:

(1) freedom of movement in the exercise of their duties; and

(2) immunity from prosecution in respect of words spoken or written and any act performed by them in the exercise of their duties.

b. Observer delegations and the coordinating body shall provide lists of local personnel to the CEC, which will accredit such local personnel following prior coordination with Israel. Accredited local personnel shall be issued with a certificate in Arabic, English and Hebrew, possession of which shall be necessary to enjoy the freedom of movement and immunity in subparagraph a. above.

c. The certificate will include the following text:

"The bearer of this certificate is officially attached to an international observer delegation. He or she is entitled to drive or travel in a vehicle bearing special observer delegation license plates in the course of his or her legitimate duties. He or she is entitled to limited immunity in the course of such duties, in accordance with the Interim Agreement."

d. Such local personnel shall not enjoy immunity from any legal process related to traffic offenses, or damage caused by such offenses. e. Matters regarding arrangements for entry by local personnel into Israel and for movement by local personnel between the West Bank and the Gaza Strip, including the issuance of entry certificates, will be handled within the trilateral forum by the Israeli representative to that forum, who shall, to that end, maintain ongoing contacts with the appropriate Israeli authorities with a view to expediting all related matters.

f. Local personnel shall not carry arms.

9. The coordinating body, and observer delegations, may display their flag and/or emblem on their office premises and vehicles

10. Within the framework of the trilateral forum, the Palestinian and Israeli authorities will appoint liaison officers as appropriate to ensure that all arrangements relating to requests concerning logistics and security are implemented.

Annex III- Protocol Concerning Civil Affairs

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ARTICLE I
Liaison and Coordination in Civil Affairs

1. Joint Civil Affairs Coordination and Cooperation Committee

a. A Joint Civil Affairs Coordination and Cooperation Committee (hereinafter "the CAC") is hereby established.

b. The CAC will function with regard to policy matters under the direction of the Joint Liaison Committee, with ongoing coordination being provided by the Monitoring and Steering Committee.

c. The CAC will deal with the following matters:

(1) Civil affairs, including issues concerning the transfer of civil powers and responsibilities from the Israeli military government and its Civil Administration to the Council.

(2) Matters arising with regard to infrastructures, such as roads, water and sewage systems, power lines and telecommunication infrastructure, which require coordination according to this Agreement.

(3) Questions regarding passage to and from the West Bank and the Gaza Strip, and safe passage between the West Bank and the Gaza Strip, including crossing points and international crossings.

(4) The relations between the two sides in civil matters, in issues such as granting of permits.

(5) Matters dealt with by the various professional subcommittees established in accordance with this Annex, which require further discussion or overall coordination.

(6) Other matters of mutual interest.

d. The CAC shall convene at least once a month, unless otherwise agreed.

e. Each side may initiate the convening of a special meeting on short notice.

f. The CAC shall determine by agreement its mode of procedure.

2. Joint Regional Civil Affairs Subcommittees

a. Two Joint Regional Civil Affairs Subcommittees will operate under the

CAC, one for the West Bank and one for the Gaza Strip (hereinafter "the RCACs").

b. The RCACs in the West Bank and in the Gaza Strip shall deal with the regional civil affairs matters in the West Bank and in the Gaza Strip respectively, detailed in paragraph l.c above, and with civil matters referred to them by the District Civil Liaison Offices.

c. Each RCAC may establish ad hoc working groups if and when the need arises.

d. Each RCAC shall convene no less than once every two weeks.

e. Matters of principle and policy not settled within the RCACs shall be passed on to the CAC.

3. District Civil Liaison Offices

a. Each side will establish and operate District Civil Liaison Offices in the West Bank (hereinafter "DCLs"). Such DCLs will be established in the following areas: Jenin, Tulkarem, Qalqilya, Nablus, Ramallah, Bethlehem, Hebron and Jericho.

b. In the Gaza Strip DCLs may be established to operate in the districts assigned for the DCOs, as specified in Annex I.

c. The DCLs shall deal with the day to day civil affairs, detailed in paragraph 1.c above, in their respective areas of operation.

d. The DCLs shall operate on a daily basis, representatives of the respective DCLs shall meet daily and the heads of the respective DCLs shall convene official meetings at least once a week.

4. General

a. Means of communication shall be set up with a view to ensuring efficient and direct contact 24 hours a day, in order to deal with any urgent matter arising in the civil affairs field.

b. The CAC and the RCACs shall be comprised of an equal number of representatives from Israel and from the Council.

c. Each side shall inform the other of its representatives to the CAC and the RCACs prior to meetings. Meetings of the CAC and the RCACs shall be organized and hosted by the two sides alternately, unless otherwise agreed.

d. The provisions of this Article shall not impede daily contacts between representatives of Israel and of the Council in all matters of mutual concern.

ARTICLE II
Transfer of Civil Powers and Responsibilities

Powers and responsibilities of the Israeli military government and its Civil Administration shall be transferred to and assumed by the Council in accordance with the provisions of this Annex and of Appendix I.

ARTICLE III
Modalities of Transfer

l. In the first phase of redeployment, the transfer of civil powers and responsibilities will be effected concurrently with the stages of this redeployment, as detailed in Annex I, Article I.1 and Appendix 1 thereto.

2. The transfer of civil powers and responsibilities shall be coordinated through the CAC and implemented in accordance with the arrangements set out in this Annex, in a smooth, peaceful and orderly manner.

3. Preparations for the implementation of this Annex shall commence immediately upon the signing of this Agreement.

4. The Israeli authorities shall provide all necessary assistance to the Council including access to offices, registers, records, systems and equipment and all necessary information, data and statistics, required for the transfer of powers and responsibilities.

5. In accordance with the stages of transfer of powers and responsibilities, Israel will transfer from the possession of the Israeli military government and its Civil Administration to the Council, offices located in areas under Palestinian territorial jurisdiction, equipment, registers, files, computer programs, reports, archives, records, maps, scientific data, relevant licenses, installations, registrations (including registrations regarding land situated in the areas under the territorial jurisdiction of the Council) and other movable and immovable property necessary for its functioning.

6. Arrangements regarding the transfer of funds, assets, and contracts, are set out in Article 39 of Appendix 1 (Treasury).

ARTICLE IV
Special Provisions concerning Area C

1. In Area C, in the first phase of redeployment, powers and responsibilities not related to territory, as set out in Appendix 1, will be transferred to and assumed by the Council in accordance with the provisions of that Appendix.

2. During the further redeployment phases, powers and responsibilities relating to territory, as set out in Appendix 1, will be transferred gradually to Palestinian jurisdiction that will cover West Bank and Gaza Strip territory, except for the issues that will be negotiated in the permanent status negotiations.

3. In accordance with the DOP, in Area C, the Council will have functional jurisdiction with regard to the powers and responsibilities transferred pursuant to this Annex. This jurisdiction shall not apply to issues that will be negotiated in the permanent status negotiations, as set out in Article XVII, paragraph 1 of this Agreement.

4. The transfer of powers and responsibilities in Area C shall not affect Israel's continued authority to exercise its powers and responsibilities with regard to internal security and public order, as well as with regard to other powers and responsibilities not transferred.

5. The closure of areas or the imposing of other restrictions on the movement of persons or goods in Area C, required for the implementation of the powers and responsibilities transferred to the Council in accordance with this Annex (such as for the prevention of the spreading of diseases), shall require prior Israeli consent.

6. a. The Council may appoint civilian inspectors to monitor compliance with laws and regulations within the powers and responsibilities transferred to it in Area C, in a number necessary for the fulfillment of its functions as agreed in the CAC.

b. Arrangements regarding the operation of such inspectors, including agreed identification documentation, shall be as agreed within the CAC.

c. The civilian inspectors shall not conduct activity which involves arrests or detention of persons, seizure of property or any other activity involving the use of force.

d. These inspectors shall neither wear uniforms of a police or military nature nor carry arms.

APPENDIX 1
Powers and Responsibilities for Civil Affairs

In accordance with Article II of this Annex, powers and responsibilities of the Israeli military government and its Civil Administration shall be transferred to and assumed by the Council in accordance with this Annex and the following provisions:

ARTICLE 1
Agriculture

1. This sphere includes, inter alia, veterinary services, animal husbandry, all existing experimental stations, irrigation water (i.e. usage of irrigation water which has been allocated for this purpose), scientific data, forestry, pasture and grazing, licensing and supervision of agriculture, the farming and marketing (including export and import) of crops, fruit and vegetables, nurseries, forestry products, and animal produce.

2. Irrigation water, as well as facilities, water resources, installations and networks used in agriculture are dealt with in Article 40 (Water and Sewage).

3. Relations in the agricultural sphere between the Israeli side and the Palestinian side, including the movement of agricultural produce, are dealt with in Annex V (Protocol on Economic Relations).

4. The two sides will cooperate in training and research, and shall undertake joint studies on the development of all aspects of agriculture, irrigation and veterinary services.

5. Forestry is part of the Agriculture sphere and is dealt with in Article 14 (Forests).

ARTICLE 2
Archaeology

1. Powers and responsibilities in the sphere of archaeology in the West Bank and the Gaza Strip will be transferred from the military government and its Civil Administration to the Palestinian side. This sphere includes, inter alia, the protection and preservation of archaeological sites, management, supervision, licensing and all other archaeological activities.

2. In Area C, powers and responsibilities related to the sphere of Archaeology will be transferred gradually to Palestinian jurisdiction that will cover West Bank and Gaza Strip territory except for the issues that will be negotiated in the permanent status negotiations, during the further redeployment phases, to be completed within 18 months from the date of the inauguration of the Council

3. The Palestinian side shall protect and safeguard all archaeological sites, take all measures necessary to protect such sites and to prevent damage to them and take all precautions when carrying out activities, including maintenance and construction activities, which may affect such sites.

4. A Joint Committee of experts from both sides shall be established by the CAC to deal with archaeological issues of common interest.

5. The Palestinian side shall respect academic freedom and rights in this sphere.

6. Subject to academic considerations, and in accordance with the law, when the Palestinian side grants excavation licenses to archaeologists, researchers and academics, it shall do so without discrimination.

7. The Palestinian side shall ensure free access to archaeological sites, open to the public without discrimination.

8. Both sides shall inform each other, through the Joint Committee, of the discovery of new archaeological sites in the West Bank and the Gaza Strip.

9. Each side undertakes upon itself to respect sites in the West Bank and the Gaza Strip which are regarded as holy, or which hold archaeological value. Each side shall have the right to raise issues relating to those sites before the Joint Committee which will consider the issue raised and reach an agreement upon such issue.

The sites listed in Schedule 1 are of archaeological and historical importance to the Israeli side. The Israeli side may notify the Palestinian side of other sites which shall be added to this list. The Palestinian side will take into consideration that actions which may affect these sites shall be referred to the Joint Committee for full cooperation.

10. In areas transferred to the territorial jurisdiction of the Palestinian side, the Israeli side shall provide the Palestinian side with all archaeological records, including, inter alia, a list of all excavated sites and a detailed list and description of archaeological artifacts found since 1967.

With due consideration to the Palestinian demand that Israel shall return all archaeological artifacts found in the West Bank and the Gaza Strip since 1967, this issue shall be dealt with in the negotiations on the final status.

11. a. Both sides shall take all necessary steps to prevent the theft of archaeological artifacts.

b. Both sides shall enforce the prohibitions on illegal trading in archaeological artifacts and shall, in this context, prevent any transfer of such artifacts to Israel or abroad.

c. In this regard, and with a view to safeguarding their common interests, Israel and the Palestinian side shall cooperate, exchange information and take necessary measures to combat the theft of, and illegal trade and transport of archaeological artifacts, including between areas under the territorial jurisdiction of the two sides, coordinating such activity through the Joint Committee.

ARTICLE 3
Assessments

Powers and responsibilities in the sphere of Assessments in the West Bank and the Gaza Strip will be transferred from the military government and its Civil Administration to the Palestinian side. This sphere includes, inter alia, the licensing of assessors.

ARTICLE 4
Banking and Monetary Issues

1. This sphere includes, inter alia, issues relating to foreign currency services, regulation, licensing, supervision and inspection of banking activities, and the regulation and supervision of capital activities, and powers and responsibilities relating to monetary policies, all as formulated in Annex V (Protocol on Economic Relations).

2. The Bank of Israel (BOI) shall furnish the Palestinian Monetary Authority (PMA) with the relevant information and reports relating to the activities of the banks operating in the West Bank prior to the transfer of powers and responsibilities in this sphere.

3. The BOI and the PMA will continue to have ongoing discussions and exchange of information on matters of mutual interest, including, in particular, banking and monetary issues.

4. The BOI and PMA will cooperate in order to facilitate the movement of "notes" between commercial banks and other financial institutions and between them and the PMA in, within and between the West Bank and the Gaza Strip.

ARTICLE 5
Civil Administration Employees

1. The Palestinian side will continue to employ the Palestinian employees of the Civil Administration who are currently employed without derogating from the powers and responsibilities of the Palestinian side to deal with all employee related matters. The Palestinian side shall maintain the rights, including pension rights, of present and former employees.

2. In accordance with Article XX of the Agreement (Rights, Liabilities and Obligations):

a. The Palestinian side shall assume the Civil Administration's statutory and contractual obligations towards Palestinian employees and pensioners, regarding their rights and the payment of their pensions, and Israel will cease to bear any financial responsibility in this regard.

b. If Israel is sued with regard to the aforesaid rights, the Palestinian side will reimburse Israel for the full amount awarded by any court or tribunal. The Israeli side shall notify the Palestinian side about any claim against it in this respect and shall enable the Palestinian side to participate in defending the claim.

3. a. The Palestinian side will deduct from the salaries and pensions paid in accordance with paragraph 1 above, those sums owing in respect of loan repayments to Yahav Bank for Government Employees Ltd., and will transfer these to Yahav bank through the Israeli side.

b. The Israeli side will provide the Palestinian side with a list detailing the monthly loan repayments to be deducted and transferred in respect of each employee or pension receiver under subparagraph 3.a above.

ARTICLE 6
Commerce and Industry

1. This sphere includes, inter alia, import and export, the planning, formulation and implementation of policies, as well as the licensing and supervision of all industrial and commercial activities, including commodities, services, weights and measures and the regulation of commerce.

2. In authorizing the establishment and operation of industrial plants, factories or concerns in the West Bank and the Gaza Strip, both sides shall ensure that there is no detrimental impact on the environment, and on the safety of the other side. Matters regarding the environment are dealt with in Article 12 (Environmental Protection).

3. The production and use of weapons, ammunition or explosives are dealt with in Article XIV of the Agreement and in Annex I.

4. The economic aspects of this sphere are dealt with in Annex V (Protocol on Economic Relations).

ARTICLE 7
Comptrol

Powers and responsibilities in the sphere of Comptrol in the West Bank and the Gaza Strip will be transferred from the military government and its Civil Administration to the Palestinian side.

This sphere includes, inter alia, the institution of controls and proper supervision over the activities of all offices of the Palestinian side, and the licensing of auditors.

ARTICLE 8
Direct Taxation

1. Powers and responsibilities in the sphere of Direct Taxation in the West Bank and the Gaza Strip will be transferred from the Israeli side to the Palestinian side. This sphere includes, inter alia, income tax on individuals and corporations, property taxes, municipal taxes and fees, in accordance with Article V of the Protocol on Economic Relations as replaced by Appendix I of the Supplement to the Protocol (hereinafter "Article V").

2. a. In Area C, the powers and responsibilities regarding property tax will be transferred gradually to Palestinian jurisdiction that will cover West Bank and Gaza Strip territory except for the issues that will be negotiated in the permanent status negotiations, during the further redeployment phases, to be completed within 18 months from the date of the inauguration of the

Council. However, the property tax will be collected by the Israeli side, in cooperation and coordination with the Palestinian side, and the income will be transferred to the Council.

b. The powers and responsibilities of the Israeli side for levying and collection of income tax and deduction at source, with regard to Israelis (including corporations in which the majority of shares which grant rights to distribution of profits are held by Israelis) in respect of income accrued or derived in Area C outside the Settlements and military locations, will be exercised according to the Palestinian tax code and the tax collected will be remitted to the Palestinian side.

3. Tax enforcement in the West Bank and the Gaza Strip shall be in accordance with applicable laws and in accordance with the provisions of this Agreement.

4. The provisions of this Article and of Article V shall be implemented on 1.1.96. The provisions set forth in paragraphs 5-8 of Article V shall be in force until 31.12.96, and will continue for an additional period upon the mutual agreement of the two tax authorities.

ARTICLE 9
Education and Culture

Powers and responsibilities in the sphere of Education and Culture in the West Bank and in the Gaza Strip will be transferred from the military government and its Civil Administration to the Palestinian side. This sphere includes, inter alia, responsibility over schools, teachers, higher education, special education and private, public, non-governmental and other cultural and educational activities, institutions and programs and all movable and immovable education property.

ARTICLE 10
Electricity

Both sides have agreed to continue the negotiations concerning the sphere of Electricity after the signing of this Agreement, with a view to reaching an agreement within three months, based on the following merged version, pending which the existing status quo in the sphere of electricity in the West Bank and the Gaza Strip shall remain unchanged. IEC personnel and equipment shall be guaranteed free, unrestricted and secure access to the electricity grid.

(Merged Version)

1. The Israeli side shall transfer to the Palestinian side, and the Palestinian side shall assume, all powers and responsibilities in this sphere [I: in Areas A and B] [P: in the West Bank] that are presently held by the military government and its Civil Administration, including the power to set tariffs and issue licenses [P:, as well as all existing property related to this sphere and the grid, as defined in paragraph 4]. [I: In Area C, powers and responsibilities relating to this sphere will be transferred gradually to Palestinian jurisdiction that will cover West Bank and Gaza Strip territory, except for the issues that will be negotiated in the permanent status negotiations, during

the further redeployment phases, to be completed within 18 months from the date of the inauguration of the Council.]

2. The Palestinian Energy Authority (PEA) will have the authority to issue licenses and to set rules, tariffs and regulations in order to develop electricity systems [I: under the responsibility of the Palestinian side] in the West Bank. In addition, the PEA shall have the right to construct transmission lines, distribution lines, power stations and the [I: Palestinian part of the] inter-regional electricity connection [I: scheme], in the West Bank. [I: Such construction which is intended to be connected or related to the IEC grid, or which is in Area C, shall be subject to prior Israeli consent.]

3. Pending the establishment of an independent Palestinian electricity supply system or of other supply sources, the Israel Electric Company (IEC) shall continue to supply the electricity in order to meet existing and future expected demand in the West Bank. All aspects of supply of electricity to the Palestinian side by IEC shall be dealt with in a commercial agreement, similar to commercial agreements and prices agreed upon for major bulk Israeli consumers.

4. For the purpose of this Article the term "grid" shall include lines, cables, transformers, substations, circuit-breakers, switches, protection devices and metering equipment, of all different voltage levels. [P: The grid in the West Bank shall be transferred to the Palestinian side] [I: IEC will retain full responsibility for the operation, maintenance and development of the IEC grid. For this purpose IEC personnel, vehicles and equipment shall be entitled to free, unrestricted and secure access to this grid.]

5. The Israeli side shall retain full responsibility for the [I: supply of electricity to the Israeli settlements and the military locations through the IEC grid.] [P: operation and maintenance of the electricity supply systems within the Israeli settlements and the military locations.]

6. [I: Subject to the terms of the commercial agreement referred to in paragraph 3 above, which shall include, inter alia, provisions concerning safety and technical standards, dedicated feeders and segments of lines branching from feeders supplying Palestinian consumers, will be transferred to the Palestinian side.] [P: The Israeli side shall transfer to the Palestinian side all existing property related to this sphere and the grid, as defined in paragraph 4, in the West Bank.]

7. The PEA will be authorized to implement, in the grid [I: under the responsibility of the Palestinian side] [P: in the West Bank], the outcome of the technical studies currently being undertaken concerning the following:

a. The rehabilitation of existing distribution systems.

b. Upgrading of protection systems.

c. Construction of control systems.

d. Implementation of transmission and distribution schemes.

8. Both sides shall establish a Joint Electricity Subcommittee. The functions of the committee shall be to deal with the issues of mutual interest concerning electricity and to implement the provisions of this Article including, inter alia: finalization of the commercial agreement, cooperation in technical issues and arrangements concerning the transfer of agreed systems.

[P:9. In light of the proposal that was submitted by President Arafat in the last round of negotiations which was later reassured by Mr. Peres, Israeli Foreign Minister, both sides shall agree on an international arbitration company to deal with the transfer of the electrical grid in the West Bank.]

ARTICLE 11
Employment

1. Powers and responsibilities of the Civil Administration in the sphere of Employment in the West Bank and the Gaza Strip will be transferred to the Palestinian side.

2. This sphere includes, inter alia, organizing and planning, from the Palestinian side, the employment of the Palestinians who work or intend to work in Israel and in the Settlements, as well as collecting information and building a data base.

3. The Palestinian side will provide the Israeli side with details of Palestinian workers seeking jobs in Israel and in the Settlements. When Israel makes positive decisions, Israel will issue the necessary permits.

4. The Israeli side will continue to provide the assistance currently granted to Palestinian workers who work in Israel or in the Settlements, regarding their social rights according to the prevailing laws.

5. A joint committee will be established after the signature of this Agreement to set the procedures and arrangements relating to this sphere and their implementation, including the matters of employment injuries.

6. Israel will provide the Palestinian side with lists of all Palestinian employees from whose wages Israel deducts health fees ("health stamp") and lists of retired Palestinian employees receiving pensions paid through the Payment Section of the Israeli Employment Service.

7. Israel will notify the Palestinian side of amendments made in the laws and regulations that relate to Palestinians employed in Israel or in the Settlements.

8. Issues relating to the placement and rights of the Palestinians employed in Israel are dealt with in Article VII of Annex V (Protocol on Economic Relations).

ARTICLE 12
Environmental Protection

A. Transfer of Authority

The Palestinian side and Israel, recognizing the need to protect the environment and to utilize natural resources on a sustainable basis, agreed upon the following:

1. This sphere includes, inter alia, licensing for crafts and industry, and environmental aspects of the following: sewage, solid waste, water, pest control (including anti-malaria activities), pesticides and hazardous substances, planning and zoning, noise control, air pollution, public health, mining and quarrying, landscape preservation and food production.

2. The Israeli side shall transfer to the Palestinian side, and the Palestinian side shall assume, powers and responsibilities in this sphere, in the West Bank and the Gaza Strip that are presently held by the Israeli side, including powers and responsibilities in Area C which are not related to territory.

In Area C, powers and responsibilities in this sphere related to territory (which only include environmental aspects of sewage, solid waste, pesticides and hazardous substances, planning and zoning, air pollution, mining and quarrying and landscape preservation) will be transferred gradually to Palestinian jurisdiction that will cover West Bank and Gaza Strip territory except for the issues that will be negotiated in the permanent status negotiations, during the further redeployment phases, to be completed within 18 months from the date of the inauguration of the Council.

B. Cooperation and Understandings

3. Both sides will strive to utilize and exploit the natural resources, pursuant to their own environmental and developmental policies, in a manner which shall prevent damage to the environment, and shall take all necessary measures to ensure that activities in their respective areas do not cause damage to the environment of the other side.

4. Each side shall act for the protection of the environment and the prevention of environmental risks, hazards and nuisances including all kinds of soil, water and air pollution.

5. Both sides shall respectively adopt, apply and ensure compliance with internationally recognized standards concerning the following: levels of pollutants discharged through emissions and effluents; acceptable levels of treatment of solid and liquid wastes, and agreed ways and means for disposal of such wastes; the use, handling and transportation (in accordance with the provisions of Article 38 (Transportation)) and storage of hazardous substances and wastes (including pesticides, insecticides and herbicides); and standards for the prevention and abatement of noise, odor, pests and other nuisances, which may affect the other side.

6. Each side shall take the necessary and appropriate measures to prevent the uncontrolled discharge of wastewater and/or effluents to water sources, water systems and water bodies, including groundwater, surface water and rivers which may affect the other side, and to promote the proper treatment of domestic and industrial wastewater, as well as solid and hazardous wastes.

7. Both sides shall ensure that a comprehensive Environmental Impact Assessment (EIA) shall be conducted for major development programs, including those related to industrial parks and other programs detailed in Schedule 2.

8. Both sides recognize the importance of establishing new industrial plants in their respective areas within planned and approved industrial zones, subject to the preparation of comprehensive EIAs, and shall endeavor to ensure compliance with the above.

9. Both sides recognize the importance of taking all necessary precautions to prevent water and soil pollution, as well as other safety hazards in their respective areas, as a result of the storage and use of gas and petroleum products, and shall endeavor to ensure compliance with the above.

10. Pending the establishment of appropriate alternative sites by the Palestinian side, disposal of chemical and radioactive wastes will be only to the authorized sites in Israel, in compliance with existing procedures in these sites. The construction operation and maintenance of the alternative facilities will follow internationally accepted guidelines, and will be implemented pursuant to the preparation of EIAs.

11. Both sides shall cooperate in implementing the ways and means required to prevent noise, dust and other nuisances from quarries, which may affect the other side. To this end the Palestinian side shall take all necessary and appropriate measures, in accordance with the provisions of this Agreement, against any quarry that does not meet the relevant environmental standards.

12. Both sides recognize the importance of taking all necessary and appropriate measures in their respective areas for the monitoring and control of insect-transmitted diseases including sand flies, anopheles and all other mosquito species, and shall endeavor to ensure compliance with the above.

13. Both sides shall cooperate in implementing internationally accepted principles and standards relating to environmental issues of global concern, such as the protection of the ozone layer.

14. Israel and the Palestinian side shall cooperate in implementing principles and standards, which shall conform with internationally accepted principles and standards, concerning the protection of endangered species and of wild fauna and flora, including restriction of trade, conservation of migratory species of wildlife and preservation of existing forests and nature reserves.

15. Israel and the Palestinian side shall respectively operate an emergency warning system in order to respond to events or accidents which may generate environmental pollution, damage or hazards. A mechanism for mutual notification and coordination in cases of such events or accidents will be established.

16. Recognizing the unsatisfactory situation of the environment in the West Bank, and further recognizing the mutual interest in improving this situation, Israel shall actively assist the Palestinian side, on an ongoing basis, in attaining this goal.

17. Each side shall promote public awareness on environmental issues.

18. Both sides shall work on appropriate measures to combat desertification.

19. Each side shall control and monitor the transfer of pesticides and any internationally banned and restricted chemicals in their respective areas.

20. Each side shall reimburse the other for environmental services granted in the framework of mutually agreed programs.

21. Both sides shall cooperate in the carrying out of environmental studies, including a profile, in the West Bank.

22. For the mutual benefit of both sides, the relevant Israeli authorities and the Palestinian Environmental Protection Authority and/or other relevant Palestinian authorities shall cooperate in different fields in the future.

Both sides will establish an Environmental Experts Committee for environmental cooperation and understandings.

ARTICLE 13
Fisheries

1. This sphere includes, inter alia, licensing of fishermen, marine agriculture and vessels' permits, in the Gaza Strip.

2. Security restrictions are dealt with in Article XIV (Security along the Coastline to the Sea of Gaza) of Annex I.

ARTICLE 14
Forests

1. Powers and responsibilities in the sphere of Forests in the West Bank and the Gaza Strip shall be transferred from the military government and its Civil Administration to the Palestinian side. This sphere includes, inter alia, the establishment, administration, supervision, protection, and preservation of all forests (planted and unplanted).

2. In Area C, powers and responsibilities related to the sphere of Forests will be transferred gradually to Palestinian jurisdiction that will cover West Bank and Gaza Strip territory except for the issues that will be negotiated in the permanent status negotiations, during the further redeployment phases, to be completed within l8 months from the date of the inauguration of the Council.

3. The Palestinian side shall safeguard, protect and preserve all forests in the West Bank and the Gaza Strip. The Palestinian side shall take all necessary measures to ensure the protection and prevention of damage to said forests.

4. The Palestinian side shall have the right to plant new forests for, inter alia, protection of soil from erosion and desertification, and landscaping purposes, bearing in mind safety and security considerations concerning main roads and infrastructure.

5. Both sides shall cooperate in matters regarding the protection and preservation of forests, including fire extinguishing and pest control, and shall exchange information on issues relating to pests, diseases and scientific research.

6. The Israeli side shall coordinate with the Palestinian side activities in Area C, outside Settlements and military locations, which may change the existing status of this sphere.

ARTICLE 15
Gas, Fuel and Petroleum

1. a. This sphere includes, inter alia, the planning, formulation and implementation of policies, as well as the licensing and supervision of gas, fuel and petroleum facilities. For the purposes of this paragraph, "gas, fuel and petroleum facilities" shall include, inter alia, all gas and petrol stations, installations, terminals and infrastructure, as well as agencies for the marketing, distribution, transportation, storage, sale or supply of gas, fuel or petroleum products. This sphere also includes the licensing and supervision of the import, export, and transportation in addition to the exploration, production and distribution of gas, fuel and petroleum.

b. In Area C, powers and responsibilities regarding exploration and production of oil and gas shall be transferred gradually to Palestinian jurisdiction that will cover West Bank and Gaza Strip territory except for the issues that will be negotiated in the permanent status negotiations during the further redeployment phases, to be completed within 18 months from the date of the inauguration of the Council.

2. In authorizing the establishment and operation of gas, fuel and petroleum facilities as defined in paragraph 1, the Palestinian side shall ensure that there is no detrimental impact on the environment or on the safety of Israel, the Settlements and military installations and that a safety distance from Israel, the Settlements and military installations is observed. Accordingly, the Palestinian side shall apply the American, British and/or Israeli safety and environmental standards.

3. The color of all gas cylinders in use by Palestinians in the West Bank and the Gaza Strip shall be different than that in use in Israel and by Israelis.

4. a. The Palestinian side will notify the Israeli side of any exploration and production of oil and gas carried out by the Palestinian side or with its permission.

b. Israel and the Palestinian side agree to cooperate concerning production of oil and gas in cases of joint geological structures.

5. a. All transportation of gas or fuel products, in Israel and in the West Bank and the Gaza Strip, shall be in accordance with the respective laws applying which, in any event, shall not fall short

of the international requirements and standards concerning safety and environmental protection as applied by Israel. The transportation of gas and fuel products into Israel, the Settlements and military installations shall further be subject to the requirements and modalities regarding entry into Israel.

b. In order to facilitate the movement of transportation of gas or fuel products in the West Bank and the Gaza Strip -

(1) The Palestinian side will issue permits to Palestinian owners, drivers and escorts of vehicles transporting gas or fuel products. The issue of such permits shall be governed by the criteria regarding recruitment to the Palestinian police according to this Agreement. The issue of such permits is not contingent upon the approval of the Israeli side. The Palestinian side shall notify the Israeli side of the permits issued by it.

(2) The Palestinian side shall ensure that vehicles transporting gas or fuel products, as well as their parking lots, shall be guarded against any theft or unauthorized use.

The Palestinian side shall inform the Israeli side, at the earliest opportunity, of any suspected theft or unauthorized use of such vehicles.

6. The Israeli side shall cooperate with the Palestinian side with regard to the establishment by the Palestinian side of 3-4 storage facilities for gas and petroleum, including in facilitating, inter alia, location, land and technical assistance in order to secure the purchasing needs of the Palestinians from the Israeli market.

7. Matters regarding the environment and transportation are dealt with in Article 12 (Environmental Protection) and Article 38 (Transportation), respectively.

ARTICLE 16
Government and Absentee Land and Immovables

1. Powers and responsibilities of the Custodian of Government and Absentee Property (hereinafter "the Custodian") in the West Bank and the Gaza Strip with regard to Government and Absentee Land and immovables, shall be transferred from the military government and its Civil Administration to the Palestinian side.

2. In Area C, powers and responsibilities relating to this sphere will be transferred gradually to Palestinian jurisdiction that will cover West Bank and Gaza Strip territory, except for the issues that will be negotiated in the permanent status negotiations, during the further redeployment phases, to be completed within 18 months from the date of the inauguration of the Council.

3. The Palestinian side shall respect the legal rights of Israelis (including corporations owned by Israelis) related to Government and Absentee land located in the areas under the territorial jurisdiction of the Council.

4. a. The Palestinian courts shall be empowered to deal with disputes regarding rights relating to land.

b. Notwithstanding the above, when an Israeli or a Palestinian considers that his or her rights may be affected by any enforcement, confirmation or registration proceedings, he or she may request, within 30 days from the receipt of the information by the CAC in accordance with subparagraph c. below, that the issue be brought before a Professional Joint Committee established by the two sides (hereinafter - "the Joint Committee"), prior to the carrying out of such proceedings. The Joint Committee shall convene within 14 days from the submission of the objection to deal with all the relevant aspects pertaining to the issue and decide whether to approve the carrying out of the proceedings regarding which the objection has been submitted.

Pending an approval by the Joint Committee, no enforcement, confirmation or registration, regarding which the objection has been put forward, may be carried out or registered in the Land Registry or in any other relevant registry.

c. For the purpose of this paragraph, the Palestinian side shall, at the earliest opportunity, provide the CAC with the information regarding any judgment or any request for enforcement, confirmation or registration (including First Registration of land), which may affect the rights of Israelis.

ARTICLE 17
Health

1. Powers and responsibilities in the sphere of Health in the West Bank and the Gaza Strip will be transferred to the Palestinian side, including the health insurance system.

2. The Palestinian side shall continue to apply the present standards of vaccination of Palestinians and shall improve them according to internationally accepted standards in the field, taking into account WHO recommendations. In this regard, the Palestinian side shall continue the vaccination of the population with the vaccines listed in Schedule 3.

3. The Palestinian side shall inform Israel of any Israeli hospitalized in a Palestinian medical institution upon his or her admission. Arrangements for moving such hospitalized Israelis shall be agreed upon in the joint committee.

4. The Palestinian side, on the one hand, and the Israeli Ministry of Health or other Israeli health institutions, on the other, shall agree on arrangements regarding treatment and hospitalization of Palestinians in Israeli hospitals.

5. The Israeli authorities shall endeavor to facilitate the passage of Palestinian ambulances within and between the West Bank and the Gaza Strip and Israel, subject to the provisions of Annex I.

6. Israel and the Palestinian side shall exchange information regarding epidemics and contagious diseases, shall cooperate in combating them and shall develop methods for exchange of medical files and documents.

7. The health systems of Israel and of the Palestinian side will maintain good working relations in all matters, including mutual assistance in providing first aid in cases of emergency, medical instruction, professional training and exchange of information.

8. a. The Palestinian side shall act as guarantor for all payments for Palestinian patients admitted to Israeli medical institutions, on condition that they receive prior approval from the Palestinian health authorities.

b. Notwithstanding the above, in all cases of the emergency hospitalization in Israel of a sick or injured Palestinian not arranged in advance via the Ministry of Health of the Council, the Israeli hospital shall report to the Palestinian side directly and immediately, and in any case not more than 48 hours after the admission, the fact of the admission and the person's condition and diagnosis. The report shall be made by telephone and fax and the Israel Ministry of Health shall be informed at the same time.

Within 24 hours of the receipt of the said report, the Palestinian side must either give an undertaking to cover all the costs of the hospitalization or remove the patient, by its own means, to a Palestinian hospital.

Should the Palestinian side have done neither of these in the given time, the Israeli hospital shall remove the patient in an Israeli vehicle and charge all costs to the Palestinian side at the accepted Israeli rate.

In all cases, the Palestinian side shall cover all hospitalization costs from admission to discharge to the territory of the Palestinian side.

Should the Israeli hospital not report as required to the Palestinian side, the hospital itself shall bear all costs.

9. A committee established through the CAC shall facilitate coordination and cooperation on health and medical issues between the Palestinian side and Israel.

10. Imports of pharmaceutical products to the West Bank and the Gaza Strip shall be in accordance with general arrangements concerning imports and donations, as dealt with in Annex V (Protocol on Economic Relations).

ARTICLE 18
Indirect Taxation

1. This sphere includes, inter alia, VAT, purchase taxes on local production and import taxes, as well as any other indirect taxes, as formulated in Annex V (the Protocol on Economic Relations).

2. In order to foster regional trade between the Palestinian territories and external markets, various storage facilities can be established at the entry points at the Rafah and Allenby Bridge terminals, for temporary storage purposes (by Palestinian companies and the Palestinian Customs Department) before the customs clearance of goods. The specific locations and arrangements for the above will be agreed upon by the Joint Economic Committee.

The administration of these storage facilities will be according to the provisions relating to freight shipments detailed in Article III of Annex V (the Protocol on Economic Relations). Detailed arrangements and procedures will be agreed upon between the two sides.

3. If there will be additional entry points in which paragraph 14.a of Article III of Annex V will be implemented, additional storage facilities as those detailed in paragraph 2 above can be established there too.

4. While ongoing permanent Israeli businesses situated in Area C outside the Settlements and military locations will be registered for VAT purposes with the Israeli side, the rules of Palestinian VAT legislation will apply to these businesses and the Israeli side will transfer to the Palestinian side the net VAT collected from these businesses after deduction of their refunds. The above will be coordinated with the Palestinian side.

For this purpose, an Israeli includes a corporation in which the majority of shares which grant rights to distribution of profits are held by Israelis.

5. Tax enforcement in the West Bank and the Gaza Strip shall be in accordance with applicable laws and in accordance with this Agreement.

ARTICLE 19
Insurance

1. This sphere includes, inter alia, the licensing of insurers and insurance agents, and the supervision of their activities, including supervision of insurers' deposits and funds and the road safety fund.

2. Arrangements regarding the compulsory insurance of motor vehicles and the compensation of road accident victims are dealt with in Article XI (Insurance Issues) of Annex V (Protocol on Economic Relations) (hereinafter: Article XI).

3. a. The Existing Fund, as defined in Article XI, shall be transferred to the Palestinian side. This transfer will include all the Existing Fund's assets and liabilities.

b. The Palestinian side shall be responsible for all liabilities of the Existing Fund whether arising from accidents occurring prior or subsequent to the date of transfer.

c. Accordingly, Israel will cease to bear any financial responsibility in this respect. If Israel is sued with regard to the aforesaid liabilities, the Palestinian side will reimburse Israel for the full amount awarded by any court or tribunal. The Israeli side shall notify the Palestinian side about

any claim against it in this respect and shall enable the Palestinian side to participate in defending the claim.

4. With a view to assisting the Palestinian side to deal with claims against the Existing Fund, the following provisions shall apply:

a. A joint experts committee shall be established to examine claims against the existing fund (hereinafter "the joint committee")

b. Without prejudice to paragraph 3.c above, the Joint Committee shall examine and estimate whether the assets of the Existing Fund are sufficient to meet its liabilities as they stand on the day of the transfer (in the Gaza Strip and Jericho Area - the 4th of May 1994; in the West Bank - the 10th of September 1995). In the event that the Joint Committee concludes that the Existing Fund's assets are not sufficient to meet its liabilities, the Israeli side shall cover the agreed deficit, including claims incurred but not reported (IBNR).

If the Joint Committee is unable to agree on the above amount, the matter shall be referred to the JEC (Joint Economic Committee).

c. The Joint Committee shall submit recommendations to the Palestinian side concerning administrative or legal changes with a view to expediting settlement of the claims.

d. The Joint Committee shall conclude its work within three months. The two sides may agree on a one time extension for another three months.

5. Additionally, the Israeli side will provide to the Palestinian side all the necessary assistance with regard to the Existing Fund, and advice and consultation when requested.

6. All claims, including pending claims, against the Existing Fund should not be brought before or heard by any Israeli court or tribunal and should only be brought before the Palestinian Courts. To this end, the two sides may take all necessary measures, including, if possible, the enactment of legislation.

ARTICLE 20
Interior Affairs

1. Powers and responsibilities in the sphere of Interior Affairs in the West Bank and the Gaza Strip will be transferred from the military government and its Civil Administration to the Palestinian side. This sphere includes, inter alia licensing of newspapers and publications and censorship of films and plays.

2. Municipal affairs are dealt with in Article 24 (Local Government).

ARTICLE 21
Labor

1. The sphere of Labor includes, inter alia, rights of workers, labor relations, labor conciliation, safety and hygiene in work places, labor accidents and compensation, vocational and professional training courses, cooperative associations, professional work associations and trade unions, heavy machinery equipment.

2. The two sides shall establish agreed procedures for mutual recognition of professional certificates and diplomas.

3. The Palestinian side shall ensure the completion of vocational and professional training courses currently being conducted by the Civil Administration. In this regard, the Civil Administration shall transfer to the Palestinian side a proportionate amount of fees received on account of such courses, relating to the period following the date of transfer.

4. The Palestinian side shall continue to hold vocational training courses, at least to the same extent as has been undertaken by the Civil Administration, inter alia, in the following professions: heavy-vehicle and public transport drivers, garage managers, vehicle technicians, vehicle testers, driving teachers and driving school managers.

5. Cooperative Associations, Professional Work Associations and Trade Unions should act in a manner that does not violate the Cooperative Associations laws, the Professional Work Associations laws and the Trade Unions laws.

6. The Palestinian side shall inform the Israeli side of any work related accident resulting in the injury of an Israeli. The Israeli side may conduct an investigation of such an accident in coordination with the Palestinian side.

7. All matters regarding the production and use of explosives and gunpowder shall be dealt with in Article XIV of this Agreement and Annex I.

ARTICLE 22
Land Registration

1. Powers and responsibilities in the sphere of Land Registration in the West Bank and the Gaza Strip will be transferred from the military government and its Civil Administration to the Palestinian side. This sphere includes, inter alia, registration in the Land Registry of real estate transactions, First Registrations of land, registration of courts' decisions, registration of parcelations pursuant to the Towns, Villages and Buildings Planning Law, No. 79, of 1966, and the administration of Land Registry offices and processes.

2. In Area C, powers and responsibilities relating to this sphere will be transferred gradually to Palestinian jurisdiction that will cover West Bank and Gaza Strip territory, except for the issues that will be negotiated in the permanent status negotiations, during the further redeployment phases, to be completed within 18 months from the date of the inauguration of the Council.

3. The Palestinian side shall respect the legal rights of Israelis (including corporations owned by Israelis) related to lands located in the areas under the territorial jurisdiction of the Council.

4. a. The Palestinian courts shall be empowered to deal with disputes regarding ownership of or rights relating to land.

b. Notwithstanding the above, when an Israeli or a Palestinian considers that his or her rights may be affected by any enforcement, confirmation or registration proceedings, he or she may request, within 30 days from the receipt of the information by the CAC in accordance with subparagraph c. below, that the issue be brought before a Professional Joint Committee established by the two sides (hereinafter - "the Joint Committee"), prior to the carrying out of such proceedings. The Joint Committee shall convene within l4 days from the submission of the objection to deal with all the relevant aspects pertaining to the issue and decide whether to approve the carrying out of the proceedings regarding which the objection has been submitted.

Pending an approval by the Joint Committee, no enforcement, confirmation or registration, regarding which the objection has been put forward, may be carried out or registered in the Land Registry or in any other relevant registry.

c. For the purpose of this paragraph, the Palestinian side shall, at the earliest opportunity, provide the CAC with the information regarding any judgment or any request for enforcement confirmation or registration (including First Registration of land), which may affect the rights of Israelis.

ARTICLE 23
Legal Administration

l. Powers and responsibilities in the sphere of legal administration shall be transferred from the military government and its Civil Administration to the Palestinian Side.

2. This sphere includes, inter alia:

a. administration, planning and management of the Palestinian Judicial system and its different organs;

b. appointment of judges;

c. licensing and supervision of lawyers;

d. licensing and supervision of public notaries, and

e. registration of companies and intellectual property rights, including, but not limited to, patents and trademarks.

3. Registration of Companies:

a. The Israeli side shall transfer to the Palestinian side the Register of Companies in the West Bank.

b. Each side shall allow persons or legal entities of the other side to register companies in its register. c. Each side shall ensure that its Register of Companies is open to the public for information.

d. Each side will provide the other side, upon request, and on a case-by-case basis, with updated information regarding the registration of companies, share ownership, charges and other relevant information held by their respective registrars of companies.

The two sides shall agree on arrangements for the exchange of updated information regarding the registration of companies.

4. Intellectual Property Rights:

a. Intellectual property rights include, inter alia, patents, industrial designs, trademarks, copyright and related rights, geographical indications and undisclosed information.

b. (1) Each side shall use its best efforts to adopt in its legislation standards of protection of intellectual property compatible with those in the GATT Agreement on Trade Related Aspects of Intellectual Property (hereinafter "GATT-TRIPS").

(2) Each side will strive to establish an adequate system for the examination of applications for registration of intellectual property rights compatible with those in GATT-TRIPS.

c. Each side will recognize the copyright and related rights in original "literary and artistic works", including in particular, musical works, computer programs and audio and visual recordings, legally originating in the areas under the jurisdiction of the other side.

d. Each side will recognize the undisclosed information rights originating in the areas under the jurisdiction of the other side.

e. (1) In view of the free movement of industrial goods between Israel on the one hand and the West Bank and Gaza Strip on the other, each side when processing applications submitted by any resident or legal entity of the other side for the registration of patents, industrial designs, trade marks and geographic indications (hereinafter "Registered Rights"), shall expedite the examination process including publication for objections, for Registered Rights existing and in force in both areas, on the date of the transfer of powers and responsibilities in the sphere of legal administration.

(2) In the event of a dispute between the registration of Registered Rights in Israel and their registration in the West Bank and Gaza Strip the registration of each side will apply in the areas under its jurisdiction.

f. In the interest of promoting investment in the region, and in order to facilitate the protection by registration of intellectual property rights, the Palestinian side will, when processing applications for registration, take account of the fact that a particular right has been examined elsewhere.

g. Without prejudice to the provisions contained in Annex IV (Protocol concerning Legal Affairs), each side will extend its administrative and judicial protection to intellectual property right-holders of the other side. The purpose of this protection is to permit effective action against any act of infringement of intellectual property rights under this Agreement, including expeditious remedies to prevent infringements, and remedies which constitute a deterrent to future infringements.

h. The two sides will provide each other on a case-by-case basis with information regarding the registration of Registered Rights held by their respective Registrars of intellectual property rights.

i. Both sides shall ensure that their Registers are open to the public.

5. Legal issues regarding criminal and civil jurisdiction of the Palestinian courts are dealt with in Annex IV (Protocol concerning Legal Matters).

ARTICLE 24
Local Government

l. This sphere includes, inter alia, formulation and implementation of Local Government policies, appointment of Local Government officials, approval of Local Government budgets, tenders, acquisitions, fees and tariffs, alteration of Local Government boundaries, creation and dissolution of Local Government, Local Government election processes, Local Government inspections and the creation of joint service councils, city councils, in their capacity as local planning committees, and the operation and maintenance of the municipal water and electricity distribution systems and pricing of these services.

The term "Local Government" in this Article includes municipal councils, village councils and all other communities which lack municipal status.

2. The Palestinian side has the right to make any and all alterations to the Local Government boundaries in the West Bank, within areas A and B as defined in this Agreement.

3. Issues relating to the provision of Local Government services to Settlements and to installations serving the Israeli military forces, are dealt with in the relevant Articles of this Appendix.

4. The Palestinian side shall give notice to the Israeli side of any Local Government elections. With a view to avoiding friction in the context of such elections, special security arrangements will be agreed in the security liaison mechanism.

5. In addition to the existing powers and responsibilities of a city council, in its capacity as local planning committee, it shall also be authorized to issue building permits for various purposes, including factories, hospitals and schools, in accordance and subject to existing detailed planning schemes in force.

6. Municipal authorities shall continue to supply water and electricity from existing systems in accordance with existing quantities and practices.

7. Matters regarding planning and zoning, water and electricity are dealt with in Article 27 (Planning and Zoning), Article 40 (Water and Sewage) and Article 10 (Electricity), respectively.

ARTICLE 25
Nature Reserves

1. Powers and responsibilities in the sphere of Nature Reserves in the West Bank and the Gaza Strip will be transferred from the military government and its Civil Administration to the Palestinian side and shall be assumed by it, including, inter alia, the establishment, declaration, administration, supervision, protection and preservation of Nature Reserves and of animal species, natural assets and plants.

2. In Area C, powers and responsibilities related to the sphere of Nature Reserves will be transferred gradually to Palestinian jurisdiction that will cover West Bank and Gaza Strip territory except for the issues that will be negotiated in the permanent status negotiations, during the further redeployment phases, to be completed within 18 months from the date of the inauguration of the Council.

3. The Palestinian side shall safeguard and preserve the Nature Reserves in accordance with established scientific standards.

4. The two sides shall agree on methods of cooperation regarding the protection and preservation of Nature Reserves, through a Joint Committee of Experts from the two sides. This cooperation shall include exchange of information and data regarding issues such as animal and plant diseases, pests, and scientific research.

5. The two sides shall each take appropriate measures in order to protect Nature Reserves, Protected Natural Assets and species of animals, plants and flowers of special breeds, as well as to implement rules of behavior in Nature Reserves.

6. Each side shall enforce, within the areas under its responsibility, the regulations pertaining to hunting, and in particular the prohibition on hunting of protected and endangered species.

7. The Israeli side shall coordinate with the Palestinian side activities in Area C outside Settlements and military locations, which may change the existing status of this sphere.

ARTICLE 26
Parks

1. Powers and responsibilities in the sphere of Parks in the West Bank and the Gaza Strip will be transferred from the military government and its Civil Administration to the Palestinian side including, inter alia, the establishment, administration, supervision, protection, and development of Parks.

2. In Area C, powers and responsibilities relating to this sphere will be transferred gradually to Palestinian jurisdiction that will cover West Bank and Gaza Strip territory, except for the issues that will be negotiated in the permanent status negotiations, during the further redeployment phases, to be completed within 18 months from the date of the inauguration of the Council.

3. Each side, within the area under its responsibility, shall implement rules of behavior in Parks, and shall take necessary measures to avoid detrimental impacts on the scenery, and natural and cultural attractions.

4. The two sides shall make arrangements, including in matters relating to finance, for the mutual recognition of multi-site tickets issued by either side.

5. The above is without prejudice to the provisions of Article 32 (Religious Sites) and Article 2 (Archaeology).

6. The Israeli side shall coordinate with the Palestinian side activities in Area C, outside Settlements and military locations, which may change the existing status of this sphere.

ARTICLE 27
Planning and Zoning

1. Powers and responsibilities in the sphere of Planning and Zoning in the West Bank and the Gaza Strip shall be transferred from the military government and its Civil Administration to the Palestinian side. This includes initiating, preparing, amending and abrogating Planning Schemes, and other legislation pertaining to issues regulated by Planning Schemes (hereinafter: "Planning Schemes") issuing building permits and supervising and monitoring building activities.

2. In Area C, powers and responsibilities related to the sphere of Planning and Zoning will be transferred gradually to Palestinian jurisdiction that will cover West Bank and Gaza Strip territory except for the issues that will be negotiated in the permanent status negotiations, during the further redeployment phases, to be completed within 18 months from the date of the inauguration of the Council.

3. a. The Palestinian side shall ensure that no construction close to the Settlements and military locations will harm, damage or adversely affect them or the infrastructure serving them.

b. Accordingly, when the Palestinian side considers that a proposed Planning Scheme pertains to construction which may fall within subparagraph a. above (in particular: waste disposal sites; electric power stations and projects regarding sewage, hazardous materials or which may have a polluting impact), it shall provide the CAC with a copy of such a Planning Scheme prior to its entry into force.

A sub-committee established by the CAC shall, upon request by the Israeli side, discuss such Planning Scheme. Pending the decision of the committee, planning procedures shall not be concluded and no building activity shall be carried out pursuant to the said Planning Scheme.

ARTICLE 28
Population Registry and Documentation

1. Powers and responsibilities in the sphere of population registry and documentation in the West Bank and the Gaza Strip will be transferred from the military government and its Civil Administration to the Palestinian side.

2. The Palestinian side shall maintain and administer a population registry and issue certificates and documents of all types, in accordance with and subject to the provisions of this Agreement. To this end, the Palestinian side shall receive from Israel the population registry for the residents of the West Bank and the Gaza Strip in addition to files and records concerning them, as follows:

- Notices of births.

- Old handwritten records of births and deaths and the indexes from 1918 till 1981.

- Photographs file with all its equipment.

- All computer devices and equipment with all accessories (screens, printers and communications equipment).

3. A Joint Committee will be established to solve the reissuance of identity cards to those residents who have lost their identity cards.

4. The existing identity card of the present residents, as well as of new residents, shall be substituted by a new identity card with a new I.D. number. Such substituted identity cards shall be issued by the Palestinian side and shall bear its symbols. New identification numbers may be issued by the Palestinian side a year after the signing of this Agreement. The new identification numbers and the numbering system will be transferred to the Israeli side. All titles and values in such identity cards will be in Arabic and Hebrew, and the number of such identity cards will be in Arabic numerals (i.e. 0-9).

5. Possession of the aforementioned identity card, whether it was issued by the military government and its Civil Administration or substituted or issued by the Palestinian side, and any other necessary documents, notification of which will be given to the Palestinian side through the

CAC, shall be required for entry into Israel by residents.

6. Safe passage between the Gaza Strip and the West Bank, as provided for in Annex I, shall require the possession of the aforementioned identity card, whether it was issued by the military government and its Civil Administration or substituted or issued by the Palestinian side, and any other necessary documents, notification of which will be given to the Palestinian side through the CAC.

7. Israel recognizes the validity of the Palestinian passports/travel documents issued by the Palestinian side to Palestinian residents of the West Bank and the Gaza Strip in accordance with the Gaza-Jericho Agreement and this Agreement. Such passports/travel documents shall entitle their holders to exit abroad through the passages or through Israeli points of exit.

8. The holder of a VIP Palestinian passport/travel document will pass the international passages free of the fees and will enjoy VIP treatment in the Israeli international exit points.

9. Special VIP certificates may be issued as concluded in the Protocol regarding Arrangements with respect to Passages of October 31, 1994, and in this Agreement.

10. In order to ensure efficient passage procedures and to avoid discrepancies and with a view to enabling Israel to maintain an updated and current registry, the Palestinian side shall provide Israel, on a regular basis through the CAC, with the following information regarding passports/travel documents and identity cards:

a. With respect to passports/travel documents: full name, mother's name, ID number, date of birth, place of birth, sex, profession, passport/travel document number and date of issue and a current photograph of the person concerned.

b. With respect to identity cards: identity card number, full name, mother's name, date of birth, sex and religion and a current photograph of the person concerned.

The Palestinian side shall inform Israel of every change in its population registry, including, inter alia, any change in the place of residence of any resident.

ll. To reflect the spirit of the peace process, the Palestinian side has the right, with the prior approval of Israel, to grant permanent residency in the West Bank and the Gaza Strip to:

a. investors, for the purpose of encouraging investment;

b. spouses and children of Palestinian residents, and

c. other persons, for humanitarian reasons, in order to promote and upgrade family reunification.

12. The Palestinian side shall have the right to register in the population registry all persons who were born abroad or in the Gaza Strip and West Bank, if under the age of sixteen years and either of their parents is a resident of the Gaza Strip and West Bank.

13. a. Persons from countries not having diplomatic relations with Israel who visit the Gaza Strip and the West Bank shall be required to obtain a special visitor's permit to be issued by the Palestinian side and cleared by Israel. Requests for such permits shall be filed by any relative or acquaintance of the visitor, who is a resident, through the Palestinian side, or by the Palestinian side itself. All titles and values in such permits will be in English.

b. Visitors to the Gaza Strip and the West Bank shall be permitted to remain in these areas for a period of up to three months granted by the Palestinian side and cleared by Israel. Such visitors can enter Israel during the validity of their visit permit, without any need for another permit.

The Palestinian side may extend this three months period for an additional period of up to four months. The Palestinian side will notify Israel of this extension. Any further extensions require the approval of Israel.

The Palestinian side may, upon clearance by Israel, issue visitors' permits for the purpose of study or work, for a period of one year which may be extended by agreement with Israel. In any event, the duration of such visitors' permits shall not exceed the period of validity of the said visitors' passports or travel documents. The Palestinian side may grant permanent residency to the employees upon agreement with Israel.

14. Persons from countries having diplomatic relations with Israel who visit the Gaza Strip and the West Bank shall either be required to obtain the aforementioned visitor's permit or to hold a valid passport and an Israeli visa, when required. Such visitors can enter Israel during the validity of their visit permit, without any need for another permit.

15. The Palestinian side shall ensure that visitors referred to above shall not overstay the duration of their entry permit and authorized extensions.

16. The Palestinian side shall use, in the West Bank and the Gaza Strip, Palestinian revenue stamps and shall determine their required fees.

17. The CAC will establish a subcommittee to supervise the implementation of this Article.

ARTICLE 29
Postal Services

1. This sphere includes, inter alia, the planning, formulation and implementation of policies, as well as the management and supervision of post offices, postal services and all monetary transactions and activities in postal units (publicly known as "the Postal Bank").

2. The Palestinian side shall issue postage stamps and postal stationery (hereinafter "stamps"), date stamps and all other related materials, subject to the following provisions:

a. Stamps shall include only the terms "the Palestinian Council" or "the Palestinian Authority", the face value and the subject. Should date stamps include the name of the issuing authority, only the abovementioned terms may be used.

b. The face value shall be stated only in one of the agreed legal currencies circulating in the West Bank and the Gaza Strip as detailed in Annex V (Protocol on Economic Relations).

c. The design, symbols, wording and subjects of stamps and date stamps issued by the Palestinian side will be in the spirit of the peace.

3. In setting postal rates for international postal services, both sides shall coordinate in such a way as to prevent mutual economic harm.

4. Both sides shall ensure the efficient transmission and delivery of postal items, including parcels, destined for or originating from the other side. Similarly, they shall ensure the efficient transmission and delivery of such postal items arriving from, or destined for, foreign countries.

5. The modalities and arrangements for sending and receiving all postal items, including parcels, between the two sides will be arranged by means of a commercial agreement between the Israel Postal Authority and the Palestinian side.

6. a. The modalities and arrangements for sending and receiving postal items, including parcels, between the Palestinian side and foreign countries, will be arranged by means of commercial agreements between the

PLO, for the benefit of the Palestinian side, and the Postal Authorities of Jordan and Egypt, and a commercial agreement between the Palestinian side and the Israel Postal Authority.

b. Without derogating from the generality of paragraph 5 of Article IX of this Agreement (Foreign Relations), the status of the Palestinian side to this Agreement in the Universal Postal Union will remain as it is at present, and the Palestinian side will not be party to any action to alter or change its status.

7. The relevant customs principles detailed in Annex V (Protocol on Economic Relations) shall also apply to postal items, including parcels transmitted to the West Bank and the Gaza Strip.

ARTICLE 30
Public Works and Housing

l. Powers and responsibilities in the sphere of Public Works and Housing in the West Bank and the Gaza Strip shall be transferred from the military government and its Civil Administration to the Palestinian side. This sphere includes, inter alia, the maintenance and repair of roads and Housing Department affairs.

2. a. In Area C, powers and responsibilities related to the sphere of Public Works and Housing will be transferred gradually to Palestinian jurisdiction that will cover West Bank and Gaza Strip territory except for the issues that will be negotiated in the permanent status negotiations, during the further redeployment phases, to be completed within 18 months from the date of the inauguration of the Council.

b. In exercising its powers and responsibilities in Area C, the Israeli side shall, as far as possible, employ Palestinians in carrying out road works.

3. a. The Palestinian side shall maintain the roads and be guided by international standards for road maintenance and construction, and shall ensure compatibility in said standards with neighboring countries. Additionally, the Palestinian side shall carry out any necessary works in

order to ensure the proper condition of road infrastructure, including the cleaning of culverts and ditches, and shall keep the roads clear and free of all physical obstacles.

b. Upon the request of the Israeli side any necessary work stipulated in sub-paragraph a above may be carried out by either one side or the two sides together after full coordination between them.

4. a. The Palestinian side shall notify the Israeli side and road users, in a reasonable time and prior to having significant activities which may disturb the regular flow of traffic on roads or which may affect infrastructure located in proximity to roads.

b. Whenever both sides consider that the above activities affect the movement on roads or the infrastructure located in proximity to such roads, these activities shall be carried out in coordination between the Israeli and Palestinian sides.

5. A professional joint committee shall be established by the CAC to deal with issues requiring coordination and cooperation in this sphere, including the coordination of road works on roads in the West Bank serving both Palestinians and Israelis.

ARTICLE 31
Quarries and Mines

1. Powers and responsibilities in the sphere of Quarries and Mines in the West Bank and the Gaza Strip shall be transferred from the military government and its Civil Administration to the Palestinian side including, inter alia, the licensing and supervision of the establishment, enlargement, and operation of quarries, crushing facilities and mines (hereinafter "quarries").

2. In Area C, powers and responsibilities relating to this sphere will be transferred gradually to Palestinian jurisdiction that will cover West Bank and Gaza Strip territory, except for the issues that will be negotiated in the permanent status negotiations, during the further redeployment phases, to be completed within 18 months from the date of the inauguration of the Council.

3. a. Rights of Israelis (including corporations owned by Israelis) regarding quarries situated within the areas under the territorial jurisdiction of the Palestinian side, which are not operative, may be purchased by the Palestinian side, with the consent of the Israeli concerned, through a joint committee which shall be established by the CAC for this purpose. The sum to be paid to each Israeli with regard to his rights in the said quarries shall be based upon the investments made by him in the site. The Israeli side shall freeze licenses to such quarries. Pursuant to the date of the signing of this Agreement, such quarries shall not become operative.

b. The above joint committee shall also discuss the issue of quarries operated or used by Israelis. The two sides shall respect the recommendations of this committee. Until the decision of the Committee, the Palestinian side shall not take any measures which may adversely affect these quarries.

c. The provisions of subparagraphs a. and b. will apply to quarries presently situated in Area C, as they come under the territorial jurisdiction of the Palestinian side, commensurate with the gradual transfer of powers and responsibilities in accordance with paragraph 2 above.

4. The Israeli side shall consider any request by Palestinian entrepreneurs to operate quarries in Area C on its merits.

ARTICLE 32
Religious Sites

1. Responsibility over sites of religious significance in the West Bank and the Gaza Strip (hereinafter - "Holy Sites") will be transferred to the Palestinian side. In Area C, this responsibility will be transferred gradually to Palestinian jurisdiction that will cover West Bank and Gaza Strip territory except for the issues that will be negotiated in the permanent status negotiations, during the further redeployment phases, to be completed within 18 months from the date of the inauguration of the Council.

2. Both sides shall respect and protect the listed below religious rights of Jews, Christians, Moslems and Samaritans:

a. protection of the Holy Sites;

b. free access to the Holy Sites; and

c. freedom of worship and practice.

3. a. The Palestinian side shall ensure free access to, respect the ways of worship in and not make any changes to, the Jewish Holy Sites listed in List No. 1 of Schedule 4.

b. The Palestinian side shall ensure free access to, and respect the ways of worship in, the Jewish Holy Sites listed in List No. 2 of Schedule 4 .

c. Schedule 4 shall be updated commensurate with the gradual transfer of responsibility in accordance with paragraph 1.

4. The holy site of Nebi Musa shall be under the auspices of the Palestinian side for religious purposes.

5. During religious events that take place three times a year and other special occasions that shall be coordinated with the Israeli authorities, Palestinians shall have the right to religious pilgrimage to the Al-Maghtas under the Palestinian flag. Safe passage will be provided from the Jericho Area to Al-Maghtas for this purpose.

ARTICLE 33
Social Welfare

1. Powers and responsibilities in the sphere of Social Welfare in the West Bank and the Gaza Strip will be transferred from the military government and its Civil Administration to the Palestinian side. This sphere includes, inter alia, all social services and the registration and supervision of local and international charitable societies.

2. Charitable, voluntary and non-profit organizations and institutions, whether local or international, should act in a manner that does not violate the laws in force.

3. Israeli and Palestinian social welfare systems shall cooperate with regard to the following:

a. Probation officers and preparation of briefs in connection with juvenile offenses.

b. Exchanging social reports needed for juvenile offenders upon request.

c. Arrangements to protect confidentiality and individual privacy in the exchange of information.

4. Both sides will maintain a positive working relationship in the field of professional training.

ARTICLE 34
Statistics

1. This sphere includes, inter alia, all phases of planning, producing and disseminating and archiving statistics from censuses and surveys in all areas of statistics including, but not limited to, demographic, social, economic, area, and environmental matters.

2. Israel shall transfer from the Civil Administration to the Palestinian side all the necessary material for maintaining and running the statistical system, such as:

a. The estimation procedures, forms of questionnaires, manuals, coding manuals, procedures for and results of quality control measures and analysis of surveys.

b. The statistical maps.

c. The sampling frames, including the household listings.

d. The basket of consumer goods and all related material, including the weights used for the CPI.
e. Any other professional statistical materials whenever requested.

Any other professional statistical means and methods used by the military government, Civil Administration, or on their behalf, shall also be transferred to the Palestinian side.

3. a. The Israeli side shall, through a Joint Committee to be established, transfer to the Palestinian side, if requested, any primary data from censuses and surveys, carried out by the military government, Civil Administration, or on their behalf, and archived administrative records used by the military government, Civil Administration, or on their behalf.

b. The Joint Committee shall decide upon the modalities and arrangements concerning the transfer of the above-mentioned materials.

4. Issues relating to the right to be included in the Population Registry are dealt with in Article 28 (Population Registry and Documentation).

5. The Israeli Central Bureau of Statistics and the Palestinian Central Bureau of Statistics will maintain good working relations and will cooperate in statistical matters.

ARTICLE 35
Surveying

1. Powers and responsibilities in the sphere of surveying in the West Bank and in the Gaza Strip shall be transferred from the military government and its Civil Administration to the Palestinian side. This sphere includes, inter alia, licensing of surveyors, carrying out of surveys and confirmation of survey maps.

2. In Area C, powers and responsibilities relating to the sphere of surveying will be transferred gradually to Palestinian jurisdiction that will cover West Bank and Gaza Strip territory, except for the issues that will be negotiated in the permanent status negotiations, during the further redeployment phases, to be completed within 18 months from the date of the inauguration of the Council.

3. Each side shall preserve and ensure the location and adequate condition of triangulation points, traverse points and bench marks, located in the West Bank and in the Gaza Strip. The Israeli side shall provide the Palestinian side with all the necessary information regarding these points and marks.

4. The two sides shall establish a Joint Committee of Experts to deal with any needs that may arise.

ARTICLE 36
Telecommunications

A. General

1. This sphere includes, inter alia, the management and monitoring of the use of the radio frequency spectrum, the use of the geostationary satellite orbit, the planning, formulation and implementation of telecommunications policies, regulations and legal frameworks. The above shall be in accordance with, and subject to, the following provisions:

2. a. In Area C, although powers and responsibilities are transferred to the Palestinian side, any digging or building regarding telecommunications and any installation of telecommunication equipment, will be subject to prior confirmation of the Israeli side, through the CAC.

b. Notwithstanding paragraph a. above, the supply of telecommunications services in Area C to the Settlements and military locations, and the activities regarding the supply of such services, shall be under the powers and responsibilities of the Israeli side.

B. Principles

1. Israel recognizes that the Palestinian side has the right to build and operate separate and independent communication systems and infrastructures including telecommunication networks, a television network and a radio network.

2. Without prejudice to subparagraph D.5.c of this section, the Palestinian side has the right to establish satellite networks for various services, excluding international services.

3. The Palestinian side has the right to establish its own telecommunications policies, systems and infrastructures. The Palestinian side also has the right to choose any and all kinds of communication systems (including broadcasting systems) and technologies, suitable for its future in, inter alia, basic and value added services (including cellular telephony).

4. Operators and providers of services, presently and in the future, in the West Bank and the Gaza Strip shall be required to obtain the necessary approvals from the Palestinian side. In addition, all those operating and/or providing services, presently and in the future, in the West Bank and the Gaza Strip who wish to operate and/or provide services in Israel, are required to obtain the necessary approvals from the Israeli Ministry of Communications.

5. Both sides shall refrain from any action that interferes with the communication and broadcasting systems and infrastructures of the other side.

Specifically, the Palestinian side shall ensure that only those frequencies and channels specified in Schedule 5: List of Approved Frequencies (herein - "Schedule 5") and Schedule 6: List of Approved TV Channels and the Location of Transmitters (herein - "Schedule 6") shall be used and that it shall not disturb or interfere with Israeli radio communication activity, and Israel shall ensure that there shall be no disturbance of or interference with the said frequencies and channels.

6. A joint committee of technical experts representing both sides shall be established to address any issue arising out of this section including the growing future needs of the Palestinian side (hereinafter referred to as "the Joint Technical Committee" or "JTC"). The JTC shall meet on a regular basis for the purpose of solving all relevant problems, and as necessary in order to solve urgent problems.

C. The Electromagnetic Sphere

1. The Palestinian side has the right to use the radio frequency spectrum in accordance with principles acceptable to both sides, for present and future needs, and frequencies assigned or reassigned within the West Bank and the Gaza Strip covering all its required services within the bands L.F., M.F., H.F., V.H.F., U.H.F., S.H.F. and E.H.F. In order to satisfy the present needs of

the Palestinian side, the frequencies detailed in Schedule 5 are assigned for the use of the Palestinian side in the West Bank and the Gaza Strip.

2. Future needs for frequencies shall be agreed upon by the two sides. To that end, the Palestinian side shall present its requirements through the JTC which must fulfill these requirements within a period not exceeding one month.

Frequencies or sections of frequencies shall be assigned, or an alternative thereto providing the required service within the same band, or the best alternative thereto acceptable by the Palestinian side, and agreed upon by Israel in the JTC.

3. a. The frequencies specified in Schedule 5 shall serve, inter alia, for the transmission of a television network and a radio network.

b. The television channels and locations of transmitters to be used by the Palestinian side are specified in Schedule 6. The production studios and related broadcasting equipment shall be located in the West Bank and the Gaza Strip.

c. The radio transmitter shall be located in the area of Ramallah and Al-Bireh Cities, at the presently agreed site.

d. The Palestinian side has the right to change the location(s) of radio transmitters according to an agreement between the two sides through the JTC, to serve the Palestinian plans in achieving the best coverage.

D. Telecommunications

1. Pending the establishment of an independent Palestinian telephone network, the Palestinian side shall enter into a commercial agreement with Bezeq - The Israel Telecommunications Corp. Ltd. (herein, "Bezeq"), regarding supply of certain services in the West Bank and the Gaza Strip. In the area of international telephony, commercial agreement(s) shall be concluded with Bezeq or other duly-licensed Israeli companies.

The above shall be without prejudice to subparagraph 5.c below.

2. As long as the Palestinian network is integrated with the Israeli network, the Palestinian side shall use such telephonic equipment as is compatible with the standards adopted and applied in Israel by the Ministry of Communications, and will coordinate with the Israeli side any changes to the structure and form of telephone exchanges and transmission equipment. The Palestinian side shall be permitted to import and use any and all kinds of telephones, fax machines, answering machines, modems and data terminals, without having to comply with the above-mentioned standards (accordingly, lists Al and A2 of Annex V (Protocol on Economic Relations) will be updated). Israel recognizes and understands that for the purpose of building a separate network, the Palestinian side has the right to adopt its own standards and to import equipment which meets these standards (accordingly, lists Al and A2 of Annex V (Protocol on Economic

Relations) will be updated). The equipment will be used only when the independent Palestinian network is operational.

3. a. The Palestinian side shall enable the supply of telecommunications services to the Settlements and the military installations by Bezeq, as well as the maintenance by Bezeq of the telecommunications infrastructure serving them and the infrastructure crossing the areas under the territorial jurisdiction of the Palestinian side.

b. The Israeli side shall enable the supply of telecommunications services to the geographically-dispersed areas within the West Bank and the Gaza Strip. This shall include provision, subject to the approval of the proper Israeli authorities, free of charge, of rights of way or sites in the West Bank for microwave repeater stations and cables to interlink the West Bank and to connect the West Bank with the Gaza Strip.

c. Israel recognizes the right of the Palestinian side to establish telecommunications links (microwave and physical) to connect the West Bank and the Gaza Strip through Israel. The modalities of establishing such telecommunications connections, and their maintenance, shall be agreed upon by the two sides. The protection of the said connections shall be under the responsibility of Israel.

4. Without prejudice to paragraph 3 above:

a. The Palestinian side shall take the necessary measures to ensure the protection of the telecommunication infrastructures serving Israel, the Settlements and the military installations, which are located in the areas under the territorial jurisdiction of the Palestinian side.

b. The Israeli side shall take the necessary measures to ensure the protection of the telecommunication infrastructures serving the West Bank and the Gaza Strip and which are located in areas under Israel's responsibility.

5. a. The Palestinian side has the right to collect revenue for all internal and international telecommunication services originating and terminating in the West Bank and the Gaza Strip (except Settlements and military locations).

b. Details regarding payment by the Palestinian side to Bezeq or other duly-licensed Israeli companies, and compensation by Bezeq or the said companies to the Palestinian side, referred to in subparagraph a. above, shall be agreed upon in the commercial agreement(s) between them.

c. The provisions of subparagraphs a. and b. above will be applied between the sides until such time as the two sides agree upon installation and operation of an "international gateway", as well as the international code, for the Palestinian side and the actual commencement of operation of the said gateway.

d. The Palestinian side shall enter into a discussion with Bezeq for the purpose of coming to an agreement for the use of a separate area code and numbering plan, pending the establishment of a separate Palestinian network.

6. The Palestinian side has the right to collect taxes on all telecommunications services billed in the West Bank and the Gaza Strip, subject to the provisions of Annex V (Protocol on Economic Relations).

7. a The Israeli side shall provide the Palestinian side with all operating, maintenance and system manuals, information regarding billing systems and all operating and computer programming protocols of all the equipment that will be transferred to the Palestinian side, subject to protection of rights of commercial confidentiality.

b. The Israeli side shall also supply the Palestinian side with all contractual agreements between the Civil Administration and all domestic and international entities in the area of telecommunications.

The timing of the provision of the above mentioned materials will be as provided for in this Annex.

c. Bezeq, in accordance with the commercial agreement, will supply the Palestinian side with all legal verification of its purported ownership of any and all movable or immovable assets in the West Bank and the Gaza Strip, that are not part of the Civil Administration's present network.

ARTICLE 37
Tourism

1. Powers and responsibilities in the sphere of Tourism in the West Bank and the Gaza Strip will be transferred from the military government and its Civil Administration to the Palestinian side.

This sphere includes, inter alia, regulating, licensing, classifying, and supervising tourist services, sites and industries. It also includes promoting foreign and domestic tourism and developing the Palestinian tourist sources and sites. It includes, as well, supervising the marketing, promotion and information activities related to foreign and domestic tourism.

2. In Area C, while powers and responsibilities regarding the development of visitors' interest in tourist sites and the encouragement of the development of tourist services around them, in coordination with the Israeli side, will be transferred during the first phase of redeployment, other powers and responsibilities regarding those sites will be transferred gradually to Palestinian jurisdiction that will cover West Bank and Gaza Strip territory except for the issues that will be negotiated in the permanent status negotiations, during the further redeployment phases, to be completed within 18 months from the date of the inauguration of the Council.

3. Tourism issues are dealt with in Article X of Annex V (Protocol on Economic Relations).

4. Without derogating from the provisions of paragraph 9 of Article X of Annex V (Protocol on Economic Relations), a Joint Committee, established through the CAC, shall facilitate coordination and cooperation on day to day tourism issues.

ARTICLE 38
Transportation

General

Powers and responsibilities relating to transportation in the West Bank and the Gaza Strip will be transferred from the Israeli military government and its Civil administration to the Palestinian side subject to the following:

1. This sphere includes, inter alia, the licensing and supervision of drivers and vehicles, freight transportation, public transportation, traffic supervision, setting appropriate standards for transportation, meteorology, and others.

2. High and appropriate transportation safety standards and environmental quality shall serve as the basis for cooperation and agreement in this sphere.

3. The Palestinian side in this sphere shall follow international standards such as the European Standard, as applied in the area. Such standards and regulations shall be continuously adapted to reflect technological developments and advances as well as safety and environmental considerations.

4. The arrangements regarding the transfer of powers and responsibilities concerning maritime activity and aviation are dealt with according to the provisions of this Agreement.

Drivers' and Vehicle Licensing

5. Instruction, training and licensing in all fields relating to transportation, including drivers' testing, training and licensing will be conducted at a minimum, in accordance with existing standards.

6. The Palestinian side shall issue drivers' and vehicle licenses as well as license plates according to the format and standards currently in use and as set out in Schedule 7 to be attached to this Appendix as agreed upon between the sides.

7. To facilitate the entry of vehicles registered by the Palestinian side into Israel, the Palestinian side will periodically forward to the Israeli side through the CAC, updated information regarding drivers and vehicles registered by it.

Traffic Supervision

8. Signalization and Traffic Arrangements

a. The Palestinian side shall have powers and responsibilities regarding traffic signalization and traffic arrangements in the areas under its territorial jursdiction and shall cooperate with the Israeli side concerning related activities that may disturb traffic arrangements.

b. All traffic signalization, including the posting of road signs, markings and traffic arrangements, shall be in accordance with international standards as applied in the area and where a written warning or message on a sign is required, such a warning or message shall be written in the Arabic, Hebrew and English languages.

9. Public Transportation Permits

a. Powers and responsibilities regarding Israeli public transportation to and between Israel and the Settlements and military locations shall be exercised by Israel.

b. Powers and responsibilities regarding Palestinian public transportation

to, between and within the West Bank and the Gaza Strip shall be exercised by the Palestinian side. Arrangements for the use of safe passage for this purpose are set out in Annex I.

10. Public Transportation Routes

a. Palestinian public transportation routes in the West Bank and Gaza Strip, except into Settlements and military locations, shall be determined by the Palestinian side.

b. Israeli public transportation routes from Israel to and between Settlements and military locations, and/or to other places in Israel, shall be determined by Israel .

c. Public transportation routes will be as short and safe as possible.

11. Bus Stops

a. Bus stops designated for the boarding and alighting of passengers in the areas under Palestinian territorial jurisdiction shall be determined by the Palestinian side.

b. Bus stops at the main junctions leading to Settlements and military locations or Palestinian villages in the West Bank will be determined in cooperation between Israeli and Palestinian traffic controllers.

c. Existing bus stops will be kept at Jewish Holy Sites.

Vehicles and Vehicle Maintenance

12. Israel and the Palestinian side shall cooperate for the purpose of maintaining safety standards, technical know how and professional training and shall exchange information regarding the maintenance, repair and servicing of vehicles, based on international standards as applied in the area.

13. Without derogating from other provisions of this Agreement, any vehicle prototype imported by the Palestinian side which has not been tested and approved by Israel, will be permitted to enter Israel and the West Bank and the Gaza Strip provided that such vehicle prototype is tested

and approved by an authorized laboratory facility recognized by both sides, applying standards used in the European Union as applied in the area.

14. All types of vehicles and automotive products manufactured by the Palestinian side shall be tested and approved for use by an authorized laboratory recognized by both sides, prior to their entry into Israel and the West Bank or the Gaza Strip.

15. The import of vehicles by the Palestinian side shall be according to Annex V, Article III, paragraphs 10 and 11.

16. The issue of the transfer of car ownership will be discussed between the Ministries of Transportation of the two sides immediately after the signing of this Agreement.

Freight Transportation

17. Vehicles for transporting freight that are registered by the Palestinian side shall be permitted to enter Israel subject to the provisions regarding entry into Israel, the applicable Israeli laws and regulations governing the transportation of freight by motor vehicle, and the provisions set out in Schedule 7.

Transportation of Dangerous Substances

18. a. The provisions of Article 15, paragraph 5.a. and b. on transportation of gas, fuel and petroleum shall be applicable to the transportation of all dangerous substances.

b. The above provisions shall be applicable with respect to the transportation of dangerous substances, except household gas and fuel and petroleum products for vehicles, on roads in the West Bank and Gaza Strip directly leading to Settlements and military locations.

c. In addition to the provisions of sub-paragraph a. above, the transportation within Israel and on roads in the West Bank and Gaza Strip, of dangerous substances classified as "most dangerous substances" as listed in current U.N. publications will require a permit signed by both traffic controllers.

Public Transportation from the West Bank and the Gaza Strip to and from Jordan and Egypt

19. Both sides agree in principle to the operation of public transportation from the West Bank and the Gaza Strip to and from Jordan and Egypt. Procedures and arrangements, including lines, will be detailed in Schedule 7.

Meteorology

20. Both sides agree on a wide range of cooperation in the sphere of meteorology and, in particular, regarding the updating of weather forecasts, data processing, and the transfer of information. The Israeli side shall provide meteorological services to the Palestinian side in the

following fields: aviation, maritime, synoptic stations, weather forecasting, vocational training, etc.

Subcommittee for Transportation

21. Details regarding the implementation of the provisions of this Section, as well as all other matters regarding transportation between the two sides shall be formulated by the Subcommittee of the CAC for Transportation.

ARTICLE 39
Treasury

1. The transfer of the powers and responsibilities from the Civil Administration to the Council in this sphere shall include providing the available details concerning the Civil Administration's budgets, revenues, expenses and accounts.

Israel will provide the Council with all the necessary information, manuals, forms, operating procedures, etc., of the Civil Administration's financial system, which are relevant for the smooth and orderly transfer of powers and responsibilities in this sphere and for their operation by the Council.

2. The Israeli side shall transfer to the Council, as soon as possible but not later than nine months after the date of the transfer of the powers and responsibilities, the remaining surplus of the Civil Administration's budget.

3. a. Israel shall provide the Council with a list of the Civil Administration departments and their immovable offices, storerooms, warehouses, etc., located in the areas under the territorial jurisdiction of the Council.

b. Where such immovables are situated on private property, including property owned by absentees, Israel shall provide the Council with the contracts made between the Civil Administration and the owners of such property.

4. a. The Civil Administration shall bring to an end all its services and development contracts, and will bear the liability directly arising from such termination.

b. Civil Administration lease or rental contracts with the Waqf, the Custodian of Absentee Property or private property owners in the areas under the territorial jurisdiction of the Council, will be transferred to the Council.

c. All land and property lease and rental contracts entered into by the Custodian of Absentee and Governmental Property relating to the areas under the territorial jurisdiction of the Council will be transferred to the Council. Israel shall give notice of such transfer to the tenants and lessees.

5. Without derogating from the above provisions, upon the transfer of powers and responsibilities, Israel will cease to bear any financial responsibility regarding contracts of the

Civil Administration and the Council will bear all financial responsibility for them, in accordance with Article XX of the Agreement (Rights, Liabilities and Obligations).

ARTICLE 40
Water and Sewage

On the basis of good-will both sides have reached the following agreement in the sphere of Water and Sewage:

Principles

1. Israel recognizes the Palestinian water rights in the West Bank. These will be negotiated in the permanent status negotiations and settled in the Permanent Status Agreement relating to the various water resources.

2. Both sides recognize the necessity to develop additional water for various uses.

3. While respecting each side's powers and responsibilities in the sphere of water and sewage in their respective areas, both sides agree to coordinate the management of water and sewage resources and systems in the West Bank during the interim period, in accordance with the following principles:

a. Maintaining existing quantities of utilization from the resources, taking into consideration the quantities of additional water for the Palestinians from the Eastern Aquifer and other agreed sources in the West Bank as detailed in this Article.

b. Preventing the deterioration of water quality in water resources.

c. Using the water resources in a manner which will ensure sustainable use in the future, in quantity and quality.

d. Adjusting the utilization of the resources according to variable climatological and hydrological conditions.

e. Taking all necessary measures to prevent any harm to water resources, including those utilized by the other side.

f. Treating, reusing or properly disposing of all domestic, urban, industrial, and agricultural sewage.

g. Existing water and sewage systems shall be operated, maintained and developed in a coordinated manner, as set out in this Article.

h. Each side shall take all necessary measures to prevent any harm to the water and sewage systems in their respective areas.

i. Each side shall ensure that the provisions of this Article are applied to all resources and systems, including those privately owned or operated, in their respective areas.

Transfer of Authority

4. The Israeli side shall transfer to the Palestinian side, and the Palestinian side shall assume, powers and responsibilities in the sphere of water and sewage in the West Bank related solely to Palestinians, that are currently held by the military government and its Civil Administration, except for the issues that will be negotiated in the permanent status negotiations, in accordance with the provisions of this Article.

5. The issue of ownership of water and sewage related infrastructure in the West Bank will be addressed in the permanent status negotiations.

Additional Water

6. Both sides have agreed that the future needs of the Palestinians in the West Bank are estimated to be between 70 - 80 mcm/year.

7. In this framework, and in order to meet the immediate needs of the Palestinians in fresh water for domestic use, both sides recognize the necessity to make available to the Palestinians during the interim period a total quantity of 28.6 mcm/year, as detailed below:

a. Israeli Commitment:

(1) Additional supply to Hebron and the Bethlehem area, including the construction of the required pipeline - 1 mcm/year.

2) Additional supply to Ramallah area - 0.5 mcm/year.

(3) Additional supply to an agreed take-off point in the Salfit area - 0.6 mcm/year.

(4) Additional supply to the Nablus area - 1 mcm/year.

(5) The drilling of an additional well in the Jenin area - 1.4 mcm/year.

(6) Additional supply to the Gaza Strip - 5 mcm/year.

(7) The capital cost of items (1) and (5) above shall be borne by Israel.

b. Palestinian Responsibility:

(1) An additional well in the Nablus area - 2.1 mcm/year.

(2) Additional supply to the Hebron, Bethlehem and Ramallah areas from the Eastern Aquifer or other agreed sources in the West Bank - 17 mcm/year.

(3) A new pipeline to convey the 5 mcm/year from the existing Israeli water system to the Gaza Strip. In the future, this quantity will come from desalination in Israel.

(4) The connecting pipeline from the Salfit take-off point to Salfit.

(5) The connection of the additional well in the Jenin area to the consumers.

(6) The remainder of the estimated quantity of the Palestinian needs mentioned in paragraph 6 above, over the quantities mentioned in this paragraph (41.4 - 51.4 mcm/year), shall be developed by the Palestinians from the Eastern Aquifer and other agreed sources in the West Bank. The Palestinians will have the right to utilize this amount for their needs (domestic and agricultural).

8. The provisions of paragraphs 6-7 above shall not prejudice the provisions of paragraph 1 to this Article.

9. Israel shall assist the Council in the implementation of the provisions of paragraph 7 above, including the following:

a. Making available all relevant data.

b. Determining the appropriate locations for drilling of wells.

10. In order to enable the implementation of paragraph 7 above, both sides shall negotiate and finalize as soon as possible a Protocol concerning the above projects, in accordance with paragraphs 18 - 19 below.

The Joint Water Committee

11. In order to implement their undertakings under this Article, the two sides will establish, upon the signing of this Agreement, a permanent Joint Water Committee (JWC) for the interim period, under the auspices of the CAC.

12. The function of the JWC shall be to deal with all water and sewage related issues in the West Bank including, inter alia:

a. Coordinated management of water resources.

b. Coordinated management of water and sewage systems.

c. Protection of water resources and water and sewage systems.

d. Exchange of information relating to water and sewage laws and regulations.

e. Overseeing the operation of the joint supervision and enforcement mechanism.

f. Resolution of water and sewage related disputes.

g. Cooperation in the field of water and sewage, as detailed in this Article.

h. Arrangements for water supply from one side to the other.

i. Monitoring systems. The existing regulations concerning measurement and monitoring shall remain in force until the JWC decides otherwise.

j. Other issues of mutual interest in the sphere of water and sewage.

13. The JWC shall be comprised of an equal number of representatives from each side.

14. All decisions of the JWC shall be reached by consensus, including the agenda, its procedures and other matters.

15. Detailed responsibilities and obligations of the JWC for the implementation of its functions are set out in Schedule 8.

Supervision and Enforcement Mechanism

16. Both sides recognize the necessity to establish a joint mechanism for supervision over and enforcement of their agreements in the field of water and sewage, in the West Bank.

17. For this purpose, both sides shall establish, upon the signing of this Agreement, Joint Supervision and Enforcement Teams (JSET), whose structure, role, and mode of operation is detailed in Schedule 9. Water Purchases

18. Both sides have agreed that in the case of purchase of water by one side from the other, the purchaser shall pay the full real cost incurred by the supplier, including the cost of production at the source and the conveyance all the way to the point of delivery. Relevant provisions will be included in the Protocol referred to in paragraph 19 below.

19. The JWC will develop a Protocol relating to all aspects of the supply of water from one side to the other, including, inter alia, reliability of supply, quality of supplied water, schedule of delivery and off-set of debts.

Mutual Cooperation

20. Both sides will cooperate in the field of water and sewage, including, inter alia:

a. Cooperation in the framework of the Israeli-Palestinian Continuing Committee for Economic Cooperation, in accordance with the provisions of Article XI and Annex III of the Declaration of Principles.

b. Cooperation concerning regional development programs, in accordance with the provisions of Article XI and Annex IV of the Declaration of Principles.

c. Cooperation, within the framework of the joint Israeli-Palestinian-American Committee, on water production and development related projects agreed upon by the JWC.

d. Cooperation in the promotion and development of other agreed water related and sewage-related joint projects, in existing or future multi-lateral forums.

e. Cooperation in water-related technology transfer, research and development, training, and setting of standards.

f. Cooperation in the development of mechanisms for dealing with water-related and sewage related natural and man-made emergencies and extreme conditions.

g. Cooperation in the exchange of available relevant water and sewage data, including:

(1) Measurements and maps related to water resources and uses.

(2) Reports, plans, studies, researches and project documents related to water and sewage.

(3) Data concerning the existing extractions, utilization and estimated potential of the Eastern, North-Eastern and Western Aquifers (attached as Schedule 10).

Protection of Water Resources and Water and Sewage Systems

21. Each side shall take all necessary measures to prevent any harm, pollution, or deterioration of water quality of the water resources.

22. Each side shall take all necessary measures for the physical protection of the water and sewage systems in their respective areas.

23. Each side shall take all necessary measures to prevent any pollution or contamination of the water and sewage systems, including those of the other side.

24. Each side shall reimburse the other for any unauthorized use of or sabotage to water and sewage systems situated in the areas under its responsibility which serve the other side.

The Gaza Strip

25. The existing agreements and arrangements between the sides concerning water resources and water and sewage systems in the Gaza Strip shall remain unchanged, as detailed in Schedule 11.

SCHEDULE 1
Archaeological Sites of Importance to the Israeli Side

Pursuant to Article 2, paragraph 9 of this Appendix:

1. The Samoa Synagog/Ashtamaa
2. The Maon Synagogue/Ma,in
3. The Synagogue in Yata
4. Tel Rumeida (Tomb of Yishai and Ruth in Biblical Hebron)
5. Betar/Batir
6. The Hasmonean Palaces
7. Sebastia/Samaria
8. Elonei Mamre/Haram Er-Rameh
9. The Naaran Synagogue - Ein Diuk
10. The Jewish Cemetry in Tel Sammarat
11. The "Shalom Al Israel" Synagogue in Jericho
12. The Jewish Synagogue in Gaza City.

SCHEDULE 2

Pursuant to Article 12, paragraph 7 of this Appendix:

1. Power plants (including gas turbines, substations and super tension lines).
2. Quarries and mines (including expansion of existing quarries and mines).
3. Waste water treatment plants including main sewers.
4. Solid waste disposal sites.
5. Hazardous waste disposal sites.
6. Plants producing, storing, or using hazardous substances.
7. Airports and landing strips.
8. Seaports, jetties and harbors.
9. Refineries.
10. Industrial parks.
11. Major dams and reservoirs.
12. Major roads.

SCHEDULE 3

Pursuant to Article 17, paragraph 2 of this Appendix:

Vaccinations

The routine vaccination system carried out in the West Bank and the Gaza Strip including:

A. Vaccinations for infants:

1. Vaccination against Hepatitis B.:

I To an infant born in a hospital or in a maternity home: at the ages of

0, 1, 6, months.

II To an infant born at home: at the ages of 1, 2, 6 months.

2 . Triple vaccination against Diptheria, Pertussis and Tetanus (DPT):

Given at the ages of 2, 4, 6, l2 months.

3. Vaccination against Poliomyelitis (Polio):

Sabin vaccine (OPV) given at the ages of 4, 6, 12 months. Salk vaccine (IPV) given at the ages of 2, 4, 12 months.

Note: If, in the future, we will revert to the quadruplex vaccination method which combines DPT with the Salk vaccine against Polio, the method will be: Quadruplex (IPV + DPT): at the ages of 2, 4, 12 months.

DPT: at the age of 6 months.

4. Triple vaccination against Measles Mumps. Rubella (MMR):

Given at the age of 15 months.

(Note: it is necessary to point out that UNRWA gives an additional dose of the Measles vaccine, at the age of 9 months - within the boundaries of the refugee camps).

B) Vaccinations for children and youth:

1. Against Poliomyelitis (OPV = SABIN) at the age of 6 years.

2. Against Measles - at the age of 6 years.

3. Against Tuberculosis - given BCG (after a Tuberculin test = Mantoux test) at the age of 6 years.

(Note: It is necessary to note that UNRWA gives an additional dose of the BCG vaccine immediately after birth).

4. Vaccination against Diptheria and Tetanus - dT (at special concentration suitable for children) is given as a booster vaccination at the age of 6 years.

An additional booster vaccination - DT (at a special concentration suitable for adults) is given at the age of 15 years.

5. Against Rubella, for girls only, at the age of 12 years.

C) Vaccination against Tetanus for pregnant women:

Tetanus Toxoid vaccination is given in order to avoid Tetanus Neonatorum.

First dose is given at the beginning of the second third of the pregnancy (in the fourth or fifth month) and a second dose before the birth (during the eighth month of pregnancy).

D) Vaccination against Hepatitis B for specific members of the population:

1. A newborn whose mother was found to be suffering with Hepatitis B during her pregnancy or is a carrier of the disease (discovered after a routine test for this disease in pregnant women) - receives vaccination against Hepatitis B. The vaccination is given a number of days after the birth and includes an active and passive vaccine: HBV and HBIG.

2. The husband of a pregnant woman who is sick or is a carrier of the disease (who was checked for Hepatitis B and found healthy) - receives an active vaccination - HBV.

3. Hospital workers, including nurses, technicians and others, who come into contact with blood intensively: in laboratories, haemodialysis units, intensive care units, operating theaters, delivery rooms and emergency rooms, as well as dentists - receive the active vaccination HBV.

E) Vaccination against Meningococcal Meningitis type A:

Given to pilgrims to Saudi Arabia, 10 days before their departure via the Jordan River bridges.

SCHEDULE 4

Pursuant to Article 32, paragraph 3 of this Appendix:

List No. 1

1. Elazar's Tomb, Ittamar's Tomb and the Tomb of the 70 Elders in Awarta
2. Joshua's Tomb in Kifel-Hares
3. The Cave of Othniel ben Knaz in Hebron
4. The Eshtamoa Synagogue in Samoa
5. The Yata Synagogue
6. Batir
7. Sebastia/Samaria

List No. 2

1. Nun's Tomb and Caleb's Tomb in Kifel-Hares
2. The Tombs of Natan the Prophet and Gad the Seer in Halhul
3. The Naran Synagogue - Ein Duk
4. The Jewish Cemetery in Sammerat
5. The Synagogue in Gaza City

SCHEDULE 5
List of Approved Frequencies

Pursuant to Article 36, paragraph B.5 of this Appendix:

1. L.F.

As soon as any need arises.

2. M.F.

Broadcast network.
Ramallah - 675khz.

3. H.F.

To use it freely.

4. V.H.F.

4.1 V.H.F. - F.M. broadcast
V.H.F. - F.M. broadcast network composed of 8 locations. The specific 8 frequencies will be assigned not later than six months from the date of signing this Agreement.

4.2 V.H.F. - maritime local services
Assignment of frequencies for vessels and fixed stations is subject to the provisions of Annex I and of Article 38 (Transportation).

4.3 V.H.F. - aeronautical local services
Assignment of frequencies for airplanes and fixed stations is subject to the provisions of Annex I and of Article 38 (Transportation).

4.4 V.H.F. - mobile services
Assignment of frequencies for use for mobile and fixed services of Police, Civil and Official networks and other users, in the West Bank and the Gaza Strip is as follows:-

4.4.1 Qalqilya

1. * 150.250
2. * 155.6625
3. 150.3875
4. 150.425
5. 155.5625
6. 162.500
7. 162.525
8. 162.5625
9. 162.6125
10. 162.6625
11. 162.6875
12. 167.5375
13. 167.575
14. 167.6125
15. 167.650
16. 167.6875

4.4.2 Tulkarm

1. * 150.2375
2. * 155.650
3. 150.3125
4. 150.3375
5. 150.3625
6. 155.575
7. 155.750
8. 162.5125
9. 162.575
10. 162.625
11. 162.650
12. 162.675
13. 167.475
14. 167.525
15. 167.5875
16. 167.6625

4.4.3 Jenin

1. * 150.2125
2. * 155.625
3. 150.2625
4. 150.400
5. 150.4375
6. 155.5375
7. 155.600
8. 155.675
9. 155.725
10. 155.7625
11. 162.475
12. 162.550
13. 162.600
14. 167.500
15. 167.550
16. 167.625

4.4.4 Nablus

1. * 150.225
2. * 150.350
3. * 155.6375
4. 150.2875
5. 150.300
6. 150.325
7. 150.375
8. 150.4125
9. 150.450
10. 155.550
11. 155.5875
12. 155.6215
13. 155.700
14. 155.7125
15. 155.7375
16. 155.775
17. 162.4875
18. 162.5375
19. 162.5875
20. 162.6375
21. 167.4875
22. 167.5125
23. 167.5625
24. 167.600
25. 167.6375
26. 167.675

4.4.5 Ramallah

1. * 150.2625
2. * 150.3625
3. * 155.675
4. 150.2125
5. 150.2375
6. 150.3125
7. 150.400
8. 150.4375
9. 155.5375
10. 155.575
11. 155.600
12. 155.625
13. 155.650
14. 155.725
15. 155.7625
16. 162.475
17. 162.5125
18. 162.550
19. 162.575
20. 162.600
21. 162.625
22. 162.650
23. 162.675
24. 167.475
25. 167.500
26. 167.525
27. 167.550
28. 167.5875
29. 167.625
30. 167.6625

4.4.6 Bethlehem

1. * 150.2875
2. * 155.700
3. 150.325
4. 150.375
5. 150.4125
6. 150.450
7. 155.550
8. 155.5875
9. 155.6215
10. 155.7375
11. 162.4875
12. 162.5375
13. 162.5875
14. 162.6375
15. 167.4875
16. 167.5125
17. 167.5625
18. 167.600
19. 167.6375
20. 167.675

4.4.7 Gaza

1. * 150.3125
2. * 155.725
3. * 155.7625
4. 150.2125
5. 150.2375
6. 150.2625
7. 150.3625
8. 150.400
9. 150.4375
10. 155.5375
16. 162.475
17. 162.5125
18. 162.550
19. 162.575
20. 162.600
21. 162.625
22. 162.650
23. 162.675
24. 167.475
25. 167.500

11. 155.575
12. 155.600
13. 155.625
14. 155650
15. 155.675
26. 167.525
27. 167.550
28. 167.5875
29. 167.625
30. 167.6625

4.4.8 Khan Yunis

1. * 150.325
2. * 155.7375
3. 150.375
4. 150.4125
5. 150.450
6. 155.550
7. 155.5875
8. 155.6215
9. 162.4875
10. 162.5375
11. 162.5875
12. 162.6375
13. 167.4875
14. 167.5625
15. 167.6375
16. 167.675

4.4.9 Rafah

1. * 150.3375
2. * 155.750
3. 150.3875
4. 150.425
5. 155.5625
6. 162.500
7. 162.525
8. 162.5625
9. 162.6125
10. 162.6625
11. 162.6875
12. 167.5375
13. 167.575
14. 167.6125
15. 167.650
16. 167.6875

4.4.10 Jericho

1. * 150.275
2. * 155.6875
3. 150.3875
4. 150.425
5. 155.5625
6. 162.500
7. 162.525
8. 162.5625
9. 162.6125
10. 162.6625
11. 162.6875
12. 167.5375
13. 167.575
14. 167.6125
15. 167.650
16. 167.6875

4.4.11 Hebron

1. * 150.300
2. * 155.7125
3. * 155.775
4. 150.225
5. 150.250
6. 150.275
7. 150.3375
8. 150.350
9. 150.3875
10. 150.425
11. 155.5625
12. 155.6375
13. 155.6625
14. 155.6875
15. 155.750
16. 162.500
17. 162.525
18. 162.5625
19. 162.6125
20. 162.6625
21. 162.6875
22. 167.5375
23. 167.575
24. 167.6125
25. 167.650
26. 167.6875

Notice:

1. The frequencies marked with (*) are assigned for exclusive use by the Palestinian side and can serve for multi-areas networks and for trunking systems.
2. All other frequencies are for use only at the specific area since some of the frequencies are duplicated at various areas in Israel.
3. All frequencies are assigned to be used with BW=2.5KHz and Power=up to 25 watts; all values are in MHz. The frequencies marked with (*) can be used with unlimited power.

5. S.H.F.

5.1 Microwave Links

5.1.1 TV Specific Links

For long distance use at specific locations for TV transmission as detailed below:-

Location A	Tx Freq (MHz)	Location B	Tx Freq (MHz)	Pol	B.W. (MHz)	Power (dBm)
Ramallah 1	7519	Ramallah 2	7680	II	34TV	27
Ramallah 2	7624	Talita	7463	V	34TV	27
Talita	7519	Hebron	7680	H	34TV	27
Hebron	7624	Gaza	7463	H	34TV	27
Gaza	7519	Khan Yunis	7680	V	34TV	27
Ramallah 2	7680	Nablus	7519	V	34TV	27
Nablus	7463	Jenin	7624	H	34TV	27

Ramallah 1	23G	Ramallah	23G	V	34TV	27

The Palestinian side is requested to confirm the above microwave links topology for the TV network.

5.1.2 7GHz Additional Links

The links are for long distance use at any location in the West Bank and the Gaza Strip for radio, civil networks, Police networks, official networks and other uses. These links can be duplicated in these areas; however, frequency assignment for specific locations should be coordinated through the JTC.

The list of these links at 7GHz band, is:-

	Freq (MHz)	**A Freq (MHz)**	**B B.W. (MHz)**	**Power (dBm)**
1.	6640	6820	10	27
2.	6720	7060	10	27

5.1.3 23 GHz Microwave Links

For short distance exclusive use at any location in the West Bank and the Gaza Strip for any service, the following frequencies are assigned:-

	Freq (MHz)	**A Freq (MHz)**	**B B.W. (MHz)**	**Power (dBm)**
1.	21255	22455	28	27
2.	21295	22495	28	27
3.	21495	22695	28	27
4.	21610	22810	28	27
5.	22310	23510	28	27

6. U.H.F. Trunking

6.1 Police and Official Networks

The following sub-bands are assigned at 410 to 450 MHz, for exclusive use for mobile service of Police and official trunking networks, in the West Bank and the Gaza Strip.

1. 414 to 415.5 MHz
2. 424 to 425.5 MHz

6.2 Civil and Commercial Networks

The following sub-bands are assigned at 410 to 450 MHz, for exclusive use for mobile services of civil and commercial trunking networks in the West Bank and the Gaza Strip.

1. 412.5 to 414 MHz
2. 422.5 to 424 MHz

3. 428.5 to 430 MHz
4. 438.5 to 440 MHz

7. Satellite Services

Frequencies will be assigned upon specific requests, for each station, through the JTC.

8. GSM

Mutual participation will be agreed in the JTC according to the planning of each side, and the division of this section of frequencies will take into account the users ratio of each side.

9. E.H.F.

As soon as any need arises.

SCHEDULE 6
List of Approved TV Channels and the Locations of Transmitters

Pursuant to Article 36, paragraph B.5 of this Appendix:

Jericho	Channel 24
Nablus (Mt. Gerizim)	Channel 5
Jenin	Channel 31
Ramallah	Channel 25
Hebron	Channel 30
Gaza	Channel 31

SCHEDULE 7
Transportation Arrangements

Pursuant to Article 38, paragraphs 6, 17 and 19 of this Appendix:

Note: To be attached.

SCHEDULE 8
Joint Water Committee

Pursuant to Article 40, paragraph 15 of this Appendix, the obligations and responsibilities of the JWC shall include:

1. Coordinated management of the water resources as detailed hereunder, while maintaining the existing utilization from the aquifers as detailed in Schedule 10, and taking into consideration the quantities of additional water for the Palestinians as detailed in Article 40.

It is understood that the above-mentioned Schedule 10 contains average annual quantities, which shall constitute the basis and guidelines for the operation and decisions of the JWC:

a. All licensing and drilling of new wells and the increase of extraction from any water source, by either side, shall require the prior approval of the JWC.

b. All development of water resources and systems, by either side, shall require the prior approval of the JWC.

c. Notwithstanding the provisions of a. and b. above, it is understood that the projects for additional water detailed in paragraph 7 of Article

40, are agreed in principle between the two sides. Accordingly, only the geo-hydrological and technical details and specifications of these projects shall be brought before the JWC for approval prior to the commencement of the final design and implementation process.

d. When conditions, such as climatological or hydrological variability, dictate a reduction or enable an increase in the extraction from a resource, the JWC shall determine the changes in the extractions and in the resultant supply. These changes will be allocated between the two sides by the JWC in accordance with methods and procedures determined by it.

e. The JWC shall prepare, within three months of the signing of this Agreement, a Schedule to be attached to this Agreement, of extraction quotas from the water resources, based on the existing licenses and permits. The JWC shall update this Schedule on a yearly basis and as otherwise required.

2. Coordinated management of water and sewage systems in the West Bank, as follows:

a. Existing water and sewage systems, which serve the Palestinian population solely, shall be operated and maintained by the Palestinian side solely, without interference or obstructions, in accordance with the provisions of Article 40.

b. Existing water and sewage systems serving Israelis, shall continue to be operated and maintained by the Israeli side solely, without interference or obstructions, in accordance with the provisions of Article 40.

c. The systems referred to in a and b above shall be defined on Maps to be agreed upon by the JWC within three months from the signing of this Agreement.

d. Plans for construction of new water and sewage systems or modification of existing systems require the prior approval of the JWC.

SCHEDULE 9
Supervision and Enforcement Mechanism

Pursuant to Article 40, Paragraph 17 of this Appendix:

1. Both sides shall establish, upon the signing of this Agreement, no less than five Joint Supervision and Enforcement Teams (JSETs) for the West Bank, under the control and supervision of the JWC, which shall commence operation immediately.

2. Each JSET shall be comprised of no less than two representatives from each side, each side in its own vehicle, unless otherwise agreed. The JWC may agree on changes in the number of JSETs and their structure.

3. Each side will pay its own costs, as required to carry out all tasks detailed in this Schedule. Common costs will be shared equally.

4. The JSETs shall operate, in the field, to monitor, supervise and enforce the implementation of Article 40 and this Schedule, and to rectify the situation whenever an infringement has been detected, concerning the following:

a. Extraction from water resources in accordance with the decisions of the

JWC, and the Schedule to be prepared by it in accordance with sub paragraph l.e of Schedule 8.

b. Unauthorized connections to the supply systems and unauthorized water uses;

c. Drilling of wells and development of new projects for water supply from all sources;

d. Prevention of contamination and pollution of water resources and systems;

e. Ensuring the execution of the instructions of the JWC on the operation of monitoring and measurement systems;

f. Operation and maintenance of systems for collection, treatment, disposal and reuse, of domestic and industrial sewage, of urban and agricultural runoff, and of urban and agricultural drainage systems;

g. The electric and energy systems which provide power to all the above systems;

h. The Supervisory Control and Data Acquisition (SCADA) systems for all the above systems;

i. Water and sewage quality analyses carried out in approved laboratories, to ascertain that these laboratories operate according to accepted standards and practices, as agreed by the JWC. A list of the approved laboratories will be developed by the JWC;

j. Any other task, as instructed by the JWC.

5. Activities of the JSETs shall be in accordance with the following:

a. The JSETs shall be entitled, upon coordination with the relevant DCO, to free, unrestricted and secure access to all water and sewage facilities and systems, including those privately owned or operated, as required for the fulfillment of their function.

b. All members of the JSET shall be issued identification cards, in Arabic, Hebrew and English containing their full names and a photograph.

c. Each JSET will operate in accordance with a regular schedule of site visits, to wells, springs and other water sources, water works, and sewage systems, as developed by the JWC.

d. In addition, either side may require that a JSET visit a particular water or sewage facility or system, in order to ensure that no infringements have occurred. When such a requirement has been issued, the JSET shall visit the site in question as soon as possible, and no later than within 24 hours.

e. Upon arrival at a water or sewage facility or system, the JSET shall collect and record all relevant data, including photographs as required, and ascertain whether an infringement has occurred. In such cases, the JSET shall take all necessary measures to rectify it, and reinstate the status quo ante, in accordance with the provisions of this Agreement. If the JSET cannot agree on the actions to be taken, the matter will be referred immediately to the two Chairmen of the JWC for decision.

f. The JSET shall be assisted by the DCOs and other security mechanisms established under this Agreement, to enable the JSET to implement its functions.

g. The JSET shall report its findings and operations to the JWC, using forms which will be developed by the JWC.

SCHEDULE 10
Data Concerning Aquifers

Pursuant to Article 40, paragraph 20 and Schedule 8 paragraph 1 of this Appendix:

The existing extractions, utilization and estimated potential of the Eastern, North-Eastern, and Western Aquifers are as follows: Eastern Aquifer:

- In the Jordan Valley, 40 mcm to Israeli users, from wells;

- 24 mcm to Palestinians, from wells;

- 30 mcm to Palestinians, from springs;

- 78 mcm remaining quantities to be developed from the Eastern Aquifer;

- Total = 172 mcm.

North-Eastern Aquifer:

- 103 mcm to Israeli users, from the Gilboa and Beisan springs, including from wells; - 25 mcm to Palestinian users around Jenin; - 17 mcm to Palestinian users from East Nablus springs;

- Total = 145 mcm.

Western Aquifer:

- 340 mcm used within Israel;

- 20 mcm to Palestinians;

- 2 mcm to Palestinians, from springs near Nablus,

- Total= 362 mcm.

All figures are average annual estimates.

The total annual recharge is 679 mcm.

SCHEDULE 11
The Gaza Strip

Pursuant to Article 40, Paragraph 25:

1. All water and sewage (hereinafter referred to as "water") systems and resources in the Gaza Strip shall be operated, managed and developed (including drilling) by the Council, in a manner that shall prevent any harm to the water resources.

2. As an exception to paragraph 1., the existing water systems supplying water to the Settlements and the Military Installation Area, and the water systems and resources inside them shall continue to be operated and managed by Mekoroth Water Co.

3. All pumping from water resources in the Settlements and the Military Installation Area shall be in accordance with existing quantities of drinking water and agricultural water. Without derogating from the powers and responsibilities of the Council, the Council shall not adversely affect these quantities.

Israel shall provide the Council with all data concerning the number of wells in the Settlements and the quantities and quality of the water pumped from each well, on a monthly basis.

4. Without derogating from the powers and responsibilities of the Council, the Council shall enable the supply of water to the Gush Katif settlement area and Kfar Darom settlement by Mekoroth, as well as the maintenance by Mekoroth of the water systems supplying these locations.

5. The Council shall pay Mekoroth for the cost of water supplied from Israel and for the real expenses incurred in supplying water to the Council.

6. All relations between the Council and Mekoroth shall be dealt with in a commercial agreement.

7. The Council shall take the necessary measures to ensure the protection of all water systems in the Gaza Strip.

8. The two sides shall establish a subcommittee to deal with all issues of mutual interest including the exchange of all relevant data to the management and operation of the water resources and systems and mutual prevention of harm to water resources.

9. The subcommittee shall agree upon its agenda and upon the procedures and manner of its meetings, and may invite experts or advisers as it sees fit.

SIDE LETTER

TO: Major General Oren Shachor
Head of the Israeli side of the
Civil Affairs Committee

September 22, 1995

Re: The Signing of a Commercial Agreement with Bezeq, Israel Telecommunications Corp. Ltd.

1. I hereby inform you that the Palestinian side commits itself to enter into negotiations with Bezeq immediately upon the signing of the Interim Agreement for the purpose of reaching a commercial agreement.

2. The commercial agreement between the Palestinian side and Bezeq will be signed within three months of the signing of the Interim Agreement.

Sincerely,

Jamil Tarifi
Head of the Palestinian side of
the Civil Affairs Committee

Note: This letter will be attached as a side letter to the Interim Agreement.

Annex IV: Protocol Concerning Legal Affairs

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- ARTICLE I - Criminal Jurisdiction
- ARTICLE II - Legal Assistance in Criminal Matters
- ARTICLE III - Civil Jurisdiction
- ARTICLE IV - Legal Assistance in Civil Matters

ARTICLE I
Criminal Jurisdiction

1. a. The criminal jurisdiction of the Council covers all offenses committed by Palestinians and/or non-Israelis in the Territory, subject to the provisions of this Article.

For the purposes of this Annex, "Territory" means West Bank territory except for Area C which, except for the Settlements and the military locations, will be gradually transferred to the Palestinian side in accordance with this Agreement, and Gaza Strip territory except for the Settlements and the Military Installation Area.

b. In addition, the Council has criminal jurisdiction over Palestinians and their visitors who have committed offenses against Palestinians or their visitors in the West Bank and the Gaza Strip in areas outside the Territory, provided that the offense is not related to Israel's security interests.

c. Notwithstanding the provisions of subparagraph a. above, the criminal jurisdiction of each side over offenses committed in Area B shall be in accordance with the provisions of paragraph 2.a of Article XIII of this Agreement.

d. Individuals arrested by the Palestinian Police in Area B for public order and other reasons shall be tried before the Palestinian courts, provided that these courts have criminal jurisdiction.

2. Israel has sole criminal jurisdiction over the following offenses:

a. offenses committed outside the Territory, except for the offenses detailed in subparagraph 1. b above; and

b. offenses committed in the Territory by Israelis.

3. a. In exercising the criminal jurisdiction of their courts, each side shall have the power, inter alia, to investigate, arrest, bring to trial and punish offenders.

b. Activities of the Palestinian Police and the Israeli military forces for the implementation of subparagraph a. above shall be as set out in the Agreement and Annex

I thereto.

4. In addition, and without derogating from the territorial jurisdiction of the Council, Israel has the power to arrest and to keep in custody individuals suspected of having committed offenses which fall within Israeli criminal jurisdiction as noted in paragraphs 1.c, 2 and 7 of this Article, who are present in the areas under the security responsibility of the Council, where:

a. The individual is an Israeli, in accordance with Article II of this Annex; or

b. (1) The individual is a non-Israeli suspected of having just committed an offense in a place where Israeli authorities exercise their security functions in accordance with Annex I, and is arrested in the vicinity in which the offense was committed. The arrest shall be with a view to transferring the suspect, together with all evidence, to the Palestinian Police at the earliest opportunity.

(2) In the event that such an individual is suspected of having committed an offense against Israel or Israelis, and there is a need for further legal proceedings with respect to that individual, Israel may retain him or her in custody, and the question of the appropriate forum for prosecuting such a suspect shall be dealt with by the Legal Committee on a case by case basis.

5. In the case of an offense committed in the areas under the security responsibility of the Council by a non-Israeli against Israel or an Israeli, the Council shall take measures to investigate and prosecute the case, and shall notify Israel of the result of the investigation and any legal proceedings.

6. When a suspicion arises against a tourist in transit to or from Israel through the Territory in the West Bank and the Gaza Strip, that the tourist has committed an offense in the Territory and that tourist is present on roads or in Jewish holy sites specified in Article V, paragraph 7, Article VII, paragraph 9 and Appendix 4 of Annex I, the Palestinian Police may detain him in place and immediately notify the Israeli military forces which shall be authorized to arrest and question him. Where an offense has been committed by a tourist in violation of the prevailing law and further legal proceeding in respect of the tourists are required, such proceedings shall be taken by the Council.

Where such a tourist present outside these areas is detained or arrested by the Council, it shall notify the Israeli authorities within a reasonable time, not exceeding 24 hours, and shall enable them at the earliest opportunity to meet the detainee and to provide any necessary assistance, including consular notification, requested by the detainee.

7. a. Without prejudice to the criminal jurisdiction of the Council, and with due regard to the principle that no person can be tried twice for the same offense, Israel has, in addition to the above provisions of this Article, criminal jurisdiction in accordance with its domestic laws over offenses committed in the Territory against Israel or an Israeli.

b. In exercising its criminal jurisdiction in accordance with subparagraph a. above, activities of the Israeli military forces related to subparagraph a. above shall be as set out in the Agreement and Annex I thereto.

ARTICLE II
Legal Assistance in Criminal Matters

1. General

a. Israel and the Council shall cooperate and provide each other with legal assistance in criminal matters. Such cooperation shall include the arrangements detailed in this Article.

b. Documents served by one side in the territory under the responsibility of the other, shall be accompanied by a translation into the official language of the other side.

2. Cooperation in Criminal Matters

a. The Israeli Police and the Palestinian Police shall cooperate in the conduct of investigations. Subject to detailed arrangements to be agreed upon, such cooperation shall include the exchange of information, records and fingerprints of criminal suspects, vehicle ownership registration records, etc.

b. Where an offense is committed in the Territory by an Israeli acting jointly with an individual under Palestinian personal jurisdiction, the Israeli military forces and the Palestinian Police will cooperate in conducting an investigation.

c. The Palestinian authorities shall not arrest Israelis or place them in custody. Israelis can identify themselves by presenting Israeli documentation.

However, when an Israeli commits a crime against a person or property in the Territory, the Palestinian Police, upon arrival at the scene of the offense shall, if necessary, until the arrival of the Israeli military forces, detain the suspect in place while ensuring his protection and the protection of those involved, prevent interference with the scene of the offense, collect the necessary evidence and conduct preliminary questioning, and in any case shall immediately notify the Israeli authorities through the relevant DCO.

d. Without derogating from the jurisdiction of the Council over property located or transported within the Territory, where the property is being transported or carried by an Israeli, the following procedure shall apply: The Palestinian authorities have the power to take any measures necessary in relation to Israeli vehicles or property where such vehicle or property has been used in the commission of a crime and present an immediate danger to public safety or health. When such measures are taken, the Palestinian authorities shall immediately notify the Israeli authorities through the relevant DCO, and shall continue to take the necessary measures until their arrival.

3. When an Israeli is suspected of committing an offense and is present in the Territory,

the Israeli military forces shall be able to arrest, search and detain the suspect as required; in areas where the Palestinian Police exercise powers and responsibilities for internal security and public order, such activities shall take place in coordination with the Palestinian Police, in its presence and with its assistance.

4. Israel shall hand over to the Palestinian Police the Palestinian offenders to whom Article I, paragraph 1.b applies, together with any collected evidence.

5. Restraining Orders

Each side shall execute orders issued by the competent organs of the other side restraining a person under the jurisdiction of that side from traveling abroad.

6. Summons and Questioning of Witnesses

a. Where the statement of a witness who is an Israeli or other person present in Israel is required for a Palestinian investigation, the statement shall be taken by the Israeli Police in the presence of a Palestinian Police officer in an Israeli facility at an agreed location.

b. Where the statement of a non-Israeli witness present in the Territory is required for an Israeli investigation, the statement shall be taken by the Palestinian Police in the presence of an Israeli Police officer in a Palestinian facility at an agreed location.

c. In exceptional cases, each side may take a statement requested by the other side itself, without the presence of the requesting side.

7. Transfer of Suspects and Defendants

a. Where a non-Israeli suspected of, charged with, or convicted of, an offense that falls within Palestinian criminal jurisdiction is present in Israel, the Council may request Israel to arrest and transfer the individual to the Council.

b. Where an individual suspected of, charged with, or convicted of, an offense that falls within Israeli criminal jurisdiction, is present in the Territory, Israel may request the Council to arrest and transfer the individual to Israel.

c. Requests under subparagraph a. and b. above shall specify the grounds for the request and shall be supported by an arrest warrant issued by a competent court.

d. Where the request is for the transfer of a suspect who is not a Palestinian requested by the Council;

(l) the arrest warrant shall only be issued pursuant to an application made by or on behalf of the Attorney-General, confirming that there is a reasonable evidentiary basis that the offense was committed by the suspect;

(2) the offense must be punishable by not less than 7 years imprisonment under the law of the requesting side.

e. (l) Individuals suspected of offenses punishable by less than 7 years' imprisonment shall be interrogated by the investigating side in a facility of the other side or at an agreed location.

(2) Interrogation shall take place in the presence of a police officer of the other side.

(3) Upon the request of the investigating side the other side may detain the suspect in custody pending and during questioning. Where the presence of the suspect is required for an objective reason, such as confronting witnesses and identification of sites the suspect shall be transferred for that purpose only.

f. (1) Both sides, upon receipt of a request in accordance with this Article, shall effect the arrest and transfer requested.

(2) If the individual requested is detained in custody or is serving a prison sentence, the side receiving the request may delay the transfer to the requesting side for the duration of the detention or imprisonment.

g. No person shall be transferred in respect of an offense punishable by capital punishment unless the requesting side undertakes that capital punishment shall not be imposed in the case.

h. (l) Both sides shall take all necessary measures to ensure that the treatment of the individuals transferred under this article complies with the applicable legal arrangements in Israel and in the Territory and with internationally- accepted norms of human rights regarding criminal investigations.

(2) suspects transferred under this paragraph shall have the right to be assisted during the investigation period by an advocate of their own choice.

i. Each side may, upon the request of the other side, detain, for no more than seven days, an individual in respect of whom a request for arrest and transfer is to be made, pending the submission of such a request.

j. The transfer of foreigners by Israel to the Council under this Article shall be subject to the applicable conventions to which Israel is a party and in coordination with the foreigner's state of origin.

k. Both sides may agree that an individual convicted in the courts of one side shall serve his sentence in a prison of the other side, subject to arrangements and conditions to be agreed between the sides.

8. Assistance in the Execution of Court Orders for the Purposes of Investigation

a. Israel and the Council shall execute orders issued by each other's courts for the purposes of investigations (e.g., search warrants, orders for the production of documents and seizure orders), subject to the provisions of local law.

b. Where, for the purposes of an investigation, Israel or the Council requires that tests or examinations (such as fingerprinting or blood analysis) be effected in relation to an item situated in territory under the responsibility of the other side, that side shall effect the tests or examinations required and transfer the results to the side conducting the investigation, where feasible.

Where these results are not sufficient for the purposes of the investigation, arrangements shall be made for the transfer of the item to the side conducting the investigation.

9. Legal Assistance in the Conduct of Judicial Proceedings

a. (l) Summons and subpoenas issued by an Israeli court in respect of defendants and witnesses present in the Territory, shall be effected through the Council, which shall be responsible for the service of summons, and the execution of subpoenas by the Palestinian Police.

(2) Subpoenas issued in respect of an Israeli defendant or witness present in the Territory shall be executed by the Israeli military forces. In areas where the Palestinian Police exercise powers and responsibilities for internal security and public order, such activities shall take place in the presence and with the assistance of, the Palestinian Police.

b. Summons and subpoenas issued by a Palestinian court in respect of defendants and witnesses in Israel shall be effected through the Israeli Police who shall be responsible for the service of summons and the execution of subpoenas.

c. Where the evidence of an Israeli witness is required in connection with proceedings conducted by a Palestinian court, the witness shall testify at a Palestinian court sitting at an agreed venue and the witness shall be accompanied by representatives of the Israeli military forces together with the Palestinian Police.

d. Where the evidence of a witness is required in connection with proceedings conducted by a court of one side, a notice of such a request will be given to the authorities of the other side to summon the witness.

10. Nothing in this Annex shall derogate from each side's powers and responsibilities as detailed in Annex I.

ARTICLE III
Civil Jurisdiction

1. The Palestinian courts and judicial authorities have jurisdiction in all civil matters, subject to this Agreement.

2. In cases where an Israeli is a party: the Palestinian courts and judicial authorities have jurisdiction over civil actions in the following cases:

a. the subject matter of the action is an ongoing Israeli business situated in the Territory (the registration of an Israeli company as a foreign company in the Territory being evidence of the fact that it has an ongoing business situated in the Territory);

b. the subject matter of the action is real property located in the Territory;

c. the Israeli party is a defendant in an action and has consented to such jurisdiction by notice in writing to the Palestinian court or judicial authority,

d. the Israeli party is a defendant in an action, the subject matter of the action is a written agreement, and the Israeli party has consented to such jurisdiction by a specific provision in that agreement;

e. the Israeli party is a plaintiff who has filed an action in a Palestinian court. If the defendant in the action is an Israeli, his consent to such jurisdiction in accordance with subparagraphs c. or d. above shall be required, or

f. actions concerning other matters as agreed between the sides.

3. The jurisdiction of the Palestinian courts and judicial authorities does not cover actions against the State of Israel including its statutory entities, organs and agents.

4. Israelis, including registered companies of Israelis, conducting commercial activity in the Territory are subject to the prevailing civil law in the Territory relating to that activity. Enforcement of judicial and administrative judgments and orders issued against Israelis and their property shall be effected by Israel, within a reasonable time, in coordination and cooperation with the Council.

ARTICLE IV
Legal Assistance in Civil Matters

1. Service of Documents

a. Israel and the Council will be responsible for the service of legal documents, including subpoenas, issued by the judicial organs under the responsibility of the other side.

b. Documents served by one side in the territory under the responsibility of the other, shall be accompanied by a translation into the official language of the other side.

2. Taking of Evidence

Israel and the Council will make arrangements for taking evidence from witnesses when necessary, when such evidence is sought in connection with proceedings conducted by the judicial organs under the responsibility of the other side.

3. Enforcement of Judgments

a. Israel and the Council will enforce judgments rendered by the judicial organs under the responsibility of the other side, provided that the judicial organ concerned has the jurisdiction to render the judgment and further provided that the enforcement is not contrary to public policy. The execution offices under the responsibility of each side shall execute such judgments as if rendered by their own judicial organs.

b. In executing any judgment against Israelis, the Palestinian execution offices may issue orders (e.g., attachments, receivership, eviction) against Israeli property within the Territory. The Palestinian Police shall effect the execution of such orders jointly with the Israeli Police, which undertakes to respect the said orders.

This subparagraph does not relate to attachments effected by the service of documents without requiring any physical actions, such as attachments of bank accounts.

c. Without derogating from the civil jurisdiction of the Palestinian courts and judicial authorities in accordance with Article III, imprisonment orders against Israelis, and orders restraining Israelis from traveling abroad (excluding interim orders before a judgment was given), shall only be issued by Israeli execution offices and effected by the Israeli police.

Annex V: Protocol on Economic Relations

Supplement to the Protocol on Economic Relations

1. The clearance of revenues from all import taxes and levies and from excise on fuel products between Israel and the Council, according to this Agreement, will come into full force on the date of completion of the first phase of the redeployment of the Israeli military forces prior to the elections, i.e., 22 days before the day of elections (hereinafter "the said date").

However, in view of the special needs of the Palestinian Authority and in order to assist it in covering current expenses, Israel has agreed to transfer to the Palestinian Authority:

a. One month after the signing of this Agreement - 50% of the revenues collected during this month from import taxes on goods, the final destination of which is the West Bank, and from excise on petroleum purchased by the Palestinian side for the West Bank.

b. Two months after the signing of this Agreement - 50% of the revenues collected during the previous month from import taxes and petroleum excise as aforesaid.

c. On the said date - 100% of the revenues collected during the period since the previous payment according to subparagraph b. above, from import taxes and petroleum excise as aforesaid.

2. In addition, on the said date Israel will transfer to the Palestinian Authority 15 million NIS as an advance payment in respect of the remaining surplus of the Civil Administration's budget as mentioned in paragraph 2 of Article 39 (Treasury) of Annex III.

3. Israel will transfer immediately 12 million NIS to cover the recurrent costs of the eight spheres transferred to the Palestinian Authority starting from September 1, 1995.

4. For the purposes of the implementation of the Protocol on Economic Relations, Israel will deduct 3% from each transfer to the Palestinian side of import taxes and other indirect taxes, in order to cover Israel's administrative costs in collecting these taxes and in handling matters related to them.

5. The two sides will continue discussion through the Joint Economic Committee on the procedures for the set-off of financial obligations between the two sides, including legal entities under their control or management.

6. a. Cigarettes, alcohol, iron and cement will be added to list A2 attached to the Protocol on Economic Relations in accordance with subparagraphs 2.a.(2) and 2.b of Article III of the Protocol, in quantities according to the Palestinian market needs, taking into account

the quantities of these goods included in list Al.

However, with regard to these goods, the Israeli rates of customs, purchase tax, levies, excises and other charges, prevailing at the date of signing of the Agreement, as changed from time to time, shall serve as the minimum basis for the Council.

b. The quantities of electrical equipment in lists Al and A2 will be revised and increased by the JEC to cover all the needs of the Palestinian market.

7. Articles V (Direct Taxation) and VI (Indirect Taxes on Local Production) of the Protocol on Economic Relations shall be replaced by the Articles attached as Appendices 1 and 2 to this Supplement.

APPENDIX 1

(Replacing Article V of the Protocol on Economic Relations)

ARTICLE V
Direct Taxation

1. Israel and the Palestinian side will each determine and regulate independently its own tax policy in matters of direct taxation, including income tax on individuals and corporations, property taxes, municipal taxes and fees.

2. Each tax administration will have the right to levy the direct taxes generated by economic activities within the area under its tax responsibility.

3. Each tax administration may impose additional taxes on its residents (individuals and corporations) who conduct economic activities in areas under the tax responsibility of the other side.

4. Israel will transfer to the Palestinian side a sum equal to:

a. 75% of the income taxes collected from Palestinians from the West Bank and the Gaza Strip employed in Israel.

b. The full amount of the income taxes collected from Palestinians from the West Bank and the Gaza Strip employed in the Settlements.

5. When a Palestinian remits payment to an Israeli the following rules regarding deduction at source shall apply:

a. No tax shall be deducted at source on income from the sales of goods from the areas under Israeli tax responsibility, which are not supplied by means of a permanent establishment in the areas under Palestinian tax responsibility. Where income from the sales of goods is attributable to a permanent establishment in the areas under Palestinian

tax responsibility, tax may be deducted at source, but only on such income as is attributable to such permanent establishment.

b. No tax shall be deducted at source on income derived by an Israeli from transportation activities, if the point of departure or the point of final destination is in the areas under Israeli tax responsibility.

6. When an Israeli remits payment to a Palestinian which is income accruing in or deriving in the West Bank and the Gaza Strip, the following rules regarding deduction at source shall apply:

a. No tax shall be deducted at source on income from the sales of goods from the areas under Palestinian tax responsibility which are not supplied by means of a permanent establishment in the areas under Israeli tax responsibility. Where income from the sales of goods is attributable to a permanent establishment in the areas under Israeli tax responsibility, tax may be deducted at source, but only on such income as is attributable to such permanent establishment.

b. No tax shall be deducted at source on income derived by a Palestinian from transportation activities, if the point of departure or the point of final destination is in the areas under Palestinian tax responsibility.

7. Non-deduction at source in accordance with the provisions of paragraphs 5 and 6 above shall be carried out through the use of certificates in the form set out in Schedule 1. Such certificates shall be issued on special paper in order to assure that the certificates are authentic. The certificates will be worded in both Hebrew and Arabic and will be filled out in the language of the other side or in English, and the figures will be written in "Arabic" (not Hindi) numerals.

8. a. In any case, where the appropriate certificate referred to in paragraph 7 has not been presented to the payer prior to the payment of income referred to in paragraphs 5 and 6 above, tax will be deducted at source by the payer according to the applicable law.

b. With regard to income not referred to in paragraphs 5 and 6 above, tax may be imposed by the tax administration responsible for the areas in which the income was accrued or derived.

9. Each side will grant its residents a tax relief for income tax paid by them on income accrued in or derived in the areas under the tax responsibility of the other side.

10. Both sides agree that a special subcommittee will be established to finalize the arrangements and procedures regarding taxation issues (including issues concerning double taxation).

APPENDIX 2

(Replacing Article VI of the Protocol on Economic Relations)

ARTICLE VI
Indirect Taxes on Local Production

1. The Israel and the Palestinian tax administrations will levy and collect VAT and purchase taxes on local production, as well as any other indirect taxes, in their respective areas.

2. The purchase tax rates within the jurisdiction of each tax administration will be identical as regards locally produced and imported goods.

3. While the prevailing concepts and principles of VAT will continue to be applied by both sides in a compatible way, the Palestinian VAT rate shall not be lower than 2% below the Israeli VAT rate (the present Israeli VAT rate is 17%).

4. The Palestinian side will decide on the maximum annual turnover for businesses under its jurisdiction to be exempt from VAT, within an upper limit of 12,000 US $.

5. a. Ongoing permanent businesses will register for VAT purposes with the VAT administration of the side exercising responsibility in the place in which they are situated.

b. When subparagraph a. does not apply, dealers will register for VAT purposes with the VAT administration of the side of their residence, notwithstanding the place of their activity. A corporation will register for VAT purposes according to the residency of the individual holding the majority of its shares which grant rights to distribution of profits.

c. Special cases of dealers having ongoing operations in the other side without having a permanent place of business there, will be dealt with by the joint committee established according to paragraph ll below, upon a request of either side.

d. Each side will provide the other side, upon request, information concerning sales of specific dealers from one side to specific dealers from the other side. Israel will provide the Palestinian tax administration assistance in collecting information concerning the activities in Israel of Palestinian dealers registered for VAT purposes with the Palestinian VAT administration having ongoing operations in Israel, and will enable Palestinian inspectors to follow their activities in Israel, as necessary for tax enforcement purposes and allowed by law.

6. The VAT on purchases by dealers registered for VAT purposes will accrue to the VAT administration with which the dealer is registered.

7. The principles set out in paragraphs 1-6 of this Article shall also apply to wage-and-

profit tax on financial institutions.

8. There will be clearance of VAT revenues between the Israeli side and the Palestinian side according to the following conditions:

a. The VAT clearance will apply to VAT on transactions between dealers registered with different VAT administrations.

b. The following procedures will apply to clearance of VAT revenues accruing from transactions by dealers registered for VAT purposes:

(1) For transactions between dealers registered with the different VAT administrations special invoices, clearly marked for this purpose must be used, and they will be accepted for clearance purposes.

(2) These invoices will be worded in both Hebrew and Arabic and will be filled out in any of these two languages or in English, provided that the figures are written in "Arabic" (not Hindi) numerals and that the amounts filled out in the invoice are stated also in NIS. The amount of VAT will be specified both numerically and in words.

(3) For the purposes of tax rebates, such invoices will be valid for six months from their date of issue.

(4) Representatives of the two sides will meet once a month, on the twenty-fifth day of the month, to present each other with a list of invoices submitted to them for tax rebate, for VAT clearance. This list will include the following details regarding each invoice:

(a) the number of the registered dealer issuing it; (b) the name of the registered dealer issuing it; (c) the number of the invoice; (d) the date of issue; (e) the amount of the invoice - with a separate reference to the amount of VAT; and (f) the name and the registration number of the recipient of the invoice.

(5) The clearance claims will be settled within six days from the meeting, through a payment by the side with the net balance of claims against it, to the other side.

(6) Each side will provide the other side, upon request, with invoices for verification purposes. Each tax administration will be responsible for providing invoices for verification purposes for two years after receiving them.

(7) Each side will take the necessary measures to verify the authenticity of the invoices presented to it for clearance by the other side.

(8) Claims for VAT clearance which will not be found valid will be deducted from the next clearance payment.

(9) Once an interconnected computer system for tax rebates to dealers and for VAT

clearance between the two sides is operational, it will replace the clearance procedures specified in subparagraph (4) above.

(10) The two tax administrations will exchange lists of the dealers registered with them and will provide each other with the necessary documentation if requested, for the verification of transactions.

(11) The joint subcommittee established under paragraph 11 will deal with the implementation of the provisions of this paragraph.

9. VAT paid on transactions made with dealers registered with the Israeli side by not-for-profit Palestinian organizations and institutions, or by financial institutions, which are registered with the Palestinian side, or by the Palestinian local authorities, or by the Palestinian side itself, will be remitted to the Palestinian side in accordance with the clearance system set out in paragraph 8 above.

10. VAT paid on transactions made with dealers registered with the Palestinian side by not-for-profit Israeli organizations and institutions, or by financial institutions, which are registered with the Israeli side, or by the Israeli local authorities, or by the Israeli side itself, will be remitted to the Israeli side in accordance with the clearance system set out in paragraph 8 above.

11. The two sides will establish a joint committee composed of representatives of both VAT administrations. This committee will deal with all issues requiring coordination and cooperation with regard to this Article.

SCHEDULE 1

Pursuant to Article V (Direct Taxation):

Certificate of Non-Deduction of Income Tax at Source by the Palestinian Tax Administration

To:_____

(name of payer)

1. We hereby certify that:

_____

(name of recipient)

_____

I.D. Number and/or dealer number

_____ _____

home address business address

is entitled to receive the full amount of NIS _____ for the sale of goods/ transportation activities without deduction of tax at source.

2. This certification shall apply only to income accruing in or deriving in the West Bank or Gaza Strip, and shall be valid from _____ (date) until _____ (date) and/or for invoice(s) No. _____.

3. This certification is valid only on presentation of the original certificate.

This certificate was issued by Date of issue

_____ _____

Serial No._____

Certificate of Non-Deduction of Income Tax at Source by the Israeli Tax Administration

To:_____

(name of payer)

1. We hereby certify that:

_____

(name of recipient)

_____

I.D. Number and/or dealer number

_____ _____

home address business address

is entitled to receive the full amount of NIS _____ for the sale of goods/ transportation activities without deduction of tax at source.

2. This certification shall apply only to income accruing in or deriving in Israel, the Settlements and military locations, and shall be valid from _____ (date) until _____ (date) and/or for invoice(s) No. _____.

3. This certification is valid only on presentation of the original certificate.

This certificate was issued by Date of issue

_____ _____

Annex VI: Protocol Concerning Israeli-Palestinian Cooperation Programs

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ARTICLE I
Objectives

1. The two sides are determined to establish dialogue and cooperation on the bases of equality, fairness and reciprocity within the context of the interim period, and to act together in order to ensure that peace, stability and cooperation between them are reinforced and sustained.

In striving to live in peaceful coexistence, the two sides will seek to design and implement various programs which will facilitate the efforts leading to full reconciliation based on the agreed political process, and make it possible for smooth implementation of a permanent settlement based on Security Council Resolutions 242 and 338.

2. To that end, the two sides agree to establish and maintain between them an extensive program of cooperation in fields of human activity including in economic, scientific, social and cultural fields, involving officials, institutions, and the private sector.

3. The two sides will act to meet common challenges which require a coordinated overall approach and, taking into account their respective distinguishing features, they will act with respect for the values and human dignity of the other side.

4. The two sides are committed to strengthening regional cooperation which takes into account the interests of each side, in particular within the framework of the multilateral Middle East peace talks.

ARTICLE II
Scope

The scope of cooperation between the two sides, as detailed in this Annex, will include, inter alia, the following main aspects:

a. cooperation with regard to environmental protection;

b. economic cooperation,

c. scientific and technological cooperation;

d. cultural and educational cooperation; and

e. cooperation in enhancing the dialogue and relations between the two peoples through a people-to-people program.

ARTICLE III
Standing Cooperation Committee

1. A Standing Cooperation Committee is hereby established (hereinafter "the SCC").

2. a. The SCC shall be composed of an equal number of members from each side and may be assisted in its meetings by experts and technicians as necessary.

b. The SCC shall adopt its rules of procedure. It shall meet once a month. Meetings may be held more frequently at the request of either side.

c. The SCC shall reach its decisions by agreement.

d. The SCC may set up working groups or bodies for the implementation of this Annex.

3. The SCC shall deal with the matters covered in this Annex. It shall consider and decide on the methods and modalities for the implementation of the various fields of cooperation as detailed in Article IX. It may decide to add new fields of cooperation.

ARTICLE IV
Principles of Economic Cooperation

1. The two sides recognize the importance of economic growth, especially on the Palestinian side and cooperation based on the principles of equity, fairness, and reciprocity as a key factor in the context of building peace and reconciliation.

2. To this end, the two sides shall promote economic cooperation, including the promotion of joint ventures for their mutual benefit, in accordance with the overall objectives and principles

set out in this Annex. This endeavor shall be pursued without derogating from the provisions of Annex III of the Declaration of Principles, Annex V of this Agreement (Protocol on Economic Matters), and any subsequent agreement or understanding reached between them during the interim period.

3. In implementing the various economic cooperation programs, the two sides will ensure that aspects of environmental protection including air, water, marine and land resources, and prevention of environmental risks, hazards and nuisances will be taken into consideration.

4. Without derogating from the existing agreements between them, economic cooperation between the two sides shall focus principally on sectors producing balanced economic, social, and human development and growth. The cooperation aims, among other things, at:

a. developing the infrastructure and a strong base for the Palestinian economy;

b. strengthening the bases for independent and institutional economic decision making processes within the Palestinian side;

c. supporting the establishment of the Palestinian Standards and Specifications Institute, export institute, etc.;

d. working together to promote social development and foster the rise of Palestinian standards of living; and

e. aspiring towards reducing the disparity in the level of the respective economic development of the two sides.

5. Economic cooperation between the two sides shall include exchange of information and ideas on economic issues, matters and transactions involving the two sides.

6. Economic cooperation between the two sides shall take into account changes in economic policies in various economic spheres.

ARTICLE V
Sectors of Economic Cooperation

1. Industrial Cooperation

The two sides shall promote industrial cooperation, and, in particular.

a. facilitate cooperation between their respective economic institutions and business sectors;

b. examine ways to facilitate the establishment of joint ventures;

c. promote cooperation between small and medium-sized enterprises of both sides;

d. seek ways to increase Palestinian industrial output through, inter alia, the promotion of a program of industrial parks or zones in accordance with an agreed concept and in cooperation with all relevant institutions; and

e. dedicate special efforts to attract the international business sector and in particular multinational firms.

2. Agricultural Cooperation

The two sides recognize the importance of promoting cooperation in the field of agriculture, and shall in particular:

a. promote cooperation between their respective private farming sectors;

b. facilitate and promote smooth trade between the respective markets;

c. examine ways to facilitate the establishment of joint ventures;

d. establish channels for the exchange of information on farming methods, irrigation, water and soil treatment, herbicides, pesticides, etc.;

e. cooperate and coordinate in the field of plant protection and veterinary diseases;

f. promote joint efforts to combat desertification and encourage the development of agricultural projects in arid and semi-arid areas.

3. Environment

a. The two sides shall promote cooperation in preventing the deterioration of the environment, controlling pollution and ensuring the proper protection and rational use of natural resources in their respective areas, with a view to ensuring environmentally sustained development and promoting regional environment projects.

b. Cooperation in the protection of the environment will focus, inter alia, on preparing proposals for projects, studies, and recommendations on:

(l) development and implementation of appropriate treatment of liquid, solid and hazardous wastes and the control, storage, discharge transportation and disposal of hazardous materials, pollutants, and radioactive waste,

(2) prevention and control of marine pollution from ships and from land-based sources;

(3) preventing and minimizing the harmful effects of pollution on soil, water and air quality;

(4) use of appropriate tools of environmental management and environmental monitoring methods, including the adoption of and use of internationally accepted environmental principles and standards of Environment Impact Assessment and environmental information systems;

(5) development of programs of combating desertificationn and protection of nature and endangered species and the preservation of forests and natural reserves; and

(6) promotion of environmental education and awareness programs.

c. Both sides shall cooperate in preventing the transfer of internationally banned and restricted chemicals including, pesticides, insecticides, and fertilizers between their respective areas.

d. Both sides shall cooperate in setting an emergency warning system to respond to events or accidents which may generate environmental pollution, damage, or hazards.

e. The Environmental Experts Committee established under this Agreement will implement the environmental cooperation proposed above in coordination with the SCC.

4. Energy

The two sides shall promote cooperation between them in order to:

a. develop plans to promote the use of environmentally clean alternative sources of energy such as solar and wind energy;

b. enhance cooperation in energy conservation;

c. promote, within the framework of regional cooperation, projects for their mutual benefit in the field of electricity; and

d. develop options for joint ventures which will include the international business sector in the field of energy production, management and supply.

5. Transport

a. The two sides shall promote cooperation in the field of transport and related infrastructure, in order to accommodate any increase in the flow of passengers and goods, and modernize the transportation infrastructure through:

(1) promoting joint technological and research programs; and

(2) assisting and facilitating the establishment of a Palestinian Standards and Specifications Institute in this field based on international standards.

b. The two sides will work towards normal movement of vehicles across the crossing points with Jordan and Egypt.

6. Tourism

a. In order to best utilize the unique advantages provided to the tourism industry in conditions of stability, the two sides shall examine ways to:

(l) increase the volume of incoming tourism;

(2) plan and develop the necessary infrastructure, facilities and services in order to accommodate increased demand;

(3) encourage the involvement of major foreign, regional, as well as multinational tourist conglomerates and entrepreneurs; and

(4) continue and expand the existing vocational training programs, in the various tourist vocations.

(5) encourage joint ventures in the tourism field in all areas of mutual benefit including on the Dead Sea. In this regard Palestinian private projects as well as joint ventures in accordance with the DOP, will be located as agreed on the shore of the Dead Sea.

b. The two sides shall exchange information and promote cooperation on planned tourism development projects and tourism marketing projects, tourist exhibits, exhibitions, conventions and publications. c. The two sides shall facilitate and encourage smooth movement of tourists between their respective areas.

d. The two sides shall also encourage the development of cooperation programs between their competent organizations in this field.

ARTICLE VI
Scientific and Technological Cooperation

The two sides shall promote cooperation in scientific research and technological development, and shall devote special attention to the following:

a. establishment of contacts between research and scientific institutions of both sides;

b. organization of joint scientific meetings (seminars and workshops);

c. joint research and development activities aimed at encouraging scientific progress and the transfer of technology and know-how;

d. training activities and mobility programs for researchers, scientists and specialists from both sides, and

e. development of an environment conducive to research, application of new technologies and adequate protection of intellectual property rights for the results of such research.

ARTICLE VII
Cultural and Educational Cooperation

1. Cultural Cooperation

The two sides shall promote cultural cooperation and encourage the development of cooperation between their institutions or organizations in the fields of art, music, theater, literature, literary translations, publishing, cinema and film-making.

2. Media and Communication

The two sides shall promote and encourage direct cooperation between news agencies, newspapers, and radio and television stations. In addition, the two sides will cooperate with third countries in order to promote the exposure of the benefits of the peace process to the respective societies.

3. Educational Cooperation

a. The two sides shall promote cooperation by encouraging and facilitating exchanges in the field of education and by providing appropriate conditions for direct contacts between schools and educational institutions of both sides.

b. The two sides shall cooperate with the aim of raising the level of general education and professional training of their respective populations taking into consideration priorities to be determined by each side.

c. The cooperation shall focus, in particular, on the following areas:

(1) cooperation among educational/training institutions;

(2) exchanges of information between universities;

(3) language training; and

(4) other ways of promoting better mutual understanding of their respective cultures.

4. Sports and Youth

a. The two sides shall encourage cooperation in sports and physical culture, especially through the exchange of sports delegations and teams, as well as through the organizing of sports meetings and games.

b. The two sides shall encourage contacts and exchanges between youth organizations and shall promote exchanges of high school and university students.

ARTICLE VIII
The People-To-People Program

1. The two sides shall cooperate in enhancing the dialogue and relations between their peoples in accordance with the concepts developed in cooperation with the Kingdom of Norway.

2. The two sides shall cooperate in enhancing dialogue and relations between their peoples, as well as in gaining a wider exposure of the two publics to the peace process, its current situation and predicted results.

3. The two sides shall take steps to foster public debate and involvement, to remove barriers to interaction, and to increase the people to people exchange and interaction within all areas of cooperation described in this Annex and in accordance with the overall objectives and principles set out in this Annex.

ARTICLE IX
Drugs

1. In addition to the cooperation provided for in Article II of Annex IV of this Agreement concerning legal assistance in criminal matters, the two sides shall cooperate with a view to, inter alia:

a. improving the effectiveness of policies, including information and public awareness, educational and sociological activities directed at countering the supply of, and illicit trafficking in, narcotic drugs and psychotropic substances and reducing the abuse of these products

b. encouraging a joint approach to reducing demand; and

c. encouraging a joint approach to prevent the use of the Two sides' financial systems to launder capital arising from criminal activities in general and drug trafficking in particular.

2. Cooperation shall take the form of, inter alia, exchanges of information and where appropriate joint activities on establishing social and health institutions and information systems, and implementing projects in these spheres, including training and research projects.

ARTICLE X
Methods and Modalities of Cooperation

1. The SCC shall determine methods and modalities for the implementation of cooperation between the two sides.

2. Cooperation shall be implemented in particular by:

a. regular dialogue;

b. regular exchange of information and ideas in every sector of cooperation including meetings of officials and experts;

c. transfer of advice, expertise and training;

d. initiating and conducting joint activities such as seminars and workshops; and

e. technical, administrative and regulatory assistance.

3. The SCC, its subsidiary working groups and bodies or various official agencies that may be asked to promote this cooperation, will develop joint action programs in the various fields of cooperation within six months of the entry into force of this Agreement.

4. Other fields of cooperation may be agreed upon by the two sides.

ARTICLE XI
Miscellaneous

Nothing in this Annex shall derogate from the provisions set out in any other part of this Agreement.

Annex VII: Release of Palestinian Prisoners and Detainees

1. The release of detainees and prisoners, as agreed upon in Article XVI of this Agreement will be carried out in three stages.

2. The following categories of detainees and/or prisoners will be included in the abovementioned releases:

a. all female detainees and prisoners shall be released in the first stage of release;

b. persons who have served more than two thirds of their sentence;

c. detainees and/or prisoners charged with or imprisoned for security offenses not involving fatality or serious injury;

d. detainees and/or prisoners charged with or convicted of non-security criminal offenses; and

e. citizens of Arab countries being held in Israel pending implementation of orders for their deportation.

3. Detainees and prisoners from among the categories detailed in this paragraph, who meet the criteria set out in paragraph 2 above, are being considered by Israel to be eligible for release:

a. prisoners and/or detainees aged 50 years and above;

b. prisoners and/or detainees under 18 years of age;

c. prisoners who have been imprisoned for 10 years or more; and

d. sick and unhealthy prisoners and/or detainees.

4. The third stage of release will take place during the permanent status negotiations and will involve the categories set out above, and may explore further categories.

Main Points of the Israeli-Palestinian Interim Agreement on the West Bank and the Gaza Strip

September 28, 1995

Background

On September 28, 1995, the Israeli-Palestinian Interim Agreement on the West Bank and the Gaza Strip was signed in Washington, D.C.

This agreement, which marks the conclusion of the first stage in negotiations between Israel and the PLO, **incorporates and supersedes** the Gaza-Jericho and early empowerment agreements.

The main object of the Interim Agreement is to broaden Palestinian self-government in the West Bank by means of an elected self-governing authority -- the Palestinian Council. This will allow the Palestinians to conduct their own internal affairs, reduce points of friction between Israelis and Palestinians, and open a new era of cooperation and co-existence based on common interest, dignity and mutual respect. At the same time it protects Israel's vital interests, and in particular its security interests, both with regard to external security as well as the personal security of its citizens in the West Bank.

The Interim Agreement between Israel and the PLO, including its various annexes, comprises over 300 pages. To the main body of the agreement are appended seven annexes dealing with: security arrangements, elections, civil affairs (transfer of powers), legal matters, economic relations, Israeli-Palestinian cooperation, and the release of Palestinian prisoners.

The major provisions of the agreement are as follows:

Elections

Democratic elections will be held to the Palestinian Council, for an interim period not to exceed five years from the signing of the Gaza-Jericho Agreement (i.e. no later than May 1999). All

Palestinians of the West Bank and the Gaza Strip age 18 or over, who are registered in the population register, will have the right to vote. The elections will take place 22 days after the conclusion of an IDF redeployment from populated areas in the West Bank.

The elections to the Council will be personal and by district. A separate election will be held simultaneously for the election of the Head of the Executive Authority of the Council.

The candidacy of an individual, a party or a coalition of parties shall be rejected if the said candidate, party or coalition professes racist views or acts in an illegal or undemocratic manner.

Palestinian residents of Jerusalem will be able to participate in the elections according to special arrangements detailed in the agreement. The voting will take place in localities outside Jerusalem; however, a number of Palestinian residents of Jerusalem will be able to vote by means of special envelopes which will be sent from post offices in Jerusalem to the Central Elections Committee. A Palestinian with a Jerusalem address who wishes to stand for election to the Palestinian Council will be able to do so only if he or she has an additional valid address in the West Bank or the Gaza Strip.

All stages of the election process will be open to international observation, to ensure that they are free and fair. At the request of the parties, the European Union has agreed to coordinate the election observation. The observer delegation will be composed of representatives from the following states and international organizations: the EU, the UN, the USA, the Russian Federation, Canada, Egypt, Japan, Jordan, Norway, South Africa, the Non-Aligned Nations, the OAU, and the Islamic Conference Organization.

The Palestinian Council

The Council to be established following the elections will assume various powers and responsibilities in security and civil spheres in the West Bank and Gaza, as detailed below. With the establishment of the Council, the Israeli military government will be withdrawn and the Civil Administration dissolved. The Council will assume responsibility for all rights, liabilities, and obligations in the spheres transferred to it. At the same time Israel will retain those powers and responsibilities not transferred to the Council.

The Council, which will have 82 members, will have legislative and executive powers. The agreement provides that the legislative powers will be exercised by the Council as a whole, while its executive powers will be exercised by a committee of the Council -- the Executive Authority. This committee shall comprise Council members together with a small number of appointed officials.

The powers of the Council will extend to all matters within its jurisdiction. It should be noted that it will not have powers in the sphere of foreign relations. The agreement does, however, provide for a number of areas in which the PLO may, on behalf of the Council, conduct negotiations and sign agreements (economic, donor countries, regional development).

Redeployment

The IDF will redeploy in the West Bank according to the timetable set out in the agreement. In the first stage, designed to facilitate the holding of elections, the IDF will withdraw from the populated areas of the West Bank: the six cities -- Jenin, Nablus, Tulkarem, Kalkilya, Ramallah and Bethlehem (in the city of Hebron, special arrangements will apply, as detailed below) -- and 450 towns and villages. At the end of this redeployment, there will be almost no IDF presence in Palestinian population centers.

In addition, the agreement provides that a series of further redeployments are to take place at six-month intervals following the inauguration of the Council. In the course of these redeployments, additional parts of Area C will be transferred to the territorial jurisdiction of the Council, so that by the completion of the redeployment phases, Palestinian territorial jurisdiction will cover West Bank territory except for the areas where jurisdiction is to be determined under the final status negotiations (settlements, military locations, etc.).

Security

Throughout the West Bank and the Gaza Strip, Israel will have overall responsibility for external security and for the security of Israelis and settlements.

With regard to internal security and public order, the agreement establishes different arrangements for three types of area:

- Area "A" comprises the six cities listed above and the city of Hebron, minus the Old City of Hebron, the Jewish Quarter, and everything that is linked from there to Kiryat Arba and the Tomb of the Patriarchs. In these areas, the Palestinian Council will have full responsibility for internal security and public order, as well as full responsibility for civil affairs.
- Area "B" comprises the Palestinian towns and villages in the West Bank. In these areas, which contain some 68 percent of the Palestinian population, the Council will be granted full civil authority, as in Area "A". The Council will be charged with maintaining public order, while Israel will have overriding security authority to safeguard its citizens and to combat terrorism. This responsibility shall take precedence over the Palestinian responsibility for public order.

  25 Palestinian police stations will be established in specified towns and villages to enable the Palestinian police to exercise its responsibility for public order. The agreement contains provisions requiring that the movement of Palestinian police be coordinated and confirmed with Israel.

- In Area "C", which comprises the unpopulated areas of the West Bank, areas of strategic importance to Israel and the Jewish settlements, Israel will retain full responsibility for security and public order. The Council will assume all those civil responsibilities not related to territory, such as economics, health, education, etc.

The Revocation of the PLO Covenant

The agreement contains an undertaking to revoke those articles of the Palestinian Covenant calling for the destruction of Israel, within two months of the inauguration of the Council.

The Security Policy for the Prevention of Terrorism and Violence

The agreement provides for the establishment of a strong police force, 12,000 in number, that will constitute the only Palestinian security force. The Security Annex specifies the deployment of the police force, the approved equipment and its modes of action.

The Security Annex specifies the commitment of Israel and the Palestinian Council to cooperate in the fight against terrorism and the prevention of terrorist attacks, according to the following framework:

A. The Palestinian Police is the only Palestinian Security Authority.
B. The Palestinian Police will act systematically against all expressions of violence and terror.
C. The Council will issue permits in order to legalize the possession and carrying of arms by civilians; any illegal arms will be confiscated by the Palestinian Police.
D. The Palestinian Police will arrest and prosecute individuals suspected of perpetrating acts of violence and terror.

Both sides, in accordance with this agreement, will act to insure the immediate, efficient and effective handling of any incident involving the threat, or acts of terrorism, violence or incitement, whether committed by Palestinians or Israelis. To this end they will cooperate in the exchange of information and coordinate policies and activities.

Joint security committees will be established to coordinate between the IDF and the Palestinian police. Regional offices will operate 24 hours a day. Joint patrols will ensure free and secure movement on designated roads in Area "A". Joint Mobile Units will serve as rapid response units in case of incidents and emergencies.

Transfer of Civil Powers and Responsibilities

The agreement sets out the arrangements for the transfer of agreed upon civil powers and responsibilities from the Civil Administration to the Council. In Area "C", powers and responsibilities not relating to territory will be transferred to the Council; powers and responsibilities relating to territory will be gradually transferred along with the redeployments in these areas. The transfer of further civil powers and responsibilities is subject to detailed provisions insuring, among other things, the land rights of Israelis and the continued provision of services (electricity, water, telecommunications etc.) to the settlements.

Freedom of Movement for Israelis

The IDF and Israelis will continue to move freely on the roads of the West Bank and Gaza. In Area "A" Israeli vehicles will be escorted by joint patrols. Israelis may not in any circumstances be arrested or placed in custody by the Palestinian police, and may only be required to present

identity and vehicle documentation. On roads that are jointly patrolled, any request for identification shall only be made by the Israeli side of a joint patrol.

Legal Issues

The Legal Annex of the agreement sets out arrangements governing the legal relations between Israel and the Palestinian Council. These provisions define the criminal and civil jurisdiction of the Council and include arrangements for legal assistance in criminal and legal matters, including cooperation with regard to police investigations.

Religious Sites

Responsibility over sites of religious significance in the West Bank and Gaza will be transferred to the Palestinian side. In Area "C" this will be transferred gradually during the "further redeployment phase", except for the issues which will be negotiated during the permanent status negotiations. Both sides shall respect and protect religious rights of Jews, Christians, Moslems and Samaritans to wit:

A. Protecting the holy sites.
B. Allowing free access to the holy sites.
C. Allowing freedom of worship and practice.

Jewish holy sites are listed in the agreement.

The agreement guarantees freedom of access to and freedom of worship at the holy sites, and defines access arrangements for the holy places located in Areas "A" and "B". With regard to Rachel's Tomb in Bethlehem and Joseph's Tomb in Nablus, special arrangements are set out in the agreement which will also guarantee freedom of access and freedom of worship.

Hebron

In view of the Jewish presence in the heart of Hebron and the sensitive historical and religious aspects involved, special arrangements will apply in this city. These arrangements will enable Palestinian police to exercise responsibilities vis-a-vis Palestinian residents, while at the same time Israel will retain the powers and responsibilities necessary to protect Israeli residents living in Hebron and visiting the holy places. The areas of Hebron to remain under full Israeli control are: the Old City of Hebron, the Jewish Quarter, and everything that is linked from there to Kiryat Arba and the Tomb of the Patriarchs.

There will be a redeployment of Israeli military forces in Hebron, except for places and roads where arrangements are necessary for the security and protection of Israelis and their movement. This redeployment will be completed no later than six months after the signing of this agreement. Israel will continue to carry the responsibility for overall security of Israelis for the purpose of safeguarding their internal security and public order.

The status quo at the Tomb of the Patriarchs will remain unchanged, for the time being.

There will be a temporary international presence in Hebron.

Human Rights

The agreement states that the Israel and the Council shall carry out their functions and responsibilities while adhering to the international norms of human rights and the rule of law, guided by the obligation to protect the public, respect their fellow men and prevent harassment.

Water

The agreement contains an undertaking on the part of Israel to increase the amount of water allocated to the Palestinians by 28 million cu.m. Any further addition to either side will be based on an increase in the available water resources to be developed through international funding and channels, among them the tripartite American-Palestinian-Israeli forum which will hold its first meeting after the signing of the Interim Agreement. The agreement provides for the establishment of a joint water committee that will manage water resources and enforce water policies, protecting the interests of both parties by the prevention of uncontrolled drilling by enforcing standards, etc.

Release of Prisoners

In order to foster a positive atmosphere as this agreement is being implemented, and to engender mutual confidence and a basis for cooperation between the two peoples, Israel will release Palestinian prisoners who are in Israeli custody in three (3) stages according to the following format:

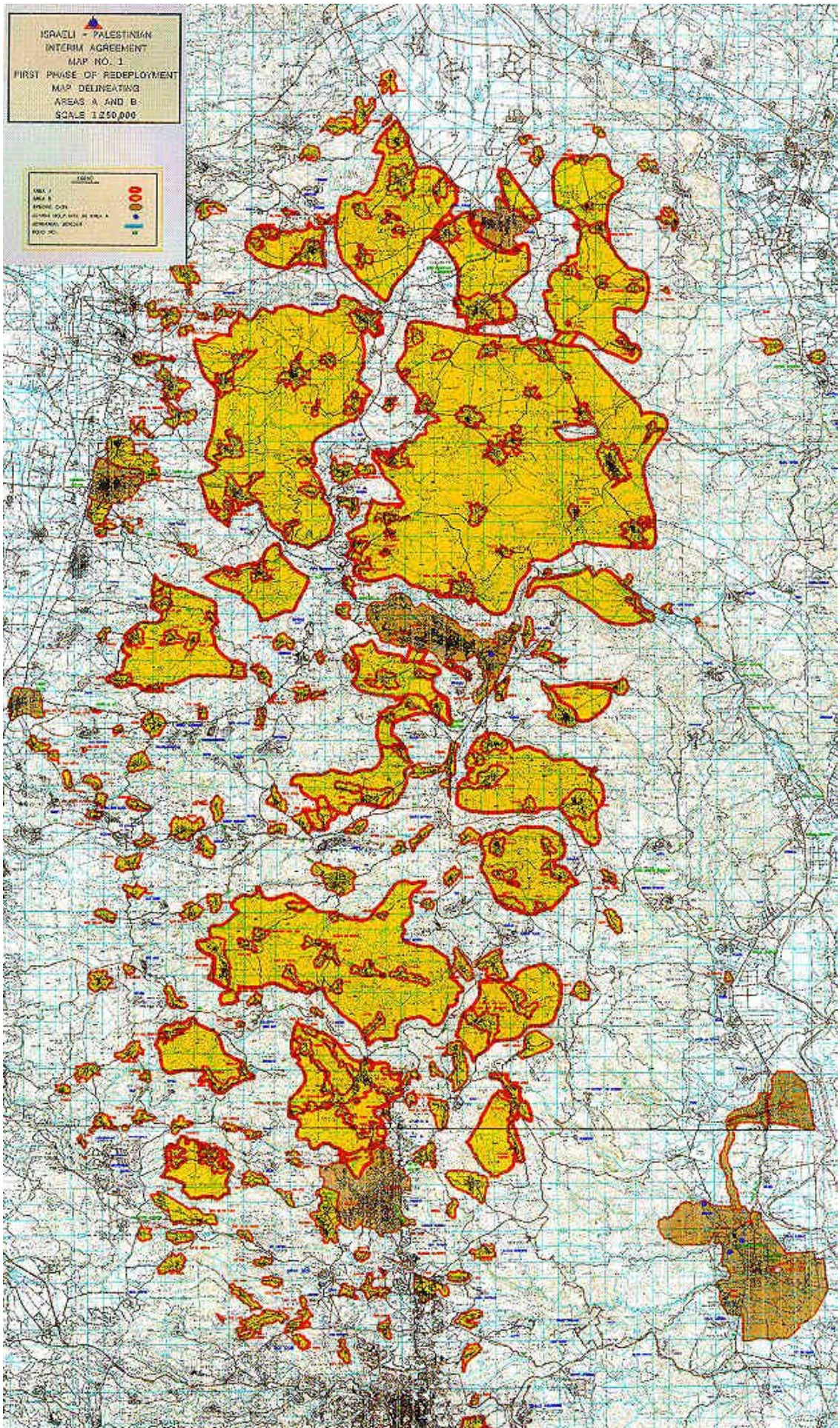
- Stage 1 - Upon the signing of the agreement.
- Stage 2 - On the eve of elections for the Council.
- Stage 3 - At a later unspecified date.

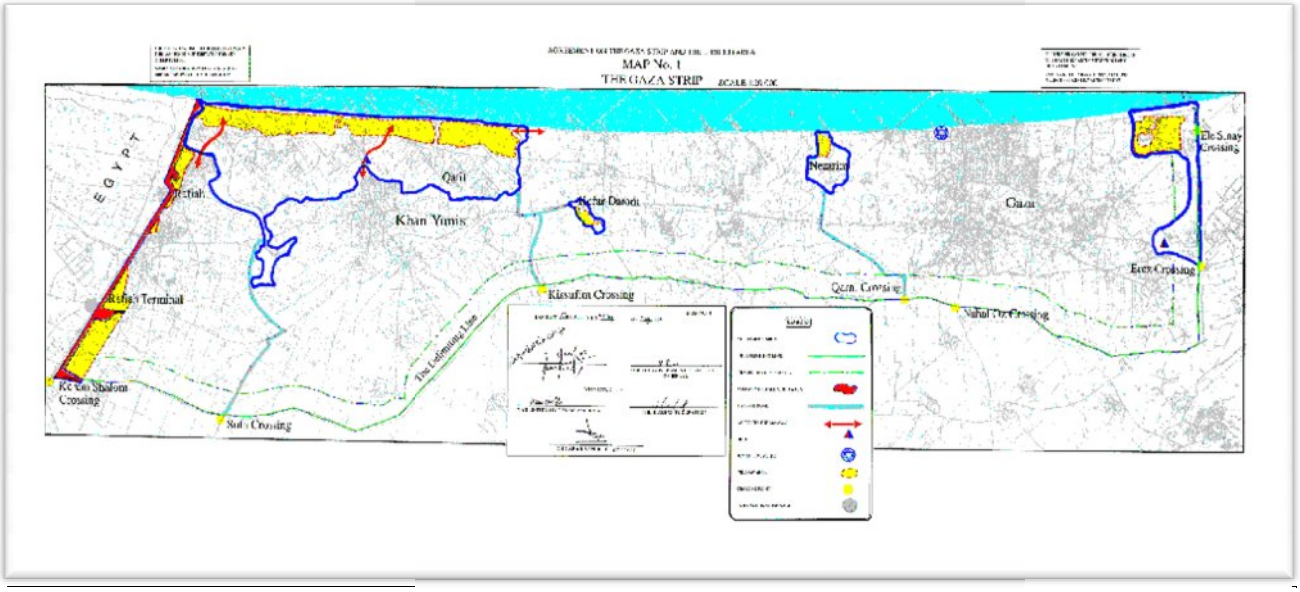
Annex VII of the Agreement establishes the criteria which Israel will tkae into consideration when deciding upon the release.

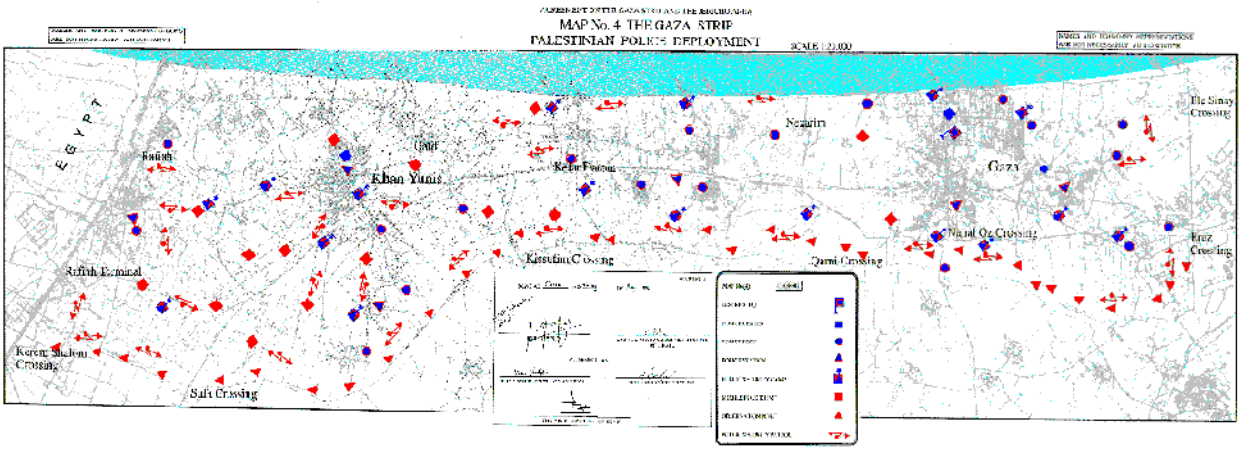
Cooperation and Economic Relations

The Economic Annex of the Gaza-Jericho Agreement, with its appendices, has been incorporated into the Interim Agreement, with minor amendations, and its provisions, including the establishment of a single economic unit for the purpose of customs and import policy, now apply to the whole of the West Bank and the Gaza Strip.

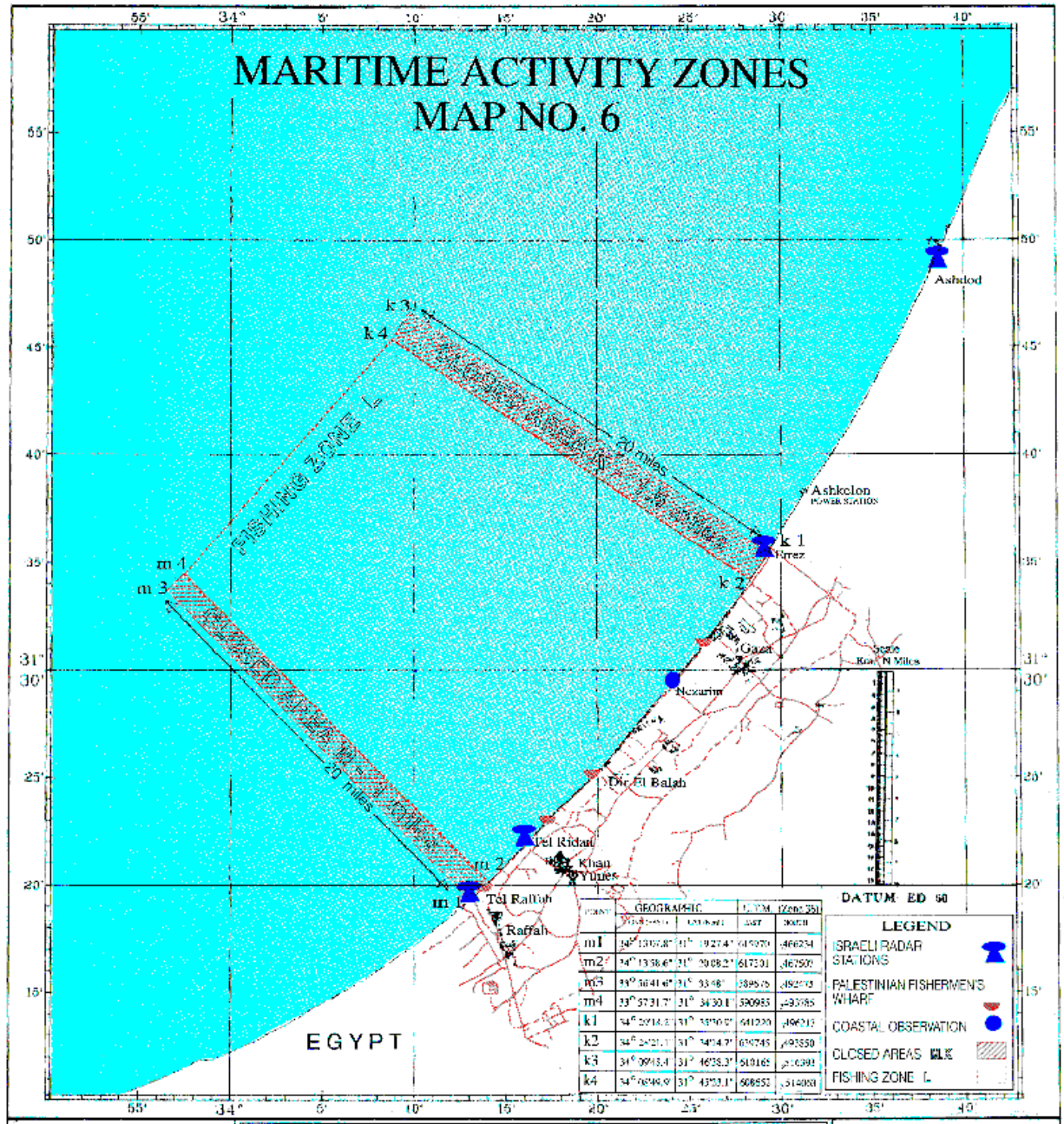
In addition, an entire annex of the agreement deals with cooperation between Israel and the Palestinian Council. The parties are committed to cooperation programs involving officials, institutions and the private sector in various fields, such as economics, science, culture and society. A standing committee will be established to foster such cooperation.


ISRAELI - PALESTINIAN
INTERIM AGREEMENT
MAP NO. 1
FIRST PHASE OF REDEPLOYMENT
MAP DELINEATING
AREAS A AND B
SCALE 1:250,000


MAP No. 1
THE GAZA STRIP
EGYPT
Rafah
Qarni
Khan Yunis
Nahal Oz
Gaza
Erez Crossing
Kissufim Crossing
Qarni Crossing
Rafah Terminal
Kerem Shalom Crossing
Sufa Crossing


MAP No. 4 THE GAZA STRIP
PALESTINIAN POLICE DEPLOYMENT
EGYPT
Rafah
Qarni
Khan Yunis
Nahal Oz
Gaza
Erez Crossing
Kissufim Crossing
Qarni Crossing
Rafah Terminal
Kerem Shalom Crossing
Sufa Crossing

AGREEMENT ON THE GAZA STRIP AND THE JERICHO AREA



MAP NO. 6

Done at Cairo this 4th Day of May 1994

For the PLO

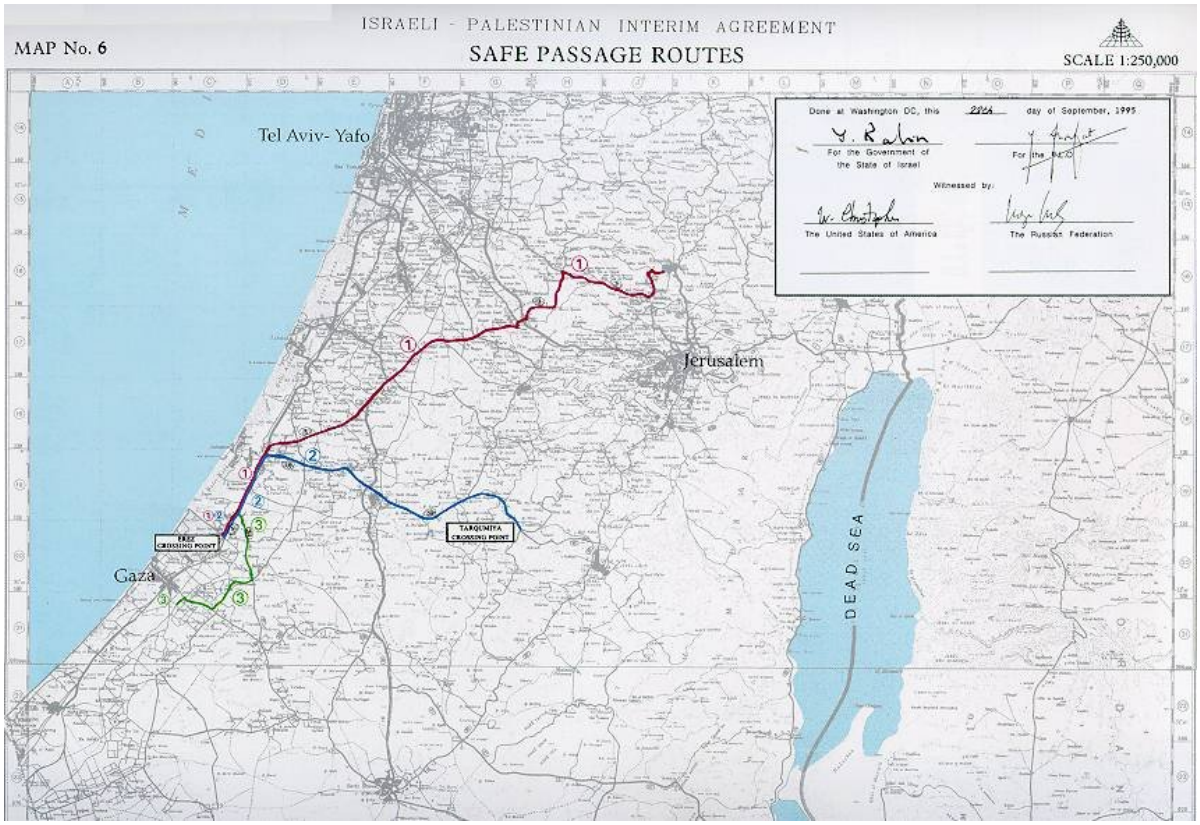
For the Government of the State of Israel

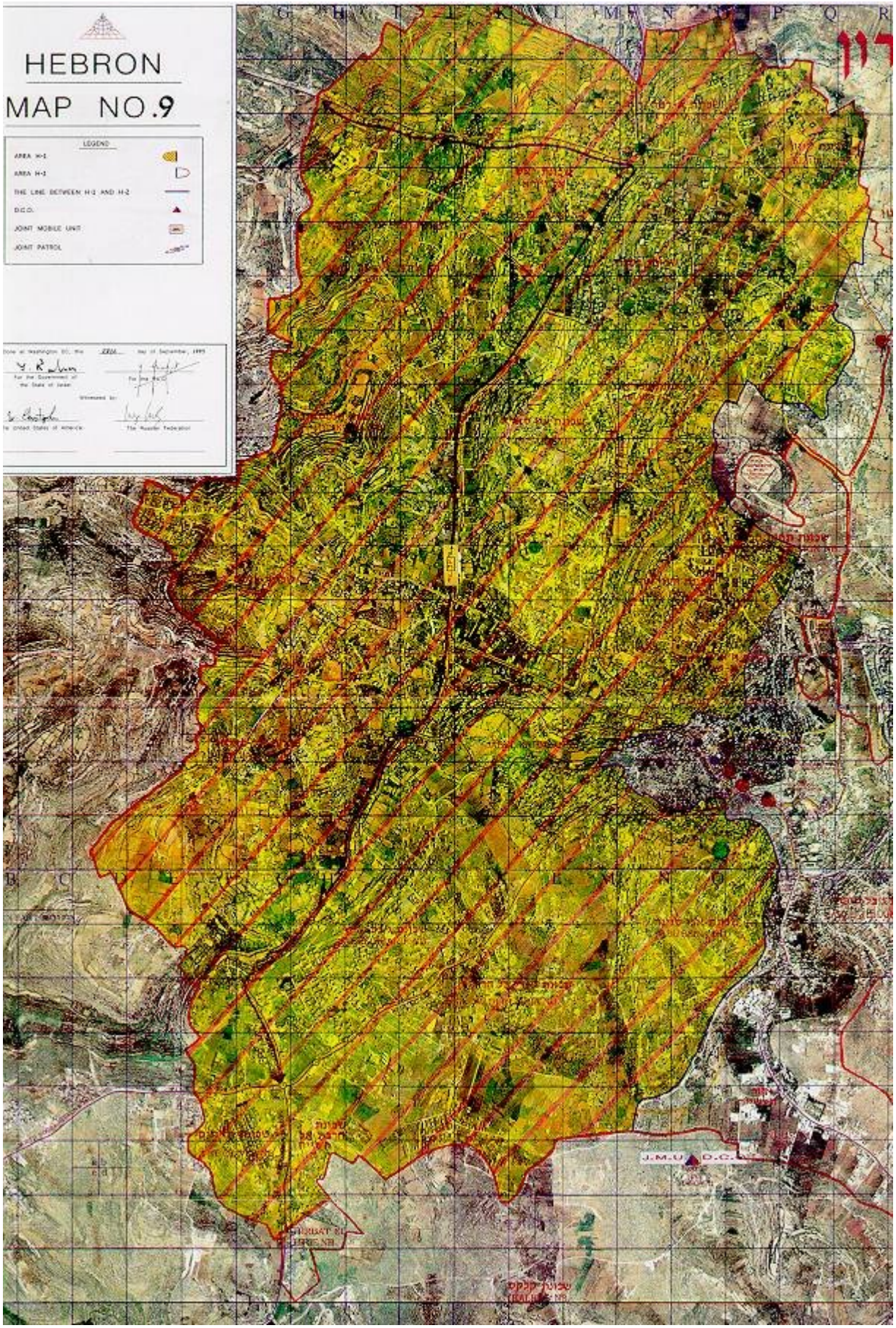
Witnessed by:

The United States of America

The Russian Federation

The Arab Republic of Egypt


ISRAELI - PALESTINIAN INTERIM AGREEMENT
MAP No. 6
SAFE PASSAGE ROUTES
SCALE 1:250,000
Done at Washington DC, this 28th day of September, 1995
For the Government of the State of Israel
For the PLO
Witnessed by:
The United States of America
The Russian Federation
Tel Aviv- Yafo
Jerusalem
Gaza
DEAD SEA
TARQUMIYA CROSSING POINT


HEBRON
MAP NO.9
LEGEND
AREA H-1
AREA H-2
THE LINE BETWEEN H-1 AND H-2
D.C.O.
JOINT MOBILE UNIT
JOINT PATROL
J.M.U
D.C.

Israel-Palestinian Negotiations: Diagram

DECLARATION OF PRINCIPLES **Washington, D.C. - September 13, 1993**				
STAGE I **Interim Self-Government Arrangements**				**STAGE II** **Permanent Status**
Gaza-Jericho Agreement **Signed: May 4, 1994**	**Transfer of Powers** **Signed: Aug 29, 1994**	**Interim Agreement** **Signed: Sept 28, 1995**		**Permanent Status Agreement**
Withdrawal of Israeli administration and forces form Gaza and Jericho, and the transfer of powers and responsibilities to Palestinian Authority. The Agreement includes:	Early transfer of powers and responsibilities in specified spheres, in those parts of the territories not included in the Gaza-Jericho Agreement. These spheres include:	Comprehensive agreement on the transfer of powers and responsibilities in the West Bank from Israel to an elected Palestinian Council. Milestones of implementation:		Agreement finalizing the relationship between Israel and the Palestinians, as follows:
▫ Security arrangements ▫ Transfer of civil affairs ▫ Legal framework ▫ Economic framework	▫ Education and Culture ▫ Health ▫ Social Welfare ▫ Direct Taxation ▫ Tourism ▫ Other spheres as agreed	▫ *Dec 31, 1995:* redeployment from population centers in West Bank. ▫ *Jan 20, 1996:* Elections to the Palestinian Council. ▫ *Jan 17, 1997:* redeployment from Hebron.		▫ Talks to begin no later than 3rd year of interim period *(May 1996)* (DOP) ▫ Issues to include: Jerusalem, refugees, settlements, security arrangements and borders

		▫ *Oct 23, 1998:* Wye River Memorandum. Stage 1 of further redeployment implemented *Nov 20, 1998*. ▫ *Sept 4, 1999:* Sharm el-Sheikh Memorandum. * Stages of implementation		(DOP) ▫ Agreement to enter into force after 5th year of Self-Government (DOP) ▫ Permanent status talks resumed *(Erez, Sept 13, 1999)* according to the Sharm el-Sheikh Memorandum

PART. 2
Previous Agreements

1. ***DECLARATION OF PRINCIPLES ON INTERIM SELF-GOVERNMENT ARRANGEMENTS SEPTEMBER 13, 1993***

2. ***AGREEMENT ON THE GAZA STRIP AND THE JERICHO AREA***

3. ***AGREEMENT ON PREPARATOTRY TRANSFERE OF POWER AND RESPONSIBILITIES August 29, 2004***

NOTE: ***Gaza-Jericho Agreement; the Agreement on Preparatory Transfer of Powers and Responsibilities signed at Erez on August 29, 1994 (hereinafter "the Preparatory Transfer Agreement"); and the Protocol on Further Transfer of Powers and Responsibilities signed at Cairo on August 27, 1995 (hereinafter "the Further Transfer Protocol"); which three agreements will be superseded by this Agreement***

1. Declaration of Principles on Interim Self-Government Arrangements September 13, 1993

The Government of the State of Israel and the P.L.O. team (in the Jordanian-Palestinian delegation to the Middle East Peace Conference) (the "Palestinian Delegation"), representing the Palestinian people, agree that it is time to put an end to decades of confrontation and conflict, recognize their mutual legitimate and political rights, and strive to live in peaceful coexistence and mutual dignity and security and achieve a just, lasting and comprehensive peace settlement and historic reconciliation through the agreed political process. Accordingly, the, two sides agree to the following principles:

ARTICLE I
AIM OF THE NEGOTIATIONS

The aim of the Israeli-Palestinian negotiations within the current Middle East peace process is, among other things, to establish a Palestinian Interim Self-Government Authority, the elected Council (the "Council"), for the Palestinian people in the West Bank and the Gaza Strip, for a transitional period not exceeding five years, leading to a permanent settlement based on Security Council Resolutions 242 and 338.

It is understood that the interim arrangements are an integral part of the whole peace process and that the negotiations on the permanent status will lead to the implementation of Security Council Resolutions 242 and 338.

ARTICLE II
FRAMEWORK FOR THE INTERIM PERIOD

The agreed framework for the interim period is set forth in this Declaration of Principles.

ARTICLE III
ELECTIONS

1. In order that the Palestinian people in the West Bank and Gaza Strip may govern themselves according to democratic principles, direct, free and general political elections will be held for the Council under agreed supervision and international observation, while the Palestinian police will ensure public order.
2. An agreement will be concluded on the exact mode and conditions of the elections in accordance with the protocol attached as Annex I, with the goal of holding the elections not later than nine months after the entry into force of this Declaration of Principles.
3. These elections will constitute a significant interim preparatory step toward the realization of the legitimate rights of the Palestinian people and their just requirements.

ARTICLE IV
JURISDICTION

Jurisdiction of the Council will cover West Bank and Gaza Strip territory, except for issues that will be negotiated in the permanent status negotiations. The two sides view the West Bank and the Gaza Strip as a single territorial unit, whose integrity will be preserved during the interim period.

ARTICLE V
TRANSITIONAL PERIOD AND PERMANENT STATUS NEGOTIATIONS

1. The five-year transitional period will begin upon the withdrawal from the Gaza Strip and Jericho area.
2. Permanent status negotiations will commence as soon as possible, but not later than the beginning of the third year of the interim period, between the Government of Israel and the Palestinian people representatives.
3. It is understood that these negotiations shall cover remaining issues, including: Jerusalem, refugees, settlements, security arrangements, borders, relations and cooperation with other neighbors, and other issues of common interest.
4. The two parties agree that the outcome of the permanent status negotiations should not be prejudiced or preempted by agreements reached for the interim period.

ARTICLE VI
PREPARATORY TRANSFER OF POWERS AND RESPONSIBILITIES

1. Upon the entry into force of this Declaration of Principles and the withdrawal from the Gaza Strip and the Jericho area, a transfer of authority from the Israeli military government and its Civil Administration to the authorised Palestinians for this task, as detailed herein, will commence. This transfer of authority will be of a preparatory nature until the inauguration of the Council.

2. Immediately after the entry into force of this Declaration of Principles and the withdrawal from the Gaza Strip and Jericho area, with the view to promoting economic development in the West Bank and Gaza Strip, authority will be transferred to the Palestinians on the following spheres: education and culture, health, social welfare, direct taxation, and tourism. The Palestinian side will commence in building the Palestinian police force, as agreed upon. Pending the inauguration of the Council, the two parties may negotiate the transfer of additional powers and responsibilities, as agreed upon.

ARTICLE VII
INTERIM AGREEMENT

1. The Israeli and Palestinian delegations will negotiate an agreement on the interim period (the "Interim Agreement")

2. The Interim Agreement shall specify, among other things, the structure of the Council, the number of its members, and the transfer of powers and responsibilities from the

Israeli military government and its Civil Administration to the Council. The Interim Agreement shall also specify the Council's executive authority, legislative authority in accordance with Article IX below, and the independent Palestinian judicial organs.

3. The Interim Agreement shall include arrangements, to be implemented upon the inauguration of the Council, for the assumption by the Council of all of the powers and responsibilities transferred previously in accordance with Article VI above.
4. In order to enable the Council to promote economic growth, upon its inauguration, the Council will establish, among other things, a Palestinian Electricity Authority, a Gaza Sea Port Authority, a Palestinian Development Bank, a Palestinian Export Promotion Board, a Palestinian Environmental Authority, a Palestinian Land Authority and a Palestinian Water Administration Authority, and any other Authorities agreed upon, in accordance with the Interim Agreement that will specify their powers and responsibilities.

5. After the inauguration of the Council, the Civil Administration will be dissolved, and the Israeli military government will be withdrawn.

ARTICLE VIII
PUBLIC ORDER AND SECURITY

In order to guarantee public order and internal security for the Palestinians of the West Bank and the Gaza Strip, the Council will establish a strong police force, while Israel will continue to carry the responsibility for defending against external threats, as well as the responsibility for overall security of Israelis for the purpose of safeguarding their internal security and public order.

ARTICLE IX
LAWS AND MILITARY ORDERS

1. The Council will be empowered to legislate, in accordance with the Interim Agreement, within all authorities transferred to it.
2. Both parties will review jointly laws and military orders presently in force in remaining spheres.

ARTICLE X
JOINT ISRAELI-PALESTINIAN LIAISON COMMITTEE

In order to provide for a smooth implementation of this Declaration of Principles and any subsequent agreements pertaining to the interim period, upon the entry into force of this Declaration of Principles, a Joint Israeli-Palestinian Liaison Committee will be established in order to deal with issues requiring coordination, other issues of common interest, and disputes.

ARTICLE XI
ISRAELI-PALESTINIAN COOPERATION IN ECONOMIC FIELDS

Recognizing the mutual benefit of cooperation in promoting the development of the West Bank, the Gaza Strip and Israel, upon the entry into force of this Declaration of Principles, an Israeli-

Palestinian Economic Cooperation Committee will be established in order to develop and implement in a cooperative manner the programs identified in the protocols attached as Annex III and Annex IV .

ARTICLE XII
LIAISON AND COOPERATION WITH JORDAN AND EGYPT

The two parties will invite the Governments of Jordan and Egypt to participate in establishing further liaison and cooperation arrangements between the Government of Israel and the Palestinian representatives, on the one hand, and the Governments of Jordan and Egypt, on the other hand, to promote cooperation between them. These arrangements will include the constitution of a Continuing Committee that will decide by agreement on the modalities of admission of persons displaced from the West Bank and Gaza Strip in 1967, together with necessary measures to prevent disruption and disorder. Other matters of common concern will be dealt with by this Committee.

ARTICLE XIII
REDEPLOYMENT OF ISRAELI FORCES

1. After the entry into force of this Declaration of Principles, and not later than the eve of elections for the Council, a redeployment of Israeli military forces in the West Bank and the Gaza Strip will take place, in addition to withdrawal of Israeli forces carried out in accordance with Article XIV.
2. In redeploying its military forces, Israel will be guided by the principle that its military forces should be redeployed outside populated areas.
3. Further redeployments to specified locations will be gradually implemented commensurate with the assumption of responsibility for public order and internal security by the Palestinian police force pursuant to Article VIII above.

ARTICLE XIV
ISRAELI WITHDRAWAL FROM THE GAZA STRIP AND JERICHO AREA

Israel will withdraw from the Gaza Strip and Jericho area, as detailed in the protocol attached as Annex II.

ARTICLE XV
RESOLUTION OF DISPUTES

1. Disputes arising out of the application or interpretation of this Declaration of Principles. or any subsequent agreements pertaining to the interim period, shall be resolved by negotiations through the Joint Liaison Committee to be established pursuant to Article X above.
2. Disputes which cannot be settled by negotiations may be resolved by a mechanism of conciliation to be agreed upon by the parties.

3. The parties may agree to submit to arbitration disputes relating to the interim period, which cannot be settled through conciliation. To this end, upon the agreement of both parties, the parties will establish an Arbitration Committee.

ARTICLE XVI
ISRAELI-PALESTINIAN COOPERATION CONCERNING REGIONAL PROGRAMS

Both parties view the multilateral working groups as an appropriate instrument for promoting a "Marshall Plan", the regional programs and other programs, including special programs for the West Bank and Gaza Strip, as indicated in the protocol attached as Annex IV .

ARTICLE XVII
MISCELLANEOUS PROVISIONS

1. This Declaration of Principles will enter into force one month after its signing.
2. All protocols annexed to this Declaration of Principles and Agreed Minutes pertaining thereto shall be regarded as an integral part hereof.

Done at Washington, D.C., this thirteenth day of September, 1993.

For the Government of Israel
For the P.L.O.

Witnessed By:

The United States of America
The Russian Federation

ANNEX I
PROTOCOL ON THE MODE AND CONDITIONS OF ELECTIONS

1. Palestinians of Jerusalem who live there will have the right to participate in the election process, according to an agreement between the two sides.
2. In addition, the election agreement should cover, among other things, the following issues:
    a. the system of elections;
    b. the mode of the agreed supervision and international observation and their personal composition; and
    c. rules and regulations regarding election campaign, including agreed arrangements for the organizing of mass media, and the possibility of licensing a broadcasting and TV station.
3. The future status of displaced Palestinians who were registered on 4th June 1967 will not be prejudiced because they are unable to participate in the election process due to practical reasons.

ANNEX II
PROTOCOL ON WITHDRAWAL OF ISRAELI FORCES FROM THE GAZA STRIP AND JERICHO AREA

1. The two sides will conclude and sign within two months from the date of entry into force of this Declaration of Principles, an agreement on the withdrawal of Israeli military forces from the Gaza Strip and Jericho area. This agreement will include comprehensive arrangements to apply in the Gaza Strip and the Jericho area subsequent to the Israeli withdrawal.
2. Israel will implement an accelerated and scheduled withdrawal of Israeli military forces from the Gaza Strip and Jericho area, beginning immediately with the signing of the agreement on the Gaza Strip and Jericho area and to be completed within a period not exceeding four months after the signing of this agreement.
3. The above agreement will include, among other things:
    a. Arrangements for a smooth and peaceful transfer of authority from the Israeli military government and its Civil Administration to the Palestinian representatives.
    b. Structure, powers and responsibilities of the Palestinian authority in these areas, except: external security, settlements, Israelis, foreign relations, and other mutually agreed matters.
    c. Arrangements for the assumption of internal security and public order by the Palestinian police force consisting of police officers recruited locally and from abroad holding Jordanian passports and Palestinian documents issued by Egypt). Those who will participate in the Palestinian police force coming from abroad should be trained as police and police officers.
    d. A temporary international or foreign presence, as agreed upon.
    e. Establishment of a joint Palestinian-Israeli Coordination and Cooperation Committee for mutual security purposes.
    f. An economic development and stabilization program, including the establishment of an Emergency Fund, to encourage foreign investment, and financial and economic support. Both sides will coordinate and cooperate jointly and unilaterally with regional and international parties to support these aims.
    g. Arrangements for a safe passage for persons and transportation between the Gaza Strip and Jericho area.
4. The above agreement will include arrangements for coordination between both parties regarding passages:
    a. Gaza - Egypt; and
    b. Jericho - Jordan.
5. The offices responsible for carrying out the powers and responsibilities of the Palestinian authority under this Annex II and Article VI of the Declaration of Principles will be located in the Gaza Strip and in the Jericho area pending the inauguration of the Council.
6. Other than these agreed arrangements, the status of the Gaza Strip and Jericho area will continue to be an integral part of the West Bank and Gaza Strip, and will not be changed in the interim period.

ANNEX III
PROTOCOL ON ISRAELI-PALESTINIAN COOPERATION IN ECONOMIC AND DEVELOPMENT PROGRAMS

The two sides agree to establish an Israeli-Palestinian continuing Committee for Economic Cooperation, focusing, among other things, on the following:

1. Cooperation in the field of water, including a Water Development Program prepared by experts from both sides, which will also specify the mode of cooperation in the management of water resources in the West Bank and Gaza Strip, and will include proposals for studies and plans on water rights of each party, as well as on the equitable utilization of joint water resources for implementation in and beyond the interim period.
2. Cooperation in the field of electricity, including an Electricity Development Program, which will also specify the mode of cooperation for the production, maintenance, purchase and sale of electricity resources.
3. Cooperation in the field of energy, including an Energy Development Program, which will provide for the exploitation of oil and gas for industrial purposes, particularly in the Gaza Strip and in the Negev, and will encourage further joint exploitation of other energy resources. This Program may also provide for the construction of a Petrochemical industrial complex in the Gaza Strip and the construction of oil and gas pipelines.
4. Cooperation in the field of finance, including a Financial Development and Action Program for the encouragement of international investment in the West Bank and the Gaza Strip, and in Israel, as well as the establishment of a Palestinian Development Bank.
5. Cooperation in the field of transport and communications, including a Program, which will define guidelines for the establishment of a Gaza Sea Port Area, and will provide for the establishing of transport and communications lines to and from the West Bank and the Gaza Strip to Israel and to other countries. In addition, this Program will provide for carrying out the necessary construction of roads, railways, communications lines, etc.
6. Cooperation in the field of trade, including studies, and Trade Promotion Programs, which will encourage local, regional and inter-regional trade, as well as a feasibility study of creating free trade zones in the Gaza Strip and in Israel, mutual access to these zones, and cooperation in other areas related to trade and commerce.
7. Cooperation in the field of industry, including Industrial Development Programs, which will provide for the establishment of joint Israeli- Palestinian Industrial Research and Development Centers, will promote Palestinian-Israeli joint ventures, and provide guidelines for cooperation in the textile, food, pharmaceutical, electronics, diamonds, computer and science-based industries.
8. A program for cooperation in, and regulation of, labor relations and cooperation in social welfare issues.
9. A Human Resources Development and Cooperation Plan, providing for joint Israeli-Palestinian workshops and seminars, and for the establishment of joint vocational training centers, research institutes and data banks.
10. An Environmental Protection Plan, providing for joint and/or coordinated measures in this sphere.

11. A program for developing coordination and cooperation in the field of communication and media.
12. Any other programs of mutual interest.

ANNEX IV
PROTOCOL ON ISRAELI-PALESTINIAN COOPERATION CONCERNING REGIONAL DEVELOPMENT PROGRAMS

1. The two sides will cooperate in the context of the multilateral peace efforts in promoting a Development Program for the region, including the West Bank and the Gaza Strip, to be initiated by the G-7. The parties will request the G-7 to seek the participation in this program of other interested states, such as members of the Organisation for Economic Cooperation and Development, regional Arab states and institutions, as well as members of the private sector.
2. The Development Program will consist of two elements:
    a. an Economic Development Program for the 'West Bank and the Gaza Strip.
    b. a Regional Economic Development Program.
    C. The Economic Development Program for the West Bank and the Gaza strip will consist of the following elements:
        1. A Social Rehabilitation Program, including a Housing and Construction Program.
        2. A Small and Medium Business Development Plan.
        3. An Infrastructure Development Program (water, electricity, transportation and communications, etc.)
        4. A Human Resources Plan.
        5. Other programs.
    D. The Regional Economic Development Program may consist of the following elements:
        1. The establishment of a Middle East Development Fund, as a first step, and a Middle East Development Bank, as a second step.
        2. The development of a joint Israeli-Palestinian-Jordanian Plan for coordinated exploitation of the Dead Sea area.
        3. The Mediterranean Sea (Gaza) - Dead Sea Canal.
        4. Regional Desalinization and other water development projects.
        5. A regional plan for agricultural development, including a coordinated regional effort for the prevention of desertification.
        6. Interconnection of electricity grids.
        7. Regional cooperation for the transfer, distribution and industrial exploitation of gas, oil and other energy resources.
        8. A Regional Tourism, Transportation and Telecommunications Development Plan.
        9. Regional cooperation in other spheres.

3. The two sides will encourage the multilateral working groups, and will coordinate towards their success. The two parties will encourage intersessional activities, as well as pre-feasibility and feasibility studies, within the various multilateral working groups.

AGREED MINUTES TO THE DECLARATION OF PRINCIPLES ON INTERIM SELF-GOVERNMENT ARRANGEMENTS

A. GENERAL UNDERSTANDINGS AND AGREEMENTS

Any powers and responsibilities transferred to the Palestinians pursuant to the Declaration of Principles prior to the inauguration of the Council will be subject to the same principles pertaining to Article IV, as set out in these Agreed Minutes below.

B. SPECIFIC UNDERSTANDINGS AND AGREEMENTS

Article IV

It is understood that:

1. Jurisdiction of the Council will cover West Bank and Gaza Strip territory, except for issues that will be negotiated in the permanent status negotiations: Jerusalem, settlements, military locations, and Israelis.
2. The Council's jurisdiction will apply with regard to the agreed powers, responsibilities, spheres and authorities transferred to it.

Article VI (2)

It is agreed that the transfer of authority will be as follows:

1. The Palestinian side will inform the Israeli side of the names of the authorised Palestinians who will assume the powers, authorities and responsibilities that will be transferred to the Palestinians according to the Declaration of Principles in the following fields: education and culture, health, social welfare, direct taxation, tourism, and any other authorities agreed upon.
2. It is understood that the rights and obligations of these offices will not be affected.
3. Each of the spheres described above will continue to enjoy existing budgetary allocations in accordance with arrangements to be mutually agreed upon. These arrangements also will provide for the necessary adjustments required in order to take into account the taxes collected by the direct taxation office.
4. Upon the execution of the Declaration of Principles, the Israeli and Palestinian delegations will immediately commence negotiations on a detailed plan for the transfer of authority on the above offices in accordance with the above understandings.

Article VII (2)

The Interim Agreement will also include arrangements for coordination and cooperation.

Article VII (5)

The withdrawal of the military government will not prevent Israel from exercising the powers and responsibilities not transferred to the Council.

Article VIII

It is understood that the Interim Agreement will include arrangements for cooperation and coordination between the two parties in this regard. It is also agreed that the transfer of powers and responsibilities to the Palestinian police will be accomplished in a phased manner, as agreed in the Interim Agreement.

Article X

It is agreed that, upon the entry into force of the Declaration of Principles, the Israeli and Palestinian delegations will exchange the names of the individuals designated by them as members of the Joint Israeli-Palestinian Liaison Committee.

It is further agreed that each side will have an equal number of members in the Joint Committee. The Joint Committee will reach decisions by agreement. The Joint Committee may add other technicians and experts, as necessary. The Joint Committee will decide on the frequency and place or places of its meetings.

Annex II

It is understood that, subsequent to the Israeli withdrawal, Israel will continue to be responsible for external security, and for internal security and public order of settlements and Israelis. Israeli military forces and civilians may continue to use roads freely within the Gaza Strip and the Jericho area.

Done at Washington, D.C., this thirteenth day of September, 1993.

For the Government of Israel
For the P.L.O.

Witnessed By:

The United States of America
The Russian Federation

2 AGREEMENT ON THE GAZA STRIP AND THE JERICHO AREA May 4, 1994

The Government of the State of Israel and the Palestine Liberation Organization (hereinafter "the PLO"), the representative of the Palestinian people;

PREAMBLE

WITHIN the framework of the Middle East peace process initiated at Madrid in October 1991;

REAFFIRMING their determination to live in peaceful coexistence, mutual dignity and security, while recognizing their mutual legitimate and political rights;

REAFFIRMING their desire to achieve a just, lasting and comprehensive peace settlement through the agreed political process;

REAFFIRMING their adherence to the mutual recognition and commitments expressed in the letters dated September 9, 1993 , signed by and exchanged between the Prime Minister of Israel and the Chairman of the PLO;

REAFFIRMING their understanding that the interim self-government arrangements, including the arrangements to apply in the Gaza Strip and the Jericho Area contained in this Agreement, are an integral part of the whole peace process and that the negotiations on the permanent status will lead to the implementation of Security Council Resolutions 242 and 338;

DESIROUS of putting into effect the Declaration of Principles on Interim Self-Government Arrangements signed at Washington, D.C. on September 13, 1993, and the Agreed Minutes thereto (hereinafter "the Declaration of Principles"), and in particular the Protocol on withdrawal of Israeli forces from the Gaza Strip and the Jericho Area;

HEREBY AGREE to the following arrangements regarding the Gaza Strip and the Jericho Area:

ARTICLE I

DEFINITIONS

For the purpose of this Agreement:

a. the Gaza Strip and the Jericho Area are delineated on map No. 1 and map No. 2 attached to this Agreement;

b. "the Settlements" means the Gush Katif and Erez settlement areas, as well as the other settlements in the Gaza Strip, as shown on attached map No. 1;
c. "the Military Installation Area" means the Israeli military installation area along the Egyptian border in the Gaza Strip, as shown on map No. 1; and
d. the term "Israelis" shall also include Israeli statutory agencies and corporations registered in Israel.

ARTICLE II

SCHEDULED WITHDRAWAL OF ISRAELI MILITARY FORCES

1. Israel shall implement an accelerated and scheduled withdrawal of Israeli military forces from the Gaza Strip and from the Jericho Area to begin immediately with the signing of this Agreement. Israel shall complete such withdrawal within three weeks from this date.
2. Subject to the arrangements included in the Protocol Concerning Withdrawal of Israeli Military Forces and Security Arrangements attached as Annex I , the Israeli withdrawal shall include evacuating all military bases and other fixed installations to be handed over to the Palestinian Police, to be established pursuant to Article IX below (hereinafter "the Palestinian Police").
3. In order to carry out Israel's responsibility for external security and for internal security and public order of Settlements and Israelis, Israel shall, concurrently with the withdrawal, redeploy its remaining military forces to the Settlements and the Military Installation Area, in accordance with the provisions of this Agreement. Subject to the provisions of this Agreement, this redeployment shall constitute full implementation of Article XIII of the Declaration of Principles with regard to the Gaza Strip and the Jericho Area only.
4. For the purposes of this Agreement, "Israeli military forces" may include Israel police and other Israeli security forces.
5. Israelis, including Israeli military forces, may continue to use roads freely within the Gaza Strip and the Jericho Area. Palestinians may use public roads crossing the Settlements freely, as provided for in Annex I.
6. The Palestinian Police shall be deployed and shall assume responsibility for public order and internal security of Palestinians in accordance with this Agreement and Annex I.

ARTICLE III

TRANSFER OF AUTHORITY

1. Israel shall transfer authority as specified in this Agreement from the Israeli military government and its Civil Administration to the Palestinian Authority, hereby established, in accordance with Article V of this Agreement, except for the authority that Israel shall continue to exercise as specified in this Agreement.
2. As regards the transfer and assumption of authority in civil spheres, powers and responsibilities shall be transferred and assumed as set out in the Protocol Concerning Civil Affairs attached as Annex II .

3. Arrangements for a smooth and peaceful transfer of the agreed powers and responsibilities are set out in Annex II.
4. Upon the completion of the Israeli withdrawal and the transfer of powers and responsibilities as detailed in paragraphs 1 and 2 above and in Annex II, the Civil Administration in the Gaza Strip and the Jericho Area will be dissolved and the Israeli military government will be withdrawn. The withdrawal of the military government shall not prevent it from continuing to exercise the powers and responsibilities specified in this Agreement.
5. A Joint Civil Affairs Coordination and Cooperation Committee (hereinafter "the CAC") and two Joint Regional Civil Affairs Subcommittees for the Gaza Strip and the Jericho Area respectively shall be established in order to provide for coordination and cooperation in civil affairs between the Palestinian Authority and Israel, as detailed in Annex II.
6. The offices of the Palestinian Authority shall be located in the Gaza Strip and the Jericho Area pending the inauguration of the Council to be elected pursuant to the Declaration of Principles.

ARTICLE IV

STRUCTURE AND COMPOSITION OF THE PALESTINIAN AUTHORITY

1. The Palestinian Authority will consist of one body of 24 members which shall carry out and be responsible for all the legislative and executive powers and responsibilities transferred to it under this Agreement, in accordance with this Article, and shall be responsible for the exercise of judicial functions in accordance with Article VI, subparagraph 1.b. of this Agreement.
2. The Palestinian Authority shall administer the departments transferred to it and may establish, within its jurisdiction, other departments and subordinate administrative units as necessary for the fulfillment of its responsibilities. It shall determine its own internal procedures.
3. The PLO shall inform the Government of Israel of the names of the members of the Palestinian Authority and any change of members. Changes in the membership of the Palestinian Authority will take effect upon an exchange of letters between the PLO and the Government of Israel.
4. Each member of the Palestinian Authority shall enter into office upon undertaking to act in accordance with this Agreement.

ARTICLE V

JURISDICTION

1. The authority of the Palestinian Authority encompasses all matters that fall within its territorial, functional and personal jurisdiction, as follows:
    a. The territorial jurisdiction covers the Gaza Strip and the Jericho Area territory, as defined in Article I, except for Settlements and the Military Installation Area.

Territorial jurisdiction shall include land, subsoil and territorial waters, in accordance with the provisions of this Agreement.

b. The functional jurisdiction encompasses all powers and responsibilities as specified in this Agreement. This jurisdiction does not include foreign relations, internal security and public order of Settlements and the Military Installation Area and Israelis, and external security.
c. The personal jurisdiction extends to all persons within the territorial jurisdiction referred to above, except for Israelis, unless otherwise provided in this Agreement.

2. The Palestinian Authority has, within its authority, legislative, executive and judicial powers and responsibilities, as provided for in this Agreement.
3.
   a. Israel has authority over the Settlements, the Military Installation Area, Israelis, external security, internal security and public order of Settlements, the Military Installation Area and Israelis, and those agreed powers and responsibilities specified in this Agreement.
   b. Israel shall exercise its authority through its military government, which, for that end, shall continue to have the necessary legislative, judicial and executive powers and responsibilities, in accordance with international law. This provision shall not derogate from Israel's applicable legislation over Israelis in personam.
4. The exercise of authority with regard to the electromagnetic sphere and airspace shall be in accordance with the provisions of this Agreement.
5. The provisions of this Article are subject to the specific legal arrangements detailed in the Protocol Concerning Legal Matters attached as Annex III . Israel and the Palestinian Authority may negotiate further legal arrangements.
6. Israel and the Palestinian Authority shall cooperate on matters of legal assistance in criminal and civil matters through the legal subcommittee of the CAC.

ARTICLE VI

POWERS AND RESPONSIBILITIES OF THE PALESTINIAN AUTHORITY

1. Subject to the provisions of this Agreement, the Palestinian Authority, within its jurisdiction:
   a. has legislative powers as set out in Article VII of this Agreement, as well as executive powers;
   b. will administer justice through an independent judiciary;
   c. will have, inter alia, power to formulate policies, supervise their implementation, employ staff, establish departments, authorities and institutions, sue and be sued and conclude contracts; and
   d. will have, inter alia, the power to keep and administer registers and records of the population, and issue certificates, licenses and documents.
2.
   a. In accordance with the Declaration of Principles, the Palestinian Authority will not have powers and responsibilities in the sphere of foreign relations, which

sphere includes the establishment abroad of embassies, consulates or other types of foreign missions and posts or permitting their establishment in the Gaza Strip or the Jericho Area, the appointment of or admission of diplomatic and consular staff, and the exercise of diplomatic functions.

b. Notwithstanding the provisions of this paragraph, the PLO may conduct negotiations and sign agreements with states or international organizations for the benefit of the Palestinian Authority in the following cases only:
    1. economic agreements, as specifically provided in Annex IV of this Agreement;
    2. agreements with donor countries for the purpose of implementing arrangements for the provision of assistance to the Palestinian Authority;
    3. agreements for the purpose of implementing the regional development plans detailed in Annex IV of the Declaration of Principles or in agreements entered into in the framework of the multilateral negotiations; and
    4. cultural, scientific and educational agreements.

c. Dealings between the Palestinian Authority and representatives of foreign states and international organizations, as well as the establishment in the Gaza Strip and the Jericho Area of representative offices other than those described in subparagraph 2.a. above, for the purpose of implementing the agreements referred to in subparagraph 2.b. above, shall not be considered foreign relations.

ARTICLE VII

LEGISLATIVE POWERS OF THE PALESTINIAN AUTHORITY

1. The Palestinian Authority will have the power, within its jurisdiction, to promulgate legislation, including basic laws, laws, regulations and other legislative acts.
2. Legislation promulgated by the Palestinian Authority shall be consistent with the provisions of this Agreement.
3. Legislation promulgated by the Palestinian Authority shall be communicated to a legislation subcommittee to be established by the CAC (hereinafter "the Legislation Subcommittee"). During a period of 30 days from the communication of the legislation, Israel may request that the Legislation Subcommittee decide whether such legislation exceeds the jurisdiction of the Palestinian Authority or is otherwise inconsistent with the provisions of this Agreement.
4. Upon receipt of the Israeli request, the Legislation Subcommittee shall decide, as an initial matter, on the entry into force of the legislation pending its decision on the merits of the matter.
5. If the Legislation Subcommittee is unable to reach a decision with regard to the entry into force of the legislation within 15 days, this issue will be referred to a board of review. This board of review shall be comprised of two judges, retired judges or senior jurists (hereinafter "Judges"), one from each side, to be appointed from a compiled list of three Judges proposed by each.
   In order to expedite the proceedings before this board of review, the two most senior Judges, one from each side, shall develop written informal rules of procedure.

6. Legislation referred to the board of review shall enter into force only if the board of review decides that it does not deal with a security issue which falls under Israel's responsibility, that it does not seriously threaten other significant Israeli interests protected by this Agreement and that the entry into force of the legislation could not cause irreparable damage or harm.
7. The Legislation Subcommittee shall attempt to reach a decision on the merits of the matter within 30 days from the date of the Israeli request. If this Subcommittee is unable to reach such a decision within this period of 30 days, the matter shall be referred to the Joint Israeli-Palestinian Liaison Committee referred to in Article XV below (hereinafter "the Liaison Committee"). This Liaison Committee will deal with the matter immediately and will attempt to settle it within 30 days.
8. Where the legislation has not entered into force pursuant to paragraphs 5 or 7 above, this situation shall be maintained pending the decision of the Liaison Committee on the merits of the matter, unless it has decided otherwise.
9. Laws and military orders in effect in the Gaza Strip or the Jericho Area prior to the signing of this Agreement shall remain in force, unless amended or abrogated in accordance with this Agreement.

ARTICLE VIII

ARRANGEMENTS FOR SECURITY AND PUBLIC ORDER

1. In order to guarantee public order and internal security for the Palestinians of the Gaza Strip and the Jericho Area, the Palestinian Authority shall establish a strong police force, as set out in Article IX below. Israel shall continue to carry the responsibility for defense against external threats, including the responsibility for protecting the Egyptian border and the Jordanian line, and for defense against external threats from the sea and from the air, as well as the responsibility for overall security of Israelis and Settlements, for the purpose of safeguarding their internal security and public order, and will have all the powers to take the steps necessary to meet this responsibility.
2. Agreed security arrangements and coordination mechanisms are specified in Annex I .
3. A joint Coordination and Cooperation Committee for mutual security purposes (hereinafter "the JSC"), as well as three joint District Coordination and Cooperation Offices for the Gaza district, the Khan Yunis district and the Jericho district respectively (hereinafter "the DCOs") are hereby established as provided for in Annex I.
4. The security arrangements provided for in this Agreement and in Annex I may be reviewed at the request of either Party and may be amended by mutual agreement of the Parties. Specific review arrangements are included in Annex I.

ARTICLE IX

THE PALESTINIAN DIRECTORATE OF POLICE FORCE

1. The Palestinian Authority shall establish a strong police force, the Palestinian Directorate of Police Force (hereinafter "the Palestinian Police"). The duties, functions, structure, deployment and composition of the Palestinian Police, together with provisions regarding

its equipment and operation, are set out in Annex I, Article III. Rules of conduct governing the activities of the Palestinian Police are set out in Annex I, Article VIII.

2. Except for the Palestinian Police referred to in this Article and the Israeli military forces, no other armed forces shall be established or operate in the Gaza Strip or the Jericho Area.
3. Except for the arms, ammunition and equipment of the Palestinian Police described in Annex I, Article III, and those of the Israeli military forces, no organization or individual in the Gaza Strip and the Jericho Area shall manufacture, sell, acquire, possess, import or otherwise introduce into the Gaza Strip or the Jericho Area any firearms, ammunition, weapons, explosives, gunpowder or any related equipment, unless otherwise provided for in Annex I.

ARTICLE X

PASSAGES Arrangements for coordination between Israel and the Palestinian Authority regarding the Gaza-Egypt and Jericho-Jordan passages, as well as any other agreed international crossings, are set out in Annex I, Article X.

ARTICLE XI

SAFE PASSAGE BETWEEN THE GAZA STRIP AND THE JERICHO AREA
Arrangements for safe passage of persons and transportation between the Gaza Strip and the Jericho Area are set out in Annex I, Article IX.

ARTICLE XII
RELATIONS BETWEEN ISRAEL AND THE PALESTINIAN AUTHORITY

1. Israel and the Palestinian Authority shall seek to foster mutual understanding and tolerance and shall accordingly abstain from incitement, including hostile propaganda, against each other and, without derogating from the principle of freedom of expression, shall take legal measures to prevent such incitement by any organizations, groups or individuals within their jurisdiction.
2. Without derogating from the other provisions of this Agreement, Israel and the Palestinian Authority shall cooperate in combatting criminal activity which may affect both sides, including offenses related to trafficking in illegal drugs and psychotropic substances, smuggling, and offenses against property, including offenses related to vehicles.

ARTICLE XIII

ECONOMIC RELATIONS The economic relations between the two sides are set out in the Protocol on Economic Relations signed in Paris on April 29, 1994 and the Appendices thereto, certified copies of which are attached as Annex IV, and will be governed by the relevant provisions of this Agreement and its Annexes.

ARTICLE XIV

HUMAN RIGHTS AND THE RULE OF LAW Israel and the Palestinian Authority shall exercise their powers and responsibilities pursuant to this Agreement with due regard to internationally-accepted norms and principles of human rights and the rule of law.

ARTICLE XV
THE JOINT ISRAELI-PALESTINIAN LIAISON COMMITTEE

1. The Liaison Committee established pursuant to Article X of the Declaration of Principles shall ensure the smooth implementation of this Agreement. It shall deal with issues requiring coordination, other issues of common interest and disputes.
2. The Liaison Committee shall be composed of an equal number of members from each Party. It may add other technicians and experts as necessary.
3. The Liaison Committee shall adopt its rules of procedure, including the frequency and place or places of its meetings.
4. The Liaison Committee shall reach its decisions by Agreement.

ARTICLE XVI
LIAISON AND COOPERATION WITH JORDAN AND EGYPT

1. Pursuant to Article XII of the Declaration of Principles, the two Parties shall invite the Governments of Jordan and Egypt to participate in establishing further liaison and cooperation arrangements between the Government of Israel and the Palestinian representatives on the one hand, and the Governments of Jordan and Egypt on the other hand, to promote cooperation between them. These arrangements shall include the constitution of a Continuing Committee.
2. The Continuing Committee shall decide by agreement on the modalities of admission of persons displaced from the West Bank and the Gaza Strip in 1967, together with necessary measures to prevent disruption and disorder.
3. The Continuing Committee shall deal with other matters of common concern.

ARTICLE XVII

SETTLEMENT OF DIFFERENCES AND DISPUTES Any difference relating to the application of this Agreement shall be referred to the appropriate coordination and cooperation mechanism established under this Agreement. The provisions of Article XV of the Declaration of Principles shall apply to any such difference which is not settled through the appropriate coordination and cooperation mechanism, namely:

1. Disputes arising out of the application or interpretation of this Agreement or any subsequent agreements pertaining to the interim period shall be settled by negotiations through the Liaison Committee.
2. Disputes which cannot be settled by negotiations may be settled by a mechanism of conciliation to be agreed between the Parties.
3. The Parties may agree to submit to arbitration disputes relating to the interim period, which cannot be settled through conciliation. To this end, upon the agreement of both Parties, the Parties will establish an Arbitration Committee.

ARTICLE XVIII

PREVENTION OF HOSTILE ACTS Both sides shall take all measures necessary in order to prevent acts of terrorism, crime and hostilities directed against each other, against individuals falling under the other's authority and against their property, and shall take legal measures against offenders. In addition, the Palestinian side shall take all measures necessary to prevent such hostile acts directed against the Settlements, the infrastructure serving them and the Military Installation Area, and the Israeli side shall take all measures necessary to prevent such hostile acts emanating from the Settlements and directed against Palestinians.

ARTICLE XIX

MISSING PERSONS The Palestinian Authority shall cooperate with Israel by providing all necessary assistance in the conduct of searches by Israel within the Gaza Strip and the Jericho Area for missing Israelis, as well as by providing information about missing Israelis. Israel shall cooperate with the Palestinian Authority in searching for, and providing necessary information about, missing Palestinians.

ARTICLE XX

CONFIDENCE BUILDING MEASURES With a view to creating a positive and supportive public atmosphere to accompany the implementation of this Agreement, and to establish a solid basis of mutual trust and good faith, both Parties agree to carry out confidence building measures as detailed herewith:

1. Upon the signing of this Agreement, Israel will release, or turn over, to the Palestinian Authority within a period of 5 weeks, about 5,000 Palestinian detainees and prisoners, residents of the West Bank and the Gaza Strip. Those released will be free to return to their homes anywhere in the West Bank or the Gaza Strip. Prisoners turned over to the Palestinian Authority shall be obliged to remain in the Gaza Strip or the Jericho Area for the remainder of their sentence.
2. After the signing of this Agreement, the two Parties shall continue to negotiate the release of additional Palestinian prisoners and detainees, building on agreed principles.
3. The implementation of the above measures will be subject to the fulfillment of the procedures determined by Israeli law for the release and transfer of detainees and prisoners.
4. With the assumption of Palestinian authority, the Palestinian side commits itself to solving the problem of those Palestinians who were in contact with the Israeli authorities. Until an agreed solution is found, the Palestinian side undertakes not to prosecute these Palestinians or to harm them in any way.
5. Palestinians from abroad whose entry into the Gaza Strip and the Jericho Area is approved pursuant to this Agreement, and to whom the provisions of this Article are applicable, will not be prosecuted for offenses committed prior to September 13, 1993.

ARTICLE XXI

TEMPORARY INTERNATIONAL PRESENCE

1. The Parties agree to a temporary international or foreign presence in the Gaza Strip and the Jericho Area (hereinafter "the TIP"), in accordance with the provisions of this Article.

2. The TIP shall consist of 400 qualified personnel, including observers, instructors and other experts, from 5 or 6 of the donor countries.
3. The two Parties shall request the donor countries to establish a special fund to provide finance for the TIP.
4. The TIP will function for a period of 6 months. The TIP may extend this period, or change the scope of its operation, with the agreement of the two Parties.
5. The TIP shall be stationed and operate within the following cities and villages: Gaza, Khan Yunis, Rafah, Deir El Ballah, Jabaliya, Absan, Beit Hanun and Jericho.
6. Israel and the Palestinian Authority shall agree on a special Protocol to implement this Article, with the goal of concluding negotiations with the donor countries contributing personnel within two months.

ARTICLE XXII
RIGHTS, LIABILITIES AND OBLIGATIONS

1.
    a. The transfer of all powers and responsibilities to the Palestinian Authority, as detailed in Annex II, includes all related rights, liabilities and obligations arising with regard to acts or omissions which occurred prior to the transfer. Israel will cease to bear any financial responsibility regarding such acts or omissions and the Palestinian Authority will bear all financial responsibility for these and for its own functioning.
    b. Any financial claim made in this regard against Israel will be referred to the Palestinian Authority.
    c. Israel shall provide the Palestinian Authority with the information it has regarding pending and anticipated claims brought before any court or tribunal against Israel in this regard.
    d. Where legal proceedings are brought in respect of such a claim, Israel will notify the Palestinian Authority and enable it to participate in defending the claim and raise any arguments on its behalf.
    e. In the event that an award is made against Israel by any court or tribunal in respect of such a claim, the Palestinian Authority shall reimburse Israel the full amount of the award.
    f. Without prejudice to the above, where a court or tribunal hearing such a claim finds that liability rests solely with an employee or agent who acted beyond the scope of the powers assigned to him or her, unlawfully or with willful malfeasance, the Palestinian Authority shall not bear financial responsibility.
2. The transfer of authority in itself shall not affect rights, liabilities and obligations of any person or legal entity, in existence at the date of signing of this Agreement.

ARTICLE XXIII
FINAL CLAUSES

1. This Agreement shall enter into force on the date of its signing.

2. The arrangements established by this Agreement shall remain in force until and to the extent superseded by the Interim Agreement referred to in the Declaration of Principles or any other agreement between the Parties.
3. The five-year interim period referred to in the Declaration of Principles commences on the date of the signing of this Agreement.
4. The Parties agree that, as long as this Agreement is in force, the security fence erected by Israel around the Gaza Strip shall remain in place and that the line demarcated by the fence, as shown on attached map No. 1, shall be authoritative only for the purpose of this Agreement.
5. Nothing in this Agreement shall prejudice or preempt the outcome of the negotiations on the interim agreement or on the permanent status to be conducted pursuant to the Declaration of Principles. Neither Party shall be deemed, by virtue of having entered into this Agreement, to have renounced or waived any of its existing rights, claims or positions.
6. The two Parties view the West Bank and the Gaza Strip as a single territorial unit, the integrity of which will be preserved during the interim period.
7. The Gaza Strip and the Jericho Area shall continue to be an integral part of the West Bank and the Gaza Strip, and their status shall not be changed for the period of this Agreement. Nothing in this Agreement shall be considered to change this status.
8. The Preamble to this Agreement, and all Annexes, Appendices and maps attached hereto, shall constitute an integral part hereof.

Done in Cairo this fourth day of May, 1994.

_____
For the Government of the State of Israel

_____
For the PLO

Witnessed By:

_____
The United States of America

_____
The Russian Federation

_____
The Arab Republic of Egypt

AGREEMENT ANNEXES

ANNEX I: *Protocol Concerning Withdrawal of Israeli Military Forces and Security Arrangements*

Article I
Arrangements for Withdrawal of Israeli Military Forces

1. Subject to the provisions of this Annex, withdrawal of Israeli military forces from the Gaza Strip and from the Jericho Area shall begin on the date of the signing of this Agreement and shall be completed within three weeks (21 days) from that date.
2.
    a. The Joint Security Coordination and Cooperation Committee set up under Article II hereunder shall develop a plan to ensure full coordination between the Israeli military forces and the Palestinian Police during the withdrawal phases and the entry and deployment of the Palestinian Police.
    b. This coordination will be implemented through the District Coordination Offices set up under Article II hereunder, that shall start functioning on the date of the signing of this Agreement.
    c. The plan will include arrangements for the entry of the Palestinian Police, the introduction of police arms, ammunition and equipment and related matters, as well as arrangements intended to facilitate a smooth transfer of responsibility, including the transfer of civil authority, so that no vacuum in authority exists.

Article II
Coordination and Cooperation In Security Matters

1. Joint Security Coordination and Cooperation Committee
    a. A joint Security Coordination and Cooperation Committee for Mutual Security Purposes (hereinafter "the JSC") is hereby established.
    b. The JSC shall:
        1. recommend security policy guidelines for the approval of the Joint Israeli-Palestinian Liaison Committee and implement such approved guidelines;
        2. deal with security issues raised by either side;
        3. provide the proper channel for exchanging information between the two sides, needed to solve security problems; and
        4. provide directives for the District Coordination Offices.
    c. The JSC shall comprise between five and seven members from each side. Decisions of the JSC will be reached by agreement between the two sides.
    d. The JSC shall determine its rules of procedure. Meetings of the JSC shall be held every two weeks. In the event that either side requests a special meeting, it shall be convened within forty-eight (48) hours.
    e. Unless otherwise agreed by the two sides, JSC meetings will be hosted by each of the sides alternately.

2. District Coordination Offices
    a. Three (3) District Coordination Offices are hereby established, one each for the districts of Gaza, Khan Yunis and Jericho (hereinafter "the DCOs").
    b. The DCOs shall:
        1. monitor and manage the matters requiring coordination as determined by the JSC, according to the policy and guidelines established by the JSC;
        2. monitor and manage all matters of a joint nature within the specific district of each DCO, including the coordination of activities by one side which may affect the other side;
        3. review, investigate and report to the JSC on the overall situation within the DCO's respective district, with special regard to specific events, incidents and activities occurring in the district;
        4. direct the Joint Patrols and Joint Mobile Units as defined in this Article, operating within the DCO's respective district; and
        5. direct the Liaison Bureau established under Article X below, operating at passages and crossing points as detailed in Article VII and X below, in conjunction with the Joint Civil Affairs Coordination and Cooperation Committee set up under Annex II to the Agreement (hereinafter the "CAC").
    c. Each DCO will be continuously staffed by a team of up to six officers from each side, comprising one commander and five duty officers.
    d. The DCOs will be operated jointly by both sides, 24 hours a day. At least one duty officer from each side will be present during each eight-hour shift, as well as the necessary number of assistants.
    e. With a view to preventing friction and to enabling the two sides to deal with possible incidents, both sides shall ensure that the relevant DCO shall immediately be notified of any of the following events:
        1. routine, scheduled or irregular activity or deployment by the Israeli military forces or the Palestinian Police that directly affect the other side. This includes activity or deployment in the proximity of Settlements or Palestinian villages, as the case may be;
        2. events that pose a threat to public order;
        3. activities which disturb the regular flow of traffic on the main roads, including roadblocks and road works;
        4. incidents involving both Israelis and Palestinians, such as road accidents, rescue of casualties or persons in mortal danger, engagement steps or any incident in which a weapon is used;
        5. a terrorist action of any kind and from any source;
        6. infiltrations across the lines of the Gaza Strip and the Jericho Area; and
        7. all cases in which Israelis are hospitalized in the Gaza Strip or the Jericho Area or in which Palestinians of the Gaza Strip or the Jericho Area are hospitalized in Israel.
    f. Each DCO shall notify the relevant Israeli and Palestinian headquarters, as well as the Joint Patrols and Joint Mobile Units operating in the relevant district, of the occurrence of any of the events listed in subparagraph e. above.

g. The JSC may modify the content of the list of events outlined in subparagraph e. above.
h. Any event involving injury to Israelis, at any location within the Gaza Strip or the Jericho Area, shall be immediately reported to Israel through the relevant DCO. Israel may employ any means necessary for the evacuation and treatment of such injured persons, and will coordinate such activity through the relevant DCO.
i. The DCOs shall be equipped with the necessary means of communication to enable direct and immediate contact both with the Joint Patrols and the Joint Mobile Units, as well as with the respective district headquarters.

3. Joint Patrols
   a. The mission of the Joint Patrols is to ensure free, unimpeded and secure movement along the roads and in the areas described in Articles IV and V of this Annex.
   b. Unless the JSC decides otherwise, the Joint Patrols shall each be composed of two 4-wheel drive vehicles, one Palestinian and one Israeli. The vehicles shall be marked so as to be easily distinguishable from all other vehicles in the area. There will be four persons in each vehicle: an officer, a signal operator, a driver and a guard.
   c. The Joint Patrols will patrol 24 hours a day, in vehicles and on foot, along their routes of activity and on the adjacent sides of the roads upon which the security of traffic along these roads is dependent, or as directed by the DCO.
   d. In roads under Israeli security responsibility, the Israeli vehicle will be the leading vehicle. In roads under Palestinian security responsibility, the Palestinian vehicle will be the leading vehicle. The Joint Patrol will be under the direction of the relevant DCO.
   e. The Joint Patrols shall monitor continuously movement within their area of operation with a view to preventing incidents that may threaten or endanger persons using the roads. They shall report any such incident or threat thereof to the relevant DCO, and to the Israeli and Palestinian district headquarters.
   f. On reaching the scene of an incident, the Joint Patrol will provide as much assistance as possible. Where the incident is dealt with by the authorities functioning in the area, the Joint Patrol shall verify that the appropriate measures have been taken and report to the relevant DCO accordingly.
   g. Immediately upon becoming aware of the occurrence of one of the events listed in subparagraph 2.e above, the Joint Patrols shall report the event to the relevant DCO, as well as to the respective headquarters of the two sides.

4. Joint Mobile Units
   a. The mission of the Joint Mobile Units is to provide rapid response in the event of incidents and emergency situations, in order to ensure free, unimpeded and secure movement at the junctions where they are located, as well as along their designated routes of activity.
   b. The composition of the Joint Mobile Units shall be similar to that of the Joint Patrols.
   c. The duties of the Joint Mobile Units are:
      1. to monitor movement along designated roads from stationary locations on agreed junctions, from where they may patrol at random on agreed roads

as directed by the relevant DCO, in which case their duties shall be the same as those of Joint Patrols; and

2. in the event of an incident involving both Israelis and Palestinians, to reach the site of the incident in order to provide assistance and to investigate.

5. Review of Security Arrangements

The JSC shall meet six months after the signing of this Agreement, and at six-month intervals thereafter, to review the security arrangements and to recommend changes. Amendments will be adopted by mutual agreement based, among other factors, on the regular reports and recommendations received from the DCOs.

Article III
The Palestinian Directorate of Police Force

1. General

The Palestinian Directorate of Police Force (hereinafter "the Palestinian Police") shall function in accordance with the following principles:

a. It will be responsible for public order and internal security within the jurisdiction of the Palestinian Authority in accordance with Article V of the Agreement.
b. Movement of Palestinian policemen between the Gaza Strip and the Jericho Area will be conducted in accordance with Article IX of this Annex.

2. Duties and Functions
   a. Subject to the provisions of this Agreement, in the areas under Palestinian jurisdiction the duties of the Palestinian Police shall be as follows:
      1. performing normal police functions, including maintaining internal security and public order;
      2. protecting the public and its property and acting to provide a feeling of security and safety;
      3. adopting all measures necessary for preventing crime in accordance with the law; and
      4. protecting public installations and places of special importance.

3. Structure and Composition
   a. The Palestinian Police shall consist of one integral unit under the control of the Palestinian Authority. It shall be composed of four branches:
      1. Civil Police (Al Shurta);
      2. Public Security;
      3. Intelligence; and
      4. Emergency Services and Rescue (Al Difa'a Al Madani).

In each district, all members of the four Police branches shall be subordinate to one central command.

b. The Palestinian Police will establish a Palestinian Coastal Police unit (hereinafter the "Palestinian Coastal Police") in accordance with Article XI of this Annex.
c. The Palestinian Police will be comprised of up to 9,000 policemen in all its branches.

4. Recruitment
   a. The Palestinian Police shall consist of policemen recruited locally, and from abroad (from among individuals holding Jordanian passports or Palestinian documents issued by Egypt).
   The number of Palestinian recruits from abroad shall not exceed 7,000, of whom 1,000 will arrive three months after the signing of the Agreement.
   b. Palestinians recruited from abroad should be trained as policemen. The employment of policemen who have been convicted of serious crimes or have been found to be actively involved in terrorist activities subsequent to their employment will be immediately terminated. The list of Palestinians recruited, whether locally or from abroad, shall be agreed on by both sides.
   c. Palestinian policemen coming from abroad may be accompanied by spouse and children.
5. Arms, Ammunition and Equipment
   a. Uniformed policemen, as well as other policemen on duty who hold special accreditation, may carry arms.
   b. The Palestinian Police will possess the following arms and equipment:
      1. 7,000 light personal weapons.
      2. Up to 120 machine guns of 0.3" or 0.5" caliber.
      3. Up to 45 wheeled armored vehicles of a type to be agreed on between the two sides, and of which 22 will be deployed in protecting Palestinian Authority installations. The use of wheeled armored vehicles in the Security Perimeter, on the Lateral Roads and on their adjacent sides, or in the vicinity of the Settlements shall be approved through the relevant DCO. Movement of such vehicles along the central North-South road (Road No. 4) in the Gaza Strip may take place only after providing notification to the relevant DCO.
      4. Communication systems, subject to Article II of Annex II of this Agreement.
      5. Distinctive uniforms, identification badges and vehicle markings.
   c. Relevant police equipment and infrastructure funded from the budget of the Civil Administration shall be transferred to the Palestinian Police.
6. Introduction of Arms and Equipment and Foreign Assistance
   a. All foreign contributions and other forms of assistance to the Palestinian Police must comply with the provisions of this Agreement.
   b. The introduction into the Gaza Strip or the Jericho Area of arms, ammunition or equipment for the Palestinian Police, from all sources, shall be coordinated through the JSC.
7. Deployment

The Palestinian Police shall be initially deployed in the Gaza Strip and the Jericho Area as shown on attached maps Nos. 4 and 5. Any changes to this deployment will be agreed on in the JSC.

Article IV
Security Arrangements in the Gaza Strip

1. The Delimiting Line

   For the purpose of the present Agreement only, and without prejudice to the final status, the line delimiting the northern and eastern edge of the Gaza Strip follows the fence on the ground, as delineated on attached map No. 1 by an unbroken green line (hereinafter "the Delimiting Line") and shall have no other effect.

2. Security Perimeter
   a. There will be a security perimeter along the Delimiting Line inside the Gaza Strip as delineated on attached map No. 1 by a broken green line (hereinafter "the Security Perimeter").
   b. In accordance with the provisions of this Agreement, the Palestinian Police will be responsible for security in the Security Perimeter.
   c. The Palestinian Police will enforce special security measures aimed at preventing infiltrations across the Delimiting Line or the introduction into the Security Perimeter of any arms, ammunition or related equipment, except for the arms, ammunition or equipment of the Palestinian Police, authorized through the relevant DCO.
   d. Activities of the Palestinian Police inside the Security Perimeter will be coordinated through the relevant DCO. Security activities in Israel in the vicinity of the Delimiting Line that directly affect the other side will be coordinated with the Palestinian Police through the relevant DCO.
3. The Israeli Settlements
   a. In accordance with the Declaration of Principles, during the interim period, the Gush Katif and Erez settlement areas, as well as the other settlements in the Gaza Strip, as delineated on attached map No. 1 by a blue line, will be under Israeli authority.
   b. Palestinians will be free to move along the coast road and along the road from the Netzarim Junction to the seashore.
4. The Yellow Areas
   a. In the areas delineated by a broken red line and shaded in yellow on attached map No. 1 (hereinafter "the Yellow Areas"), and without derogating from Palestinian authority, responsibility will be shared as follows: The Israeli authorities will have the overriding responsibility and powers for security, and the Palestinian Authority will have the responsibility and powers for civil affairs, subject to this Agreement. In addition, with regard to the Yellow Areas, cooperation and coordination in security matters, including joint patrols, as agreed, will be implemented.

b. Entry of Palestinian policemen into the Yellow Areas and their activity therein may take place as agreed upon through the relevant DCO.

5. The Mawasi Area
   a. Two joint patrols will operate in the Mawasi area, the fishermen's wharves of Rafah and Khan Yunis, and along the coast road led by the Israeli vehicle.
   b. Access of Palestinians to the Mawasi Area, as delineated on attached map No. 1, will be by the following roads:
      1. Rafah - Tel Sultan - Mawasi;
      2. Khan Yunis - El Bahr Village; and
      3. Deir El Ballah - along the beach to the Mawasi.

   c. The Mawasi Beach
      1. Notwithstanding Israeli authority over the Gush Katif settlement area, the Palestinian Authority may operate sections of the Mawasi beach extending to the east up to the coast road, totalling, together with the Rafah and Khan Yunis wharves, five (5) kilometers.
      2. Upon the completion of the withdrawal of Israeli military forces from the Gaza Strip and the Jericho Area, Israel will notify the Palestinian Authority of the locations of these sections.
      3. These sections may be used for the following purposes:
         a. sport and recreation, including boat hire facilities;
         b. operating food establishments;
         c. enlarging the wharves; and
         d. expanding the facilities for fishermen, such as offices, wharehouses and cold storage facilities.
      4. In these sections, the Palestinian Authority, in exercising its civil authority, will be able to grant licenses for businesses, collect fees and taxes, set and enforce public health standards and develop and manage the tourist sector.
      5. In each of the fishermen's wharves, the Palestinian Authority may have an office building which shall be protected.
      6. There will be not be any construction by Israelis of new sites along the beach.
      7. During a period of three months from the signing of this Agreement, Israel may consider, in light of the security situation, the use by the Palestinian Authority of additional beach sections.

6. The Egyptian Border

   The Military Installation Area along the Egyptian border in the Gaza Strip, as delineated on attached map No. 1 by a blue line and shaded in pink, will be under Israeli authority.

   The village of Dahaniya will remain part of the Military Installation Area pending a declaration of a general amnesty for the residents of the village, and provision having

been made for their protection. Upon realization of the above amnesty and protection, the village of Dahaniya will become part of the Yellow Area.

7. Lateral Roads to the Settlements
    a. Without derogating from Palestinian authority and in accordance with the Declaration of Principles:
        1. On the three lateral roads connecting the Israeli settlements in the Gaza Strip to Israel, namely: the Kissufim-Gush Katif road; the Sufa-Gush Katif road; and the Karni-Netzarim road, as delineated by a light blue line on attached map no. 1, including the adjacent sides upon which the security of traffic along these roads is dependent (hereinafter "the Lateral Roads"), the Israeli authorities will have all necessary responsibilities and powers in order to conduct independent security activity, including Israeli patrols.
        2. Joint Israeli-Palestinian patrols will operate along the Lateral Roads. Such joint patrols will be led by the Israeli vehicle.
        3. Where the Israeli authorities carry out engagement steps, they will do so with a view to transferring, at the earliest opportunity, the continued handling of the incidents falling within Palestinian responsibility, to the Palestinian Police.
        4. Overpasses will be constructed on intersections between the Lateral Roads and the central North-South road (Road No. 4).
        5. These arrangements will be reviewed by the JSC one year after the date of the signing of this Agreement.
    b. Where the Lateral Roads overlap the Security Perimeter the two sides, in the exercise of their respective powers and responsibilities, will fully coordinate their activity in order to prevent friction.
8. The Central North-South Road (Road No. 4) A joint patrol led by the Palestinian vehicle will be operated along the central North-South road (Road No. 4) in the Gaza Strip between Kfar Darom and Wadi Gaza.
9. Joint Mobile Units
    a. Joint Mobile Units will be located at the following junctions:
        1. the Nissanit junction;
        2. the Netzarim junction:
        3. the Deir el-Ballah junction; and
        4. the Sufa-Morag junction.
    b. At the Netzarim junction, the Israeli side of this Joint Mobile Unit will check Israeli vehicles, which will then be able to continue their journey without interference. This Joint Mobile Unit will also operate as a Joint Patrol between the Netzarim Junction and Wadi Gaza under the direction of the relevant DCO.
10. Coordination and Cooperation in the Gaza Strip Two DCOs will function in the Gaza Strip as follows:
    a. A DCO for the Gaza district, located at the Erez crossing point with subordinate Joint Liaison Bureaus at the Erez and Nahal Oz crossing points.
    b. A DCO for the Khan Yunis district, located at the Nuriya Camp with subordinate Joint Liaison Bureaus at the Sufa crossing point and at the Rafah terminal.

Article V
Security Arrangements in the Jericho Area

1. Clarifications Concerning the Jericho Area With regard to the definition of the Jericho Area, as delineated on attached map No. 2, it is hereby clarified that Route No. 90 crossing Auja from South to North and the East-West road connecting Route No. 90 with Yitav, and their adjacent sides, shall remain under Israeli authority. For the purpose of this Article, the width of each such road and its adjacent sides, as shown on attached map No. 2, shall extend at least 12 meters on each side measured from its center.
2. A Joint patrol led by the Palestinian vehicle shall operate along the main North-South road crossing Jericho (Route No. 90).
3. Joint Mobile Units
    a. A Joint Mobile Unit shall be located at the Auja junction being the intersection of Route No. 90 and the road to Yitav. This unit shall be led by the Israeli vehicle, and may be directed by the DCO to deal with certain incidents occurring on the road between Auja and Jericho in which Palestinians are involved.
    b. A Joint Mobile Unit shall be located at the Nahal Elisha junction on the road from Jericho to the Mousa Allami project.
4. Coordination and Cooperation in the Jericho Area A DCO located at the Vered Yericho crossing point will function in the Jericho Area and will maintain a subordinate Joint Liaison Bureau in the Allenby Terminal.
5.
    a. Pending the entry into force of the interim agreement, the holy site of Nebi Mousa will be under the auspices of the Palestinian Authority, for religious purposes.
    b. During religious events that take place three times a year and other special occasions that will be coordinated with the Israeli authorities, Palestinians will have the right to religious pilgrimage to the al-Maghtas under the Palestinian flag.
    c. Palestinian private projects, as well as joint ventures in accordance with the Declaration of Principles, will be located as agreed on the shore of the Dead Sea.
    d. Safe passage will be provided from the Jericho Area to Nebi Mousa, al-Maghtas and the projects and ventures as agreed in subparagraph c. above on the shore of the Dead Sea for the aforementioned purposes.
6. Within three months of the signing of this Agreement, Israel may consider, in light of the security situation, the possibility of widening of the Jericho Area.

Article VI
Security Arrangements Concerning Planning, Building and Zoning

1. Notwithstanding the provisions relating to planning, building and zoning set out elsewhere in this Agreement, the provisions of this Article shall apply with respect to the areas specified below.
2. These arrangements will be reviewed within a period of six months from the signing of this Agreement and, thereafter, every six months, with a view to modifying them, with due consideration to Palestinian plans for establishing economic projects, and to the security concerns of both sides.

3. The limitations set out below on the construction of buildings and installations in specific areas shall not require the demolition or removal of existing buildings or installations.
4. The existing buildings, installations and natural and artificial culture in the Gaza Strip within a distance of 100 meters from the Delimiting Line shall remain as they are at present.
5. Within the next 500 meters of the Security Perimeter, and within the Yellow Areas, buildings or installations may be constructed, provided that:
    a. one building or installation may be constructed on each plot, the size of which shall not be less than 25 dunams; and
    b. such building or installation shall not exceed two floors, of a size not exceeding 180 sq. meters per floor.

    The Palestinian Authority shall maintain the predominantly agricultural character of the remaining areas of the Security Perimeter.

6. Buildings or installations shall not be constructed on either side of the Lateral Roads up to a distance of 75 meters from the center of these Roads.
7. In the Jericho Area, no bridges or other structures will be built above Route No. 90 which may prevent the movement on this road of vehicles with a height of up to 5.25 meters.
8. For the purpose of enforcing this Article, the United States will provide both sides with satellite photographs of the Gaza Strip depicting the buildings, installations and natural and artificial culture existing at the time of the signing of this Agreement.

Article VII
The Crossing Points

1. General
    a. Israel declares that work to relocate the Erez, Nahal Oz and Sufa crossing points currently within the Gaza Strip, to a location within Israel adjacent to the Delimiting Line, is underway. Israel will attempt to complete this work not later than 12 months from the date of the signing of this Agreement with regard to the Erez crossing point, and not later than 8 months from the date of the signing of this Agreement with regard to the Nahal Oz and Sufa crossing points. Pending the completion of this work, Israel shall retain control over these crossing points and operate them in accordance with the provisions of this Article.
    b. Israelis entering the Gaza Strip and the Jericho Area shall carry Israeli documentation (if they are above the age of 16) and, if driving a vehicle, a driving license and vehicle registration documentation recognized in Israel. Tourists to Israel entering the Gaza Strip and the Jericho Area shall carry their passports and other relevant documentation.
    c. Entry of residents of the Gaza Strip and the Jericho Area to Israel shall be subject to Israeli laws and procedures regulating entry into Israel, and such residents shall be required to carry the identity card as agreed upon in this Agreement, as well as documentation specified by Israel and notified through the CAC to the Palestinian Authority.

d. The provisions of this Agreement shall neither prejudice the use of safe passage nor Israel's right, for security and safety considerations, to close the crossing points to Israel and to prohibit or limit the entry into Israel of residents and of vehicles from the Gaza Strip and the Jericho Area.

2. Passage between the Gaza Strip and Israel
   a. Passage between the Gaza Strip and Israel will be via one or more of the following crossing points:
      1. the Erez crossing point;
      2. the Nahal Oz crossing point; and
      3. the Sufa crossing point.
   b. The Palestinian Authority may set up a checkpoint, within the Gaza Strip, on the road leading to the Erez crossing point and on the road leading to the Nahal Oz crossing point, at locations to be coordinated between the two sides, for the purpose of inspection and identification of passengers and vehicles. Israelis and tourists to Israel passing through these checkpoints may be only required to identify themselves by presenting Israeli documentation or a passport, as set out in subparagraph 1.b. above. The above requirements shall not apply to uniformed members of the Israeli military forces.
   c. The Palestinian Authority may set up a checkpoint, within the Gaza Strip, on the road leading to the Sufa crossing point, at a location acceptable to both sides, for the purpose of inspection and identification of Palestinian passengers and vehicles.
      Israeli vehicles may bypass this checkpoint unimpeded.
   d. Passage of Israelis, and tourists to Israel, between the Gaza Strip and Israel may, in addition, be via the following crossing points:
      1. the Karni crossing point;
      2. the Kisufim crossing point;
      3. the Kerem Shalom crossing point; and
      4. the Elei Sinai crossing point.
   e. Israelis, and tourists to Israel, who have passed through any of the above crossing points into the Gaza Strip shall not be required to undergo any inspection, identification or other requirement in addition to the stated provisions for entry into the Gaza Strip outlined in this Article.

      Tourists to the Gaza Strip and the Jericho Area from countries having diplomatic relations with Israel, who have passed through an international crossing, will not be required to pass any additional entry control before entry to Israel.

   f. Arrangements for the movement of goods between the Gaza Strip and Israel through the crossing points are set out in Annex IV.
   g. A Palestinian liaison officer will be present at each of the crossing points on the Lateral Roads.

3. Passage to and from the Jericho Area
   a. Passage between the Jericho Area and the rest of the West Bank shall be governed by the same rules regulating the movement of persons and vehicles within the West Bank, and shall not need to be effected through designated crossing points.

b. Passage between the Jericho Area and Israel via the West Bank shall be governed by the currently applicable rules regulating the movement of persons and vehicles between the West Bank and Israel.

Article VIII
Rules of Conduct in Security Matters

1. Subject to the provisions of this Agreement, the security and public order personnel of both sides shall exercise their powers and responsibilities pursuant to this Agreement with due regard to internationally-accepted norms of human rights and the rule of law and shall be guided by the need to protect the public, respect human dignity and avoid harassment.
2. In the Yellow Areas and on the Lateral Roads and their adjacent sides, vehicles bearing Israeli license plates shall not be stopped, obstructed or delayed by the Palestinian Police, and no identification shall be required.
3. On the central North-South road (Road No. 4) in the Gaza Strip between the Netzarim Junction and Kfar Darom, and on the main North-South road crossing the Jericho Area (Route No. 90), vehicles bearing Israeli license plates may be stopped for identification by a Joint Patrol or a Joint Mobile Unit. The Israeli side of such a patrol or unit may carry out identity and vehicle documentation checks.
4. Without prejudice to the provisions of this Article regarding the areas mentioned in paragraphs 2 and 3 above, the following rules of conduct shall apply throughout the rest of the Gaza Strip and the Jericho Area:
    a. Vehicles bearing Israeli license plates may be stopped by the Palestinian Police for the purpose of checking the driving license, and passengers' identity documentation (if above the age of sixteen).
    b. Israelis shall under no circumstances be apprehended, arrested or placed in custody or prison by Palestinian authorities. However, where an Israeli is suspected of having committed of an offense, he or she may be detained in place by the Palestinian Police while ensuring his or her protection, in accordance with the provisions of Annex III, until the arrival of a Joint Patrol or Joint Mobile Unit, called immediately by the Palestinian Police, or of other Israeli representatives dispatched by the relevant DCO.
5. Pedestrians may be required to produce identity documentation (if above the age of sixteen). Thereafter, they shall be treated in accordance with the provisions of this Article.
6. Uniformed members of the Israeli military forces, as well as vehicles of the Israeli military forces, shall not be stopped by the Palestinian Police in any circumstances, and shall not be subject to any identification requirements. Without derogating from the above, in the event of suspicion regarding such a person or vehicle, the Palestinian Police may notify the Israeli authorities through the relevant DCO, in order to request appropriate assistance.
7. Notwithstanding the provisions of this Article, persons who are subject to identification pursuant to this Article and who claim to be Israelis but cannot present appropriate identification documentation may be detained in place by the Palestinian Police, in accordance with the provisions of Annex III, until the arrival of a Joint Patrol or Joint

Mobile Unit, called by the Palestinian Police, or of other Israeli representatives dispatched by the relevant DCO.

8.
   a. Each side shall enforce upon civilians subject to its authority a prohibition on possession or carrying weapons without a license.
   b. The Palestinian Authority may grant licenses to possess or carry pistols for civilian use. The modalities for granting such licenses, as well as categories of persons who may be granted such licenses, will be agreed upon in the JSC.
9. Rules of Engagement
   a. For the purpose of this Article, "engagement" shall mean an immediate response to an act or an incident constituting a danger to life or property that is aimed at preventing or terminating such an act or incident, or at apprehending its perpetrators.
   b. Within the territory under the jurisdiction of the Palestinian Authority, in places where Israeli authorities exercise their security functions in accordance with this Annex, and in their immediate vicinities, the Israeli authorities may carry out engagement steps in cases where an act or an incident requires such action. In such cases, the Israeli authorities will take any measures necessary to bring to an end such an act or incident with a view to transferring, at the earliest opportunity, the continued handling of the incident falling within the Palestinian responsibility to the Palestinian Police.
   The Palestinian Authority will immediately be notified, through the relevant DCO, of such engagement steps.
   c. Engagement with the use of firearms shall not be allowed, except as a last resort after all attempts at controlling the act or the incident such as warning the perpetrator or shooting in the air have failed. Use of firearms should be aimed at deterring and not at killing the perpetrator. The use of firearms shall cease once the danger is past.
   d. Any activity involving the use of firearms other than for immediate operational purposes shall be subject to prior notification to the relevant DCO.
10. If a person is injured or otherwise in need of assistance, such assistance will be provided by the side that first reaches the site. If such a person is under the authority of the other side, the assisting side shall notify the relevant DCO and the appropriate provisions of Article II of this Annex, as well as the provisions of Annex II, Article II, regarding arrangements for treatment and hospitalization, shall be applied.

Article IX
Arrangements for Safe Passage Between the Gaza Strip and the Jericho Area

1. General
   a. There shall be safe passage between the Gaza Strip and the Jericho Area for residents of the Gaza Strip and the Jericho Area and visitors to these areas from abroad, as detailed in this Article.
   b. Israel will ensure safe passage during daylight hours (from sunrise to sunset) for persons and transportation.
   c. Safe passage will be effected via the following designated crossing points:

1. the Erez crossing point; and
2. the Vered Yericho crossing point.

d. Israel will make safe passage available through one or more of the routes delineated on attached map No. 3.

2. The usage of safe passage
   a. As detailed below, persons using safe passage shall carry, in addition to the personal and vehicle documentation, the following documents:
      1. a safe passage card; and
      2. (for drivers only) a vehicle safe passage permit.

      Arrangements for implementation of safe passage, as well as modalities for the issuance by Israel of safe passage cards and vehicle safe passage permits, shall be discussed and agreed in the CAC.

   b. Residents of the Gaza Strip and the Jericho Area in possession of a permit enabling them to enter Israel will be able to use this permit as a safe passage card.
   c. Safe passage cards and vehicle safe passage permits shall be stamped by the Israeli authorities at the crossing point with the time of departure from the crossing point and the estimated time of arrival.
   d. Residents of the Gaza Strip and the Jericho Area who are denied entry into Israel may be permitted by Israel to use safe passage in accordance with special arrangements to be made in each individual case through the JSC.
   e. Special arrangements will apply with respect to passage of Palestinian leaders, senior Palestinian Authority officials and distinguished personalities. The CAC will define the scope and nature of these special arrangements, in consultation with the JSC.
   f. The mode of passage of Palestinian policemen on duty, between the Gaza Strip and the Jericho Area, will be coordinated through the JSC.
   g. Any additional matters relating to the usage of safe passage will be coordinated through the JSC.

3. Passage and Mode of Transit
   a. Persons and vehicles in transit under these arrangements shall neither break their journey nor depart from the designated routes, and shall complete the transit within the designated time stamped on their safe passage cards and permits, unless a delay is caused by a medical emergency or a technical breakdown.
   b. Persons using safe passage shall be subject to the laws and regulations applicable in Israel and in the West Bank respectively.
   c. Persons and vehicles using safe passage shall not carry explosives, firearms or other weapons or ammunition, except for special cases that will be agreed to in the JSC.

4. General Provisions Regarding the Routes
   a. The above arrangements shall in no way affect the status of the routes used for safe passage.
   b. Routes used for safe passage shall be closed on Yom Kippur, Israel's Memorial Day and Israel's Independence Day.

c. Without prejudice to the use of safe passage, Israel may, for security or safety reasons, temporarily modify the arrangements for safe passage. Notice of such temporary modification shall be given to the Palestinian authority through the JSC. At least one route of safe passage shall, however, remain open.
d. Israel shall notify the Palestinian Authority of incidents involving persons using safe passage.

Article X
Passages

1. General
    a. While Israel remains responsible during the interim period for external security, including along the Egyptian border and the Jordanian line, border crossing shall take place according to the arrangements included in this Article. These arrangements aim at creating a mechanism that facilitates the entry and exit of people and goods, reflecting the new reality created by the Declaration of Principles, while providing full security for both sides.
    b. The arrangements included in this Article shall apply to the following border crossings:
        1. the Allenby Bridge crossing; and
        2. the Rafah crossing.
    c. The same arrangements will be applied by the Parties, with the necessary adjustments, to agreed seaports, airports or other international crossings, such as the Abdullah and Damya bridges.
    d. The two sides are determined to do their utmost to maintain the dignity of persons passing through the border crossings. To this end, the mechanism created will rely heavily on brief and modern procedures.
    e. In each border crossing there will be one terminal, consisting of two wings. The first wing will serve Palestinian residents of the Gaza Strip and West Bank and visitors to these areas (hereinafter "the Palestinian Wing"). The second wing will serve Israelis and others (hereinafter "the Israeli Wing"). There will be a closed Israeli checking area and a closed Palestinian checking area, as set out below.
    f. Special arrangements will apply to VIPs crossing through the Palestinian Wing. The liaison bureau to be established pursuant to paragraph 5 below (hereinafter "the Liaison Bureau") will define the scope and the nature of these special arrangements.
2. Control and Management of the Passages
    a. For the purpose of this Article, "passage" is defined to mean the area from the crossing barrier at the Egyptian border or the Allenby Bridge, passing through and including the terminal and:
        1. with regard to the Allenby Bridge crossing, from the terminal up to the Jericho Area; and
        2. with regard to the Rafah crossing, from the terminal up to the outer limit of the Israel military location along the Egyptian border.
    b.

1. Israel will have the responsibility for security throughout the passage, including for the terminal.
2. An Israeli director-general will have the responsibility for the management and security of the terminal.
3. The director-general will have two deputies who will report to him:
    a. an Israeli deputy who will be the manager of the Israeli Wing. Israel will have exclusive responsibility for the management of the Israeli Wing; and
    b. a Palestinian deputy, appointed by the Palestinian Authority, who will be the manager of the Palestinian Wing.
4. Each deputy will have an assistant for security and an assistant for administration. The assignments of the Palestinian deputies for security and administration will be agreed upon by the two sides.
5. There will be maximum coordination between the two sides. Both sides will maintain cooperation and coordination on matters of mutual concern.
6. The director-general will continue to use Palestinian contractors to provide bus services and other administrative and logistical services.
7. Palestinian policemen present at the terminal will be armed with handguns. Their deployment will be decided upon by the two sides. Other Palestinian officials present at the terminal will be unarmed.
8. The details of management and security and Liaison Bureau issues will be dealt with by the two sides.
9. The two sides will work together in order to seek ways for additional arrangements in the Rafah terminal.
10. Both sides will review these procedures in a year's time.

c. Except for the arrangements included in this Article, the current procedures and arrangements applicable outside the terminal shall continue to apply throughout the passage.

d.

1. Once incoming passengers have crossed the terminal, they will proceed to the Jericho Area or the Gaza Strip, as appropriate, without any interference from Israeli authorities (safe passage).
2. Outgoing passengers may proceed to the terminal without any interference from Israeli authorities after joint verification that such passengers hold the necessary documentation for exiting the area to Jordan or Egypt, as set out in this Agreement.

3. Arrangements for Entry from Egypt and Jordan Through the Palestinian Wing
    a. At the entrance to the Palestinian Wing there will be a Palestinian policeman and a raised Palestinian flag.
    b. Before entering the Palestinian Wing, passengers will identify their personal luggage and it will be placed on a conveyor belt. Each side will be able to inspect such luggage inside its own checking area, using its own personnel and, if necessary, may open the luggage for inspection in the presence of the owner and a Palestinian policeman.
    c. Persons entering the Palestinian Wing will pass through a magnetic gate. An Israeli policeman and a Palestinian policeman will be posted on each side of this

gate. In the event of suspicion, each side will be entitled to require a physical inspection to be conducted in inspection booths to be located adjacent to the gate. Passengers will be inspected by a Palestinian policeman in the presence of an Israeli policeman. Accompanying personal belongings may also be inspected at this point.

d. Having completed the above phase, persons entering the Palestinian Wing will pass through one of three lanes for the purpose of identification and document control, as follows:
    1. The first lane will be used by Palestinian residents of the Gaza Strip and the Jericho Area. These passengers will pass via a Palestinian counter, where their documents and identity will be checked. Their documents will be checked by an Israeli officer who will also check their identity indirectly in an invisible manner.
    2. The second lane will serve other Palestinian residents of the West Bank. These passengers will first pass via a Palestinian counter, where their documents and identity will be checked. Then they will continue via an Israeli counter, where their documents and identity will be checked. The two counters will be separated by tinted glass and a revolving door.
    3. The third lane will serve visitors to the Gaza Strip and West Bank. An identical procedure as in paragraph 3.d(2) above will apply to such visitors, except that they will first pass via the Israeli counter, and then continue via the Palestinian counter.
e. In the event of suspicion regarding a passenger in any of the three lanes described in subparagraph d. above, each side may question such passenger in its closed checking area. Suspicion justifying questioning in the closed checking area may be one of the following:
    1. the passenger was involved, directly or indirectly, in criminal or planned criminal activity, in terrorist or planned terrorist activity and is not a beneficiary of the amnesty provisions of this Agreement.
    2. the passenger conceals arms, explosives or related equipment;
    3. the passenger holds forged or non-valid documentation or the details included in the documentation are inconsistent with those included in the population registry (in case of a resident) or in the data base (in case of a visitor), except that questions relating to such inconsistency will initially be raised at the counter and the passenger will be questioned in the closed checking area only if the suspicion has not been removed; or
    4. the passenger acts in an obviously suspicious behavior during the passage via the terminal.

    If, at the conclusion of this questioning, the suspicion has not been removed, such passenger may be apprehended, after the other side has been notified. In case of a Palestinian suspect being apprehended by the Israeli side, a Palestinian policeman will be asked to meet with the suspect. Following notification to the Liaison Bureau, any further treatment of the apprehended person will be in accordance with Annex III.

f. In the Palestinian Wing, each side will have the authority to deny the entry of persons who are not residents of the Gaza Strip and West Bank.

For the purpose of this Agreement, "residents of the Gaza Strip and West Bank" means persons who, on the date of entry into force of this Agreement, are registered as residents of these areas in the population registry maintained by the military government of the Gaza Strip and West Bank, as well as persons who have subsequently obtained permanent residency in these areas with the approval of Israel, as set out in this Agreement.

g. Following the above procedure, the passengers will collect their luggage and proceed to the customs area as described in Annex IV.

h. The Palestinian side will provide passengers whose entry is approved with an entry permit stamped by the Palestinian side and attached to their documents.

At the conclusion of the direct and indirect checking of the documents and identity of passengers passing via the first lane and stamping their entry permits, the Palestinian officer will provide the passenger with a white card issued by the Israeli officer. A Palestinian official posted at the exit of the Palestinian Wing will verify that the passenger holds such a white card and will collect the cards with indirect and invisible Israeli checking.

For passengers going through the second and third lanes, the Israeli officer will provide the passengers with a blue card, after checking their documents and identity, and verifying their entry permits. An Israeli and a Palestinian official posted at the exit of the Palestinian Wing will verify and collect the cards. White and blue cards collected will be checked by Israeli and Palestinian officials.

In cases where either side denies the entry of a non-resident passenger, that passenger will be escorted out of the terminal and sent back to Jordan or Egypt, as appropriate, after notifying the other side.

4. Arrangements for Exit to Egypt and Jordan Through The Palestinian Wing

Passengers exiting to Egypt or Jordan through the Palestinian Wing will enter the terminal without their luggage. Thereafter, the same procedures described in paragraph 3 above will apply to them, except that the order of passing via the Israeli and Palestinian counters will be reversed.

5. Liaison Bureau

a. There will be a liaison bureau at each crossing point in order to deal with matters arising regarding passengers passing through the Palestinian Wing, issues requiring coordination, and differences regarding the implementation of these arrangements.
Without derogating from Israel's responsibility for security, the bureau will also deal with incidents.

b. This bureau will be comprised of an equal number of representatives from each side and will be located at a specified location inside each terminal.
c. This bureau will be subordinate to the relevant subcommittee of the CAC.

6. Miscellaneous
   a. Special arrangements will be agreed upon by the two sides regarding the passage of goods, buses, trucks and privately-owned vehicles. Pending this agreement, the current arrangements will continue to apply.
   b. Israel will attempt to complete the structural alterations on the Rafah and Allenby Bridge terminals not later than the date of the completion of the withdrawal of Israeli forces from the Gaza Strip and the Jericho Area. If these structural alterations are not completed by that time, the arrangements described in this Article shall apply, except for those arrangements that cannot be implemented without the structural alterations.
   c. In order to cross through the crossing points into and out of the Gaza Strip and the Jericho Area, residents of these areas will use documents as detailed in Annex II. Pending the entry into force of the Interim Agreement, other West Bank residents will continue to use the existing documents issued by the military government and its Civil Administration.

Article XI
Security Along the Coastline and in the Sea of Gaza

1. Maritime Activity Zones
   a. Extent of Maritime Activity Zones

      The sea off the coast of the Gaza Strip will be divided into three Maritime Activity Zones, K, L, and M as shown on map No. 6 attached to this Agreement, and as detailed below:

      1. Zones K and M
         a. Zone K extends to 20 nautical miles in the sea from the coast in the northern part of the sea of Gaza and 1.5 nautical miles wide southwards.
         b. Zone M extends to 20 nautical miles in the sea from the coast, and one (1) nautical mile wide from the Egyptian waters.
         c. Subject to the provisions of this paragraph, Zones K and M will be closed areas, in which navigation will be restricted to activity of the Israel Navy.
      2. Zone L
         a. Zone L bounded to the south by Zone M and to the north by Zone K extends 20 nautical miles into the sea from the coast.
         b. Zone L will be open for fishing, recreation and economic activities, in accordance with the following provisions:
            i. Fishing boats will not exit Zone L into the open sea and may have engines of up to a limit of 25 HP for outboard motors and up to a maximum speed of 15 knots for inboard

motors. The boats will neither carry weapons nor ammunition nor will they fish with the use of explosives.

ii. Recreational boats will be permitted to sail up to a distance of 3 nautical miles from the coast unless, in special cases, otherwise agreed within the Maritime Coordination and Cooperation Center as referred to in paragraph 3 below. Recreational boats may have engines up to a limit of 10 horsepower. Marine motor bikes and water jets will neither be introduced into Zone L nor be operated therein.

iii. Foreign vessels entering Zone L will not approach closer than 12 nautical miles from the coast except as regards activities covered in paragraph 4 below.

b. General Rules of the Maritime Activity Zones

1. The aforementioned fishing boats and recreational boats and their skippers sailing in Zone L shall carry licenses issued by the Palestinian Authority, the format and standards of which will be coordinated through the JSC.
2. The boats shall have identification markings determined by the Palestinian Authority. The Israeli authorities will be notified through the JSC of these identification markings.
3. Residents of Israeli settlements in the Gaza Strip fishing in Zone L will carry Israeli licenses and vessel permits.
4. As part of Israel's responsibilities for safety and security within the three Maritime Activity Zones, Israel Navy vessels may sail throughout these zones, as necessary and without limitations, and may take any measures necessary against vessels suspected of being used for terrorist activities or for smuggling arms, ammunition, drugs, goods, or for any other illegal activity. The Palestinian Police will be notified of such actions, and the ensuing procedures will be coordinated through the Maritime Coordination and Cooperation Center.

2. The Palestinian Coastal Police

a. The Palestinian Coastal Police may function in Zone L, up to a distance of 6 nautical miles from the coast. In special cases, it may also exercise control over Palestinian fishing boats fishing in Zone L in an additional area of 6 nautical miles, up to the limit of 12 nautical miles from the coastline, after clearance and coordination through the Maritime Coordination and Cooperation Center.
b. The Palestinian Coastal Police shall have up to 8 boats with a displacement of up to 30 tons. They will sail at a speed of up to 20 knots.
c. The boats shall carry weapons of up to a 7.62 mm caliber.
d. Boats of the Palestinian Coastal Police may fly a Palestinian flag, have police identification markings and shall operate identification lights.
e. The Parties shall cooperate on all sea matters, including mutual help at sea, and pollution and environmental issues.
f. The boats of the Palestinian Coastal Police will initially use the Gaza Wharf.
g. Boats belonging to Israelis are solely subject to the control, authority and jurisdiction of Israel and the Israel Navy.

3. Maritime Coordination and Cooperation Center

a. A Maritime Coordination and Cooperation Center (hereinafter "the MC") shall function as part of the JSC, to coordinate civil maritime activities and coastal police affairs off the coast of the Gaza Strip.
b. The MC shall function within the relevant DCO, and will determine its own rules of procedure.
c. The MC shall function 24 hours a day.
d. The MC shall be staffed by members of the Israel Navy and the Palestinian Coastal Police, each providing a liaison officer and an assistant liaison officer.
e. A direct radio telephone link (hot line) shall be set up between the Israel Navy vessels and the Palestinian Coastal Police vessels.
f. The role of the MC is to coordinate:
    1. assistance between the Coastal Police and the Israel Navy as may be necessary to deal with incidents arising at sea;
    2. Coastal Police training involving the use of firearms;
    3. joint activities between the Coastal Police and the Israel Navy when pre-planning is operationally necessary;
    4. radio contact between Coastal Police and Israel Navy vessels in the event that "hot line" communication between vessels of the two sides was not established;
    5.
    6. search and rescue operations; and
    7. maritime activities related to an agreed port, when established in the Gaza Strip.

4. Gaza Strip Port
    a. Plans for the establishment of a port in the Gaza Strip in accordance with the Declaration of Principles, its location, and related matters of mutual interest and concern, as well as licenses for vessels and crews sailing on international voyages will be discussed and agreed upon between Israel and the Palestinian Authority taking into consideration the provisions of Article X of this Agreement. To this end a special committee will be established by the two sides.
    b. The Gaza Sea Port Authority referred to in the Declaration of Principles, shall act on behalf of the Palestinian Authority in accordance with the provisions of this Agreement.
    c. Pending construction of a port, arrangements for entry and exit of vessels, passengers and goods by sea, as well as licenses for vessels and crews sailing on international voyages in transit to the Gaza Strip and the Jericho Area, shall be through Israeli ports in acordance with the relevant rules and regulations applicable in Israel and in accordance with the provisions of Annex IV.

Article XII
Security of the Airspace

1. Operation of aircraft for the use of the Palestinian Authority in the Gaza Strip and the Jericho Area shall be initially as follows:
    a. Two (2) transport helicopters for VIP transportation within and between the Gaza Strip and the Jericho Area.

b. Four (4) up to twenty persons capacity fixed-wing transport aircraft, for transporting persons between the Gaza Strip and the Jericho Area.

2. Changes in the number, type and capacity of aircraft may be discussed and agreed upon in a Joint Aviation Subcommittee (hereinafter "the JAC") to be established within the JSC.
3. The Palestinian Authority may immediately establish and operate in the Gaza Strip and the Jericho Area provisional airstrips for the helicopters and fixed-wing aircraft referred to in subparagraphs 1.a and 1.b above, in accordance with arrangements and modalities to be discussed and agreed upon in the JAC.

   All aviation activity or usage of the airspace by any aerial vehicle in the Gaza Strip and the Jericho Area shall require prior approval of Israel. It shall be subject to Israeli air traffic control including, inter alia, monitoring and regulation of air routes as well as relevant regulations and requirements to be implemented in accordance with the Israel Aeronautical Information Publication, the relevant parts of which will be issued after consultation with the Palestinian Authority.

   Aircraft taking off from, and landing in the Gaza Strip and the Jericho Area shall be registered and licensed in Israel or in other states members of ICAO. Air crews of such aircraft shall be licensed in Israel or in such other states, provided that such licenses have been approved and recommended by the Palestinian Authority and validated by Israel.

4. Aircraft referred to in this Article shall not carry firearms, ammunition, explosives or weapons systems, unless otherwise approved by both sides. Special arrangements for armed guards escorting high-ranking officials, will be agreed upon in the JAC.
5. The location of navigational aids and other aviation equipment will be approved by Israel through the JAC.
6.
   a. The Palestinian Authority shall ensure that only the aviation activity in accordance with this Agreement will take place in the Gaza Strip and the Jericho Area.
   b. Further powers and responsibilities may be transferred to the Palestinian Authority through the JAC.
   c. The Palestinian Authority may establish a Palestinian Civil Aviation Department to act on its behalf in accordance with the provisions of this Article and of this Agreement.
7.
   a. Aviation activity by Israel will continue to be operated above the Gaza Strip and the Jericho Area, with the same limitations applicable in Israel regarding civil and military flights over densely-populated areas.
   b. Israel will notify the Palestinian Authority of emergency rescue operations, searches and investigations of aerial accidents carried out in the Gaza Strip and the Jericho Area. Searches and investigations of civilian aircraft accidents will be conducted by Israel with the participation of the Palestinian Authority.
8. Commercial, domestic and international air services to, from and between the Gaza Strip and the Jericho Area may be operated by Palestinian, Israeli or foreign operators

approved by both sides, certified and licensed in Israel or in ICAO member states maintaining bilateral aviation relations with Israel. Arrangements for such air services, beginning with a service between Gaza and Cairo using two (2) fixed-wing aircraft with capacity up to fifty passengers each, as well as arrangements regarding the establishment and operation of airports and air terminals in the Gaza Strip and the Jericho Area, will be discussed and agreed upon by the two sides in the JAC.

Any such international commercial air services will be carried out in accordance with Israel's bilateral aviation agreements. The implementation phase will be discussed and agreed upon in the JAC.

ANNEX II: Protocol Concerning Civil Affairs

Article I
Liaison and Coordination in Civil Matters

A. Joint Civil Affairs Coordination and Cooperation Committee
    1. Joint Civil Affairs Coordination and Cooperation Committee (hereinafter "the CAC") is hereby established.
    2. The functions of the CAC are to coordinate between the Palestinian Authority on one hand, and Israel and the Civil Administration that shall continue to function in the rest of the West Bank on the other hand, concerning the following day-to-day matters:
        a. Civil matters, including issues concerning the transfer of powers and responsibilities from the Israeli military government and its Civil Administration to the Palestinian Authority.

           Matters arising with regard to roads, power lines and other infrastructure which require coordination according to this Agreement.

        b. Questions regarding passage to and from the Gaza Strip and the Jericho Area and safe passage between the Gaza Strip and the Jericho Area, including crossing points and international crossings.
        c. Day-to-day contacts between the two sides as regards matters such as employment permits, hospitalization, transportation licensing, transfer of information, etc.
        d. Joint projects, matters of mutual interest and other matters requiring coordination and cooperation.
    3. The CAC shall be comprised of an equal number of representatives from Israel and from the Palestinian Authority, and shall convene at least once a month unless otherwise agreed. Each side may initiate the convening of a special meeting on short notice.
    4. The CAC shall determine by agreement its mode of procedure.

5. Matters of principle and policy not settled within the CAC shall be passed on to the Joint Israeli-Palestinian Liaison Committee.

B. Joint Regional Civil Affairs Subcommittees

1. The CAC shall establish two Joint Regional Civil Affairs Subcommittees (hereinafter "the Subcommittees") for the Gaza Strip and the Jericho Area respectively.
2. Each Subcommittee shall deal with the day-to-day civil affairs matters as detailed in paragraph A.2 above.
   The Jericho Area Subcommittee shall also coordinate the relations between the Palestinian Authority and the military government and Civil Administration in the rest of the West Bank.
3. Each Subcommittee may establish ad hoc working groups if and when the need arises.
4. Each Subcommittee shall be comprised of an equal number of representatives from Israel and from the Palestinian Authority and shall convene no less than once every two weeks.

C. General

1. Means of communication shall be set up with a view to ensuring efficient and direct contact 24 hours a day, in order to deal with any urgent matter arising in the civil affairs field.
2. Each side shall inform the other of its representatives to each committee prior to a meeting. Meetings of the CAC and its subcommittees shall be organized and hosted by the two sides alternately unless otherwise agreed.
3. The provisions detailed above shall not impede daily contacts between representatives of Israel and of the Palestinian Authority in all matters of mutual concern.

Article II
Transfer of Powers and Responsibilities of the Civil Administration

A.

1. The transfer of powers and responsibilities from the Israeli military government and its Civil Administration to the Palestinian Authority shall be coordinated through the CAC and implemented in accordance with the following arrangements in a smooth, peaceful and orderly manner.
2. Preparations for the transfer of such powers and responsibilities shall commence immediately upon the signing of this Agreement, and shall be completed within 21 days.
   a. The Israeli authorities shall provide all necessary assistance to the Palestinian Authority, including access to offices, registers, records, systems and equipment and all necessary information, data and statistics required for the transfer of powers and responsibilities.
   b. Israel shall provide the Palestinian Authority with all the details as described in subparagraph 38 below.
3. On the date fixed for the transfer of powers and responsibilities, Israel shall transfer from the possession of the Israeli military government and its Civil

Administration to the Palestinian Authority offices, budgetary allocations, financial funds and accounts, equipment, registers, files, computer programs and other movable property necessary for its functioning.

B. All powers and responsibilities of the Civil Administration shall be transferred to the Palestinian Authority in the Gaza Strip and the Jericho Area, in accordance with the following provisions:

1. Interior Affairs:

   This sphere includes, inter alia, municipal affairs, licensing of newspapers and publications, censorship of films and plays and appointment of Mukhtars. In the Gaza Strip, this sphere shall also include fire fighting and Ottoman Societies.

2. Fisheries:
   a. This sphere includes, inter alia, licensing of fishermen, marine agriculture and vessels' permits.
   b. Security restrictions are dealt with in Annex I, Article XI.
3. Surveying:

   This sphere includes, inter alia, licensing of surveyors and performing surveys in areas falling within the Palestinian Authority's jurisdiction.

4. Statistics:
   a. The transfer of powers and responsibilities in this sphere includes inter alia transfer of research reports and publications prepared by the Department of Statistics.
   b. The application and validity of censuses which may be conducted by the Palestinian Authority shall be subject to the provisions of subparagraph 27.l below.
   c. Methods of cooperation regarding the collection of data on the movement of goods, services and labor between Israel and the Gaza Strip and the Jericho Area is dealt with in Annex IV.
5. Comptrol
6. Civil Administration Employees:

   The Palestinian Authority assures that it shall keep employing the present Palestinian Civil Administration employees in the Gaza Strip and the Jericho Area and shall maintain their rights.

7. Legal Administration:
   a. This sphere includes, inter alia, administration of the Palestinian judiciary system in the Gaza Strip and the Jericho Area, licensing of lawyers, registration of companies and registration of patents and trademarks in these areas.
   b. Legal issues regarding commercial and civil jurisdiction, as well as legal assistance, are dealt with in Annex III.
8. Labor:

a. Israel and the Palestinian Authority shall establish agreed procedures for mutual recognition of professional certificates and diplomas.
b. Restrictions regarding supervision and licensing of the production and use of explosives and gunpowder shall be in accordance with Annex I, Article VIII, paragraph 8.

9. Education:

Israel and the Palestinian Authority shall ensure that their respective education systems contribute to the peace between Israel and the Palestinian people and peace in the entire region.

10. Social Welfare:

This sphere includes, inter alia, registration and supervision of charitable societies.

11. Assessments
12. Housing
13. Tourism:
    a. This sphere includes, inter alia, the licensing of hotels, souvenir shops and travel agents.
    b. Tourism policy in general, and coordination between Israel and the Palestinian Authority, are dealt with in Annex IV.
14. Parks:

Transfer of powers and responsibilities in this sphere is without prejudice to the provisions applying to religious and archaeological sites.

15. Religious Affairs:
    a. The Palestinian Authority shall ensure free access to all holy sites in the Gaza Strip and the Jericho Area determined by the respective religious sects and shall protect these sites.
    b. The above is without prejudice to the arrangements with regard to archaeological sites as set out in subparagraph 30 below.
    c. Visitors to holy sites shall behave according to accepted rules of behavior in holy sites.
    d. Religious sects shall inform the Palestinian Authority of their respective holy sites in the Gaza Strip and the Jericho Area. For the purposes of this paragraph, the relevant authority regarding Jewish holy sites shall be the Israeli Government.
    e. A list of the existing Jewish holy sites is attached as Appendix A attached to this Annex.
    f. Israel declares that no property (including lands, buildings and institutions) belonging to the Islamic Waqf in the Gaza Strip and the Jericho Area was taken by the military government or its Civil

Administration, except such property that might have been put to use for public purposes such as schools and public roads.

g. Pending the entry into force of the Interim Agreement the holy site of Nebi Mousa shall be under the auspices of the Palestinian Authority for religious purposes.
h. During religious events that take place three times a year and other special occasions that shall be coordinated with the Israeli authorities, Palestinians shall have the right to religious pilgrimage to the al-Maghtas under the Palestinian flag.
i. Religious affairs in the "Shalom Al Israel" synagogue in Jericho shall be under the auspices of the Israeli authorities.

16. Employee Pensions:
    a. This sphere includes, inter alia, the pension rights of employees of the Civil Administration as well as employees of other bodies who are entitled to pensions from the Civil Administration in the Gaza Strip and the Jericho Area.
    b. As part of its powers and responsibilities, the Palestinian Authority shall assume the Civil Administration's statutory and contractual obligations to Palestinian employees, regarding pensions and their payment.
    c. In the Gaza Strip, upon the transfer of powers and responsibilities, the Palestinian Authority shall assume prevailing powers and obligations, according to the existing pension system.
    Israel shall transfer to the Palestinian Authority, or to a Pension and Insurance Fund if established, the net income of the Fund (all payments plus interest after deduction of pension payments and running expenses) as accumulated at the Israel Ministry of Finance.
    d. In the Jericho Area, the Palestinian Authority shall assume responsibility for payment of a budgetary pension.
    e. After the transfer of authorities in this sphere, if Israel is sued by any employee or his/her heirs for any sums due to him/her as a pension, the Palestinian Authority shall reimburse Israel the full amount awarded the employee or his/her heirs by any court or tribunal.
    f. Where legal proceedings are brought in respect of such a claim, Israel will notify the Palestinian Authority and enable it to participate in defending the claim.

17. Commerce and Industry:
    a. This sphere includes, inter alia, licensing of crafts and industries, supervision of commodities and services and of weights and measures, and the regulation of commerce.
    b. The Palestinian Authority shall make arrangements to ensure safety conditions for the production, use and transportation of fuel and gas.
    c. The production and use of weapons, ammunition or explosives are dealt with in Annex I, Article VIII, paragraph 8.
    d. The economic relations between Israel and the Gaza Strip and the Jericho Area, and questions relating to imports to and exports from the Gaza Strip and the Jericho Area, are dealt with in Annex IV.

e. Matters regarding the environment are dealt with in subparagraph 35. below.

18. Health:
    a. This sphere includes, inter alia, the health insurance system.
    b. The Palestinian Authority shall apply the present standards of vaccination of Palestinians and shall improve them according to internationally-accepted standards in the field.
    c. The Palestinian Authority shall inform Israel of any Israeli hospitalized in a Palestinian hospital as outlined in Annex I, Article II. Arrangements for moving such hospitalized Israelis shall be agreed upon in the CAC.
    d. Israel and the Palestinian Authority shall agree on arrangements regarding treatment and hospitalization of Palestinians in Israeli hospitals.
    e. Israel and the Palestinian Authority shall exchange information regarding epidemics and contagious diseases and shall develop methods for exchange of medical files and documents.
    f. Import of pharmaceuticals to the Gaza Strip and the Jericho Area through Israeli sea ports and airports shall be in accordance with general arrangements concerning imports, as dealt with in Annex IV.
19. Transportation:
    a. This sphere includes, inter alia, licensing of public transportation.
    b. In exercising its powers and responsibilities, the Palestinian Authority shall make appropriate arrangements for the continued operation of existing Israeli public transportation lines to the Settlements.
    c. High and appropriate international transportation standards shall be applied in the Gaza Strip and the Jericho Area.
    d. Regulations in the transportation sphere shall continuously adapt to improvements in international standards due to the dynamics of technology and environmental considerations. Due consideration shall be given to compatibility between the standards of the Palestinian Authority and of Israel.
    e. Regulations in the transportation field, including traffic signalization, shall be applied with a view to assuring the safety of all persons, to contributing to economic growth and to protecting the common environment.
    f. Regarding meteorology, there shall be mutual assistance and cooperation between the Israeli and the Palestinian weather forecasting offices.
    g. The issue of establishing transport and communication lines to and from the Jericho Area and the Gaza Strip to Israel and the West Bank is dealt with in Appendix B attached to this Annex.
    h. The arrangements regarding the transfer of authorities concerning maritime activity and aviation are dealt with in Annex I.
20. Agriculture:
    a. Israel and the Palestinian Authority shall do their utmost to preserve and improve the veterinary standards.
    b. Israel and the Palestinian Authority shall take all measures to reach equivalent and compatible standards regarding animal disease control,

including mass vaccination of animals and avians, quarantines, "stamping out" measures and residue control standards.

c. Mutual arrangements shall be made to prevent the introduction and spread of plant pests and diseases, for their eradication, as well as arrangements concerning residue control standards in plant products.
d. The veterinary and the plant protection authorities of Israel and the Palestinian Authority shall coordinate and regularly exchange information regarding animal diseases, as well as plant pests and diseases, and shall establish a mechanism for immediate notification of the outbreak of such diseases.
e. Economic relations in the agricultural sphere between Israel and the Palestinian Authority, including transfer of agricultural goods, are dealt with in Annex IV.
f. Experts from both sides shall discuss the details of the arrangements regarding veterinary and plant protection within the CAC.

21. Employment:
    a. Procedures for distributing employment permits to work in Israel and in the Settlements shall be agreed upon between Israel and the Palestinian Authority.
    b. Arrangements concerning the rights of employees and workers from the Gaza Strip and the Jericho Area working in Israel are dealt with in Annex IV.
22. Land Registration:

    All powers and responsibilities regarding land registration will be transferred to the Palestinian Authority, except the Settlements and the Military Installation Area.

23. Nature Reserves:
    a. Israel and the Palestinian Authority shall safeguard and preserve nature in general and shall protect species of animals, plants and flowers of special breeds.
    b. The Palestinian Authority shall respect the existing status of declared nature reserves and shall safeguard them.
24. Electricity:
    a. The Palestinian Authority shall continue, as appropriate, to buy electric power from the Jerusalem Electricity Company for the Jericho area.
    b. Pending the establishment by the Palestinian Authority of an alternative system for the Gaza Strip, it shall temporarily buy electric power from the Israel Electric Company (IEC), and to that end shall enter into a commercial agreement with the IEC. This Agreement shall relate to the settling of debts; to IEC property; and to the maintenance of lines to Palestinian customers.
    c. Without derogating from the powers and responsibilities transferred to the Palestinian Authority above, the Palestinian Authority shall enable the supply of electricity to the Gush Katif settlement area and the Kfar Darom

settlement by the IEC, as well as the maintenance by the IEC of the electricity lines to these locations and of the electricity lines crossing the Jericho Area.
The means of supplying electricity and the modalities of maintenance of lines to the Gush Katif settlement area and the Kfar Darom settlement shall be arranged by means of a commercial agreement between the Palestinian Authority and the IEC.

d. Environmental matters relating to electricity shall be governed by the provisions regarding environmental protection as set forth in subparagraph 35. below.

25. Public Works:
    a. This sphere includes, inter alia, the Housing Department in the Gaza Strip.
    b. In principle, maintenance and repairs of the Lateral Roads leading to the Settlements and the Military Installation Area shall be carried out by the Palestinian Authority.
    c. Where such maintenance and repairs have not been effected by the Palestinian Authority within a reasonable time, the Palestinian Authority shall request, through the CAC, that Israel effect such maintenance and repairs.
    d. The Palestinian Authority shall notify and update Israel through the CAC of any activity which may disturb the regular flow of traffic on roads, including road works, repairs and large-scale construction in close proximity to roads.
26. Postal Services:
    a. This sphere includes, inter alia, the management of post offices and postal delivery in the Gaza Strip and the Jericho Area.
    b. The Palestinian Authority may issue postage stamps, postal stationery (hereinafter "stamps") and date stamps, subject to the following provisions:
        1. Stamps shall include only the term "the Palestinian Authority", the face value and the subject.
        2. The face value shall be stated only in the agreed legal currency circulating in the Gaza Strip and the Jericho Area as detailed in Annex IV.
        3. The design, symbols and subjects of stamps, postal stationery and date stamps issued by the Palestinian Authority will be in accordance with the principles outlined in Article XII of the Agreement.
        4. The date stamp shall include only the name of the office responsible for the cancelling of the stamp and the date of that operation.
    c. Both sides will coordinate and cooperate in establishing postal rates for international postal services in such a way as to prevent mutual economic harm to each other.
    d. The modalities and arrangements for sending and receiving all postal items, including parcels, between the Gaza Strip and the Jericho Area and

Israel and the West Bank will be arranged by means of a commercial agreement between the Israel Postal Authority and the Civil Administration respectively on one side, and the Palestinian Authority on the other.

e. The modalities and arrangements for sending and receiving all postal items, including parcels, between the Gaza Strip and the Jericho Area and other countries will be arranged by means of a commercial agreement between the Israel Postal Authority and the Palestinian Authority, further modalities will be discussed in the CAC.

f. The customs principles detailed in Annex IV shall also apply to postal items, including parcels, transmitted to the Gaza Strip and the Jericho Area.

27. Population Registry and Documentation:

a. The Palestinian Authority shall receive the existing population registry in the Gaza Strip and the Jericho Area, as well as files pertaining to the residents of these areas.

b. The existing identity card of the present residents of the Gaza Strip and the Jericho Area, as well as of new residents therein, shall be substituted by a new identity card.

c. Possession of the aforementioned identity card and, whenever necessary, of an Israeli entrance permit, shall be required for entry into Israel by residents of the Gaza Strip and the Jericho Area.

d. Safe passage between the Gaza Strip and the Jericho Area of residents of these areas shall require the possession of the aforementioned identity card and any other necessary documents.

e. In order to ensure efficient passage procedures and to avoid discrepancies, the Palestinian Authority shall update Israel on a regular basis, through the CAC, of every change in its registry, with a view to enabling Israel to maintain an updated and current registry.

f. Exit abroad through the passages or through Israeli points of exit by residents of the Gaza Strip and the Jericho Area shall only be possible by means of an agreed passport/travel document. This title shall be written on the cover in letters of equal size.

g.

1. Persons from countries not having diplomatic relations with Israel who visit the Gaza Strip and Jericho Area shall be required to obtain a special visitor's permit to be issued by the Palestinian Authority and cleared by Israel. Requests for such permits shall be filed by a relative of the visitor residing in the areas, through the Palestinian Authority, or by the Palestinian Authority itself.
2. Visitors to the Gaza Strip and the Jericho Area shall be permitted to remain in these areas for a period of up to three months granted by the Palestinian Authority and cleared by Israel. The Palestinian Authority may extend this three month period for an additional period of up to four months and shall inform Israel

about the extension. Any further extensions require the approval of Israel.

h. Persons from countries having diplomatic relations with Israel who visit the Gaza Strip and the Jericho Area shall either be required to obtain the aforementioned visitor's permit or to hold a valid passport and an Israeli visa, when required.

i. Entry into the Gaza Strip or the Jericho Area of non-resident Palestinians who are visitors to these areas shall be handled by the Palestinian Authority in accordance with subparagraphs g. and h. above.

j. The Palestinian Authority shall ensure that visitors referred to above shall not overstay the duration of their entry permit and authorized extensions.

k. Special VIP certificates may be issued as detailed in Annex I.

l. The Palestinian Authority may grant permanent residency in the Gaza Strip and the Jericho Area with the prior approval of Israel.

m. The format of the aforementioned identity card and passport/travel document as well as arrangements of the implementation of the provisions set forth in this Article are detailed in Appendix C attached to this Annex.

28. Government and Absentee Land and other Immovables:

a. All powers and responsibilities of the Custodian of Absentee Land and Immovables and powers and responsibilities for governmental land and other immovables in the Gaza Strip and the Jericho Area shall be transferred to the Palestinian Authority in accordance with the following.

b. During the interim period, the transfer of powers and responsibilities of the Custodians of Absentee and Government Property in the Gaza Strip and the Jericho Area, other than those relating to movable property, shall not apply to land and other immovables within the Settlements and the Military Installation Area. The issue shall be dealt with within the permanent status negotiations.

c. The status of land and other immovables which, prior to June 1967, were in the custody of the Jordanian Custodian of Enemy Property in the West Bank or under the management of the Director General appointed in accordance with Order no. 25 of 31.3.50 in the Gaza Strip, shall be dealt with in the permanent status negotiations. Pending those negotiations, the status quo of such land and other immovables shall be maintained.

29. Telecommunications:

a. The Electromagnetic Sphere

1. The frequencies detailed in the telecommunications technical schedule attached to this Annex as Appendix D are assigned for the use of the Palestinian Authority in the Gaza Strip and the Jericho Area, to satisfy its present needs.
2. Conditions for the use of these frequencies as well as details concerning power, timing, direction, antenna radiation pattern and transmission methods, are also formulated in the aforementioned Appendix.
3. The frequencies shall serve, inter alia, a television network and a radio network.

4. The Palestinian Authority shall ensure that only the above frequencies shall be used and that it shall not disturb or interfere with Israel radio communications activity, and Israel shall ensure that there shall be no disturbance or interference with those frequencies.
5. The compatibility of the standards of electromagnetic and telecommunications systems and equipment imported or installed for use in the Gaza Strip and the Jericho Area, as well as the standards of operation of such equipment, are as agreed upon and formulated in the attached Appendix D.
6. The CAC shall establish, as the need arises, a joint committee of technical experts from both sides to discuss and deal with any issue arising out of this Agreement including the fulfillment of future needs of the Palestinian Authority.

b. Telecommunications
   1. Pending the establishment by the Palestinian Authority of an alternative telecommunications system in the Gaza Strip and the Jericho Area, the existing system of telephone and other related communication services including international telecommunications in the Gaza Strip and the Jericho Area shall continue through "Bezeq - the Israel Telecommunications Corp. Ltd." (hereinafter "Bezeq") and to that end, the Palestinian Authority shall enter into a commercial agreement with Bezeq.
   2. Without derogating from the powers and responsibilities of the Palestinian Authority, the Palestinian Authority shall enable the supply of telecommunications services to the Settlements and the Military Installation area by Bezeq, as well as the maintenance by Bezeq of the telecommunications infrastructure serving them or infrastructure crossing the Gaza Strip and the Jericho Area.

30. Archaeology:
   a. The Palestinian Authority shall protect and guard all archaeological sites in the Gaza Strip and the Jericho Area, respect academic freedom in particular the freedom publishing research work based on excavations and shall take all necessary steps against theft of archaeological artifacts and illegal trade in them.
   b. The CAC shall establish a joint committee of experts from both sides to deal with all archaeological issues of common interest. Actions which may affect the sites detailed in Appendix A shall also be referred to this committee for discussion and recommendation. The Palestinian Authority shall respect such recommendations.

Disagreements on this matter within the joint committee of experts shall be referred to the CAC to be dealt with in accordance with the provisions of this Agreement.

c. Subject to academic considerations, and in accordance with the law, when the Palestinian Authority grants excavation licenses to archaeologists, researchers and academics interested in excavating in the Gaza Strip and Jericho Area, it shall do so without discrimination.
d. The Palestinian Authority shall ensure free access to archaeological sites.
e. With due consideration to the Palestinian demand that Israel shall return all archaeological artifacts found in the Gaza Strip and Jericho area since 1967, this issue shall be dealt with in the negotiations on the final status. For this purpose, Israel shall provide a list of archaeological sites for which excavation licenses were granted since 1967, including, where available, a general description of the artifacts found therein, and their location.

31. Water and Sewage

a. All water and sewage (hereinafter referred to as "water") systems and resources in the Gaza Strip and the Jericho Area shall be operated, managed and developed (including drilling) by the Palestinian Authority, in a manner that shall prevent any harm to the water resources.
b. As an exception to subparagraph a., the existing water systems supplying water to the Settlements and the Military Installation Area, and the water systems and resources inside them continue to be operated and managed by Mekoroth Water Co.
c. All pumping from water resources in the Settlements and the Military Installation Area, shall be in accordance with existing quantities of drinking water and agricultural water.
Without derogating from the powers and responsibilities of the Palestinian Authority, the Palestinian Authority shall not adversely affect these quantities.
Israel shall provide the Palestinian Authority with all data concerning the number of wells in the Settlements and the quantities and quality of the water pumped from each well, on a monthly basis.
d. Without derogating from the powers and responsibilities of the Palestinian Authority, the Palestinian Authority shall enable the supply of water to the Gush Katif settlement area and the Kfar Darom settlement by Mekoroth, as well as the maintenance by Mekoroth of the water systems supplying these locations and of water lines crossing the Jericho Area.
e. The Palestinian Authority shall pay Mekoroth for the cost of water supplied from Israel and for the real expenses incurred in supplying water to the Palestinian Authority.
f. All relations between the Palestinian Authority and Mekoroth shall be dealt with in a commercial agreement.
g. The Palestinian Authority shall take the necessary measures to ensure the protection of all water systems in the Gaza Strip and the Jericho Area.

h. Upon the signing of this Agreement, the two Parties shall establish a subcommittee to deal with all issues of mutual interest including the exchange of all data relevant to the management and operation of the water resources and systems and mutual prevention of harm to water resources.
i. The subcommittee shall agree upon its agenda and upon the procedures and manner of its meetings, and may invite experts or advisers as it sees fit.

32. Planning and Zoning:
    a. Authorities, powers and responsibilities in this sphere, except in the Settlements and the Military Installation Area, shall be transferred to the Palestinian Authority subject to the following.
    b. Planning schemes, bylaws and regulations in effect in the Gaza Strip and the Jericho Area prior to the signing of this Agreement shall remain in force, unless amended or abrogated in accordance with this Agreement.
    c. The Palestinian Authority may amend, abrogate or promulgate planning schemes, and issue licenses and exemptions within its jurisdiction, provided that such acts are consistent with the provisions of this Agreement.
    d. As part of its procedure, the Palestinian Authority shall publish planning schemes in the form of law. The Palestinian Authority shall provide the CAC with a copy of it.
    e. If Israel considers such a plan to be inconsistent with the terms of this Agreement, including Annex I, it may, within thirty (30) days of the receipt by the CAC of such a plan, bring it for consideration by a special subcommittee of the CAC and/or request additional information regarding the plan.
    The Palestinian Authority shall respect the recommendations of the subcommittee. Pending the completion of such a consideration process, and due settlement of the matter in accordance with the provisions of this Agreement, the planning procedures shall not be finalized.

33. Direct Taxation:

    This sphere includes, inter alia, income tax on individuals and corporations, property taxes, municipal taxes and fees, as formulated in Annex IV.

34. Indirect Taxation:

    This sphere includes, inter alia, VAT, purchase taxes on local production and import taxes, as formulated in Annex IV.

35. Environmental Protection:
    a. Israel and the Palestinian Authority shall act for the protection of the environment and prevention of environmental risks, hazards and nuisances.

b. Israel and the Palestinian Authority shall respectively adopt, apply and ensure compliance with internationally-recognized standards concerning acceptable levels of land, air, water and sea pollution, and acceptable levels of treatment and disposal of solid and liquid wastes; for the use and handling of hazardous substances, including pesticides, insecticides and herbicides, and standards for the prevention and abatement of noise, odor, pests and other nuisances which may affect each side and the Settlements and the Military Installation Area.
c. The Palestinian Authority shall take the appropriate measures to prevent the uncontrolled discharge in the Gaza Strip and the Jericho Area of sewage and effluence to water sources including underground and surface water and rivers, and to promote the proper treatment of sanitary and industrial waste water.
d. In the event that Israel or the Palestinian Authority considers that there might be a threat to its environment, any relevant information concerning the development activity and its environmental impact shall be provided by the relevant side.
e. Israel and the Palestinian Authority shall respectively operate an emergency warning system in order to respond to events or accidents which may generate environmental pollution, damage or hazards. A mechanism for mutual notification and coordination in cases of such events or accidents shall be established.
f. Israel and the Palestinian Authority shall cooperate in implementing agreed principles and standards concerning the protection of the Mediterranean Sea, the protection of the ozone layer, the control of movement of hazardous wastes and their disposal, the restriction of trade in endangered species of wild fauna and flora, and the conservation of migratory species of wild animals.
g. Israel and the Palestinian Authority shall establish within the CAC an Environmental Experts Committee for the coordination of environmental issues, to be convened when the need arises.

36. Gas and Petroleum:
    a. This sphere includes, inter alia, distribution, supply, licensing, sales, exploration and production of gas and petroleum in the Gaza Strip and the Jericho Area.
    b. In authorizing the construction or operation of gas and petroleum facilities (including gas and petrol stations), a safety distance from the Settlements and the Military Installation Area shall be observed by the Palestinian Authority.
    c. The color of all gas cylinders in use in the Gaza Strip and the Jericho Area shall be different than that in use in Israel.
    d. Israel and the Palestinian Authority agree to cooperate concerning the exploration and production of oil and gas in cases of joint geological structures lying partly in Israel or the West Bank and partly in the Gaza Strip or the Jericho Area.

e. Transfer of gas or fuel products through or to Israel and the West Bank shall be in accordance with Israeli standards concerning safety, security and environmental protection, and in accordance with the arrangements regarding entry into Israel.
f. Policies of pricing, taxation, import and marketing regarding gas and petroleum are dealt with in Annex IV.

37. Insurance:
a. This sphere includes, inter alia, licensing of insurance companies, insurance agents and supervision of their activity.
b. Arrangements regarding the compulsory insurance of motor vehicles and the compensation of road accident casualties, in view of transportation between the Gaza and the Jericho area, are dealt with in Annex IV.

38. Treasury:
a. In view of the need for a smooth transfer of powers and responsibilities, Israel shall provide the Palestinian Authority, through a team of Palestinian auditors, with all the details concerning the Civil Administration budget allocated for the Gaza Strip and the Jericho Area and the revenues, expenses and accounts. It shall also provide details regarding the Civil Administration's existing financial system in the Gaza Strip and the Jericho Area.
b.
1. Israel shall transfer to the Palestinian Authority all the Gaza Strip and the Jericho Area Civil Administration funds and bank accounts as well as movable property.
2. Israel shall provide the Palestinian Authority with a list of the Civil Administration departments and their immovable offices, storerooms, warehouses, etc.
3. Where such immovables are situated on private property, including property owned by absentees, Israel shall provide the Palestinian Authority with the contracts between the Civil Administration and the owners of such property.

c.
1. Israel shall bring to an end all the Gaza Strip and the Jericho Area Civil Administration service contracts detailed in Appendix E attached to this Annex.
Upon the transfer of powers and responsibilities, Israel shall provide the Palestinian Authority with copies of confirmations from the contractors declaring that they have no claim or demand concerning these contracts.
2. Civil Administration development contracts, the duration of which extends beyond the transfer of powers and responsibilities, as detailed in Appendix E, shall be transferred to the Palestinian Authority and shall remain in force.
3. Civil Administration contracts concerning leasing or renting Waqf, absentee or private property shall be transferred to the Palestinian Authority and shall remain in force.

4. All contracts entered into by the Custodian of Absentee and Governmental Property for renting and leasing land shall be transferred to the Palestinian Authority, and Israel shall give notice of such to the tenants and lessees. It is understood that following the transfer of such contracts the Palestinian Authority shall have full discretion to take any decision regarding these contracts.

d. After the transfer of authorities, powers and responsibilities in this sphere, if Israel is sued with regard to the contracts and obligations referred to in subparagraph c. above, the Palestinian Authority shall reimburse Israel for the full amount awarded by any court or tribunal.
e. Where legal proceedings are brought in respect of such a claim, Israel will notify the Palestinian Authority and enable it to participate in defending the claim.
f. Upon the transfer of powers and responsibilities, the Palestinian Authority shall be solely responsible for any claim regarding its actions pursuant to the transfer.
g. Israel shall provide the Palestinian Authority with copies of the contracts listed in Appendix E in order to enable it to make a decision on new contracts which it may conclude. If such contracts are not written in Arabic, Israel shall provide the Palestinian Authority with a translation into Arabic.

APPENDIX A

1. The Naaran Synagogue (Ein Diuk).
2. The Jewish Cemetery in Tel Sammarat.
3. "Shalom Al Israel" Synagogue in Jericho.
4. The Jewish Synagogue in Gaza city.

APPENDIX B

To be added in the future.

APPENDIX C
Technical Schedule Regarding Population Registry and Documentation

Note: The following is only part of this Appendix. Other sections of this Appendix shall be added in the future.

1. Passport/travel document format
    a. General specifications
        1. Languages: Arabic and English.
        2. External color: green.
        3. Front cover titles will be Palestinian Authority, Passport/Travel Document (shall be written in letters of equal size).

4. Each person, without reference to age, will hold his/her own document.
5. The validity of the document shall be up to 3 years.
6. The number of pages: not less than 32 pages (to be checked by international standards).
7. Perforation of the Passport/Travel Document number shall be in at least half of the pages.

b. Internal page of external cover
   1. The same title as external.
   2. Text: in Arabic and English as follows: "This Passport/Travel Document is issued pursuant to the Palestinian Self Government Agreement according to the Oslo Agreement signed in Washington on September 13, 1993."
   3. The rest of the text: as usual.
   4. Bottom of page: of the Palestinian Authority.

c. Page number 1

   Number of the Passport/Travel Document.

d. Page number 2 - the sticker
   1. Same information as today. Format: to be discussed.
   2. Each name shall be titled for ease of reading (first name, family name, etc.).

e. Page number 3
   1. Address of holder.
   2. Text: "The bearer of this document ... "

f. Visa pages

   No comments.

g. Last page (32 or other)

   The text of paragraph 1 will be:

   "This passport/travel document, as long as it is valid, will enable its bearer on return from abroad, to enter the Gaza Strip and the Jericho Area."

   Note: The aforementioned is meant to enable passage through Israeli border control without the need of an entrance visa.

APPENDIX D
Technical Schedule: Telecommunications

Pursuant to the telecommunications principles agreed upon on February 23rd, 1994, the following modalities and technical details have been determined by the two sides:

1. General

   The Palestinian Authority shall use or reassign within its jurisdiction sections of frequencies covering all its required services within the bands L.F., M.F., H.F., V.H.F. and U.H.F. up to 960 MHz, to satisfy its present and future needs, as specified in the principles referred to above. The growing communication needs of the Palestinian Authority in the spheres of administration, police and civilian sectors in the Gaza Strip and the Jericho Area will be satisfied within a framework of coordination and cooperation.

   To that end, the Palestinian Authority shall present its requirements through the Joint Subcommittee of Technical Experts. Frequencies or sections of frequencies in the aforementioned bands will be assigned, or an alternative thereto providing the required service within the same band, or the best possible alternative thereto, acceptable by the Palestinian side and agreed upon by Israel in the Joint Subcommittee of Technical Experts.

2. Technical Details of the Initial Requirements The following is the first batch of initial requirements of immediate concern coinciding with the entry of the Palestinian Police and establishment of the Palestinian Authority.

   Further details and additional requirements will be presented through the Joint Subcommittee of Technical Experts at a later stage.

   a. Wireless:
      1. DCO - will operate frequencies within a 410 to 430 MHz band.
      2. PDPF
      3. Cellular telephones
   b. Radio and Television
   c. Microwave:

      Palestinian requirements for microwave communications above the frequency 1 GHz will be satisfied using the same modality and will adhere to the technical parameters outlined in paragraph B.2 of the above principles of February 23rd, 1994.

APPENDIX E

Service **Contracts**
(Costs in thousands of shekels)

Name of Supplier	**Type of Arrangement**	**Annual Cost**
Gertner Gibor	Contract	145
Beersheva Technical College	Contract	50

Adnat Communications	Contract (Rolling Stone)	150
Halwa	Contract	20
Hiram Landau	Contract	870
Telrad	Contract	5,900
Beersheva Flour Mill	Contract	270
Isralift	Contract	40
Eurocorn	Per service call	70
Yitzhak Shapira	Agreement	20
Hertz Fogel	Contract	34
Mahud	Contract	10
Margolin Ron	Contract	350
Moshe Ravid	Contract	10
Malal Software Industries	Contract	250
Malam Systems	Contract	1,700
Magal Infrastructure	Contract	50
Ashkelon Mechanical Laundry	Contract	65
Nachman Nir - Engineer	Contract	40
Simona Bar Sagi	Contract	4
Pioneer Steel	Contract	517
Azata Flowers	Contract	32
Kravitz	Contract	180
R.N. Construction Engineering	Contract	250
Reshef Berder	Contract	3
Shorashim	Contract	33
Shavit Meshulam	Contract	2
Sha'atit	Contract	132
Tadiran	Contract	1,200
Tnuva	Contract	80
Tim Computer	Contract	3,500
Engineering Concrete Co.	Contract	1,100
Osma Haggan Alhadiri	Tender	750
Osma Bakar Alhazander	Tender	409
Ismail Mussa Asbed	Tender	1,750
Agudat Hatzdaka Printers	Tender	260
Keutzer Trading Store	Tender	131
Alzafadi Trading Co.	Tender	480
Hamadi El Salem	Tender	15
Roters Co.	Tender	210
Akila Fuel Co.	Tender	7

Bus Co.	Tender		100
Morad Trading Co.	Tender		36
Beno Razek	Tender		1,100
Mahmad Feisal Mahanna	Tender		312
El Sharek Library	Tender		26
Mahmad Rasmi Alkardi	Tender		32
Mahmad Hassin Ishmila	Contract		150
Nazer Ladbai Hamda	Contract		106
Sami Saleiman Daoud	Contract		206
Salem Abu Dalal	Contract		1,700
Aabed Abdalla Alpra	Contract		100
Mahana and Co.	Contract		5,600
Jerusalem Medicine Co.	By order		108
Bir Zeir Co.	By order		580
Asmi Ltd.	By order		12
Plastin	By order		45
Eastern Chemical Co.	By order		19
Nables Dinat Nazmi	By order		3
Ackerstein	Reg. (order)	Commitments	42
Agis	"		1,500
I.T.S.	"		40
Abic	"		130
CRS Assoc	"		356
Isotope	"		17
Ilex	"		110
Astro	"		300
Ofek Mitzpeh Ramon	"		13
I.T.T. Macro	"		100
Ampa Ltd.	"		88
Ayalon Meromi	"		135
Yakobovitch	"		500
Elyakim Ben Ari	"		1,000
Avraham Goldberg	"		35
Orda Print	"		203
Izodan	"		10
I.I.S.	"		81
Arka	"		1,700
Bioferma	"		94
Balgar	"		11
Baktab Dragnosti	"		8
Burei Book Co.	"		13

Beeper Communications	"	120
Binat Communications	"	281
Belle Art Marketing Co.	"	78
Gamai Zur	"	5
Grafit	"	29
John Bryce Regular Tenders	Retular Tenders	332
Guttman Architects	"	6
Zover Medical Eqpipment	"	35
De Greit Equipment	"	79
Denograf	"	8
Diffies	"	6
Zerot Pictures	"	13
Dekel Printers	"	4
Digital	"	403
Be'eri Printers	"	203
Hamashbir	"	73
Hamadaf	"	206
Hagal Hahadash	"	10
Lamesheh Co.	"	77
Hyper Techni	"	138
Balmut	"	20
Electrical Engineering	"	62
Zameret Curtains	"	10
Zik Eish	"	106
Herut Elevators	Regular Orders	35
Hagim	"	10
Chaimov	"	70
Intermid.	"	920
Kartin	"	460
Hagai	"	330
Totenauer	"	25
Teva	"	50
Total Graphics	"	10
Techno Realco	"	470
Yaron Chemical	"	18
Yegev Ltd.	"	33
Isramedcom	"	45
Yediot Aharonot	"	5
Yitzhak Benni	"	504
Ifat Information Center	"	51
Radet	"	500
Livnat Ltd.	"	33

Lahavot	"	-
Ligad	"	4
Laragent	"	-
Logi	"	14
Maksima	"	581
Magen David	"	100
Ma'atak	"	12
Mad Technika	"	1,280
Chai Laboratories	"	8
Maf'il	"	6
Mizauk	"	13
Pereg Works	"	670
Mei Eden	"	56
Suliman Levin	"	136
Sigma Israel	"	70
Sadan Safes	"	16
Seat Carmel	"	20
Super Pile	"	13
Einav	"	9
Alkades Newspaper	"	65
Fudi Industries	"	8
Pharma Best	"	30
Pharmatud	"	34
Zemel	"	6
Katzko	"	170
Rezenfal	"	23
Rekah	"	7
Rav Bariah	"	58
Shmerling	"	27
Shamrad Electronics	"	13

Development Contracts

The Beit Hanun Bridge - constructed by the Public Works Department. The total cost is 1 million NIS.
The Sheikh Radwan School - constructed by the Public Works Department that has contracts with sub-contractors. The total cost is 3.750 million NIS.
The Jericho Retirement Home. The Housing Department that has contracts with sub-contractors.

ANNEX III: Protocol Concerning Legal Matters

Article I
Criminal Jurisdiction

1. The criminal jurisdiction of the Palestinian Authority covers all offenses committed in the areas under its territorial jurisdiction (hereinafter, for the purposes of this Annex, "the Territory") subject to the provisions of this Article.
2. Israel has sole criminal jurisdiction over the following offenses:
    a. offenses committed in the Settlements and the Military Installation Area subject to the provisions of this Annex; and
    b. offenses committed in the Territory by Israelis.
3. In exercising their criminal jurisdiction, each side shall have the power, inter alia, to investigate, arrest, bring to trial and punish offenders.
4. In addition, and without derogating from the territorial jurisdiction of the Palestinian Authority, Israel has the power to arrest and to keep in custody individuals suspected of having committed offenses which fall within Israeli criminal jurisdiction as noted in paragraphs 2 and 7 of this Article, who are present in the Territory, in the following cases:
    a. The individual is an Israeli, in accordance with Article II of this Annex; or
    b.
        1. The individual is a non-Israeli suspected of having just committed an offense in a place where Israeli authorities exercise their security functions in accordance with Annex I, and is arrested in the vicinity in which the offense was committed. The arrest shall be with a view to transferring the suspect, together with all evidence, to the Palestinian Police at the earliest opportunity.
        2. In the event that such an individual is suspected of having committed an offense against Israel or Israelis, and there is a need for further legal proceedings with respect to that individual, Israel may retain him or her in custody and the question of the appropriate forum for prosecuting such a suspect shall be dealt with by the Legal Committee on a case-by-case basis.
5. In the case of an offense committed in the Territory by a non-Israeli against Israel or an Israeli, the Palestinian Authority shall take measures to investigate and prosecute the case, and shall report to Israel on the result of the investigation and any legal proceedings.
6.
    a. Tourists in transit to or from Israel through the Gaza Strip or the Jericho Area, who are present on the Lateral Roads or on the main North-South road crossing the Jericho Area (Route No. 90), may be arrested and questioned only by the Israeli authorities which shall notify the Palestinian Authority. Where the Israeli authorities conclude that an offense under the prevailing law has been committed, and that further legal proceedings in respect of the tourist are required, such proceedings shall be taken by the Palestinian Authority.
    b. Where such a tourist present outside these areas is detained or arrested by the Palestinian Authority, it shall notify the Israeli authorities immediately and shall enable them at the earliest opportunity to meet the detainee and to provide any necessary assistance, including consular notification, requested by the detainee.

7. Nothing in this Article shall derogate from Israel's criminal jurisdiction in accordance with its domestic laws over offenses committed outside Israel (including in the Territory) against Israel or an Israeli with due regard to the principle that no person can be tried twice for the same offense. The exercise of such jurisdiction shall be subject to the provisions of this Annex and without prejudice to the criminal jurisdiction of the Palestinian Authority.

Article II
Legal Assistance in Criminal Matters

1. General
    a. Israel and the Palestinian Authority shall cooperate and provide each other with legal assistance in criminal matters. Such cooperation shall include the arrangements detailed in this Article.
    b. For the purpose of this Article, "Israeli military forces" may include Israel Police and other Israeli security forces.
    c. Documents served by one Party in the territory under the responsibility of the other, shall be accompanied by a certified translation into the official language of the other Party.
2. Cooperation in Criminal Matters
    a. The Israel Police and the Palestinian Police shall cooperate in the conduct of investigations. Subject to detailed arrangements to be agreed upon, such cooperation shall include the exchange of information, records and fingerprints of criminal suspects, vehicle ownership registration records, etc.
    b. Where an offense is committed in the Territory by an Israeli acting jointly with an individual under Palestinian personal jurisdiction, the Israeli military forces and the Palestinian Police will cooperate in conducting an investigation.
    c. The Palestinian authorities shall not arrest or detain Israelis or place them in custody. Israelis can identify themselves by presenting Israeli documentation.
    However, where an Israeli commits a crime against a person or property in the Territory the Palestinian Police upon arrival at the scene of the offense shall immediately notify the Israeli authorities through the relevant DCO. Until the arrival of the Israeli military forces the Palestinian Police may, if necessary, detain the suspect in place while ensuring his protection and the protection of all those involved and shall prevent interference with the scene of the offense, collect the necessary evidence and conduct preliminary questioning.
    d. Without derogating from the jurisdiction of the Palestinian Authority over property located or transported within the Territory, where the property is being transported or carried by an Israeli, the following procedure shall apply: The Palestinian authorities have the power to take any measures necessary in relation to Israeli vehicles or personal belongings where such vehicle or belongings have been used in commission of a crime and present

an immediate danger to public safety or health. When such measures are taken the Palestinian authorities shall immediately notify the Israeli authorities through the relevant DCO, and shall continue to take the necessary measures until their arrival.

3.

a. When an Israeli is suspected of committing an offense and is present in the Territory, the Israeli military forces shall be able to arrest, search and detain the suspect as required, in the presence of and with the assistance of the Palestinian Police.
b. When an Israeli commits an offense and is present in the Yellow Areas or on the Lateral Roads and their adjacent sides as defined in Annex I, the Israeli military forces may, without derogating from the territorial jurisdiction of the Palestinian Authority, arrest, search and detain the offender and shall notify the Palestinian Police immediately, provide it with all necessary information, and coordinate wherever possible.

4. When an offense is committed inside a Settlement, and all those involved are Palestinians of the Gaza Strip or the Jericho Area or their visitors, the Israeli military forces shall notify the Palestinian Police immediately and shall hand over the offender and the collected evidence to the Palestinian Police unless the offense is security-related.
5. Restraining Orders

Each side shall execute orders issued by the competent organ of the other side restraining a person under the jurisdiction of that side from travelling abroad.

6. Summons and Questioning of Witnesses
   a. Where the statement of a witness who is an Israeli or other person present in Israel is required for a Palestinian investigation, the statement shall be taken by the Israel Police in the presence of a Palestinian Police officer in an Israeli facility at an agreed location.
   b. Where the statement of a non-Israeli witness present in the Territory is required for an Israeli investigation, the statement shall be taken by the Palestinian Police in the presence of an Israeli police officer in a Palestinian facility at an agreed location.
   c. In exceptional cases, each side may take a statement requested by the other side itself, without the presence of the requesting side.
7. Transfer of Suspects and Defendants
   a. There a non-Israeli suspected of, charged with or convicted of an offense that falls within Palestinian criminal jurisdiction is present in Israel, the Palestinian Authority may request Israel to arrest and transfer the individual to the Palestinian Authority.
   b. Where an individual suspected of, charged with or convicted of an offense that falls within Israeli criminal jurisdiction is present in the Territory, Israel may request the Palestinian Authority to arrest and transfer the individual to Israel.
   c. Requests under subparagraphs a. and b. above shall specify the grounds for

the request and shall be supported by an arrest warrant issued by a competent court.

d. Where the request is for the transfer of a suspect who is not a Palestinian requested by the Palestinian Authority:
    1. the arrest warrant shall only be issued pursuant to an application made by or on behalf of the Attorney-General, confirming that there is reasonable evidentiary basis that the offense was committed by the suspect;
    2. the offense must be punishable by not less than 7 years' imprisonment under the law of the requesting side.

e.
    1. Individuals suspected of offenses punishable by less than 7 years' imprisonment shall be interrogated by the investigating side in a facility of the other side or at an agreed location.
    2. Interrogation shall take place in the presence of a police officer of the other side.
    3. Upon the request of the investigating side the other side may detain the suspect in custody pending and during the questioning.
    4. Where the presence of the suspect is required for an objective reason such as confronting witnesses and identification of site, the suspect shall be transferred for that purpose only.

f.
    1. Both sides, upon receipt of a request in accordance with this Article, shall effect the arrest and transfer requested.
    2. If the individual requested is detained in custody or is serving a prison sentence, the side receiving the request may delay the transfer to the requesting side for the duration of the detention or imprisonment.

g. No person shall be transferred in respect of an offense punishable by capital punishment unless the requesting side undertakes that capital punishment shall not be imposed in the case.

h.
    1. Both sides shall take all necessary measures to ensure that the treatment of individuals transferred under this Article complies with the applicable legal arrangements in Israel and in the Territory and with internationally-accepted norms of human rights regarding criminal investigations.
    2. Suspects transferred under this paragraph shall have the right to be assisted during the investigation period by an advocate of their own choice.

i. Each side may, upon the request of the other side, detain, for no more than seven days, an individual in respect of whom a request for arrest and transfer is to be made, pending the submission of such a request.

j. The transfer of foreigners by Israel to the Palestinian Authority under this Article shall be subject to the applicable conventions to which Israel is a party and in coordination with the foreigner's state of origin.

k. Both sides may agree that an individual convicted in the courts of one side shall serve his sentence in a prison of the other side, subject to arrangements and conditions to be agreed between the sides.

8. Assistance in the Execution of Court Orders for the Purposes of Investigation
   a. Israel and the Palestinian Authority shall execute orders issued by each others' courts for the purposes of investigations (e.g., search warrants, orders for the production of documents and seizure orders), subject to the provisions of local law.
   b. Where, for the purposes of an investigation, Israel or the Palestinian Authority requires that tests or examinations (such as fingerprinting or blood analysis) be effected in relation to an item situated in territory under the responsibility of the other side, that side shall effect the tests or examinations required and transfer the results to the side conducting the investigation. Where these results are not sufficient for the purposes of the investigation, arrangements shall be made for the transfer of the item to the side conducting the investigation.
9. Legal Assistance in the Conduct of Judicial Proceedings
   a. Summons and subpoenas issued by an Israeli court in respect of defendants and witnesses present in the Territory, shall be effected through the Palestinian Authority which shall be responsible for the service of summons, and the execution of subpoenas by the Palestinian Police. Subpoenas issued in respect of an Israeli defendant or witness shall be executed by the Israeli military forces in the presence of and with the assistance of the Palestinian Police.
   b. Summons or subpoenas issued by a Palestinian court in respect of defendants and witnesses present in Israel shall be effected through the Israel Police who shall be responsible for the service of summons and the execution of subpoenas.
   c. Where the evidence of an Israeli witness is required in connection with proceedings conducted by a Palestinian court, the evidence of the witness shall be taken at a Palestinian court situated at an agreed location close to one of the crossing points, and the witness shall be accompanied by representatives of the Israeli military forces together with the Palestinian Police.
   d. Where the evidence of a witness is required in connection with proceedings conducted by a court of one side, such a request will be notified to the authorities of the other side to summon the witness.

Article III
Civil Jurisdiction

1. The Palestinian courts and judicial authorities have jurisdiction in all civil matters, subject to this Agreement.
2. Israelis conducting commercial activity in the Territory are subject to the prevailing civil law in the Territory relating to that activity. Nevertheless, any enforcement of judicial and administrative judgments and orders

issued against Israelis and their property shall be effected by Israel. Israel undertakes to execute such judgments and orders within a reasonable time.

3. The Palestinian courts and judicial authorities have no jurisdiction over civil actions in which an Israeli is a party, except for the following cases:
    a. the subject matter of the action is an ongoing Israeli business situated in the Territory (the registration of an Israeli company as a foreign company in the Territory being evidence of the fact that it has an ongoing business situated in the Territory);
    b. the subject matter of the action is real property located in the Territory;
    c. the Israeli party is a defendant in the action and has consented to such jurisdiction by notice in writing to the Palestinian court or judicial authority;
    d. the Israeli party is a defendant in an action the subject matter of which is a written agreement, and the Israeli party has consented to such jurisdiction by a specific provision in this agreement;
    e. the Israeli party is a plaintiff who has filed an action in the Territory. If the defendant in the action is an Israeli, his consent to such jurisdiction in accordance with subparagraphs c. or d. above shall be required; or
    f. actions concerning other matters as agreed between the Parties.
4. The jurisdiction of the Palestinian courts and judicial authorities does not cover actions against the State of Israel including its statutory entities, organs and agents.

Article IV
Legal Assistance in Civil Matters

1. Service of Legal Documents Israel and the Palestinian Authority will be responsible, in the areas under their respective territorial responsibility, for the service of legal documents, including subpoenas, issued by the judicial organs under the responsibility of the other Party.
2. Interim Orders
    a. Interim orders (e.g., temporary orders of attachment, the appointment of a receiver, restraining orders) issued by judicial organs under the responsibility of either Party will not have effect in the areas under the territorial responsibility of the other Party.
    b. Judicial organs under the responsibility of both Parties will be authorized to issue interim orders which shall apply in the areas under their territorial responsibility, even in cases in which the primary action was filed with the judicial organs under the responsibility of the other Party.
    c. The judicial organs of each side may issue orders restraining an individual from travelling abroad when the order relates to a matter being tried by that organ, subject to the relevant provisions of the domestic laws.
3. Taking of evidence

    Israel and the Palestinian Authority will make arrangements for taking evidence from witnesses, when necessary, within the areas under their territorial responsibility, when such evidence is sought in connection with proceedings

conducted by the judicial organs under the responsibility of the other side.

4. Enforcement of judgements
    a. Israel and the Palestinian Authority will enforce judgements rendered by the judicial organs under the responsibility of the other Party, provided that the judicial organ concerned had the jurisdiction to render the judgement and further provided that the enforcement is not contrary to public policy. The execution office under the responsibility of Israel and the Palestinian Authority shall execute such judgements as if rendered by their own judicial organs.
    b. In executing any judgement against Israelis the Palestinian execution offices will be authorized to issue orders (e.g., attachments, receivership, eviction) against Israeli property within the Territory.
    c. Orders against the freedom of Israelis (e.g., imprisonment orders, restraining orders) shall only be issued by Israeli execution offices.
    d. All orders issued by execution offices against Israelis or Israeli property within the Territory will be executed by the Israel Police with the assistance of the Palestinian Authority, or where the Israel Police notifies the Palestinian Authority that it has no objection, by the Palestinian Police.

ANNEX IV: *Protocol on Economic Relations between the Government of the State of Israel and the P.L.O., representing the Palestinian people*

Paris, April 29, 1994

PREAMBLE

The two parties view the economic domain as one of the cornerstone in their mutual relations with a view to enhance their interest in the achievement of a just, lasting and comprehensive peace. Both parties shall cooperate in this field in order to establish a sound economic base for these relations, which will be governed in various economic spheres by the principles of mutual respect of each other's economic interests, reciprocity, equity and fairness.

This protocol lays the groundwork for strengthening the economic base of the Palestinian side and for exercising its right of economic decision making in accordance with its own development plan and priorities. The two parties recognise each other's economic ties with other markets and the need to create a better economic environment for their peoples and individuals.

Article I
FRAMEWORK AND SCOPE OF THIS PROTOCOL

1. This protocol establishes the contractual agreement that will govern the economic relations between the two sides and will cover the West Bank and the Gaza Strip during the interim period. The implementation will be according to the stages envisaged in the Declaration of Principles on Interim Self Government Arrangements signed in Washington D.C. on September 13, 1993 and the Agreed Minutes thereto. It will therefore begin in the Gaza Strip and the Jericho Area and at a later stage will also apply to the rest of the West Bank, according to the provisions of the Interim Agreement and to any other agreed arrangements between the two sides.
2. This Protocol, including its Appendixes, will be incorporated into the Agreement on the Gaza Strip and the Jericho Area (in this Protocol - the Agreement), will be an integral part thereof and interpreted accordingly. This paragraph refers solely to the Gaza Strip and the Jericho Area.
3. This Protocol will come into force upon the signing of the Agreement.
4. For the purpose of this Protocol, the term "Areas" means the areas under the jurisdiction of the Palestinian Authority, according to the provisions of the Agreement regarding territorial jurisdiction. The Palestinian Jurisdiction in the subsequent agreements could cover areas, spheres or functions according to the Interim Agreement. Therefore, for the purpose of this Protocol, whenever applied, the term "Areas" shall be interpreted to mean functions and spheres also, as the case may be, with the necessary adjustments.

Article II
THE JOINT ECONOMIC COMMITTEE

1. Both parties will establish a Palestinian-Israeli Joint Economic Committee (hereinafter - the JEC) to follow up the implementation of this Protocol and to decide on problems related to it that may arise from time to time. Each side may request the review of any issue related to this Agreement by the JEC.
2. The JEC will serve as the continuing committee for economic cooperation envisaged in Annex III of the Declaration of Principles.
3. The JEC will consist of an equal number of members from each side and may establish sub-committees specified in this Protocol.
   A sub-committee may include experts as necessary.
4. The JEC and its sub-committees shall reach their decisions by agreement and shall determine their rules of procedure and operation, including the frequency and place or places of their meetings.

Article III
IMPORT TAXES AND IMPORT POLICY

1. The import and customs policies of both sides will be according to the principles and arrangements detailed in this Article.
2.
    a. The Palestinian Authority will have all powers and responsibilities in the sphere of import and customs policy and procedures with regard to the following:
        1. Goods on List Al, attached hereto as Appendix I locally-produced in Jordan and in Egypt particularly and in the other Arab countries, which the

Palestinians will be able to import in quantities agreed upon by the two sides up to the Palestinian market needs as estimated according to para 3 below.

2. Goods on List A2, attached hereto as Appendix II, from the Arab, Islamic and other countries, which the Palestinians will be able to import in quantities agreed upon by the two sides up to the Palestinian market needs as estimated according to para 3 below.

b. The import policy of the Palestinian Authority for Lists Al and A2 will include independently determining and changing from time to time the rates of customs, purchase tax, levies, excises and other charges, the regulation of licensing requirements and procedures and of standard requirements. The valuation for custom purposes will be based upon the GATT 1994 agreement as of the date it will be introduced in Israel, and until then - on the Brussels Definition of Valuation (BDV) system. The classification of goods will be based on the principles of "the Harmonized Commodity Description and Coding System". Concerning imports referred to in Article VII of this Protocol (Agriculture), the provisions of that Article will apply.

3. For the purposes of para 2(a) above, the Palestinian market needs for 1994 will be estimated by a sub-committee of experts. These estimates will be based on the best available data regarding past consumption, production, investment and external trade of the Areas. The sub-committee will submit its estimate within three months from the signing of the Agreement. These estimates will be reviewed and updated every six months by the sub-committee, on the basis of the best data available regarding the latest period for which relevant data are available, taking into consideration all relevant economic and social indicators. Pending an agreement on the Palestinian market needs, the previous period's estimates adjusted for population growth and rise in per-capita GNP in the previous period, will serve as provisional estimate.
4. The Palestinian Authority will have all powers and responsibilities to independently determine and change from time to time the rates of customs, purchase taxes; levies, excises and other charges on the goods on List B, attached hereto as Appendix III, of basic food items and other goods for the Palestinian economic development program, imported by the Palestinians to the Areas.
5.

a. With respect to all goods not specified in Lists Al, A2 and B, and with respect to quantities exceeding those determined in accordance with paras 2(a) & 3 above (hereinafter - the Quantities), the Israeli rates of customs, purchase tax, levies, excises and other charges, prevailing at the date of signing of the Agreement , as changed from time to time, shall serve as the minimum basis for the Palestinian Authority. The Palestinian Authority may decide on any upward changes in the rates on these goods and exceeding quantities when imported by the Palestinians to the Areas.

b. With respect to all goods not specified in Lists A1 and A2, and with respect to quantities exceeding the Quantities, Israel and the Palestinian Authority will employ for all imports the same system of importation, as stipulated in para 10 below, including inter alia standards, licensing, country of origin, valuation for customs purposes etc.

6. Each side will notify the other side immediately of changes made in rates and in other matters of import policy, regulations and procedures, determined by it within its respective powers and responsibilities as detailed in this Article. With regard to changes which do not require immediate application upon decision, there will be a process of advance notifications and mutual consultations which will take into consideration all aspects and economic implications.
7. The Palestinian Authority will levy VAT at one rate on both locally produced goods and services and on imports by the Palestinians (whether covered by the three Lists mentioned above or not), and may fix it at the level of 15% to 16%.
8. Goods imported from Jordan, Egypt and other Arab countries according to para 2(a)(1) above (List Al) will comply with rules of origin agreed upon by a joint sub-committee within three months of the date of the signing of the Agreement. Pending an agreement, goods will be considered to have been "locally produced" in any of those countries if they conform with all the following:
    a.
        i. They have been wholly grown, produced, or manufactured in that country, or have been substantially transformed there into new or different goods, having a new name, character, or use, distinct from the goods or materials from which they were so transformed;
        ii. They have been imported directly from the said country;
        iii. The value or the costs of the materials produced in that country, plus the direct processing costs in it, do not fall short of 30 percent of the export value of the goods. This rate may be reviewed by the joint committee mentioned in para 16 a year after the signing of the Agreement.
        iv. The goods are accompanied by an internationally recognized certificate of origin;
        v. No goods will be deemed as substantially new or different goods, and no material will be eligible for inclusion as domestic content, by virtue of having merely undergone simple combining or packaging, or dilution with water or other substances, which do not materially alter the characteristics of the said goods.

Each side will issue import licences to its own importers, subject to the principles of this Article and will be responsible for the implementation of the licensing requirements and procedures prevailing at the time of the issuance of the licenses. Mutual arrangements will be made for the exchange of information relevant to licensing matters.

Except for the goods on Lists Al and A2 and their Quantities - in which the Palestinian Authority has all powers and responsibilities, both sides will maintain the same import policy (except for rates of import taxes and other charges for goods in List B) and regulations including classification, valuation and other customs procedures, which are based on the principles governing international codes, and the same policies of import licensing and of standards for imported goods, all as applied by Israel with respect to its importation. Israel may from time to time introduce changes in any of the above, provided that changes in standard requirements will not constitute a non-tariff-barrier and will be based on considerations of health, safety and the protection of the environment in conformity with Article 2.2. of the Agreement on Technical Barriers to trade of the Final Act of the Uruguay Round of Trade Negotiations. Israel will give

the Palestinian Authority prior notice of any such changes, and the provisions of para 6 above will apply.

The Palestinian Authority will determine its own rates of customs and purchase tax on motor vehicles imported as such, to be registered with the Palestinian Authority. The vehicle standards will be those applied at the date of the signing of the Agreement as changed according to para 10 above. However, the Palestinian Authority may request, through the sub-committee on transportation, that in special cases different standards will apply. Used motor vehicles will be imported only if they are passenger cars or dual-purpose passenger cars of a model of no more than three years prior to the importation year. The sub-committee on transportation will determine the procedures for testing and confirming that such used cars comply with the standards' requirements for that model year. The issue of importing commercial vehicles of a model prior to the importation year will be discussed in the joint sub-committee mentioned in para 16 below.

Each side may determine the terms and conditions for the transfer of motor vehicles registered in the other side to the ownership or use of a resident of its own side, including the payment of the difference of import taxes, if any, and the vehicle having been tested and found compatible with the standards required at that time by its own registration administration, and may prohibit transfer of vehicles.

Jordanian standards, as specified in the attached Appendix I, will be acceptable in importing petroleum products into the Areas, once they meet the average of the standards existing in the European Union countries, or the USA standards, which parameters have been set at the values prescribed for the geographical conditions of Israel, the Gaza Strip and the West Bank. Cases of petroleum products which do not meet these specifications will be referred to a joint experts' committee for a suitable solution. The committee may mutually decide to accept different standards for the importation of gasoline which meet the Jordanian standards even though, in some of their parameters, they do not meet the European Community or USA standards. The committee will give its decision within six months. Pending the committee's decision, and for not longer than six months of the signing of the Agreement, the Palestinian Authority may import to the Areas, gasoline for the Palestinian market in the Areas, according to the needs of this market, provided that:

0. this gasoline is marked in a distinctive colour to differentiate it from the gasoline marketed in Israel; and
1. the Palestinian Authority will take all the necessary steps to ensure that this gasoline is not marketed in Israel.

The difference in the final price of gasoline to consumers in Israel and to consumers in the Areas, will not exceed 15% of the official final consumer price in Israel. The Palestinian Authority has the right to determine the prices of petroleum products, other than gasoline, for consumption in the Areas.

If Egyptian gasoline standards will comply with the conditions of sub-para (a) above, the importation of Egyptian gasoline will also be allowed.

In addition to the points of exit and entry designated according to the Article regarding Passages in Annex I of the Agreement for the purpose of export and import of goods, the Palestinian side has the right to use all points of exit and entry in Israel designated for that

purpose. The import and export of the Palestinians through the points of exit and entry in Israel will be given equal trade and economic treatment.

In the entry points of the Jordan River and the Gaza Strip:

Freight shipment

The Palestinian Authority will have full responsibility and powers in the Palestinian customs points (freight-area) for the implementation of the agreed upon customs and importation policy as specified in this protocol, including the inspection and the collection of taxes and other charges, when due.

Israeli customs officials will be present and will receive from the Palestinian customs officials a copy of the necessary relevant documents related to the specific shipment and will be entitled to ask for inspection in their presence of both goods and tax collection.

The Palestinian customs officials will be responsible for the handling of the customs procedure including the inspection and collection of due taxes.

In case of disagreement on the clearance of any shipment according to this Article, the shipment will be delayed for inspection for a maximum period of 48 hours during which a joint sub-committee will resolve the issue on the basis of the relevant provisions of this Article. The shipment will be released only upon the sub-committee's decision.

Passengers customs lane

Each side will administer its own passengers customs procedures, including inspection and tax collection. The inspection and collection of taxes due in the Palestinian customs lane will be conducted by customs officials of the Palestinian Authority.

Israeli customs officials will be invisibly present in the Palestinian customs lane and entitled to request inspection of goods and collection of taxes when due. In the case of suspicion, the inspection will be carried out by the Palestinian official in a separate room in the presence of the Israeli customs official.

The clearance of revenues from all import taxes and levies, between Israel and the Palestinian Authority, will be based on the principle of the place of final destination. In addition, these tax revenues will be allocated to the Palestinian Authority even if the importation was carried out by Israeli importers when the final destination explicitly stated in the import documentation is a corporation registered by the Palestinian Authority and conducting business activity in the Areas. This revenue clearance will be effected within six working days from the day of collection of the said taxes and levies.

The Joint Economic Committee or a sub-committee established by it for the purposes of this Article will deal inter alia with the following:

0. Palestinian proposals for addition of items to Lists Al, A2 and B. Proposals for changes in rates and in import procedures, classification, standards and licensing requirements for all other imports;
1. Estimate the Palestinian market needs, as mentioned in para 3 above;
2. Receive notifications of changes and conduct consultations, as mentioned in para 6 above;
3. Agree upon the rules of origin as mentioned in para 8 above, and review their implementation;

4. Coordinate the exchange of information relevant to licensing matters as mentioned in para 9 above;
5. Discuss and review any other matters concerning the implementation of this Article and resolve problems arising therefrom.

The Palestinian Authority will have the right to exempt the Palestinian returnees who will be granted permanent residency in the Areas from import taxes on personal belongings including house appliances and passenger cars as long as they are for personal use.

The Palestinian Authority will develop its system for temporary entry of needed machines and vehicles used for the Palestinian Authority and the Palestinian economic development plan.
Concerning other machines and equipment, not included in Lists Al, A2 and B, the temporary entry will be part of the import policy as agreed in para 10 above, until the joint sub-committee mentioned in para 16 decides upon a new system proposed by the Palestinian Authority. The temporary entry will be coordinated through the joint sub-committee.

Donations in kind to the Palestinian Authority will be exempted from customs and other import taxes if destined and used for defined development projects or non-commercial humanitarian purposes. The Palestinian Authority will be responsible exclusively for planning and management of the donors' assistance to the Palestinian people. The Joint Economic Committee will discuss issues pertaining to the relations between the provisions in this Article and the implementation of the principles in the above paragraph.

Article IV
MONETARY AND FINANCIAL ISSUES

1. The Palestinian Authority will establish a Monetary Authority (PMA) in the Areas. The PMA will have the powers and responsibilities for the regulation and implementation of the monetary policies within the functions described in this Article.
2. The PMA will act as the Palestinian Authority's official economic and financial advisor.
3. The PMA will act as the Palestinian Authority's and the public sector entities' sole financial agent, locally and internationally.
4. The foreign currency reserves (including gold) of the Palestinian Authority and all Palestinian public sector entities will be deposited solely with the PMA and managed by it.
5. The PMA will act as the lender of last resort for the banking system in the Areas.
6. The PMA will authorize foreign exchange dealers in the Areas and will exercise control (regulation and supervision) over foreign exchange transactions within the Areas and with the rest of the world.
7.
    a. The PMA will have a banking supervision department that will be responsible for the proper functioning, stability, solvency and liquidity of the banks operating in the Areas.
    b. The banking supervision department will predicate its supervision on the international principles and standards reflected in international conventions and especially on the principles of the "Basle Committee".
    c. The supervision department will be charged with the general supervision of every such bank, including:

- The regulation of all kinds of banking activities, including their foreign activities;
- The licensing of banks formed locally and of branches, subsidiaries, joint ventures and representative offices of foreign banks and the approval of controlling shareholders;
- The supervision and inspection of banks.

 The PMA will relicense each of the five branches of the Israeli banks operating at present in the Gaza Strip and the West Bank, as soon as its location or the authorities regarding it come under the jurisdiction of the Palestinian Authority. These branches will be required to comply with the general rules and regulations of the PMA concerning foreign banks, based on the "Basle Concordat". Para I0 d, e, and f below will apply to these branches.

a. Any other Israeli bank wishing to open a branch or a subsidiary in the Areas will apply for a license to the PMA and will be treated equally to other foreign banks, provided that the same will apply to the Palestinian banks wishing to open a branch or a subsidiary in Israel.
b. Granting of a license by both authorities will be subject to the following arrangements based on the "Basle Concordat" valid on the date of signing of the Agreement and to the host authority's prevailing general rules and regulations concerning opening of branches and subsidiaries of foreign banks.
In this para 10 "host authority" and "home authority" apply only to the Bank of Israel (BOI) and the PMA.
c. A bank wishing to open a branch or establish a subsidiary will apply to the host authority, having first obtained the approval of its home authority. The host authority will notify the home authority of the terms of the license, and will give its final approval unless the home authority objects.
d. The home authority will be responsible for the consolidated and comprehensive supervision of banks, inclusive of branches and subsidiaries in the area under the jurisdiction of the host authority. However, the distribution of supervision responsibilities between the home and the host authorities concerning subsidiaries will be according to the "Basle Concordat".
e. The host authority will regularly examine the activities of branches and subsidiaries in the area under its jurisdiction. The home authority will have the right to conduct on site examinations in the branches and subsidiaries in the host area. However, the supervision responsibilities of the home authority concerning subsidiaries will be according to the "Basle Concordat".
Accordingly, each authority will transfer to the other authority copies of its examination reports and any information relevant to the solvency, stability and soundness of the banks, their branches and subsidiaries.
f. The BOI and the PMA will establish a mechanism for cooperation and for the exchange of information on issues of mutual interest.

a. The New Israeli Sheqel (NIS) will be one of the circulating currencies in the Areas and will legally serve there as means of payment for all purposes including official transactions. Any circulating currency, including the NIS, will be accepted by the

Palestinian Authority and by all its institutions, local authorities and banks, when offered as a means of payment for any transaction.

b. Both sides will continue to discuss, through the JEC, the possibility of introducing mutually agreed Palestinian currency or temporary alternative currency arrangements for the Palestinian Authority.

a. The liquidity requirements on all deposits in banks operating in the Areas will be determined and announced by the PMA.

b. Banks in the Areas will accept NIS deposits. The liquidity requirements on the various kinds of NIS deposits (or deposit linked to the NIS) in banks operating in the Areas will not be less than 4% to 8%, according to the type of deposits. Changes of over 1% in the liquidity requirements on NIS deposits (or deposits linked to the NIS) in Israel will call for corresponding changes in the above mentioned rates.

c. The supervision and inspection of the implementation of all liquidity requirements will be carried out by the PMA.

d. The reserves and the liquid assets required according to this paragraph will be deposited at the PMA according to rules and regulations determined by it. Penalties for non compliance with the liquidity requirements will be determined by the PMA.

 The PMA will regulate and administer a discount window system and the supply of temporary finance for banks operating in the Areas.

a. The PMA will establish or license a clearing house in order to clear money orders between the banks operating in the Areas, and with other clearing houses.

b. The clearing of money orders and transactions between banks operating in the Areas and banks operating in Israel will be done between the Israeli and the Palestinian clearing houses on same working day basis, according to agreed arrangements.

 Both sides will allow correspondential relations between each others' banks.

 The PMA will have the right to convert at the BOI excess NIS received from banks operating in the Areas into foreign currency, in which the BOI trades in the domestic inter-bank market, up to the amounts determined per period, according to the arrangements detailed in para 16 below.

a. The excess amount of NIS, due to balance of payments flows, that the PMA will have the right to convert into foreign currency, will be equal to:

1. Estimates of all Israeli "imports" of goods and services from the Areas, valued at market prices (inclusive of taxes), which were paid for in NIS, less:
   i. the taxes collected by the Palestinian Authority on all Israeli "imports" from the Areas and rebated to Israel in NIS, and
   ii. the taxes collected by Israel on all Israeli "imports" from the Areas and included in their market value, and not rebated to the Palestinian Authority, minus

minus

2. Estimates of all Israeli "exports" of goods and services to the Areas, valued at market prices (inclusive of taxes), which were paid for in NIS, less
   i. the taxes collected by Israel on such "exports" and rebated to the Palestinian Authority, and
   ii. the taxes collected by the Palestinian Authority on such "exports" and included in their market value, and not rebated to Israel;

   plus

3. The accumulated net amounts of foreign currency converted previously into NIS by the PMA, as recorded in the BOI Dealing Room.

b. The said flows and amounts will be calculated as of the date of the signing of the Agreement.

Notes to para 16:

i. The estimates of the said "exports and imports" of goods and services will include inter alia labor services, NIS expenditure of tourists and Israelis in the Areas and NIS expenditure of Palestinians of the Areas in Israel.
ii. Taxes and pension contributions on "imports" of labor services, paid to "importing" side and rebated to the "exporting" one, will not be included in the estimates of the sums to be converted, as the "exports'" earnings of labor services are recorded in the statistics inclusive of them, although they do not accrue to the individuals supplying them.

 The PMA and the BOI will meet annually to discuss and determine the annual amount of convertible NIS during the following calendar year and will meet semi-annually to adjust the said amount. The amounts determined annually and adjusted semi-annually will be based on data and estimates regarding the past and on forecasts for the wi following period, according to the formula mentioned in para 16. The first meeting will be as soon as possible within three months after the date of the signing of the Agreement.

a. The exchange of foreign currency for NIS and vice-versa by the PMA will be carried out through the BOI Dealing Room, at the market exchange rates.
b. The BOI will not be obliged to convert in any single month more than 1/5 of the semi-annual amount, as mentioned in para 17.
c. There will be no ceiling on the annual foreign currency conversions by the PMA into NIS. However, in order to avoid undesirable fluctuations in the foreign exchange market, monthly ceilings of such conversions will be agreed upon in the annual and semi-annual meetings referred to in para 17.
d. Banks in the Areas will convert NIS into other circulating currencies and vice-versa.
e. The Palestinian Authority will have the authorities, powers and responsibilities regarding the regulation and supervision of capital activities in the Areas, including the licensing of capital market institutions, finance companies and investment funds.

Article V
DIRECT TAXATION

1. Israel and the Palestinian Authority will each determine and regulate independently its own tax policy in matters of direct taxation, including income tax on individuals and corporations, property taxes, municipal taxes and fees.
2. Each tax administration will have the right to levy the direct taxes generated by economic activities within its area.
3. Each tax administration may impose additional taxes on residents within its area on (individuals and corporations) who conduct economic activities in the other side's area.
4. Israel will transfer to the Palestinian Authority a sum equal to:
    a. 75% of the income taxes collected from Palestinians from the Gaza Strip and the Jericho Area employed in Israel.
    b. The full amount of income taxes collected from Palestinians from the Gaza Strip and Jericho Area employed in the settlements.
5. The two sides will agree on a set of procedures that will address all issues concerning double taxation.

Article VI
INDIRECT TAXES ON LOCAL PRODUCTION

1. The Israel and the Palestinian tax administrations will levy and collect VAT and purchase taxes on local production, as well as any other indirect taxes, in their respective areas.
2. The purchase tax rates within the jurisdiction of each tax administration will be identical as regards locally produced and imported goods.
3. The present Israeli VAT rate is 17%. The Palestinian VAT rate will be 15% to 16%.
4. The Palestinian Authority will decide on the maximum annual turnover for businesses under its jurisdiction to be exempt from VAT, within an upper limit of 12,000 US $.
5. The VAT on purchases by businesses registered for VAT purposes will accrue to the tax administration with which the respective business is registered. Businesses will register for VAT purposes with the tax administration of the side of their residence, or on the side of their ongoing operation. There will be clearance of VAT revenues between the Israeli and Palestinian VAT administrations on the following conditions:
    a. The VAT clearance will apply to VAT on transactions between businesses registered with the VAT administration of the side in which they reside.
    b. The following procedures will apply to clearance of VAT revenues accruing from transactions by businesses registered for VAT purposes:
        1. To be acceptable for clearance purposes, special invoices, clearly marked for this purpose, will be used for transactions between businesses registered with the different sides.
        2. The invoices will be worded either in both Hebrew and Arabic or in English and will be filled out in any of these three languages, provided that the figures are written in "Arabic" (not Hindi) numerals.
        3. For the purpose of tax rebates, such invoices will be valid for six months from their date of issue.
        4. Representatives of the two sides will meet once a month, on the 20th day of the month, to present each other with a list of invoices submitted to

them for tax rebate, for VAT clearance. This list will include the following details regarding each invoice:

a. The number of the registered business issuing it;
b. The name of the registered business issuing it;
c. The number of the invoice;
d. The date of issue;
e. The amount of the invoice;
f. The name of the recipient of the invoice.

5. The clearance claims will be settled within 6 days from the meeting, through a payment by the side with the net balance of claims against it, to the other side.
6. Each side will provide the other side, upon demand, with invoices for verification purposes. Each tax administration will be responsible for providing invoices for verification purposes for 6 months after receiving them.
7. Each side will take the necessary measure to verify the authenticity of the invoices presented to it for clearance by the other side.
8. Claims for VAT clearance which will not be found valid will be deducted from the next clearance payment.
9. Once an inter-connected computer system for tax rebates to businesses and for VAT clearance between the two sides is operational, it will replace the clearance procedures specified in sub-paras (4) - (8).
10. The two tax administrations will exchange lists of the businesses registered with them and will provide each other with the necessary documentation, if required, for the verification of transactions.
11. The two sides will establish a sub-committee which will deal with the implementation arrangements regarding the clearance of VAT revenues set above.

6. VAT paid by not-for-profit Palestinian organizations and institutions, registered by the Palestinian Authority, on transactions in Israel, will accrue to the Palestinian tax administration. The clearance system set out in para 5 will apply to these organizations and institutions.

Article VII
LABOR

1. Both sides will attempt to maintain the normality of movement of labor between them, subject to each side's right to determine from time to time the extent and conditions of the labor movement into its area. If the normal movement is suspended temporarily by either side, it will give the other side immediate notification, and the other side may request that the matter be discussed in the Joint Economic Committee.
The placement and employment of workers from one side in the area of the other side will be through the employment service of the other side and in accordance with the other sides' legislation. The Palestinian side has the right to regulate the employment of Palestinian labor in Israel through the Palestinian employment service, and the Israeli Employment Service will cooperate and coordinate in this regard.

2.
   a. Palestinians employed in Israel will be insured in the Israeli social insurance system according to the National Insurance Law for employment injuries that occur in Israel, bankruptcy of employers and maternity leave allowance.
   b. The National Insurance fees deducted from the wages for maternity insurance will be reduced according to the reduced scope of maternity insurance, and the equalization deductions transferred to the Palestinian Authority, if levied, will be increased accordingly.
   c. Implementation procedures relating thereto will be agreed upon between the Israeli National Insurance Institute and the Palestinian Authority or the appropriate Palestinian social insurance institution.
3.
   a. Israel will transfer to the Palestinian Authority, on a monthly basis, the equalization deductions as defined by Israeli legislation, if imposed and to the extent levied by Israel. The sums so transferred will be used for social benefits and health services, decided upon by the Palestinian Authority, for Palestinians employed in Israel and for their families.
      The equalization deductions to be so transferred will be those collected after the date of the signing of the Agreement from wages of Palestinians employed in Israel and from their employers.
      These sums will not include
      1. Payments for health services in places of employment.
      2. 2/3 of the actual administrative costs in handling the matters related to the Palestinians employed in Israel by the Payments Section of the Israeli Employment Service.
4. Israel will transfer, on a monthly basis, to a relevant pension insurance institution to be established by the Palestinian Authority, pension insurance deductions collected after the establishment of the above institution and the completion of the documents mentioned in para 6.
   These deductions will be collected from wages of Palestinians employed in Israel and their employers, according to the relevant rates set out in the applicable Israeli collective agreements. 2/3 of the actual administrative costs in handling these deductions by the Israeli Employment Service will be deducted from the sums transferred. The sums so transferred will be used for providing pension insurance for these workers. Israel will continue to be liable for pension rights of the Palestinian employees in Israel, to the extent accumulated by Israel before the entry into force of this para 4.
5. Upon the receipt of the deductions, the Palestinian Authority and its relevant social institutions will assume full responsibility in accordance with the Palestinian legislation and arrangements, for pension rights and other social benefits of Palestinians employed in Israel, that accrue from the transferred deductions related to these rights and benefits. Consequently, Israel and its relevant social institutions and the Israeli employers will be released from, and will not be held liable for any obligations and responsibilities concerning personal claims, rights and benefits arising from these transferred deductions, or from the provisions of paras 2-4 above.
6. Prior to the said transfers, the Palestinian Authority or its relevant institutions, as the case may be, will provide Israel with the documents required to give legal effect to their

aforesaid obligations, including mutually agreed implementation procedures of the principles agreed upon in paras 3-5 above.

7. The above arrangements concerning equalization deductions and/or pension deductions may be reviewed and changed by Israel if an authorized court in Israel will determine that the deductions or any part thereof must be paid to individuals, or used for individual social benefits or insurance in Israel, or that it is otherwise unlawful. In such a case the liability of the Palestinian side will not exceed the actual transferred deductions related to the case.
8. Israel will respect any agreement reached between the Palestinian Authority, or an organization or trade-union representing the Palestinians employed in Israel, and a representative organization of employees or employers in Israel, concerning contributions to such organization according to any collective agreement.
9.
    a. The Palestinian Authority may integrate the existing health insurance scheme for Palestinians employed in Israel and their families in its health insurance services. As long as this scheme continues, whether integrated or separately, Israel will deduct from their wages the health insurance fees ("health stamp") and will transfer them to the Palestinian Authority for this purpose.
    b. The Palestinian Authority may integrate the existing health insurance scheme for Palestinians who were employed in Israel and are receiving pension payments through the Israeli Employment Service, in its health insurance services. As long as this scheme continues, whether integrated or separately, Israel will deduct the necessary sum of health insurance fees ("health stamp") from the equalization payments and will transfer them to the Palestinian Authority for this purpose.
10. The JEC will meet upon the request of either side and review the implementation of this Article and other issues concerning labor, social insurance and social rights.
11. Other deductions not mentioned above, if any, will be jointly reviewed by the JEC. Any agreement between the two sides concerning these deductions will be in addition to the above provisions.
12. Palestinians employed in Israel will have the right to bring disputes arising out of employee - employer relationships and other issues before the Israeli Labor Courts, within these courts' jurisdiction.
13. This Article governs the future labor relations between the two sides and will not impair any labor rights prior to the date of signing of the Agreement.

Article VIII
AGRICULTURE

1. There will be free movement of agricultural produce, free of customs and import taxes, between the two sides, subject to the following exceptions and arrangements.
2. The official veterinary and plant protection services of each side will be responsible, within the limits of their respective jurisdiction, for controlling animal health, animal products and biological products, and plants and parts thereof, as well as their importation and exportation.

3. The relations between the official veterinary and plant protection services of both sides will be based on mutuality in accordance with the following principles, which will be applied in all the areas under their respective jurisdiction:
    a. Israel and the Palestinian Authority will do their utmost to preserve and improve the veterinary standards.
    b. Israel and the Palestinian Authority will take all measures to reach equivalent and compatible standards regarding animal disease control, including mass vaccination of animals and avians, quarantines, "stamping out" measures and residue control standards.
    c. Mutual arrangements will be made to prevent the introduction and spread of plant pests and diseases, for their eradication and concerning residue control standards in plant products.
    d. The official veterinary and plant protection services of Israel and the Palestinian Authority will coordinate and regularly exchange information regarding animal diseases, as well as plant pests and diseases, and will establish a mechanism for immediate notification of the outbreak of such diseases.
4. Trade between the two sides in animals, animal products and biological products will be in keeping with the principles and definitions set out in the current edition of the OIE National Animal Health Code as updated from time to time (hereinafter - I.A.H.C.).
5. Transit of livestock, animal products and biological products from one side through the area under the jurisdiction of the other side, should be conducted in a manner aimed at the prevention of diseases spreading to or from the consignment during its movement. For such a transit to be permitted, it is a prerequisite that the veterinary conditions agreed upon by both sides will be met in regard to importation of animals, their products and biological products from external markets. Therefore the parties agree to the following arrangements.
6. The official veterinary services of each side have the authority to issue veterinary import permits for import of animals, animal products and biological products to the areas under its jurisdiction. In order to prevent the introduction of animal diseases from third parties, the following procedures will be adopted:
    a. The import permits will strictly follow the professional veterinary conditions for similar imports to Israel as prevailing at the time of their issuance. The permits will specify the country of origin and the required conditions to be included in the official veterinary certificates which should be issued by the veterinary authorities in the countries of origin and which should accompany each consignment. Each side may propose a change in these conditions. The change will come into force 10 days after notice to the other side, unless the other side requested that the matter be brought before the Veterinary Sub-Committee specified in para 14 (hereinafter - VSC). If it is more stringent than the prevailing conditions - it will come into force 20 days after the request, unless both sides decide otherwise through the VSC, and if more lenient - it will come into force only if agreed upon by both sides through the VSC. However, if the change is urgent and needed for the protection of animal and public health, it will come into force immediately after notice by the other side and will remain in force unless and until both sides agree otherwise through the VSC.

b. The official veterinary certificates will include the provisions regarding OIE Lists A & B Diseases as specified in the I.A.H.C. When the I.A.H.C. allows alternative requirements regarding the same disease, the most stringent one will be adopted unless otherwise agreed upon by the VSC.
c. When infectious diseases which are not included in Lists A & B of the I.A.H.C. exist or are suspected, on scientific grounds, to exist in the exporting country, the necessary veterinary import conditions that will be required and included in the official veterinary certificates, will be discussed in the VSC, and in the case of different professional opinions, the most stringent ones will be adopted.
d. The import of live vaccines will be permitted only if so decided by the VSC.
e. Both sides will exchange, through the VSC, information pertaining to import licensing, including the evaluation of the disease situation and zoosanitary capability of exporting countries, which will be based upon official information as well as upon other available data.
f. Consignments which do not conform with the above mentioned requirements will not be permitted to enter the areas under the jurisdiction of either side.

7. Transportation of livestock and poultry and of animal products and biological products between areas under the jurisdiction of one side through areas under the jurisdiction of the other side, will be subject to the following technical rules:
    a. The transportation will be by vehicles which will be sealed with a seal of the official veterinary services of the place of origin and marked with a visible sign "Animal Transportation" or "Products of Animal Origin" in Arabic and Hebrew, in coloured and clearly visible letters on white background;
    b. Each consignment will be accompanied by a veterinary certificate issued by the official veterinary services of the place of origin, certifying that the animals or their products were examined and are free of infectious diseases and originate from a place which is not under quarantine or under animal movement restrictions.
8. Transportation of livestock and poultry, animal products and biological products destined for Israel from the Areas and vice versa will be subject to veterinary permits issued by the official veterinary services of the recipient side, in keeping with the OIE standards used in international traffic in this field. Each such consignment will be transported by a suitable and marked vehicle, accompanied by a veterinary certificate in the form agreed upon between the official veterinary services of both sides. Such certificates will be issued only if permits of the recipient side are presented.
9. In order to prevent the introduction of plant pests and diseases to the region, the following procedures will be adopted:
    a. The transportation between the Areas and Israel, of plants and parts thereof (including fruits and vegetables), the control of pesticide residues in them and the transportation of plant propagation material and of animal feed, may be inspected without delay or damage by the plant protection services of the recipient side.
    b. The transportation between the Areas through Israel of plants and parts thereof (including fruits and vegetables) as well as of pesticides, may be required to pass a phytosanitary inspection without delay or damage.
    c. The official Palestinian plant protection services have the authority to issue permits for the import of plants and parts thereof as well as of pesticides from

external markets. The permits will be based on the prevailing standards and requirements.

The permits will specify the required conditions to be included in the official Phytosanitary Certificates (hence P.C.) based upon the standards and the requirements of the International Plant Protection Convention (I.P.P.C.)and those of the European and Mediterranean Plant Protection Organization (E.P.P.O.) which should accompany each consignment. The P.C.'s will be issued by the plant protection services in the countries of origin. Dubious or controversial cases will be brought before the sub-committee on plant protection.

10. The agricultural produce of both sides will have free and unrestricted access to each others' markets, with the temporary exception of sales from one side to the other side of the following items only: poultry, eggs, potatoes, cucumbers, tomatoes and melons. The temporary restrictions on these items will be gradually removed on an increasing scale until they are finally eliminated by 1998, as listed below:

Year	**Poultry (tons)**	**Eggs (millions)**	**Potatoes (tons)**	**Cucumbers (tons)**	**Tomatoes (tons)**	**Melons (tons)**
1994	5,000	30	10,000	10,000	13,000	10,000
1995	6,000	40	13,000	13,000	16,000	13,000
1996	7,000	50	15,000	15,000	19,000	15,000
1997	8,000	60	17,000	17,000	22,000	17,000
1998	unlimited	unlimited	unlimited	unlimited	unlimited	unlimited

11.

Note: The above figures refer to the combined quantities marketed from the West Bank and Gaza Strip to Israel and vice-versa. The Palestinian Authority will notify Israel the apportioning of these quantities between these areas concerning the quantities pertaining to the Palestinian produce.

12. The Palestinians will have the right to export their agricultural produce to external markets without restrictions, on the basis of certificates of origin issued by the Palestinian Authority.
13. Without prejudice to obligations arising out of existing international agreements, the two sides will refrain from importing agricultural products from third parties which may adversely affect the interests of each other's farmers.
14. Each side will take the necessary measures in the area under its jurisdiction to prevent damage which may be caused by its agriculture to the environment of the other side.
15. The two sides will establish sub-committees of their respective official veterinary and plant protection services, which will update the information and review issues, policies and procedures in these fields. Any changes in the provisions of this Article will be agreed upon by both sides.
16. The two sides will establish a sub-committee of experts in the dairy sector in order to exchange information, discuss and coordinate their production in this sector so as to protect the interests of both sides. In principle, each side will produce according to its domestic consumption.

Article IX
INDUSTRY

1. There will be free movement of industrial goods free of any restrictions including customs and import taxes between the two sides, subject to each side's legislation.
2.
    a. The Palestinian side has the right to employ various methods in encouraging and promoting the development of the Palestinian industry by way of providing grants, loans, research and development assistance and direct-tax benefits. The Palestinian side has also the right to employ other methods of encouraging industry resorted to in Israel.
    b. Both sides will exchange information about the methods employed by them in the encouragement of their respective industries.
    c. Indirect tax rebates or benefits and other subsidies to sales shall not be allowed in trade between the two sides.
3. Each side will do its best to avoid damage to the industry of the other side and will take into consideration the concerns of the other side in its industrial policy.
4. Both sides will cooperate in the prevention of deceptive practices, trade in goods which may endanger health, safety and the environment and in goods of expired validity.
5. Each side will take the necessary measures in the area under its jurisdiction to prevent damage which may be caused by its industry to the environment of the other side.
6. The Palestinians will have the right to export their industrial produce to external markets without restrictions, on the basis of certificates of origin issued by the Palestinian Authority.
7. The JEC will meet and review issues pertaining to this Article.

Article X
TOURISM

1. The Palestinian Authority will establish a Palestinian Tourism Authority which will exercise, inter alia, the following powers in the Areas.
    a. Regulating, licensing, classifying and supervising tourist services, sites and industries.
    b. Promoting foreign and domestic tourism and developing the Palestinian tourist resources and sites.
    c. Supervising the marketing, promotion and information activities related to foreign and domestic tourism.
2. Each side shall, under its respective jurisdiction, protect, guard and ensure the maintenance and good upkeep of historical, archaeological, cultural and religious sites and all other tourist sites, to fit their status as well as their purpose as a destination for visitors.
3. Each side will determine reasonable visiting hours and days for all tourist sites in order to facilitate visits at a wide variety of days and hours, taking into consideration religious and national holidays. Each side shall publicize such opening times. Meaningful changes in the opening times will take into consideration tourist programs already committed to.

4. Tourist buses or any other form of tourist transport authorized by either side, and operated by companies registered and licensed by it, will be allowed to enter and proceed on their tour within the area under the jurisdiction of the other side, provided that such buses or other vehicles conform with the EEC technical specifications [I. currently adopted.] All such vehicles will be clearly marked as tourist vehicles.
5. Each side will protect the environment and the ecology around the tourist sites under its jurisdiction. In view of the importance of beaches and maritime activities for tourism, each side will do its best efforts to ensure that development and construction on the Mediterranean coast, and especially at ports (such as Ashqelon or Gaza), will be planned and carried out in a manner that will not adversely affect the ecology, environment or the functions of the coastline and beaches of the other side.
6. Tourism companies and agencies licensed by either side shall enjoy equal access to tourism - related facilities and amenities in border points of exit and entry according to the regulations of the authority operating them.
7.
    a. Each side will license, according to its own rules and regulations, travel agents, tour companies, tour guides and other tourism businesses (hereinafter - tourism entities) within its jurisdiction.
    b. Tourism entities authorized by either side, will be allowed to conduct tours that include the area under the jurisdiction of the other side, provided that their authorization as well as their operation will be in accordance with rules, professional requirements and standards agreed upon by both sides in the sub-committee mentioned in para 9.
    Pending that agreement, existing tourism entities in the Areas which are currently allowed to conduct tours that include Israel, will be allowed to continue to do so, and Israeli authorized tourism entities will continue to be allowed to conduct tours that include the Areas.
    In addition, any tourism entity of one side that the tourism authorities of the other side will certify as fulfilling all its rules, professional requirements and standards, will be allowed to conduct tours that include that other side.
8. Each side will make its own arrangement for compensation of tourists for bodily injury and property damages caused by political violence in the areas under its respective jurisdiction.
9. The JEC or a tourism sub-committee established by it shall meet upon the request of either side in order to discuss the implementation of the provisions of this Article and resolve problems that may arise. The sub-committee will also discuss and consider tourist issues of benefit to both sides, and will promote educational programs for tourism entities of both sides in order to further their professional standards and their ethics. Complaints of one side against the behaviour of tourism entities of the other side will be channelled through the committee.

    Note: It is agreed that the final wording in the last sentence in para 4 will be adopted according to the final wording in the relevant provisions of the Agreement.

Article XI
INSURANCE ISSUES

1. The authorities, powers and responsibilities in the insurance sphere in the Areas, including inter alia the licensing of insurers, insurance agents and the supervision of their activities, will be transferred to the Palestinian Authority.
2.
    a. The Palestinian Authority will maintain a compulsory absolute liability system for road accident victims with a ceiling on the amount of compensation based upon the following principles:
        1. Absolute liability for death or bodily injury to road accident victims, it being immaterial whether or not there was fault on the part of the driver and whether or not there was fault or contributory fault on the part of others, each driver being responsible for persons travelling in his vehicle and for pedestrians hit by his vehicle.
        2. Compulsory insurance for all motor vehicles, covering death or bodily injury to all road accident victims, including drivers.
        3. No cause of action in tort for death or bodily injury resulting from road accidents.
        4. The maintenance of a statutory fund (hereinafter - the Fund) for compensation of road accident victims who are unable to claim compensation from an insurer for the following reasons:
            i. the driver liable for compensation is unknown;
            ii. the driver is not insured or his insurance does not cover the liability involved; or
            iii. the insurer is unable to meet his liabilities.
        5. Terms in this Article will have the same meaning as in the legislation prevailing at the date of signing of the Agreement concerning compulsory motor vehicle insurance and compensation of road accident victims.
        6. Any change by either side in the rules and regulations regarding the implementation of the above mentioned principles will require prior notice to the other side. A change which might substantially affect the other side will require prior notice of at least three months.
3.
    a. Upon the signing of the Agreement the Palestinian Authority will establish a Fund for the Areas (hereinafter - the Palestinian Fund) for the purposes detailed in para 2(a)(4) above and for the purposes detailed below. The Palestinian Fund will assume the responsibilities of the statutory Road Accident Victims Compensation Fund in the West Bank and the Gaza Strip (hereinafter - the Existing Fund) regarding the Areas, according to the prevailing law at that time. Accordingly, the Existing Fund will cease to be responsible for any liability regarding accidents occurring in the Areas from the date of signing of the Agreement.
    b. The Existing Fund will transfer to the Palestinian Fund, after the assumption of the above mentioned responsibilities by it, the premiums paid to the Existing Fund by the insurers for vehicles registered in the Areas, pro-rata to the unexpired period of each insurance policy.
4.
    a. Compulsory motor vehicle insurance policies issued by insurers licensed by either side will be valid in the territories of both sides. Accordingly, a vehicle registered

in one side covered by such a policy will not be required to have an additional insurance coverage for travel in the areas under the other side's jurisdiction. These insurance policies will cover all the liabilities according to the legislation of the place of the accident.

b. In order to cover part of the liabilities which may incur due to road accidents in Israel by uninsured vehicles registered in the Palestinian Authority, the Palestinian Fund will transfer to the Israeli Fund, on a monthly basis, for each insured vehicle, an amount equal to 30% of the amount paid to the Israeli Fund by an insurer registered in Israel, for the sat-ne type of vehicle, for the same period of insurance (which will not be less than 90 days).

5. In cases where a victim of a road accident wishes to claim compensation from an insurer registered by the other side or from the Fund of the other side or in cases where a driver or an owner of a car is sued by a victim, by an insurer or by the Fund of the other side, he may nominate the Fund of his side as his proxy for this purpose. The Fund so nominated may address any relevant party from the other side directly or through the other sides' Fund.
6. In the case of a road accident in which neither the registration number of the vehicle nor the identity of the driver are known, the Fund of the side which has jurisdiction over the place of the accident will compensate the victim, according to its own legislation.
7. The Fund of each side will be responsible towards the victims of the other side for any liability of the insurers of its side regarding the compulsory insurance and will guarantee their liabilities.
8. Each side will guarantee its Fund's liabilities according to this Article.
9. The two sides will negotiate within three months from the date of the signing of the Agreement a cut-off agreement between the Existing Fund and the Palestinian Fund concerning accidents which occurred in the Areas prior to the date of the signing of the Agreement, whether claims have been reported or not. The cut-off agreement will not include compensation for Israeli victims involved in accidents which occurred in the Areas prior to the date of the signing of the Agreement.
10.
    a. The two sides will establish immediately upon the signing of the Agreement, a sub-committee of experts (hereinafter - the Sub-Committee) which will deal with issues regarding the implementation of this Article, including:
        1. Procedures concerning the handling of claims of victims of the one side from insurers or from the Fund of the other side;
        2. Procedures concerning the transfer of the amounts between the Funds of both sides as mentioned in para 4(b) above;
        3. The details of the cut-off agreement between the Existing Fund and the Palestinian Fund, as set out in para 9 above;
        4. Any other relevant issue raised by either side.
    b. The Sub-Committee will act as a continuous committee for issues regarding this Article.
    c. The two sides will exchange, through the Sub-Committee, the relevant information regarding the implementation of this Article, including police reports, medical information, relevant statistics, premiums, etc. The two sides will provide each other with any other assistance required in this regard.

11. Each side may require the re-examination of the arrangements set out in this Article a year after the date of the signing of the Agreement.
12. Insurers from both sides may apply for a license to the relevant authorities of the other side, according to the rules and regulations regarding foreign insurers in the latter side. The two sides agree not to discriminate against such applicants.

Done in Paris, this twenty ninth day of April, 1994

For the Government of Israel
Finance Minister Avraham Shohat

For the PLO
Abu Ala (Ahmed Korei)

GAZA-JERICHO AGREEMENT - LETTERS

1. Letter from PLO Chairman Yasser Arafat to Prime Minister Yitzhak Rabin:

May 4, 1994

Yitzhak Rabin
Prime Minister of Israel

Mr. Prime Minister,

With regard to the Agreement on the Gaza Strip and the Jericho Area, signed in Cairo on May 4, 1994 (hereinafter 'the Agreement'), the PLO hereby confirms the following:

1. The PLO undertakes to ensure that the Palestinian Authority, including the Palestinian Police and other Palestinian Authority agencies, will function in accordance with the Agreement, and that the Palestinian Authority will activate the coordination and cooperation mechanism in a timely manner.
2. The PLO undertakes to cooperate with Israel, and to assist it, in its efforts to locate and to return to Israel Israeli soldiers who are missing in action and the bodies of killed soldiers which have not been recovered.
3. The PLO undertakes to submit to the next meeting of the Palestinian National Council for formal approval the necessary changes in regard to the Palestinian Covenant, as undertaken in the letter dated September 9, 1993 signed by the Chairman of the PLO and addressed to the Prime Minister of Israel.
4. When Chairman Arafat enters the Gaza Strip and the Jericho Area, he will use the title 'Chairman (Ra'ees in Arabic) of the Palestinian Authority' or 'Chairman of the PLO', and will not use the title 'President of Palestine.'
5. Neither side shall initiate or take any step that will change the status of the Gaza Strip and the Jericho Area pending the outcome of the permanent status negotiations.
6. Pursuant to Article IV, paragraph 3, of the Agreement, the PLO shall inform the Government of Israel of the names of the members of the Palestinian Authority in a letter that shall be provided within a week of signing the Agreement. The appointment of these members to the Palestinian Authority shall take effect upon an exchange of letters between the PLO and the Government of Israel. Changes in the membership of the Palestinian Authority will take effect upon an exchange of letters between the PLO and the Government of Israel.
7. Immediately after the conclusion of the Agreement, early empowerment negotiations will commence pursuant to Article VI of the Declaration of Principles, and the two sides will explore possible expansion of the scope of these negotiations beyond the five spheres.
8. The two sides will intensify the negotiations on the interim arrangements consistant with the Declaration of Principles and guided by its target date.
9. The two sides reiterate their commitment to commence permanent status negotiations as soon as possible, but no later than the beginning of the third year of the interim period, as provided for in Article V of the Declaration of Principles.

10. As regards the relations between Israel and the PLO, and without derogating from the commitments contained in the letters dated September 9, 1993 signed by and exchanged between the Prime Minister of Israel and the Chairman of the PLO, the two sides will apply between them the provisions contained in Article XII, paragraph 1, with the necessary changes.
11. The two Parties shall, within one month of signing the Agreement, invite the Governments of Jordan and Egypt to establish the Continuing Committee referred to in Article XII of the Declaration of Principles and in Article XVI of the Agreement.
12. The Government of Israel and the Palestinian Authority shall pass all necessary legislation to implement the Agreement.
13. The two Parties shall continue discussions on the following issues:
    a. the size of the Jericho Area;
    b. the positioning of a Palestinian official at the bridge;
    c. additional arrangement in the Rafah passage; and
    d. all outstanding issues specified in the Agreement.

Sincerely,

Yasser Arafat
Chairman
The Palestinian Liberation Organization

2. ***Letter from Prime Minister Yitzhak Rabin to PLO Chairman Yasser Arafat:***

May 4, 1994

Yasser Arafat
Chairman
The Palestine Liberation Organization

Mr. Chairman,

The Government of the State of Israel has the honor to acknowledge receipt of your letter of today's date which reads as follows:

"With regard to the Agreement on the Gaza Strip and the Jericho Area, signed in Cairo on May 4, 1994 (hereinafter 'the Agreement'), the PLO hereby confirms the following:

1. The PLO undertakes to ensure that the Palestinian Authority, including the Palestinian Police and other Palestinian Authority agencies, will function in accordacne with the Agreement, and that the Palestinian Authority will activate the coordination and cooperation mechanism in a timely manner.

2. The PLO undertakes to cooperate with Israel, and to assist it, in its efforts to locate and to return to Israel Israeli soldiers who are missing in action and the bodies of killed soldiers which have not been recovered.
3. The PLO undertakes to submit to the next meeting of the Palestinian National Council for formal approval the necessary changes in regard to the Palestinian Covenant, as undertaken in the letter dated September 9, 1993 signed by the Chairman of the PLO and addressed to the Prime Minister of Israel.
4. When Chairman Arafat enters the Gaza Strip and the Jericho Area, he will use the title 'Chairman (Ra'ees in Arabic) of the Palestinian Authority' or 'Chairman of the PLO', and will not use the title 'President of Palestine.'
5. Neither side shall initiate or take any step that will change the status of the Gaza Strip and the Jericho Area pending the outcome of the permanent status negotiations.
6. Pursuant to Article IV, paragraph 3, of the Agreement, the PLO shall inform the Government of Israel of the names of the members of the Palestinian Authority in a letter that shall be provided within a week of signing the Agreement. The appointment of these members to the Palestinian Authority shall take effect upon an exchange of letters between the PLO and the Government of Israel. Changes in the membership of the Palestinian Authority will take effect upon an exchange of letters between the PLO and the Government of Israel.
7. Immediately after the conclusion of the Agreement, early empowerment negotiations will commence pursuant to Article VI of the Declaration of Principles, and the two sides will explore possible expansion of the scope of these negotiations beyond the five spheres.
8. The two sides will intensify the negotiations on the interim arrangements consistant with the Declaration of Principles and guided by its target date.
9. The two sides reiterate their commitment to commence permanent status negotiations as soon as possible, but no later than the beginning of the third year of the interim period, as provided for in Article V of the Declaration of Principles.
10. As regards the relations between Israel and the PLO, and without derogating from the commitments contained in the letters dated September 9, 1993 signed by and exchanged between the Prime Minister of Israel and the Chairman of the PLO, the two sides will apply between them the provisions contained in Article XII, paragraph 1, with the necessary changes.
11. The two Parties shall, within one month of signing the Agreement, invite the Governments of Jordan and Egypt to establish the Continuing Committee referred to in Article XII of the Declaration of Principles and in Article XVI of the Agreement.
12. The Government of Israel and the Palestinian Authority shall pass all necessary legislation to implement the Agreement.
13. The two Parties shall continue discussions on the following issues:
    a. the size of the Jericho Area;
    b. the positioning of a Palestinian official at the bridge;
    c. additional arrangement in the Rafah passage; and
    d. all outstanding issues specified in the Agreement."

The Government of the State of Israel acknowledges and confirms the undertakings and commitments contained in this letter.

Sincerely,

Yitzhak Rabin
Prime Minister of Israel

MAIN POINTS OF THE GAZA-JERICHO AGREEMENT
May 4, 1994

1. Security Arrangements and Withdrawal of Israeli Forces

Under the security concept applied to Gaza and Jericho, these areas are regarded as within an Israeli security 'envelope'. This envelope is meant to provide for security from external threats along the boundaries. Within this envelope, internal security responsibilities are divided between Israel and the Palestinians. While Israel remains responsible for Israelis and settlements, the Palestinians are now responsible for public order and internal security of Palestinians.

The Security annex of the Gaza-Jericho Agreement contains the following points:

- *Withdrawal of Israeli Forces*: As part of the Gaza-Jericho accord, Israeli military forces have withdrawn from the areas of Gaza and Jericho, in coordination with a newly established Joint Israeli- Palestinian Security Coordination and Cooperation Committee. This committee is designed to deal with joint security issues, to exchange information and to provide guidance for the District Coordination Offices. Israeli forces have been redeployed to specified areas, such as the Military Installation Area along the Egyptian border and Israeli settlements, in order to fulfill security functions as defined in the agreement. This withdrawal was completed on May 18, 1994.
- *Security of Israelis*: The Agreement includes arrangements for protection of the Israeli settlements and the settlement blocs within the Gaza Strip, including Gush Katif, Erez and other areas. The Israel Defense Forces will patrol the whole of the common security fence surrounding the bloc for its protection. Some Palestinian land surrounding the settlements remains under Israeli security responsibility and some restrictions apply regarding building and other matters.
- *Security on Roads*: Israel has full operational authority for the security of Israelis travelling on the principal routes leading to the settlements and the adjacent areas. Joint Israeli-Palestinian patrols and mobile units will be established in order to ensure free, unimpeded and secure movement on the roads.
- *External Security*: Israel maintains security control and supervision over the entry of persons, vehicles and weapons at all points of entry. Israel retains security control of the sea as well as control and supervision over all air space.
- *Safe Passage*: Israel will ensure 'safe passage' for Palestinian persons and transportation between the Gaza Strip and the Jericho Area during daylight hours.
- *Palestinian Security*: The Palestinian Police will operate under the auspices of the Palestinian Authority and will be responsible for internal security and public order. It will

include 9,000 policemen, 7,000 of whom may come from abroad. The Palestinians will act to prevent terror against Israelis in the areas under their control.

- *Palestinian Prisoner Release*: Some 5,000 Palestinian prisoners who have not participated in anti-Israeli terrorist attacks resulting in fatalities will be released. Those prisoners who have been arrested for terrorist activities carried out since the DOP was signed, and prisoners associated with anti-peace movements such as HAMAS and Islamic Jihad will not be among those released.

2. Transfer of Civil Affairs

In accordance with the Gaza-Jericho agreement, the Israeli Civil Administration in Gaza and the Jericho area has been dissolved and its powers and responsibilities transferred to the Palestinian Authority in the following civilian spheres, detailed in Annex II:

- *education*
- *nature reserves*
- *insurance*
- *public works*
- *housing*
- *social welfare*
- *tourism*
- *parks*
- *postal services*
- *telecommunication*
- *archaeology*
- *religious affairs*
- *commerce & industry*
- *water and sewage*
- *employee pensions*
- *planning & zoning*
- *transportation*
- *health*
- *agriculture*
- *environmental protection*
- *direct taxation*
- *population registry*
- *employment and documentation*
- *electricity*
- *treasury*

A Joint Civil Affairs Coordination and Cooperation Committee has been established in order to coordinate between the Palestinian Authority and Israel on civil matters. Other matters to be coordinated include issues regarding infrastructure, questions regarding passage in and to/from the autonomous areas and general contacts between the two sides.

3. Legal Matters

The jurisdiction of the Palestinian legal authority extends to all matters falling within its territorial, functional and personal jurisdiction as described in the agreement. This jurisdiction does not extend to Israeli citizens, Israeli settlements or to areas of responsibility not transferred to the Palestinians, such as foreign relations. The Annex III provides specific arrangements in relation to the exercise of this jurisdiction in criminal and civil matters, including the following points

- The jurisdiction of the Palestinian Authority covers all criminal offenses committed in the areas under its territorial jurisdiction.
- Israel has sole criminal jurisdiction over offenses committed in the settlements and the Military Installation Area, and over offenses committed throughout the Gaza-Jericho area by Israelis.
- Israel and the Palestinian Authority shall cooperate and provide each other with legal assistance in criminal matters including the exchange of information, records of criminal suspects, vehicle ownership registration, and the like.
- Both Israel and the Palestinian Authority may ask for a transfer of suspects or defendants that fall under their jurisdiction.
- The Palestinian courts and judicial authorities have jurisdiction in all civil matters.
- The Palestinians have no jurisdiction over civil actions in which an Israeli is a party unless that action relates to property in the autonomous area, or an ongoing Israeli business located in the autonomous area, or the Israeli in question has consented to such jurisdiction.

4. Economic Relations

The economic aspects of the Gaza-Jericho agreement were negotiated and concluded in Paris, and appear in the agreement as Annex IV. The annex deals with the extensive economic ties between Israel and the Palestinian Authority, including issues such as import/export, monetary policy, taxation, and the Palestinian work force employed in Israel. The annex contains the following main points:

- *Import Policy:* Under the Gaza-Jericho agreement, Israel and the Palestinian Authority will have an import policy basically similar in all respects regarding imports and customs. Nonetheless, the Palestinian Authority will be able to import mutually agreed goods at customs rates differing from those prevailing in Israel. It will also be permitted to import goods from Arab countries in agreed limited quantities.
- *Local Markets and Tourism:* There will be free movement of goods manufactured in the autonomous areas. Agricultural produce from the autonomous areas will enter Israel freely with the exception of tomatoes, cucumbers, potatoes, eggs, and broilers (chickens) for which there will be import quotas. Tourists will move freely between Israel and the autonomous areas.
- *Monetary Policy:* The Palestinian Authority will establish a monetary authority whose main functions will be the regulation and supervision of the banks operating in the area.
- *Taxation:* The Palestinian Tax Administration will conduct its own direct tax policies. Israel will transfer to the Palestinian Authority 75 percent of the revenues from income

tax collected from Palestinians employed in Israel. A value added tax (VAT) will be operated by the Palestinian Authority with rates around 15-16 percent.

- *Labor:* The guiding principle in this sphere is to enable mutual movement of labor. The rights of Palestinian workers employed in Israel will be preserved while a social security system is established by the Palestinian Authority.

3-AGREEMENT ON PREPARATORY TRANSFER OF POWERS AND RESPONSIBILITIES
August 29, 1994

The Government of the State of Israel and the Palestine Liberation Organization (hereinafter "the PLO"), the representative of the Palestinian people;

PREAMBLE

WITHIN the framework of the Middle East peace process initiated at Madrid in October 1991;

REAFFIRMING their determination to live in peaceful coexistence, mutual dignity and security, while recognizing their mutual legitimate and political rights;

REAFFIRMING their desire to achieve a just, lasting and comprehensive peace settlement through the agreed political process;

REAFFIRMING their adherence to the mutual recognition and commitments expressed in the letters dated September 9, 1993, signed by and exchanged between the Prime Minister of Israel and the Chairman of the PLO;

REAFFIRMING their understanding that the interim self-government arrangements, including the preparatory arrangements to apply in the West Bank contained in this Agreement, are an integral part of the whole peace process and that the negotiations on the permanent status will lead to the implementation of Security Council Resolutions 242 and 338;

FOLLOWING the Agreement on the Gaza Strip and the Jericho Area as signed at Cairo on May 4, 1994 (hereinafter "the Gaza-Jericho Agreement");

DESIROUS of putting into effect the Declaration of Principles on Interim Self-Government Arrangements as signed at Washington, D.C. on September 13, 1993 (hereinafter "the Declaration of Principles"), and in particular Article VI regarding preparatory transfer of powers and responsibilities and the Agreed Minutes thereto;

HEREBY AGREE to the following arrangements regarding the preparatory transfer of powers and responsibilities in the West Bank:

ARTICLE I
DEFINITIONS

For the purpose of this Agreement, unless otherwise indicated in the attached Protocols:

a. the term "the Palestinian Authority" means the Palestinian Authority established in accordance with the Gaza-Jericho Agreement;
b. the term "Joint Liaison Committee" means the Joint Israeli-Palestinian Liaison Committee established pursuant to Article X of the Declaration of Principles;
c. the term "Interim Agreement" means the interim agreement referred to in Article VII of the Declaration of Principles; and
d. the term "Israelis" also includes Israeli statutory agencies and corporations registered in Israel.

ARTICLE II
PREPARATORY TRANSFER OF POWERS AND RESPONSIBILITIES

1. Israel shall transfer and the Palestinian Authority shall assume powers and responsibilities from the Israeli military government and its Civil Administration in the West Bank in the following spheres: education and culture, health, social welfare, tourism, direct taxation and Value Added Tax on local production (hereinafter "VAT"), as specified in this Agreement (hereinafter "the Spheres").
2. For the purposes of this Agreement, the Palestinian Authority shall constitute the authorized Palestinians referred to in Article VI of the Declaration of Principles.
3. The Parties will explore the possible expansion of the transfer of powers and responsibilities to additional spheres.

ARTICLE III
SCOPE OF THE TRANSFERRED POWERS AND RESPONSIBILITIES

1. The scope of the powers and responsibilities transferred in each Sphere, as well as specific arrangements regarding the exercise of such powers and responsibilities are set out in the Protocols attached as Annexes I through VI.
2. In accordance with the Declaration of Principles, the jurisdiction of the Palestinian Authority with regard to the powers and responsibilities transferred by this Agreement will not apply to Jerusalem, settlements, military locations and, unless otherwise provided in this Agreement, Israelis.
3. The transfer of powers and responsibilities under this Agreement does not include powers and responsibilities in the sphere of foreign relations, except as indicated in Article VI (2) (b) of the Gaza- Jericho Agreement.

ARTICLE IV
MODALITIES OF TRANSFER

1. The transfer of powers and responsibilities in the sphere of education and culture pursuant to this Agreement will be implemented on August 29, 1994. The transfer of powers and responsibilities in the remaining Spheres will be implemented in accordance with Article XI below.
2. The transfer of powers and responsibilities shall be coordinated through the Civil Affairs Coordination and Cooperation Committee referred to in Article X below and shall be

implemented in accordance with the arrangements set out in this Agreement in a smooth, peaceful and orderly manner.

3. Upon the signing of this Agreement, the Israeli side shall provide the Palestinian side with, or enable free access to, all information that is necessary for an effective and smooth transfer.
4. On the date of the transfer of powers and responsibilities, Israel shall also transfer all movable and immovable property which exclusively serves the offices of the Civil Administration in the Spheres, including premises, whether government-owned or rented, equipment, registers, files and computer programs. The treatment of property which serves the offices transferred to the Palestinian Authority as well as offices which are not so transferred will be as mutually agreed between the two sides, such as on the basis of sharing or exchange.
5. The coordination of the transfer of powers and responsibilities pursuant to this Article shall also include a joint review of the Civil Administration contracts the duration of which extends beyond the date of the transfer with a view to deciding which contracts will remain in force and which will be terminated.

ARTICLE V
ADMINISTRATION OF THE TRANSFERRED OFFICES

1. The Palestinian Authority shall be fully responsible for the proper functioning of the offices included in the Spheres and for the management of their personnel in all aspects, including employment and placement of employees, payment of their salaries and pensions and ensuring other employee rights.
2. The Palestinian Authority will continue to employ Palestinian Civil Administration employees currently employed in the offices included in each Sphere and shall maintain their rights.
3. The main office of each of the Spheres will be situated in the Jericho Area or in the Gaza Strip. The Palestinian Authority will operate the existing subordinate offices in the West Bank. The two sides may agree on the establishment of additional subordinate offices in the West Bank, if necessary, in such locations as mutually agreed.
4. The Palestinian Authority has the right to coordinate its activities in each of the Spheres with other Spheres in which it is empowered.

ARTICLE VI
RELATIONS BETWEEN THE TWO SIDES

1. With regard to each Sphere, the Palestinian Authority shall coordinate with the Civil Administration on issues relating to other spheres in which the Palestinian Authority is not empowered.
2. The military government and its Civil Administration shall assist and support the Palestinian Authority in promoting the effective exercise of its powers and responsibilities. In addition, the military government and its Civil Administration shall, in exercising their own powers and responsibilities, take into account the interests of the Palestinian Authority and do their utmost to remove obstacles to the effective exercise of powers and responsibilities by the Palestinian Authority.

3. The Palestinian Authority shall prevent any activities with a military orientation within each of the Spheres and will do its utmost to maintain decorum and discipline and to avoid disruption in the institutions under its responsibility.
4. The Palestinian Authority will notify the military government and its Civil Administration and will coordinate with them regarding any planned public large-scale events and mass gatherings within the Spheres.
5. Nothing in this Agreement shall affect the continued authority of the military government and its Civil Administration to exercise their powers and responsibilities with regard to security and public order, as well as with regard to other spheres not transferred.

ARTICLE VII
LEGISLATIVE POWERS OF THE PALESTINIAN AUTHORITY

1. The Palestinian Authority may promulgate secondary legislation regarding the powers and responsibilities transferred to it. Such legislation includes amendments and changes to the existing laws, regulations and military orders specified in Appendix A to each Annex.
2. Legislation promulgated by the Palestinian Authority shall be consistent with the provisions of this Agreement.
3. Legislation promulgated by the Palestinian Authority shall be communicated to Israel which may, within a period of thirty (30) days, notify the Palestinian Authority that it opposes such legislation for any of the following reasons:
    a. it exceeds the powers and responsibilities transferred to the Palestinian Authority;
    b. it is inconsistent with the provisions of this Agreement; or
    c. it otherwise affects legislation or powers and responsibilities which were not transferred to the Palestinian Authority.
4. Where Israel opposes proposed legislation, it shall specify the reason for the opposition.
5. If Israel has no reservations concerning the proposed legislation, it shall accordingly notify the Palestinian Authority at the earliest opportunity. If at the end of the thirty-day period Israel has not communicated any opposition concerning the proposed legislation, such legislation shall enter into force.
6. The Palestinian Authority may, in the event of opposition to the proposed draft legislation, submit a new draft or request a review by the Legislation Subcommittee established under the Gaza-Jericho Agreement.
7. The Legislation Subcommittee shall attempt to reach a decision on the merits of the matter within thirty days. If the Legislation Subcommittee is unable to reach a decision within this period, the Palestinian Authority shall be entitled to refer the matter to the Joint Liaison Committee. The Joint Liaison Committee shall consider the matter immediately and will attempt to settle it within thirty days.
8. Where, upon communicating to Israel proposed legislation consisting of detailed technical regulations, the Palestinian Authority states that such regulations fulfill the requirements of paragraph 3 above and requests a speedy review, Israel shall immediately respond to such a request.
9. Legislation regarding the West Bank shall be published as a separate part of any publication of legislation regarding the Gaza Strip and the Jericho Area issued by the Palestinian Authority.

ARTICLE VIII
LAW ENFORCEMENT

1. The Palestinian Authority may bring disciplinary proceedings concerning persons it employs in the West Bank before disciplinary tribunals operating in the Gaza Strip or the Jericho Area.
2. The Palestinian Authority may, within each of the Spheres, authorize employees to act as civilian inspectors to monitor compliance with laws and regulations in that Sphere, within the powers and responsibilities transferred to the Palestinian Authority. Such inspectors shall operate in each Sphere separately and shall not be organized into a central unit. These inspectors shall not wear uniforms or carry arms, and shall not in any other way have the nature of a police force. They shall be required to carry the identification documentation referred to in paragraph 3 below. The number of employees to be authorized as civilian inspectors shall be agreed upon by both sides. The names of these employees shall be notified to Israel and, where these employees enjoy privileges pursuant to subparagraph 3 below, shall be agreed upon by both sides.
3. The Palestinian Authority shall issue the civilian inspectors in the West Bank with identification documentation specifying the office in which they are employed. Such documentation shall be used for identification and will not grant privileges, except those agreed in the Civil Affairs Coordination and Cooperation Committee referred to in Article X below, or immunities. This committee shall determine the format of the identification documenation.
4. Except as specifically provided in this Agreement, all powers and responsibilities regarding law enforcement, including investigation, judicial proceedings and imprisonment, will continue to be under the responsibility of the existing authorities in the West Bank.

ARTICLE IX
RIGHTS, LIABILITIES AND OBLIGATIONS

1.
    a. The transfer of powers and responsibilities to the Palestinian Authority under this Agreement will include all related rights, liabilities and obligations arising with regard to acts or omissions which occurred prior to the transfer. Israel and the Civil Administration will cease to bear any financial responsibility regarding such acts or omissions and the Palestinian Authority will bear all financial responsibility for these and for its own functioning.
    b. Any financial claim made in this regard against Israel or the Civil Administration will be referred to the Palestinian Authority.
    c. Israel shall provide the Palestinian Authority with the information it has regarding pending and anticipated claims brought before any court or tribunal against Israel or the Civil Administration in this regard.
    d. Where legal proceedings are brought in respect of such a claim, Israel will notify the Palestinian Authority and enable it to participate in defending the claim and raise any arguments on its behalf.

e. In the event that an award is made against Israel or the Civil Administration by any court or tribunal in respect of such a claim, the Palestinian Authority shall, once the award has been paid by Israel, reimburse Israel the full amount of the award.
f. Without prejudice to the above, where a court or tribunal hearing such a claim finds that liability rests solely with an employee or agent who acted beyond the scope of the powers assigned to him or her, unlawfully or with willful malfeasance, the Palestinian Authority shall not bear financial responsibility.
g. Notwithstanding subparagraphs 1.d through 1.f above, Israel may, pursuant to agreement within the Legal Subcommittee of the CAC established under the Gaza-Jericho Agreement, request an Israeli court or tribunal to dismiss a claim brought before it and, with regard to a pending claim, dismiss the claim and transfer the proceedings to a local court or tribunal.
h. Where a claim has been so transferred or where a new claim has been brought in a local court or tribunal subsequent to the dismissal of the claim pursuant to subparagraph 1.g above, the Palestinian Authority shall defend it and, in accordance with subparagraph 1.a above, in the event that an award is made for the plaintiff, shall pay the amount of the award.
i. The Legal Subcommittee referred to in subparagraph 1.g above shall agree on arrangements for the transfer of proceedings from Israeli courts or tribunals pursuant to subparagraph 1.g above and, where necessary, for the provision of legal assistance by Israel to the Palestinian Authority in defending such claims.

2. In accordance with paragraph 1 above:
   a. The Palestinian Authority may bring legal proceedings in respect of any acts or omissions relating to powers and responsibilities transferred under this Agreement which occurred prior to the date of the transfer. Israel shall provide the Palestinian Authority with the legal assistance necessary to bring such proceedings.
   b. The Palestinian Authority may collect any taxes due under Annexes V and VI on the date of the transfer of powers and responsibilities in respect of these taxes, and shall assume responsibility for the payment of any rebates or refunds.
3. Subject to the provisions of this Article, the transfer of powers and responsibilities in itself shall not affect rights, liabilities and obligations of any person or legal entity, in existence at the date of signing of this Agreement.

ARTICLE X
LIAISON AND COORDINATION

1. The Joint Civil Affairs Coordination and Cooperation Committee established in accordance with the Gaza-Jericho Agreement, (hereinafter "the CAC"), will deal with all issues of mutual concern regarding this Agreement.
2. The operation of the CAC shall not impede daily contacts between representatives of the Civil Administration and the Palestinian Authority in all matters of mutual concern.

ARTICLE XI
BUDGETARY ISSUES

1. The military government and its Civil Administration shall provide the Palestinian Authority with full information concerning the budget of each Sphere.
2. The Palestinian Authority shall immediately employ personnel who will promptly begin the process of becoming acquainted with the current budget issues. On the date of the transfer of powers and responsibilities in each of the Spheres, these personnel will assume responsibility for all accounts, assets and records on behalf of the Palestinian Authority.
3. Israel shall continue to provide the services of Israeli experts currently employed in the fields of income tax and VAT to ensure a smooth transition and efficient establishment of the taxation system of the Palestinian Authority. The terms of their employment shall be agreed upon by the two sides.
4. The Palestinian Authority will do its utmost to establish its revenue collection system immediately with the intent of collecting direct taxes and VAT.
5. The two sides will jointly approach the donor countries during the upcoming meetings of the Consultative Group and of the Ad Hoc Liaison Committee, scheduled for September 8 through 10, 1994 in Paris, with a request to finance the shortfall that may be created in the collection of the direct taxes and the VAT during the initial period while the Palestinian Authority establishes its own revenue collection system.
6. The two sides will meet no later than three days after the conclusion of these meetings in order to decide on the date of transfer of powers and responsibilities in the remaining Spheres, based, among other things, on the response of the donor countries to the joint request.
7. The CAC will provide the donor countries, when necessary, with information to help adjust the allocation of contributions as a result of variations in tax collection.
8. The Palestinian Authority shall also assume full responsibility for any additional expenditures beyond the agreed budget which is attached as Schedule 1, as well as for any shortfall in tax collection that is not actually covered by the donor countries.
9. If actual revenues from the Spheres, including the donor contributions, exceed the budgeted revenues, the excess shall be applied to development of the Spheres.
10. The inclusion of the sphere of VAT in the spheres to be transferred to the Palestinian Authority shall constitute the adjustment referred to in paragraph (3) of the Agreed Minute to Article VI(2) of the Declaration of Principles, and no further adjustment shall be required.

ARTICLE XII
MUTUAL CONTRIBUTION TO PEACE AND RECONCILIATION

With regard to each of the Spheres, Israel and the Palestinian Authority will ensure that their respective systems contribute to the peace between the Israeli and Palestinian peoples and to peace in the entire region, and will refrain from the introduction of any motifs that could adversely affect the process of reconciliation.

ARTICLE XIII
FINAL CLAUSES

1. This Agreement shall enter into force on the date of its signing.

2. The arrangements established by this Agreement are preparatory measures and shall remain in force until and to the extent superseded by the Interim Agreement or by any other agreement between the Parties.
3. Nothing in this Agreement shall prejudice or preempt the outcome of the negotiations on the Interim Agreement or on the permanent status to be conducted pursuant to the Declaration of Principles. Neither Party shall be deemed, by virtue of having entered into this Agreement, to have renounced or waived any of its existing rights, claims or positions.
4. The two Parties view the West Bank and the Gaza Strip as a single territorial unit, the integrity of which will be preserved during the interim period.
5. The Gaza Strip and the Jericho Area shall continue to be an integral part of the West Bank and the Gaza Strip. The status of the West Bank shall not be changed for the period of this Agreement. Nothing in this Agreement shall be considered to change this status.
6. The Preamble to this Agreement and the Annexes, Appendices and Schedules attached hereto, shall constitute an integral part hereof.

Done at Erez this twenty-ninth day of August 1994.

For the
Government of the State of Israel

For the PLO

List of Annexes

- Schedule 1 - Six-month Budget for the Spheres
- Annex I - Protocol Concerning Preparatory Transfer of Powers and Responsibilities in the Sphere of Education and Culture
- Annex II - Protocol Concerning Preparatory Transfer of Powers and Responsibilities in the Sphere of Health
- Annex III - Protocol Concerning Preparatory Transfer of Powers and Responsibilities in the Sphere of Social Welfare
- Annex IV - Protocol Concerning Preparatory Transfer of Powers and Responsibilities in the Sphere of Tourism
- Annex V - Protocol Concerning Preparatory Transfer of Powers and Responsibilities in the Sphere of Direct Taxation
- Annex VI - Protocol Concerning Preparatory Transfer of Powers and Responsibilities in the Sphere of VAT on Local Production

Schedule 1

Six-month Budget for the Spheres ($ Million)

1. Total Expenditures	**54.58**
Education and Culture	26.2
Health	18.7
Social Welfare	4.3
Tourism	0.075
Direct Taxes	2.3
VAT	3.0
2. Total Revenues	**54.58**
Income Tax	23.15
VAT	22.15
Property Tax	0.215
Health Insurance	9.06

Annex I: Protocol Concerning Preparatory Transfer of Powers and Responsibilities in the Sphere of Education and Culture

1. The powers and responsibilities of the military government and its Civil Administration in the sphere of education and culture will be transferred to and will be assumed by the Palestinian Authority.
2. The sphere of education and culture shall include all matters dealt with in the laws, regulations and military orders listed in Appendix A, as well as the responsibility over higher education, special education, cultural and educational training activities, cultural and educational institutions and programs, and private, public, non-governmental or other educational or cultural activities or institutions.

Appendix A

Laws, Regulations and Military Orders in the Sphere of Education and Culture

1. Education Law, No. 16, 1964
2. Regulations regarding the Structure of the Ministry of Education and Culture, No. 21, 1965
3. Regulations regarding the Collection of Contributions in Schools, No. 22, 1965
4. Regulations regarding the Structure of Managers' Offices in the Districts and Regions, No. 24, 1965
5. Regulations regarding Licensing of Teaching, No. 23, 1965
6. Regulations regarding Scientific Delegations, No. 155, 1966
7. Regulations regarding Grants for Educational Programs and Textbooks, No. 1, 1965
8. Regulations regarding the Appointment of Women Teachers, No. 2, 1965
9. Regulations regarding Needy Heirs of Education and Culture Employees, No. 57, 1960
10. Regulations regarding the Jordanian Committee for Arabization, Translation and Publishing, No. 11, 1967
11. Regulations regarding Private Educational Institutions, No. 27, 1966
12. Regulations regarding Adult Education and the Elimination of Illiteracy, No. 120, 1965
13. Regulations regarding Cultural Centers, No. 28, 1966
14. Regulations regarding the Jordanian Scientific Research Council, No. 53, 1964
15. Regulations regarding the Nationalization of Textbooks, No. 4, 1956
16. Regulations regarding the Education Tax, No. 1, 1956
17. Regulations regarding the Financing of Examinations and Certificates of High Schools and Secondary Education, No. 39, 1967
18. Order regarding the Education Law No. 16 of 1964 (Amendment No. 2) (Judea and Samaria), No. 1076, 1983
19. Order regarding the Use of Textbooks (Judea and Samaria) (Amendment), No. 183, 1967
20. Regulations regarding General Examination Fees in the Teachers' Colleges, 1991
21. Directives regarding Success, Completion and Failure in Schools, No. 1, 1965
22. Directives regarding General Matriculation Examinations, No. 2, 1965

23. Order regarding Education Tax (Judea and Samaria), No. 501, 1972
24. Civil Service Regulations, No. 23, 1966, including Amendments Nos. 14, 28, 61 and 92
25. Regulations for Dispatch of Scientific Delegations, No. 115, 1966, including Amendments Nos. 16 and 43
26. Regulations regaxding Employee Pensions and Social Insurance, No. 6, 1966, including Amendments Nos. 116 and 183
27. Financial Regulations, No. 1, 1951
28. Requisition Regulations, No. 87, 1965
29. Regulations regarding Employees Commuting to and from Work, No. 18, 1967, including Amendment No. 73
30. Regulations regarding the Provision of Honors for Employees, No. 9, 1966.
31. Regulations regarding Issuing Certificates and Diplomas, No. 15, 1966
32. Regulations regarding Graduation Examinations, No. 17, 1966, including Amendment No. 71
33. Regulations regarding Placement of Administrative employees, No. 1, 1966
34. Regulations regarding the Provision of Student Services, No. 58, 1964
35. Regulation regarding the Provision of Assistance to Students, No. 5, 1960, including Amendment No. 25
36. Regulations regarding the Scouts Youth Movement, No. 1, 1957
37. Regulations regarding Summer Seminars, No. 34, 1960
38. Regulations regarding the Leasing of Properties for Government Service, No. 16, 1961, including Amendment No. 153
39. Regulations regarding the Acquisition of Books for School and College Libraries, No. 11, 1966, including amendment No. 153
40. Regulations regarding Health Insurance for Employees, No. 104, 1965
41. Regulations regarding Colleges, No. 151, 1966
42. Regulations regarding the Evaluation of Certificates, No. 110, 1966, including Amendment No. 74
43. Law regarding Student Transfer, No. 7, 1967
44. Regulations regarding Room and Board, No. 36, 1967
45.

Annex II: Protocol Concerning Preparatory Transfer of Powers and Responsibilities in the Sphere of Health

The powers and responsibilities of the military government and its Civil Administration in the sphere of health will be transferred to and will be assumed by the Palestinian Authority.

- The sphere of health shall include all matters dealt with in the laws, regulations and military orders listed in Appendix A, including the responsibility over all health institutions, whether private, public, non-governmental or other.
- In exercising its security authority, the military government will do its utmost to respect the dignity of patients and medical staff and will act with a view to prevent any damage to medical installations or equipment.

 The transfer of powers and responsibilities to the Palestinian Authority shall not affect the authority of Israel and of the Israeli military government in the West Bank to exercise its powers and responsibilities in criminal matters, such as the performance of autopsies, the investigation of narcotic offenses, etc.
 The Palestinian Authority shall inform the Civil Administration in a routine manner of births or deaths occurring within the medical institutions under its responsibility.
 The Palestinian Authority shall apply the present standards of vaccination of Palestinians and shall improve them according to internationally-accepted standards in the field.
 The Palestinian Authority shall take necessary measures to ensure that the health institutions and medical staff under its responsibility inform the Civil Administration in the West Bank of any Israeli hospitalized in a Palestinian hospital upon his or her admission.
Arrangements for moving such hospitalized Israelis shall be agreed upon.
 The Palestinian Authority shall take necessary measures to ensure that the health institutions and medical personnel under its responsibility inform the Israel Police in the West Bank of any person wounded by any kind of weapon or explosive who is treated or hospitalized in a Palestinian medical institution, upon his or her admission, and of any death from unnatural causes.
 The Palestinian Authority shall make available for transfer the corpse of any deceased from unnatural causes, for an autopsy in the Institute of Forensic Medicine, immediately upon request by the military commander.
Upon request of the Palestinian Authority, a Palestinian physician may be present at any autopsy performed, provided that the participation of the said representative shall not inordinately delay the performance of the autopsy.
The Palestinian Authority shall ensure that no prior autopsy of the corpses so transferred shall be conducted.
 Israel and the Palestinian Authority shall exchange information regarding epidemics and contagious diseases, shall cooperate in combatting them, and shall develop methods of exchange of medical files and documents.
 The Palestinian Authority shall enter into agreements with the Israeli medical institutions on arrangements regarding complementary medical services for Palestinians in these institutions including their hospitalization in Israeli hospitals. Israel shall assist the Palestinian Authority in reaching such agreements as necessary.
 The health systems of Israel and of the Palestinian Authority will maintain good working relations in all matters, including mutual assistance in providing first aid in cases of emergency, medical instruction, professional training and exchange of information.
 A joint committee of experts will discuss health issues that require coordination and cooperation between the Palestinian Authority and the relevant departments of the Civil Administration, including, inter alia, the environment department.
 A committee will be established to facilitate coordination and cooperation on health and medical issues between the Palestinian Authority and the Israeli Ministry of Health.

Appendix A

Laws, Regulations and Military Orders in the Sphere of Health

1. Public Health Law No. 43, 1966, except for articles 7(1), 25, 26, 27, 28, 29, 30, 31, 32, 33, 34, 35, 36, 37, 38, 39, 40, 41, 42, 43, 44, 45, 46, 47, 69, 70, 71, 72, 73, 74, 75, 76, 77
   article 10(2) but not including supervision over water sources;
   article 15 but only when approved by the military commander
2. Regulations regarding Supervision of Medications and their Manufacture, No. 134, 1966, only with regard to medications
3. Regulations regarding Health Insurance, No. 146, 1966
4. Regulations regarding Burial of Deceased, Cemeteries, Transfer of Bodies and Re-opening of Graves, 1981, except for articles 5, 7, 8(a), 9, 10, 11, 12, 13, 14, 15
5. Regulations regarding Public Health Supervision of Radiation Equipment for Medical Treatment, 1981
6. Pharmacologists' Bureau Law, No. 10, 1957
7. Order regarding the Pharmacologists' Bureau Law, No. 10, 1957, (Amendment), No. 1053, 1983
8. Internal Regulations of the Pharmacologists' Bureau, 1961, as amended 1980
9. Order regarding Medical and Sanitation Professions (Licensing and Practice), No. 745, 1978
10. Medical Association Law, No. 14, 1954
11. Dental Association Law, No. 11, 1956
12. Internal Regulations of the Dental Association, 1960
13. Order regarding Health Services, No. 746, 1978
14. Order regarding Notification of Casualties, No. 163, 1967
15. Regulation regarding Health Services, 1978
16. Notification regarding Health Services, Program of Health Services and Payment for Health Services, 1981
17. Order regarding Dangerous Drugs, No. 558, 1973
18. Order regarding Cosmetics, No. 1103, 1983
19. Regulations regarding Cosmetics (Fees), 1984

Annex III: Protocol Concerning Preparatory Transfer of Powers and Responsibilities in the Sphere of Social Welfare

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The powers and responsibilities of the military government and its Civil Administration in the sphere of social welfare will be transferred to and will be assumed by the Palestinian Authority.

1. The sphere of social welfare shall include all matters dealt with in the laws, regulations and military orders listed in Appendix A, as well as responsibility over governmental and

non-governmental organizations and institutions, including charitable societies and institutions and voluntary and non-profit organizations.

2. The Palestinian Authority will supervise registered foreign organizations of the type mentioned in paragraph 2 above, that currently operate in the West Bank and will register others only if their goals are not inconsistent with the peace process.
3. The transfer of powers and responsibilities to the Palestinian Authority shall not affect the continued authority of the military government and its Civil Administration to exercise their powers and responsibilities for security and public order as well as for other spheres not transferred, including, inter alia, the establishment of a vice squad.
4. The Palestinian Authority may exercise the Regulation on Welfare Insurance for Civil Servants (No. 6 of 1966) with regard to its employees.
5. Juvenile Offenders:

   Israel and the Palestinian Authority will determine arrangements for the following:

   a. The serving of sentences in the West Bank passed by courts in Israel concerning juvenile offenders, residents of the West Bank.
   b. The transfer of information necessary for the preparation of briefs by probation officers in connection with juvenile offenses.
6. Confidentiality:

   Arrangements will be made to protect confidentiality and individual privacy in the exchange of information between Israel and the Palestinian Authority in the sphere of social welfare.

7. The respective social welfare systems of Israel and the Palestinian Authority will maintain a positive working relationship in all aspects, including general and professional training, and the exchange of information.

Appendix A

Laws, Regulations and Military Orders in the Sphere of Social Welfare

1. Bureau of Social Affairs Law, No. 14, 1956
2. Social Assistance Regulations, No. 14, 1959
3. Regulations regarding Assistance to Youth, No. 48, 1959
4. Amended Law regarding Assistance to Youth, No. 16, 1954
5. Regulations regarding the Collection of Charitable Donations, No. 1, 1957
6. Regulations regarding the Collection of Charitable Donations, No. 103, 1963
7. Regulations regarding Assistance to University Students, No. 5, 1960, except for Articles 5 and 6
8. Regulations regarding Assistance and Rehabilitation, No. 42, 1963
9. Law regarding Charitable Societies and Social Welfare Institutions, No. 33, 1966
10. Jordanian Regulations regarding Social Services Institutions, No. 128, 1965

11. Regulations regarding Foster Families, No. 70, 1963

Annex IV: Protocol Concerning Preparatory Transfer of Powers and Responsibilities in the Sphere of Tourism

1. The powers and responsibilities of the military government and its Civil Administration in the sphere of tourism will be transferred to and will be assumed by the Palestinian Authority.
2. The sphere of tourism shall include all matters dealt with in the laws, regulations and military orders listed in Appendix A.
   This includes the responsibility for regulating, licensing, grading, supervising and developing the tourist industry and its services within the scope of such terms in the laws, regulations and military orders listed in Appendix A, as well as maintaining and promoting foreign and domestic tourism, developing visitors' interest in tourist sites and encouraging the development of tourist services around them in coordination with the Civil Administration, or if the site is under the responsibility of another authority - in coordination with that other authority. It also includes organizing exhibitions, popular and cultural festivals and events and tourism conferences.
   This sphere shall cover tourism activities conducted by private, public, non-governmental and foreign bodies.
3. In exercising its security authorities, the military government will take into account tourism considerations with the objective of minimizing any harmful effect on the industry or any consequences that may prejudice its productivity and continued development.
4. The military government and its Civil Administration will assist and support the Palestinian Authority in developing the tourism industry, promoting the expansion of tourist facilities such as hotels, restaurants and travel agencies, and in removing obstacles that may hinder the growth of the industry.
5. The transfer of powers and responsibilities to the Palestinian Authority shall not affect the continued authority of the military government and its Civil Administration to exercise their powers and responsibilities for security and public order as well as for other spheres, including the sites referred to in paragraph 2 above, authority over which has not been transferred.
6. The tourism authorities of Israel and the Palestinian Authority shall promote and encourage tourism to the region for the benefit of both sides.
7.
   a. Travel agents, tour companies, tour guides and other tourism businesses (hereinafter "tourism entities") authorized by the Palestinian Authority will be allowed to conduct tours that include Israel, provided that their authorization as well as their operation is in accordance with rules, professional requirements and standards agreed upon in the subcommittee on tourism of the JEC.
   b. Pending that agreement, existing tourism entities in the West Bank that are currently allowed to conduct tours that include Israel, will be allowed to continue to do so.

8. Tour buses or any other forms of tourist transport authorized by the Palestinian Authority, and operated by companies registered and licensed by it, will be allowed to enter and proceed on their tour in Israel if such buses or other vehicles conform with the standards currently in effect in the West Bank and provided that they conform with international standards that have been adopted. All such vehicles will be clearly marked as tourist vehicles.
9. Tourism companies and agencies licensed by the Palestinian Authority shall enjoy equal access to tourism-related facilities and amenities in border points of exit and entry according to the regulations of the Israeli authorities.
10. A joint committee will be established between Israel and the Palestinian Authority to facilitate coordination and cooperation on tourism issues, including the promotion of tourism.

Appendix A

Laws, Regulations and Military Orders in the Sphere of Tourism

1. Temporary Tourism Law, No. 45, 1965, except for articles 2(4)E, 4(1), 4(5), 7(2), 7(3), 14(3)
   article 2(5) except for provisions regarding Tourism Regions
2. Regulations regarding Equipment and Promotional Services and Constructive Activities of the Tourism Authority, No. 44, 1966
3. Financial Regulations of the Tourism Authority, No. 45, 1966
4. Tourism and Travel Agency Regulations, No. 46, 1966
5. Regulations regarding Commercial Oriental Souvenir Emporiums, No. 47, 1966
6. Regulations regarding Commercial Oriental Souvenir Emporiums, (Amendment No. 6) (Judea and Samaria), 1988
7. Regulations regarding Tour Guides and their Supervision, No. 48, 1966
8. Regulations regarding Guest Houses and their Supervision, No. 49, 1966
9. Order regarding Temporary Law for Tourism, No. 45, 1965 (Judea and Samaria), No. 917, 1981
10. Regulations regarding Tourism and Travel Agencies (Amendments 1-4) (Judea and Samaria), 1976
11. Regulations regarding Commercial Oriental Souvenir Emporiums (Amendment No. 3) (Judea and Samaria), 1982
12. Regulations regarding Commercial Oriental Souvenir Emporiums (Amendments 1-6), 1976, 1980, 1987, 1988
13. Regulations regarding Tour Guides and their Supervision (Amendment No. 5) (Judea and Samaria), 1988
14. Regulations regarding the Prohibition on Acceptance of Commissions by Tour Guides, 1976
15. Decision regarding Escorting Tourists as a Branch of Tourism (Judea and Samaria), 1982
16. Regulations regarding Guest Houses and their Supervision (Amendments 3 and 4), 1988, 1990

17. Instructions regarding Guest Houses and their Supervision (Minimal Standards for Ungraded Hotels) (Judea and Samaria), 1975
18. Instructions regarding Guest Houses and their Supervision (Principles of Hotel Grading) (Judea and Samaria), 1976
19. Instructions regarding Guest Houses and their Supervision (Offering Drinking Water and Citrus Fruits during Meals) (Judea and Samaria), 1985
20. Regulations regarding Tourism Offices (Judea and Samaria), 1989
21. Regulations regarding Licensed Tourist Emporiums (Judea and Samaria), 1977

Annex V: Protocol Concerning Preparatory Transfer of Powers and Responsibilities in the Sphere of Direct Taxation

The powers and responsibilities of the Civil Administration in the sphere of direct taxation regarding income tax on income accrued or derived in the West Bank will be transferred to and will be assumed by the Palestinian Authority.
Powers and responsibilities regarding property tax will continue to be exercised by the Civil Administration, though the income from this tax will be transferred to the Palestinian Authority, after deducting the sums due to the municipalities.

1. The sphere of direct taxation shall include all matters dealt with in the laws, regulations and military orders listed in Appendix A, subject to the principles set forth below.
2. Without derogating from the principle of territoriality in taxation, i.e., the right of each tax administration to levy the income tax on income generated by economic activity in its area, and in accordance with the Declaration of Principles and with the Gaza-Jericho Agreement:
    a. The Palestinian Authority will levy and collect income tax on Palestinians in respect of income accrued or derived in the West Bank outside the settlements and the military locations.
    b.
        1. The Civil Administration will levy and collect income tax on Israelis in respect of income accrued or derived in the West Bank outside the settlements and the military locations by any business or service which accrues or derives an annual turnover in the West Bank outside the settlements and military locations exceeding $7,000 US.
        2. The tax will be levied in accordance with the Palestinian tax code in force in the West Bank.
        3. The Civil Administration will remit the tax collected to the Palestinian Authority.
        4. For the purpose of subparagraph 3(b)(1) above and paragraph 5 below, changes in the legislation regarding the definition of "accrued or derived" income shall be made in the subcommittee

established under paragraph 9.

5. In the event of disagreement regarding the implementation of this paragraph when the Palestinian Authority considers that a business or service should be taxed under this subparagraph, it may refer the matter to the above mentioned subcommittee.

3.

a. For the purpose of this Annex, and for the purpose of the application of Appendix B to this Annex -
    1. A corporation will be regarded as either a Palestinian or an Israeli if the majority of its shares which grant rights to distribution of profits are held by Palestinians or by Israelis, respectively.
    2. For the purpose of subparagraph a. above, shares held by foreigners will be considered as shares held by Palestinians, except with regard to corporations operating within the settlements and military locations.
b. Income accruing to a partnership or derived by it will be attributed to its partners in accordance with their respective rights to profits and taxed in accordance with the provisions of this Annex.
c. With regard to corporations in which Israelis and Palestinians hold shares granting equal rights to distribution of profits, corporation tax will be levied equally on each shareholder by the relevant tax authority, in accordance with the principles of this Annex.

4. In the case of income accrued or derived by a foreigner, outside the settlements and the military locations, income tax will be levied and collected by the Palestinian Authority.

5.

a. When an Israeli, including the military government and its Civil Administration, remits payment to a Palestinian and the payment is income taxable by the Palestinian Authority, the Israeli will deduct tax at source in accordance with the rules of the Palestinian tax code regarding the deduction at source by Palestinian payors and transfer it to the Civil Administration.
b. All activity relating to the assessment and collection of such deductions will be carried out by the Civil Administration or by Israel.
c. The Civil Administration will transfer such deductions to the Palestinian Authority in a manner to be agreed upon.
d. Procedures for implementation of the above mentioned arrangement for deduction at source will be determined by the Joint Economic Committee established under the Gaza-Jericho Agreement.
e. Pending the determination of the above mentioned procedures:
    1. the present system of tax deduction at source from wages and salaries will continue to apply with regard to payments to Palestinian employees; and
    2. until 31 December, 1994, tax will be deducted at source at the rate of 5% from other payments to Palestinians referred to in subparagraph a. above, subject to existing certificates concerning

the reduction of deduction at source which shall continue to remain in force notwithstanding their initial date of expiration. As of January 1, 1995, deduction at source from such payments will be effected only on the basis of the procedures to be agreed upon.

6.
   a. When a Palestinian remits payment to an Israeli, there will be no tax deduction at source.
   b. The Palestinian Authority may transfer to the Civil Administration information regarding such payments where it considers that the income of the Israeli falls under paragraph 3(b) above, in order to assist the Civil Administration in levying tax on such income.
   c. The Civil Administration will transfer to the Palestinian Authority, on a bimonthly basis, the sums collected from Israelis as advance payments in respect of taxes to be collected by the Civil Administration under paragraph 3(b) above.
      Each tax year there will be a settling of accounts between the Civil Administration and the Palestinian Authority with regard to the final tax collected according to paragraph 3(b), taking into account the aforementioned advance payments and any necessary resultant tax refunds.
   d. Foreigners who are subject to income tax levied by the Palestinian Authority will deduct tax at source in the same manner as Palestinians.
7. Until the Interim Agreement enters into force, Israel will transfer to the Palestinian Authority a sum equal to 75% of the income taxes collected by Israel from Palestinians employed in the settlements and military locations and in Israel.
8. The two sides will establish a joint committee composed of representatives of both tax authorities. This committee will discuss cases where one side wishes to tax businesses or services subject to the tax authority of the other side as well as cases where it is not clear by which side tax should be levied and all cases concerning double taxation.
9. Tax enforcement by the Palestinian Authority shall be in accordance with the principles set out in attached Appendix B.

Appendix A

Laws, Regulations and Military Orders in the Sphere of Direct Taxation

1. Income Tax Law, No. 25, 1964, except article 74(1), and as follows (article numbers relate to Hebrew version):
   28(a)(4)-(5) - will apply to civil examinations (not to criminal investigations);
   29b, 34a(a)(2), 34a(d), 49(3), 54(3), 57, 63(c)-(d), 64, 66(4) - will be subject to the principles regarding tax enforcement;
   44(1) - will not apply to the military government, the Civil Administration and

their employees;
21, 62, 63(c), Capter 16 - will be subject to the principles regarding the tax enforcement;

2. Regulations regarding Depreciation for Income Tax Purposes, No. 15, 1965
3. Regulations regarding Income Tax Deductions at Source from Salaries, No. 16, 1965
4. Regulations regarding Income Tax (Bookkeeping), 1988 (which adopted the regulations regarding Bookkeeping, 1985)
5. Regulations regarding Income Tax (Forms Required for Deductions at Source), 1987
6. Regulations regarding Income Tax (Determining Payments for Services or Goods and for Contracting as an Income), 1978
7. Regulations regarding Income Tax (Deduction at Source from Payments for Services or Goods and for Contracting), 1978
8. Regulations regarding Income Tax (Determining Payments for Construction Work and Shipping as an Income), 1986
9. Order regarding Encouragement of Capital Investment, No. 1342, 1991 - with regard to income tax exemptions; except for articles 26, 27 and 28
29 and 30 - will be subject to the principles regarding tax enforcement

Appendix B

Tax Enforcement

1. With regard to tax enforcement, the Palestinian Authority shall have the powers and responsibilities set out in this Appendix, except in relation to criminal offenses.
2. Gathering of Information

   Concerning gathering of information, the Palestinian Authority shall be authorized to:

   a. demand and seize documents, information and other relevant financial records from the assessee and any relevant third party.
   b. require the appearance of any person at the taxation authorities' offices in the West Bank and require that person to provide all relevant reports and documents; and
   c. enter any permanent place of business or residence of any person being assessed.
3. Tax Collection

   For the purpose of tax collection, the Palestinian Authority shall be authorized to take the following measures:

   a. attachments not relating to immovable property effected by the service of

documents without requiring any physical action, such as bank accounts;
   b. attachment of monies and chattels in the debtor's permanent place of business or residence only;
   c. public auctions of the attached property or assets;
   d. requests from the local courts in the West Bank to issue restraining orders prohibiting the debtor to travel abroad; and
   e. requests from the local courts in the West Bank to issue civil imprisonment orders against tax defaulters.

4. Appeals Proceedings

   The Palestinian Authority may establish a tax court in the West Bank for the purpose of hearing appeals with regard to assessments and bookkeeping. The details of this tax court shall be agreed in the CAC. Until the establishment of this tax court, such appeals shall continue to be heard by the local courts.

5. Scope
   a. The Palestinian Authority shall not be authorized to take any enforcement measures against Israelis.
   b. The Palestinian Authority shall not have the power to exercise enforcement measures affecting, directly or indirectly, the military government or its Civil Administration. The two sides will agree upon the mode and procedures regarding enforcement measures that require the cooperation of the military government and its Civil Administration, with a view to assisting the Palestinian Authority in carrying out its enforcement measures, subject to considerations of security and public order.
   c. The use of force required for the exercise of tax enforcement measures shall be effected only by the Israeli authorities. Israel shall provide the Palestinian Authority with the necessary assistance in this regard.
   d. The enforcement measures set out in this Appendix shall be exercised by the Palestinian Authority solely for tax collection and shall not be exercised for any other purpose.

6. Cooperation and Exchange of Information

   Israel and the Palestinian Authority shall cooperate, including by exchanging information, to assist each other in the exercise of their powers and responsibilities with regard to tax enforcement.

7. Legislation Regarding Tax Enforcement

   Subject to the principles set out in this Appendix, the Palestinian Authority is authorized, in addition to the measures included in the legislation set out in Appendix A, to take tax enforcement measures included in the following legislation:

   a. Law regarding Collection of Public Monies, No. 6, 1952, except for

articles 10, 11, 12A (appeals will be brought before the local courts), 14, 16(A) (with regard to payments owed by the Palestinian Authority)

b. Order regarding Amendment of the Collection of Public Monies Law, No. 113, 1967
c. Rules regarding Collection of Public Monies, 1988, except for articles 4(b)-(c), 22, 23
d. Rules regarding Collection of Public Monies (Imprisonment of a Debtor), 1991
e. Order regarding Taxes (Fine for Late Payment), No. 1296, 1990
f. Order regarding Rounding Off of Sums, No. 1164, 1986
g. Order regarding Tax Collection (Auxiliary Authorities) (Temporary Order), No. 1262, 1989 - with regard to permits and services provided by the Palestinian Authority

Annex VI: Protocol Concerning Preparatory Transfer of Powers and Responsibilities in the Sphere of VAT on Local Production

The powers and responsibilities of the Civil Administration in the sphere of VAT on local production in the West Bank will be transferred to and will be assumed by the Palestinian Authority.

1. For the purpose of this Annex the term "VAT" shall refer to Value Added Tax on local production imposed on the sale of assets and the provision of services by dealers.
2. The sphere of VAT shall include all matters dealt with in the laws, regulations and military orders listed in Appendix A, subject to the principles set forth in this Annex.
3. In accordance with Protocol IV of the Gaza - Jericho Agreement, while the prevailing system and principles of VAT in the West Bank will continue to apply, the Palestinian VAT rate shall not be lower than 15% to 16% and the maximum annual turnover for dealers to be exempt from VAT will be decided by the Palestinian Authority, within an upper limit of 12,000 US dollars.
4. Subject to paragraph 6 below, each side will register for VAT purposes dealers who are subject to its powers and responsibilities, notwithstanding the place of their activity.
5.
    a. Ongoing permanent businesses will register for VAT purposes with the VAT administration of the side exercising powers and responsibilities in the place in which they are situated.
    b. Notwithstanding subparagraph 6.a, ongoing permanent Israeli businesses situated outside the settlements and military locations will be registered for VAT purposes with the Civil Administration. The rules of Palestinian VAT legislation will apply to these businesses.
    The Civil Administration will transfer to the Palestinian Authority the net VAT collected from these businesses, after deduction of their refunds.
6. For the purpose of this Annex, and for the purpose of the application of Appendix B of Annex V to this Annex pursuant to paragraph 17 below -
    a. A corporation will be regarded as either a Palestinian or an Israeli if the majority of its shares which grant rights to distribution of profits are held by Palestinians or

by Israelis, respectively.

b. For the purpose of subparagraph a. above, shares held by foreigners will be considered as shares held by Palestinians, except with regard to corporations operating within the settlements and military locations.

c. The above mentioned principle regarding corporations will apply to partnerships, with the necessary adjustments.

d. The registration for VAT purposes of corporations and partnerships in which Israelis and Palestinians hold equal rights to distribution of profits, will be according to the place of registration of the corporation or the partnership. Each side may bring such cases for discussion before the joint committee referred to in paragraph 16 below, if it considers that the place of registration for VAT purposes should be different.

7. Foreign dealers will be registered for VAT purposes in accordance with their place of activity.
8. The VAT levied on dealers registered for VAT purposes will accrue to the VAT administration with which the dealer is registered and the tax code of that side will apply.
9. The principles set out in paragraphs 1-9 and 16-17 of this Annex shall also apply to wage-and-profit tax on financial institutions.
10. There will be clearance of VAT revenues between Israel and the Palestinian Authority according to the following principles:

a. The VAT clearance will apply to VAT on transactions between dealers registered with different VAT administrations. For the purpose of this paragraph, dealers registered with the Civil Administration shall be considered to be registered with the Palestinian Authority.

b. The following procedures will apply to clearance of VAT revenues accruing from transactions by dealers registered for VAT purposes:

1. To be acceptable for clearance purposes, special invoices, clearly marked for this purpose, will be used for transactions between dealers registered by the different sides.
2. These invoices will be worded either in both Hebrew and Arabic or in English and will be filled out in any of these three languages, provided that the figures are written in "Arabic" (not Hindi) numerals and that the amounts filled out in the invoice are stated also in NIS.
3. For the purposes of tax rebates, such invoices will be valid for six months from their date of issue.
4. Representatives of the two sides will meet once a month, on the twentieth day of the month, to present each other with a list of invoices submitted to them for tax rebate, for VAT clearance. This list will include the following details regarding each invoice:

a. the number of the registered dealer issuing it;
b. the name of the registered dealer issuing it;
c. the number of the invoice;
d. the date of issue;
e. the amount of the invoice - with a separate reference to the amount of VAT, specified both numerically and in words; and
f. the name and the VAT registration number of the recipient of the

invoice.

5. The clearance claims will be settled within six days from the meeting, through a payment by the side with the net balance of claims against it, to the other side.
6. Each side will provide the other side, upon request, with invoices for verification purposes. Each tax administration will be responsible for providing invoices for verification purposes for six months after receiving them.
7. Each side will take the necessary measures to verify the authenticity of the invoices presented to it for clearance by the other side.
8. Claims for VAT clearance which will not be found valid will be deducted from the next clearance payment.
9. Once an interconnected computer system for tax rebates to dealers and for VAT clearance between the two sides is operational, it will replace the clearance procedures specified in subparagraphs (4) and (5) above.
10. The two tax administrations will exchange lists of the dealers registered by them and will provide each other with the necessary documentation, if requested, for the verification of transactions.
11. The subcommittee established under Article VI paragraph 5 of Annex IV of the Gaza - Jericho Agreement will deal with the implementation of the provisions of this paragraph.

11. Pending the Interim Agreement, the following provisions shall apply with regard to VAT on imports:
    a. In addition to the clearance described in paragraph 11 above, VAT on imports paid by dealers registered with the Palestinian Authority who deduct input tax on such imports shall be remitted to the Palestinian Authority.
    b. The clearance shall be effected in the framework of the monthly settlement referred to in paragraph 10 above. For this purpose, the Palestinian Authority shall provide Israel with a list containing the following details.
        1. the VAT registration number of each dealer;
        2. the number of each import entry document; and
        3. the VAT amount included in each import entry document.
    c. The Palestinian Authority shall verify and confirm that the list referred to in subparagraph (b) does not include imports the final destination of which is the Gaza Strip or the Jericho Area. The remittance of VAT payments in respect of these imports shall continue to be in accordance with the Gaza-Jericho Agreement.
12. VAT paid on transactions with dealers registered with Israel by not-for-profit Palestinian organizations and institutions registered with the Palestinian Authority, or by the Palestinian Authority where the transaction relates to powers and responsibilities transferred under this Agreement, will be remitted to the Palestinian Authority in accordance with the clearance system set out in paragraph 11. The same principle will apply to VAT paid on such transactions by Palestinian local authorities, once the powers and responsibilities regarding them are transferred to the Palestinian Authority.
13. VAT paid on transactions with dealers registered with the Palestinian Authority by not-for-profit Israeli organizations and institutions, by Israeli local authorities, or by Israel,

will be remitted to Israel in accordance with the clearance system set out in paragraph 11.

14. Where the zero VAT rate on transactions by dealers registered with the Palestinian Authority is conditional upon the submission of proof by the dealer that foreign currency has been deposited with a financial institution, the deposit will be made in a financial institution operating in the West Bank. The definition of foreign currency for the purposes of this paragraph may be determined within the JEC.
15. The two sides will establish a joint committee composed of representatives of both VAT administrations. This committee will deal with all issues requiring coordination and cooperation with regard to this Annex.
16. VAT enforcement by the Palestinian Authority shall be in accordance with the principles set out in Appendix B attached to Annex V.

Appendix A

Laws, Regulations and Military Orders in the Sphere of VAT

1. Law of Excise on Local Production, No. 16, 1963, except for the following articles (Hebrew Version):
   2(A), 2(B), 2(E), 3, 6A(2), 6A(5), 6A(6), 6A(8)
   6A(7) - will be subject to principles regarding the tax enforcement
2. Regulations Regarding Excise on Local Production (Judea and Samaria), 1985, except for the following articles (Hebrew Version):
   2, 33, 118, 137, 147, 127
   31(A)1, will not apply in relation to authorizing use of "other document"
   53 (B), 70, 85, 86, 87A, 89, 92, 94, 103, 116, 116A(D)-(E), 117, 119(D), 129(C), 139(B) - will be subject to the principles regarding tax enforcement
   35(A)2, 35(A)3, 112, 115A, 116A(C), 119, Chapter 16, 139(A) - will be subject to principles regarding tax enforcement
3. Regulations regarding Bookkeeping (Judea and Samaria), 1985
4. Notification regarding Excise on Local Production (designating Egypt as bordering country) (Judea and Samaria), 1987

Main Points of the Agreement on the Preparatory Transfer of Powers and Responsibilities August 29, 1994

On August 29, 1994, the Agreement on Preparatory Transfer of Powers and Responsibilities was signed by Israel and the Palestinians. The Agreement puts into effect the next phase (early empowerment) of the Declaration of Principles, as follows:

Spheres of Authority: The Agreement on Preparatory Transfer of Powers and Responsibilities, in accordance with the DOP, provides for the transfer of powers to the Palestinian Authority within five specified spheres:

Education and Culture: responsibility over higher education, special education, cultural and educational training activities, institutions and programs, and private, public non-governmental or other educational or cultural activities or institutions.

Health: authority over all health institutions, whether private, public, non-governmental or other.

Social Welfare: authority over governmental and non-governmental organizations and institutions, including charitable societies and institutions and voluntary and non-profit organizations.

Tourism: regulating, licensing, grading, supervising and developing the tourist industry.

Direct Taxation: The DOP provides for a transfer of authority regarding direct taxation. Accordingly, the Palestinian Authority will establish a revenue collection system to collect income tax. Property tax will be collected by Israel and transferred to the Palestinian Authority. In addition, it was agreed to transfer the sphere of indirect taxation (Value Added Tax) to the Palestinian Authority as an attempt to ensure a balanced budget.

Indirect Taxation: This is an additional sphere, agreed upon on August 29, 1994. VAT will be collected on local production in the West Bank - outside the settlements and the military locations. This sphere was added to help fill the short fall that will occur while the tax system is being set up.

Jurisdiction: In accordance with the DOP, the jurisdiction of the Palestinian Authority with regard to this agreement does not include Jerusalem, settlements, military locations and, unless otherwise provided for in this Agreement, Israelis.

Smooth Transfer of Authority: The Israeli authorities will assist and support the Palestinian Authority in promoting the effective implementation of the transfer, including turning over all information on budgets and providing the services of Israeli experts. The Palestinian Authority in turn will prevent activities with military orientation, and will coordinate with the Israeli authorities regarding any large-scale events.

Legislation: The Palestinian Authority may promulgate secondary legislation, such as regulations within the spheres transferred to it.

The procedure for enacting legislation gives the Israeli authorities an effective veto over such legislation when it

- exceeds the powers and responsibilities transferred to the Palestinian Authority,
- is inconsistent with the Agreement, or
- affects legislation, power and/or responsibilities which was not transferred to the Palestinian Authority.

Enforcement: The Palestinian Authority may authorize employees in each of the spheres to act as civilian inspectors to monitor compliance with the laws and regulations. These inspectors are

not police, and cannot carry arms, wear uniforms or organize into a central unit. These names will be submitted to Israel, and those afforded special privileges must be approved by Israel.

Funding: The Palestinian Authority and the Israeli authorities jointly approached the donor countries for funding designed specifically to offset the shortfall that may be created in the collection of taxes during the initial period while the Palestinian Authority establishes its own revenue collection system

3- Protocol Concerning the Redeployment in Hebron
January 17, 1997

In accordance with the provisions of the Interim Agreement and in particular of Article VII of Annex I to the Interim Agreement, both Parties have agreed on this Protocol for the implementation of the redeployment in Hebron.

Security Arrangements Regarding Redeployment in Hebron

1. **Redeployment in Hebron**

   The redeployment of Israeli Military Forces in Hebron will be carried out in accordance with the Interim Agreement and this Protocol. This redeployment will be completed not later than ten days from the signing of this Protocol. During these ten days both sides will exert every possible effort to prevent friction and any action that would prevent the redeployment. This redeployment shall constitute full implementation of the provisions of the Interim Agreement with regard to the City of Hebron unless otherwise provided for in Article VII of Annex I to the Interim Agreement.

2. **Security Powers and Responsibilities**
   a.
      1. The Palestinian Police will assume responsibilities in Area H-1 similar to those in other cities in the West Bank; and
      2. Israel will retain all powers and responsibilities for internal security and public order in Area H-2. In addition, Israel will continue to carry the responsibility for overall security of Israelis.
   b. In this context - both sides reaffirm their commitment to honor the relevant security provisions of the Interim Agreement, including the provisions regarding - Arrangements for Security and Public Order (Article XII of the Interim Agreement); Prevention of Hostile Acts (Article XV of the Interim Agreement); Security Policy for the Prevention of Terrorism and Violence (Article II of Annex I to the Interim Agreement); Guidelines for Hebron (Article VII of Annex I to the Interim Agreement); and Rules of Conduct in Mutual Security Matters (Article XI of Annex I to the Interim Agreement).
3. **Agreed Security Arrangements**
   a. With a view to ensuring mutual security and stability in the City of Hebron, special security arrangements will apply adjacent to the areas under the security responsibility of Israel, in Area H-1, in the area between the Palestinian Police checkpoints delineated on the map attached to this Protocol as Appendix 1 (hereinafter referred to as "the attached map") and the areas under the security responsibility of Israel.
   b. The purpose of the abovementioned checkpoints will be to enable the Palestinian Police, exercising their responsibilities under the Interim Agreement, to prevent entry of armed persons and demonstrators or other people threatening security and public order, into the abovementioned area.

4. **Joint Security Measures**
    a. The DCO will establish a sub-office in the City of Hebron as indicated on the attached map.
    b. JMU will operate in Area H-2 to handle incidents that involve Palestinians only. The JMU movement will be detailed on the attached map. The DCO will coordinate the JMU movement and activity.
    c. As part of the security arrangements in the area adjacent to the areas under the security responsibility of Israel, as defined above, Joint Mobile Units will be operating in this area, with special focus on the following places:
        1. Abu Sneinah
        2. Harat A-Sheikh
        3. Sha'aba
        4. The high ground overlooking new Route No. 35.
    d. Two Joint Patrols will function in Area H-1:
        1. a Joint Patrol which will operate on the road from Ras e-Jura to the north of the Dura junction via E-Salaam Road, as indicated on the attached map; and
        2. a Joint Patrol which will operate on existing Route No. 35, including the eastern part of existing Route No. 35, as indicated on the attached map.
    e. The Palestinian and Israeli side of the Joint Mobile Units in the City of Hebron will be armed with equivalent types of weapons (Mini-Ingraham submachine guns for the Palestinian side and short M16s for the Israeli side).
    f. With a view to dealing with the special security situation in the City of Hebron, a Joint Coordination Center (hereinafter the "JCC") headed by senior officers of both sides, will be established in the DCO at Har Manoah/Jabel Manoah. The purpose of the JCC will be to coordinate the joint security measures in the City of Hebron. The JCC will be guided by all the relevant provisions of the Interim Agreement, including Annex I and this Protocol. In this context, each side will notify the JCC of demonstrations and actions taken in respect of such demonstrations, and of any security activity, close to the areas under the responsibility of the other side, including in the area defined in Article 3(a) above. The JCC shall be informed of activities in accordance with Article 5(d)(3) of this Protocol.
5. **The Palestinian Police**
    a. Palestinian police stations or posts will be established in Area H-1, manned by a total of up to 400 policemen, equipped with 20 vehicles and armed with 200 pistols, and 100 rifles for the protection of the police stations.
    b. Four designated Rapid Response Teams (RRTs) will be established and stationed in Area H-1, one in each of the police stations, as delineated on the attached map. The main task of the RRTs will be to handle special security cases. Each RRT shall be comprised of up to 16 members.
    c. The above mentioned rifles will be designated for the exclusive use of the RRTs, to handle special cases.
    d.
        1. The Palestinian Police shall operate freely in Area H-1.

2. Activities of the RRTs armed with rifles in the Agreed Adjacent Area, as defined in Appendix 2, shall require the agreement of the JCC.
3. The RRTs will use the rifles in the rest of Area H-1 to fulfil their above mentioned tasks.

e. The Palestinian Police will ensure that all Palestinian policemen, prior to their deployment in the City of Hebron, will pass a security check in order to verify their suitability for service, taking into account the sensitivity of the area.

6. **Holy Sites**
   a. Paragraphs 2 and 3(a) of Article 32 of Appendix 1 to Annex III of the Interim Agreement will be applicable to the following Holy Sites in Area H-1:
      1. The Cave of Othniel Ben Knaz/El-Khalil;
      2. Elonei Mamre/Haram Er-Rameh;
      3. Eshel Avraham/Balotat Ibrahim; and
      4. Maayan Sarah/Ein Sarah.
   b. The Palestinian Police will be responsible for the protection of the above Jewish Holy Sites. Without derogating from the above responsibility of the Palestinian Police, visits to the above Holy Sites by worshippers or other visitors shall be accompanied by a Joint Mobile Unit, which will ensure free, unimpeded and secure access to the Holy Sites, as well as their peaceful use.
7. **Normalization of Life in the Old City**
   a. Both sides reiterate their commitment to maintain normal life throughout the City of Hebron and to prevent any provocation or friction that may affect the normal life in the city.
   b. In this context, both sides are committed to take all steps and measures necessary for the normalization of life in Hebron, including:
      1. The wholesale market - Hasbahe - will be opened as a retail market in which goods will be sold directly to consumers from within the existing shops.
      2. The movement of vehicles on the Shuhada Road will be gradually returned, within 4 months, to the same situation which existed prior to February 1994.
8. **The Imara**

   The Imara will be turned over to the Palestinian side upon the completion of the redeployment and will become the headquarters of the Palestinian Police in the City of Hebron.

9. **City of Hebron**

   Both sides reiterate their commitment to the unity of the City of Hebron, and their understanding that the division of security responsibility will not divide the city. In this context, and without derogating from the security powers and responsibilities of either side, both sides share the mutual goal that movement of people, goods and vehicles within and in and out of the city will be smooth and normal, without obstacles or barriers.

Civil Arrangements Regarding the Redeployment in Hebron

10. **Transfer of Civil Powers and Responsibilities**
    a. The transfer of civil powers and responsibilities that have yet to be transferred to the Palestinian side in the city of Hebron (12 spheres) in accordance with Article VII of Annex I to the Interim Agreement shall be conducted concurrently with the beginning of the redeployment of Israeli military forces in Hebron.
    b. In Area H-2, the civil powers and responsibilities will be transferred to the Palestinian side, except for those relating to Israelis and their property, which shall continue to be exercised by the Israeli Military Government.
11. **Planning, Zoning and Building**
    a. The two parties are equally committed to preserve and protect the historic character of the city in a way which does not harm or change that character in any part of the city.
    b. The Palestinian side has informed the Israeli side that in exercising its powers and responsibilities, taking into account the existing municipal regulations, it has undertaken to implement the following provisions:
        1. Proposed construction of buildings above two floors (6 meters) within 50 meters of the external boundaries of the locations specified in the list attached to this Protocol as Appendix 3 (hereinafter referred to as "the attached list") will be coordinated through the DCL.
        2. Proposed construction of buildings above three floors (9 meters) between 50 and 100 meters of the external boundaries of the locations specified in the attached list will be coordinated through the DCL.
        3. Proposed construction of non-residential, non-commercial buildings within 100 meters of the external boundaries of the locations specified in the attached list that are designed for uses that may adversely affect the environment (such as industrial factories) or buildings and institutions in which more that 50 persons are expected to gather together will be coordinated through the DCL.
        4. Proposed construction of buildings above two floors (6 meters) within 50 meters from each side of the road specified in the attached list will be coordinated through the DCL.
        5. The necessary enforcement measures will be taken to ensure compliance on the ground with the preceding provisions.
        6. This Article does not apply to existing buildings or to new construction or renovation for which fully approved permits were issued by the Municipality prior to January 15th, 1997.
12. **Infrastructure**
    a. The Palestinian side shall inform the Israeli side, through the DCL, 48 hours in advance of any anticipated activity regarding infrastructure which may disturb the regular flow of traffic on roads in Area H-2 or which may affect infrastructure (such as water, sewage, electricity and communications) serving Area H-2.
    b. The Israeli side may request, through the DCL, that the Municipality carry out works regarding the roads or other infrastructure required for the well being of the

Israelis in Area H-2. If the Israeli side offers to cover the costs of these works, the Palestinian side will ensure that these works are carried out as a top priority.

c. The above does not prejudice the provisions of the Interim Agreement regarding the access to infrastructure, facilities and installations located in the city of Hebron, such as the electricity grid.

13. **Transportation**

The Palestinian side shall have the power to determine bus stops, traffic arrangements and traffic signalization in the city of Hebron. Traffic signalization, traffic arrangements and the location of bus stops in Area H-2 will remain as they are on the date of the redeployment in Hebron. Any subsequent change in these arrangements in Area H-2 will be done in cooperation between the two sides in the transportation sub-committee.

14. **Municipal Inspectors**

a. In accordance with paragraph 4.c of Article VII of Annex I of the Interim Agreement, plainclothes unarmed municipal inspectors will operate in Area H-2. The number of these inspectors shall not exceed 50.

b. The inspectors shall carry official identification cards with a photograph issued by the Municipality.

c. The Palestinian side may request the assistance of the Israel Police, through the DCL of Hebron, in order to carry out its enforcement activities in Area H-2.

15. **Location of Offices of the Palestinian Council**

The Palestinian side, when operating new offices in Area H-2, will take into consideration the need to avoid provocation and friction. Where establishing such offices might affect public order or security the two sides will cooperate to find a suitable solution.

16. **Municipal Services**

In accordance with paragraph 5 of Article VII of Annex I of the Interim Agreement, municipal services shall be provided regularly and continuously to all parts of the city of Hebron, at the same quality and cost. The cost shall be determined by the Palestinian side with respect to work done and materials consumed, without discrimination.

Miscellaneous

17. **Temporary International Presence**

There will be a Temporary International Presence in Hebron (TIPH). Both sides will agree on the modalities of the TIPH, including the number of its members and its area of operation.

18. **Annex I**

Nothing in this Protocol will derogate from the security powers and responsibilities of either side in accordance with Annex I to the Interim Agreement.

19. **Attached Appendices**

The appendices attached to this Protocol shall constitute an integral part hereof.

Done at Jerusalem, this 17th day of January 1997.

D. Shomrom	*S. Erakat*
_____	_____
For the Government of the State of Israel	*For the PLO*

APPENDICES

Appendix 1

Hebron Redeployment Map

Appendix 2
(Article 5)

Agreed Adjacent Area

The Agreed Adjacent Area ("AAA") shall include the following:

1. An area defined by a line commencing from AAA Reference Point (RP) 100, proceeding along old Route No. 35 until RP 101, continuing by a straight line to RP 102, and from there connected by a straight line to RP 103.
2. An area defined by a line commencing at RP 104, following a straight line to RP 105, from there following a line immediately westward of checkpoints 4, 5, 6, 8, 9, 10, 11, 12 and 13, and from there connected by a straight line to RP 106.
3. An area defined by a line connecting RPs 107 and 108, passing immediately northward of checkpoint 15.

Appendix 3
(Article 12)

List of Locations

- The area of Al Haram Al Ibrahimi/the Tomb of the Patriarchs (including the military and police installations in its vicinity)
- Al Hisba/Abraham Avinu
- Osama School/Beit Romano (including the military location in its vicinity)
- Al Daboya/Beit Hadasseh
- Jabla Al Rahama/Tel Rumeida
- The Jewish Cemeteries
- Dir Al Arbein/the Tomb of Ruth and Yishai
- Tel Al Jaabra/Givaat Avot Neighborhood (including the police station in its vicinity)
- The Road connecting Al Haram Al Ibrahimi/the Tomb of the Patriarchs and Qiryat Arba

Agreed Minute
(Article 7)

The leaders agreed that the process of reopening the Shuhada Road will begin immediately, and will be fully completed within four months based on the premise that the preparations agreed between the two sides have been completed in accordance with the American plan.

AMERICAN PLAN ON AL-SHUHADA STREET
January 7, 1997

As part of its ongoing support for the peace process between Israelis and Palestinians, the United States intends to finance and supervise preparations to improve and facilitate the complete reopening of al-Shuhada Street in the City of Hebron. This work will take place in conjunction with the implementation of the "Protocol Concerning the Redeployment in Hebron" concluded between the two sides.

Description of Activity:

USAID intends to fund and manage the upgrading of utilities, primarily potable water lines and sanitary sewers, in the area of al-Shuhada Street to improve access to service. In conjunction with these improvements to utilities, USAID will direct renovation of the area within al-Shuhada Street to provide a safe and attractive environment for local businesses, pedestrians and vehicular traffic. The existing street will be completely reconstructed for a distance of approximately 700 meters including Gross square and also along a 200 meter spur of Rahme Road and a 100 meter spur leading to the Old City Gate. Major elements of this proposed activity as currently envisaged include:

- Reconstruction of water distribution mains, sanitary sewers and electrical lines
- Installation of a new water transmission line
- Installation of a new storm drain system (if appropriate)
- Paving of street with asphalt (typically, width varies from 6 to 9 meters)
- Construction of concrete brick sidewalks (typically, 2 to 3 meters in width on each side of the street) with precast concrete curbs
- Construction of concrete brick median strips with precuts concrete curbs in the street
- Installation of lampposts
- Erection of safety barriers at selected locations
- Sandblasting of stone exteriors of streetfront shops, stone fences and stone masonry retaining walls
- Painting of shop doors
- Installation of awnings along streetfront shops and residences
- Installation of cast iron fencing along curbs
- Installation of litter baskets

- Installation of planters
- Installation of new traffic signs
- Painting of curbs
- Planting of small trees, shrubs and flowers.

This plan also includes the widening of the al-Shuhada Street in the vicinity of Beit Hadassah and Beit Schnerson. The details of this aspect of the plan include the following elements: the road in front of Beit Hadassah and Beit Schnerson will be widened to 13 meters; there will be sidewalks on each side of the street; each sidewalk will be separated from the street by a low stone wall with iron railings, no more than 1.25 meters high and 30 meters long; there will be equal roadways 3.55 meters wide in each direction; the two roadways will be divided by a security wall no more than 0.40 meters wide, 1.50 meters high and 30 meters long; there will be ten parking spaces on the northeast side of the street.

USAID expects that the renovation of al-Shuhada Street will commence in mid-January 1997 and will be completed as quickly as technical considerations permit. All activities will be subject to applicable laws and regulations. Continuing consultation will be held to address technical issues that may arise during the implementation of this plan.

Letter to be provided by U.S. Secretary of State Christopher to Benjamin Netanyahu at the time of signing of the Hebron Protocol

Dear Mr. Prime Minister,

I wanted personally to congratulate you on the successful conclusion of the "Protocol Concerning the Redeployment in Hebron." It represents an important step forward in the Oslo peace process and reaffirms my conviction that a just and lasting peace will be established between Israelis and Palestinians in the very near future.

In this connection, I can assure you that it remains the policy of the United States to support and promote full implementation of the Interim Agreement in all of its parts. We intend to continue our efforts to help ensure that all outstanding commitments are carried out by both parties in a cooperative spirit and on the basis of reciprocity.

As part of this process, I have impressed upon Chairman Arafat the imperative need for the Palestinian Authority to make every effort to ensure public order and internal security within the West Bank and Gaza Strip. I have stressed to him that effectively carrying out this major responsibility will be a critical foundation for completing implementation of the Interim Agreement, as well as the peace process as a whole.

I wanted you to know that, in this context, I have advised Chairman Arafat of U.S. views on Israel's process of redeploying its forces, designating specified military locations and transferring additional powers and responsibilities to the Palestinian Authority. In this regard, I have conveyed our belief, that the first phase of further redeployments should take place as soon as possible, and that all three phases of the further redeployments should be completed within twelve months from the implementation of the first phase of the further redeployments but not later than mid-1998.

Mr. Prime Minister, you can be assured that the United States' commitment to Israel's security is ironclad and constitutes the fundamental cornerstone of our special relationship. The key element in our approach to peace, including the negotiation and implementation of agreements between Israel and its Arab partners, has always been a recognition of Israel's security requirements. Moreover, a hallmark of U.S. policy remains our commitment to work cooperatively to seek to meet the security needs that Israel identifies. Finally, I would like to reiterate our position that Israel is entitled to secure and defensible borders, which should be directly negotiated and agreed with its neighbors.

Part 3:
Other document relating to Peace Process

1- A Performance-Based Roadmap to a Permanent Two-State Solution

2- Exchange of letters between PM Sharon and President Bush

3 - The Wye River Memorandum - October 23, 1998

4 -The Sharm el-Sheikh Memorandum on Implementation Timeline of Outstanding Commitments of Agreements Signed and the Resumption of Permanent Status Negotiations

A Performance-Based Roadmap to a Permanent Two-State Solution to the Israeli-Palestinian Conflict

The U.S. State Department April 30 released the text of the "roadmap" to a permanent solution to the Israeli-Palestinian conflict. The roadmap specifies the steps for the two parties to take to reach a settlement, and a timeline for doing so, under the auspices of the Quartet - the United States, the European Union, the United Nations, and Russia. Following is the text of the roadmap:

Office of the Spokesman
Washington, DC
April 30, 2003

A Performance-Based Roadmap to a Permanent
Two-State Solution to the Israeli-Palestinian Conflict

The following is a performance-based and goal-driven roadmap, with clear phases, timelines, target dates, and benchmarks aiming at progress through reciprocal steps by the two parties in the political, security, economic, humanitarian, and institution-building fields, under the auspices of the Quartet [the United States, European Union, United Nations, and Russia]. The destination is a final and comprehensive settlement of the Israel-Palestinian conflict by 2005, as presented in President Bush's speech of 24 June, and welcomed by the EU, Russia and the UN in the 16 July and 17 September Quartet Ministerial statements.

A two-state solution to the Israeli-Palestinian conflict will only be achieved through an end to violence and terrorism, when the Palestinian people have a leadership acting decisively against terror and willing and able to build a practicing democracy based on tolerance and liberty, and through Israel's readiness to do what is necessary for a democratic Palestinian state to be established, and a clear, unambiguous acceptance by both parties of the goal of a negotiated settlement as described below. The Quartet will assist and facilitate implementation of the plan, starting in Phase I, including direct discussions between the parties as required. The plan establishes a realistic timeline for implementation. However, as a performance-based plan, progress will require and depend upon the good faith efforts of the parties, and their compliance with each of the obligations outlined below. Should the parties perform their obligations rapidly, progress within and through the phases may come sooner than indicated in the plan. Non-compliance with obligations will impede progress.

A settlement, negotiated between the parties, will result in the emergence of an independent, democratic, and viable Palestinian state living side by side in peace and security with Israel and its other neighbors. The settlement will resolve the Israel-Palestinian conflict, and end the occupation that

began in 1967, based on the foundations of the Madrid Conference, the principle of land for peace, UNSCRs 242, 338 and 1397, agreements previously reached by the parties, and the initiative of Saudi Crown Prince Abdullah - endorsed by the Beirut Arab League Summit - calling for acceptance of Israel as a neighbor living in peace and security, in the context of a comprehensive settlement. This initiative is a vital element of international efforts to promote a comprehensive peace on all tracks, including the Syrian-Israeli and Lebanese-Israeli tracks.

The Quartet will meet regularly at senior levels to evaluate the parties' performance on implementation of the plan. In each phase, the parties are expected to perform their obligations in parallel, unless otherwise indicated.

Phase I: Ending Terror and Violence, Normalizing Palestinian Life, and Building Palestinian Institutions -- Present to May 2003

In Phase I, the Palestinians immediately undertake an unconditional cessation of violence according to the steps outlined below; such action should be accompanied by supportive measures undertaken by Israel. Palestinians and Israelis resume security cooperation based on the Tenet work plan to end violence, terrorism, and incitement through restructured and effective Palestinian security services. Palestinians undertake comprehensive political reform in preparation for statehood, including drafting a Palestinian constitution, and free, fair and open elections upon the basis of those measures. Israel takes all necessary steps to help normalize Palestinian life. Israel withdraws from Palestinian areas occupied from September 28, 2000 and the two sides restore the status quo that existed at that time, as security performance and cooperation progress. Israel also freezes all settlement activity, consistent with the Mitchell report.

At the outset of Phase I:

- Palestinian leadership issues unequivocal statement reiterating Israel's right to exist in peace and security and calling for an immediate and unconditional ceasefire to end armed activity and all acts of violence against Israelis anywhere. All official Palestinian institutions end incitement against Israel.
- Israeli leadership issues unequivocal statement affirming its commitment to the two-state vision of an independent, viable, sovereign Palestinian state living in peace and security alongside Israel, as expressed by President Bush, and calling for an immediate end to violence against Palestinians everywhere. All official Israeli institutions end incitement against Palestinians.
-

Security

- Palestinians declare an unequivocal end to violence and terrorism and undertake visible efforts on the ground to arrest, disrupt, and restrain individuals and groups conducting and planning violent attacks on Israelis anywhere.
- Rebuilt and refocused Palestinian Authority security apparatus begins sustained, targeted, and effective operations aimed at confronting all those engaged in terror and dismantlement of terrorist capabilities and infrastructure. This includes commencing confiscation of illegal weapons and consolidation of security authority, free of association with terror and corruption.

- GOI takes no actions undermining trust, including deportations, attacks on civilians; confiscation and/or demolition of Palestinian homes and property, as a punitive measure or to facilitate Israeli construction; destruction of Palestinian institutions and infrastructure; and other measures specified in the Tenet work plan.
- Relying on existing mechanisms and on-the-ground resources, Quartet representatives begin informal monitoring and consult with the parties on establishment of a formal monitoring mechanism and its implementation.
- Implementation, as previously agreed, of U.S. rebuilding, training and resumed security cooperation plan in collaboration with outside oversight board (U.S.-Egypt-Jordan). Quartet support for efforts to achieve a lasting, comprehensive cease-fire.
    - All Palestinian security organizations are consolidated into three services reporting to an empowered Interior Minister.
    - Restructured/retrained Palestinian security forces and IDF counterparts progressively resume security cooperation and other undertakings in implementation of the Tenet work plan, including regular senior-level meetings, with the participation of U.S. security officials.

Arab states cut off public and private funding and all other forms of support for groups supporting and engaging in violence and terror.

All donors providing budgetary support for the Palestinians channel these funds through the Palestinian Ministry of Finance's Single Treasury Account.

As comprehensive security performance moves forward, IDF withdraws progressively from areas occupied since September 28, 2000 and the two sides restore the status quo that existed prior to September 28, 2000. Palestinian security forces redeploy to areas vacated by IDF.

Palestinian Institution-Building

- Immediate action on credible process to produce draft constitution for Palestinian statehood. As rapidly as possible, constitutional committee circulates draft Palestinian constitution, based on strong parliamentary democracy and cabinet with empowered prime minister, for public comment/debate. Constitutional committee proposes draft document for submission after elections for approval by appropriate Palestinian institutions.
- Appointment of interim prime minister or cabinet with empowered executive authority/decision-making body.
- GOI fully facilitates travel of Palestinian officials for PLC and Cabinet sessions, internationally supervised security retraining, electoral and other reform activity, and other supportive measures related to the reform efforts.
- Continued appointment of Palestinian ministers empowered to undertake fundamental reform. Completion of further steps to achieve genuine separation of powers, including any necessary Palestinian legal reforms for this purpose.
- Establishment of independent Palestinian election commission. PLC reviews and revises election law.
- Palestinian performance on judicial, administrative, and economic benchmarks, as established by the International Task Force on Palestinian Reform.
- As early as possible, and based upon the above measures and in the context of open debate and transparent candidate selection/electoral campaign based on a free, multi-party process, Palestinians hold free, open, and fair elections.

- GOI facilitates Task Force election assistance, registration of voters, movement of candidates and voting officials. Support for NGOs involved in the election process.
- GOI reopens Palestinian Chamber of Commerce and other closed Palestinian institutions in East Jerusalem based on a commitment that these institutions operate strictly in accordance with prior agreements between the parties.

Humanitarian Response

- Israel takes measures to improve the humanitarian situation. Israel and Palestinians implement in full all recommendations of the Bertini report to improve humanitarian conditions, lifting curfews and easing restrictions on movement of persons and goods, and allowing full, safe, and unfettered access of international and humanitarian personnel.
- AHLC reviews the humanitarian situation and prospects for economic development in the West Bank and Gaza and launches a major donor assistance effort, including to the reform effort.
- GOI and PA continue revenue clearance process and transfer of funds, including arrears, in accordance with agreed, transparent monitoring mechanism.

Civil Society

- Continued donor support, including increased funding through PVOs/NGOs, for people to people programs, private sector development and civil society initiatives.

Settlements

- GOI immediately dismantles settlement outposts erected since March 2001.
- Consistent with the Mitchell Report, GOI freezes all settlement activity (including natural growth of settlements).

Phase II: Transition -- June 2003-December 2003

In the second phase, efforts are focused on the option of creating an independent Palestinian state with provisional borders and attributes of sovereignty, based on the new constitution, as a way station to a permanent status settlement. As has been noted, this goal can be achieved when the Palestinian people have a leadership acting decisively against terror, willing and able to build a practicing democracy based on tolerance and liberty. With such a leadership, reformed civil institutions and security structures, the Palestinians will have the active support of the Quartet and the broader international community in establishing an independent, viable, state.

Progress into Phase II will be based upon the consensus judgment of the Quartet of whether conditions are appropriate to proceed, taking into account performance of both parties. Furthering and sustaining efforts to normalize Palestinian lives and build Palestinian institutions, Phase II starts after Palestinian elections and ends with possible creation of an independent Palestinian state with provisional borders in 2003. Its primary goals are continued comprehensive security performance and effective security cooperation, continued normalization of Palestinian life and institution-building, further building on and sustaining of the goals outlined in Phase I, ratification of a democratic Palestinian constitution,

formal establishment of office of prime minister, consolidation of political reform, and the creation of a Palestinian state with provisional borders.

- **International Conference:** Convened by the Quartet, in consultation with the parties, immediately after the successful conclusion of Palestinian elections, to support Palestinian economic recovery and launch a process, leading to establishment of an independent Palestinian state with provisional borders.
    - Such a meeting would be inclusive, based on the goal of a comprehensive Middle East peace (including between Israel and Syria, and Israel and Lebanon), and based on the principles described in the preamble to this document.
    - Arab states restore pre-intifada links to Israel (trade offices, etc.).
    - Revival of multilateral engagement on issues including regional water resources, environment, economic development, refugees, and arms control issues.

New constitution for democratic, independent Palestinian state is finalized and approved by appropriate Palestinian institutions. Further elections, if required, should follow approval of the new constitution.

Empowered reform cabinet with office of prime minister formally established, consistent with draft constitution.

Continued comprehensive security performance, including effective security cooperation on the bases laid out in Phase I. Creation of an independent Palestinian state with provisional borders through a process of Israeli-Palestinian engagement, launched by the international conference. As part of this process, implementation of prior agreements, to enhance maximum territorial contiguity, including further action on settlements in conjunction with establishment of a Palestinian state with provisional borders.

Enhanced international role in monitoring transition, with the active, sustained, and operational support of the Quartet.

Quartet members promote international recognition of Palestinian state, including possible UN membership.

Phase III: Permanent Status Agreement and End of the Israeli-Palestinian Conflict -- 2004 - 2005

Progress into Phase III, based on consensus judgment of Quartet, and taking into account actions of both parties and Quartet monitoring. Phase III objectives are consolidation of reform and stabilization of Palestinian institutions, sustained, effective Palestinian security performance, and Israeli-Palestinian negotiations aimed at a permanent status agreement in 2005.

- **Second International Conference:** Convened by Quartet, in consultation with the parties, at beginning of 2004 to endorse agreement reached on an independent Palestinian state with provisional borders and formally to launch a process with the active, sustained, and operational support of the Quartet, leading to a final, permanent status resolution in 2005, including on borders, Jerusalem, refugees, settlements; and, to support progress toward a comprehensive Middle East settlement between Israel and Lebanon and Israel and Syria, to be achieved as soon as possible.
- Continued comprehensive, effective progress on the reform agenda laid out by the Task Force

in preparation for final status agreement.

- Continued sustained and effective security performance, and sustained, effective security cooperation on the bases laid out in Phase I.
- International efforts to facilitate reform and stabilize Palestinian institutions and the Palestinian economy, in preparation for final status agreement.
- Parties reach final and comprehensive permanent status agreement that ends the Israel-Palestinian conflict in 2005, through a settlement negotiated between the parties based on UNSCR 242, 338, and 1397, that ends the occupation that began in 1967, and includes an agreed, just, fair, and realistic solution to the refugee issue, and a negotiated resolution on the status of Jerusalem that takes into account the political and religious concerns of both sides, and protects the religious interests of Jews, Christians, and Muslims worldwide, and fulfills the vision of two states, Israel and sovereign, independent, democratic and viable Palestine, living side-by-side in peace and security.
- Arab state acceptance of full normal relations with Israel and security for all the states of the region in the context of a comprehensive Arab-Israeli peace.

2) Exchange of letters between PM Sharon and President Bush

Letter from Prime Minister Ariel Sharon to US President George W. Bush

The Honorable George W. Bush
President of the United States of America
The White House
Washington, D.C.

Dear Mr. President,

The vision that you articulated in your 24 June 2002 address constitutes one of the most significant contributions toward ensuring a bright future for the Middle East. Accordingly, the State of Israel has accepted the Roadmap, as adopted by our government. For the first time, a practical and just formula was presented for the achievement of peace, opening a genuine window of opportunity for progress toward a settlement between Israel and the Palestinians, involving two states living side-by-side in peace and security.

This formula sets forth the correct sequence and principles for the attainment of peace. Its full implementation represents the sole means to make genuine progress. As you have stated, a Palestinian state will never be created by terror, and Palestinians must engage in a sustained fight against the terrorists and dismantle their infrastructure. Moreover, there must be serious efforts to institute true reform and real democracy and liberty, including new leaders not compromised by terror. We are committed to this formula as the only avenue through which an agreement can be reached. We believe that this formula is the only viable one.

The Palestinian Authority under its current leadership has taken no action to meet its responsibilities under the Roadmap. Terror has not ceased, reform of the Palestinian security services has not been undertaken, and real institutional reforms have not taken place. The State of Israel continues to pay the heavy cost of constant terror. Israel must preserve its capability to protect itself and deter its enemies, and we thus retain our right to defend ourselves against terrorism and to take actions against terrorist organizations.

Having reached the conclusion that, for the time being, there exists no Palestinian partner with whom to advance peacefully toward a settlement and since the current impasse is unhelpful to the achievement of our shared goals, I have decided to initiate a process of gradual disengagement with the hope of reducing friction between Israelis and Palestinians. The Disengagement Plan is designed to improve security for Israel and stabilize our political and economic situation. It will enable us to deploy our forces more effectively until such time that conditions in the Palestinian Authority allow for the full implementation of the Roadmap to resume.

I attach, for your review, the main principles of the Disengagement Plan. This initiative, which we are not undertaking under the roadmap, represents an independent Israeli plan, yet is not inconsistent with the roadmap. According to this plan, the State of Israel intends to relocate military installations and all

Israeli villages and towns in the Gaza Strip, as well as other military installations and a small number of villages in Samaria.

In this context, we also plan to accelerate construction of the Security Fence, whose completion is essential in order to ensure the security of the citizens of Israel. The fence is a security rather than political barrier, temporary rather than permanent, and therefore will not prejudice any final status issues including final borders. The route of the Fence, as approved by our Government's decisions, will take into account, consistent with security needs, its impact on Palestinians not engaged in terrorist activities.

Upon my return from Washington, I expect to submit this Plan for the approval of the Cabinet and the Knesset, and I firmly believe that it will win such approval.

The Disengagement Plan will create a new and better reality for the State of Israel, enhance its security and economy, and strengthen the fortitude of its people. In this context, I believe it is important to bring new opportunities to the Negev and the Galilee. Additionally, the Plan will entail a series of measures with the inherent potential to improve the lot of the Palestinian Authority, providing that it demonstrates the wisdom to take advantage of this opportunity. The execution of the Disengagement Plan holds the prospect of stimulating positive changes within the Palestinian Authority that might create the necessary conditions for the resumption of direct negotiations.

We view the achievement of a settlement between Israel and the Palestinians as our central focus and are committed to realizing this objective. Progress toward this goal must be anchored exclusively in the Roadmap and we will oppose any other plan.

In this regard, we are fully aware of the responsibilities facing the State of Israel. These include limitations on the growth of settlements; removal of unauthorized outposts; and steps to increase, to the extent permitted by security needs, freedom of movement for Palestinians not engaged in terrorism. Under separate cover we are sending to you a full description of the steps the State of Israel is taking to meet all its responsibilities.

The government of Israel supports the United States efforts to reform the Palestinian security services to meet their roadmap obligations to fight terror. Israel also supports the American's efforts, working with the International Community, to promote the reform process, build institutions and improve the economy of the Palestinian Authority and to enhance the welfare of its people, in the hope that a new Palestinian leadership will prove able to fulfill its obligations under the roadmap.

I want to again express my appreciation for your courageous leadership in the war against global terror, your important initiative to revitalize the Middle East as a more fitting home for its people and, primarily, your personal friendship and profound support for the State of Israel.

Sincerely,

Ariel Sharon

Letter from US President George W. Bush to Prime Minister Ariel Sharon

His Excellency
Ariel Sharon
Prime Minister of Israel

Dear Mr. Prime Minister,

Thank you for your letter setting out your disengagement plan.

The United States remains hopeful and determined to find a way forward toward a resolution of the Israeli-Palestinian dispute. I remain committed to my June 24, 2002 vision of two states living side by side in peace and security as the key to peace, and to the roadmap as the route to get there.

We welcome the disengagement plan you have prepared, under which Israel would withdraw certain military installations and all settlements from Gaza, and withdraw certain military installations and settlements in the West Bank. These steps described in the plan will mark real progress toward realizing my June 24, 2002 vision, and make a real contribution towards peace. We also understand that, in this context, Israel believes it is important to bring new opportunities to the Negev and the Galilee. We are hopeful that steps pursuant to this plan, consistent with my vision, will remind all states and parties of their own obligations under the roadmap.

The United States appreciates the risks such an undertaking represents. I therefore want to reassure you on several points.

First, the United States remains committed to my vision and to its implementation as described in the roadmap. The United States will do its utmost to prevent any attempt by anyone to impose any other plan. Under the roadmap, Palestinians must undertake an immediate cessation of armed activity and all acts of violence against Israelis anywhere, and all official Palestinian institutions must end incitement against Israel. The Palestinian leadership must act decisively against terror, including sustained, targeted, and effective operations to stop terrorism and dismantle terrorist capabilities and infrastructure. Palestinians must undertake a comprehensive and fundamental political reform that includes a strong parliamentary democracy and an empowered prime minister.

Second, there will be no security for Israelis or Palestinians until they and all states, in the region and beyond, join together to fight terrorism and dismantle terrorist organizations. The United States reiterates its steadfast commitment to Israel's security, including secure, defensible borders, and to preserve and strengthen Israel's capability to deter and defend itself, by itself, against any threat or possible combination of threats.

Third, Israel will retain its right to defend itself against terrorism, including to take actions against terrorist organizations. The United States will lead efforts, working together with Jordan, Egypt, and others in the international community, to build the capacity and will of Palestinian institutions to fight terrorism, dismantle terrorist organizations, and prevent the areas from which Israel has withdrawn from posing a threat that would have to be addressed by any other means. The United States understands that after Israel withdraws from Gaza and/or parts of the West Bank, and pending

agreements on other arrangements, existing arrangements regarding control of airspace, territorial waters, and land passages of the West Bank and Gaza will continue.

The United States is strongly committed to Israel's security and well-being as a Jewish state. It seems clear that an agreed, just, fair and realistic framework for a solution to the Palestinian refugee issue as part of any final status agreement will need to be found through the establishment of a Palestinian state, and the settling of Palestinian refugees there, rather than in Israel.

As part of a final peace settlement, Israel must have secure and recognized borders, which should emerge from negotiations between the parties in accordance with UNSC Resolutions 242 and 338. In light of new realities on the ground, including already existing major Israeli populations centers, it is unrealistic to expect that the outcome of final status negotiations will be a full and complete return to the armistice lines of 1949, and all previous efforts to negotiate a two-state solution have reached the same conclusion. It is realistic to expect that any final status agreement will only be achieved on the basis of mutually agreed changes that reflect these realities.

I know that, as you state in your letter, you are aware that certain responsibilities face the State of Israel. Among these, your government has stated that the barrier being erected by Israel should be a security rather than political barrier, should be temporary rather than permanent, and therefore not prejudice any final status issues including final borders, and its route should take into account, consistent with security needs, its impact on Palestinians not engaged in terrorist activities.

As you know, the United States supports the establishment of a Palestinian state that is viable, contiguous, sovereign, and independent, so that the Palestinian people can build their own future in accordance with my vision set forth in June 2002 and with the path set forth in the roadmap. The United States will join with others in the international community to foster the development of democratic political institutions and new leadership committed to those institutions, the reconstruction of civic institutions, the growth of a free and prosperous economy, and the building of capable security institutions dedicated to maintaining law and order and dismantling terrorist organizations.

A peace settlement negotiated between Israelis and Palestinians would be a great boon not only to those peoples but to the peoples of the entire region. Accordingly, the United States believes that all states in the region have special responsibilities: to support the building of the institutions of a Palestinian state; to fight terrorism, and cut off all forms of assistance to individuals and groups engaged in terrorism; and to begin now to move toward more normal relations with the State of Israel. These actions would be true contributions to building peace in the region.

Mr. Prime Minister, you have described a bold and historic initiative that can make an important contribution to peace. I commend your efforts and your courageous decision which I support. As a close friend and ally, the United States intends to work closely with you to help make it a success.

Sincerely,

George W. Bush

3) - The Wye River Memorandum October 23, 1998

The following are steps to facilitate implementation of the Interim Agreement on the West Bank and Gaza Strip of September 28, 1995 (the "Interim Agreement") and other related agreements including the Note for the Record of January 17, 1997 (hereinafter referred to as "the prior agreements") so that the Israeli and Palestinian sides can more effectively carry out their reciprocal responsibilities, including those relating to further redeployments and security respectively. These steps are to be carried out in a parallel phased approach in accordance with this Memorandum and the attached time line. They are subject to the relevant terms and conditions of the prior agreements and do not supersede their other agreements.

I. FURTHER REDEPLOYMENTS

A. Phase One and Two Further Redeployments

1. Pursuant to the Interim Agreement and subsequent agreements, the Israeli side's implementation of the first and second F.R.D. will consist of the transfer to the Palestinian side of 13% from Area C as follows:

1% to Area (A)

12% to Area (B)

The Palestinian side has informed that it will allocate an area/areas amounting to 3% from the above Area (B) to be designated as Green Areas and/or Nature Reserves. The Palestinian side has further informed that they will act according to the established scientific standards, and that therefore there will be no changes in the status of these areas, without prejudice to the rights of the existing inhabitants in these areas including Bedouins; while these standards do not allow new construction in these areas, existing roads and buildings may be maintained.

The Israeli side will retain in these Green Areas/Nature Reserves the overriding security responsibility for the purpose of protecting Israelis and confronting the threat of terrorism. Activities and movements of the Palestinian Police forces may be carried out after coordination and confirmation; the Israeli side will respond to such requests expeditiously.

2. As part of the foregoing implementation of the first and second F.R.D., 14.2% from Area (B) will become Area (A).

B. Third Phase of Further Redeployments

With regard to the terms of the Interim Agreement and of Secretary Christopher's letters to the two sides of January 17, 1997 relating to the further redeployment process, there will be a committee to address this question. The United States will be briefed regularly.

II. SECURITY

In the provisions on security arrangements of the Interim Agreement, the Palestinian side agreed to take all measures necessary in order to prevent acts of terrorism, crime and hostilities directed against the Israeli side, against individuals failing under the Israeli side's authority and against their property, just as the Israeli side agreed to take all measures necessary in order to prevent acts of terrorism, crime and hostilities directed against the Palestinian side, against individuals falling under the Palestinian side's authority and against their property. The two sides also agreed to take legal measures against offenders within their jurisdiction and to prevent incitement against each other by any organizations, groups or individuals within their jurisdiction.

Both sides recognize that it is in their vital interests to combat terrorism and fight violence in accordance with Annex I of the Interim Agreement and the Note for the Record. They also recognize that the struggle against terror and violence must be comprehensive in that it deals with terrorists, the terror support structure, and the environment conducive to the support of terror. It must be continuous and constant over a long-term, in that there can be no pauses in the work against terrorists and their structure. It must be cooperative in that no effort can be fully effective without Israeli-Palestinian cooperation and the continuous exchange of information, concepts, and actions.

Pursuant to the prior agreements, the Palestinian side's implementation of its responsibilities for security, security cooperation, and other issues will be as detailed below during the time periods specified in the attached time line:

A. Security Actions

1. Outlawing and Combating Terrorist Organizations

a. The Palestinian side will make known its policy of zero tolerance for terror and violence against both sides.
b. A work plan developed by the Palestinian side will be shared with the U.S. and thereafter implementation will begin immediately to ensure the systematic and effective combat of terrorist organizations and their infrastructure.
c. In addition to the bilateral Israeli-Palestinian security cooperation, a U.S.-Palestinian committee will meet biweekly to review the steps being taken to eliminate terrorist cells and the support structure that plans, finances, supplies and abets terror. In these meetings, the Palestinian side will inform the U.S. fully of the actions it has taken to outlaw all organizations (or wings of organizations, as appropriate) of a military, terrorist or violent character and their support structure and to prevent them from operating in areas under its jurisdiction.
d. The Palestinian side will apprehend the specific individuals suspected of perpetrating acts of violence and terror for the purpose of further investigation, and prosecution and punishment of all persons involved in acts of violence and terror.
e. A U.S.-Palestinian committee will meet to review and evaluate information pertinent to the decisions on prosecution, punishment or other legal measures which affect the status of individuals suspected of abetting or perpetrating acts of violence and terror.

2. Prohibiting Illegal Weapons

a. The Palestinian side will ensure an effective legal framework is in place to criminalize, in conformity with the prior agreements, any importation, manufacturing or unlicensed sale, acquisition or possession of firearms, ammunition or weapons in areas under Palestinian jurisdiction.
b. In addition, the Palestinian side will establish and vigorously and continuously implement a systematic program for the collection and appropriate handling of all such illegal items in accordance with the prior agreements. The U.S. has agreed to assist in carrying out this program.
c. A U.S.-Palestinian-Israeli committee will be established to assist and enhance cooperation in preventing the smuggling or other unauthorized introduction of weapons or explosive materials into areas under Palestinian jurisdiction.

3. Preventing Incitement

a. Drawing on relevant international practice and pursuant to Article XXII (1) of the Interim Agreement and the Note for the Record, the Palestinian side will issue a decree prohibiting all forms of incitement to violence or terror, and establishing mechanisms for acting systematically against all expressions or threats of violence or terror. This decree will be comparable to the existing Israeli legislation which deals with the same subject.
b. A U.S.- Palestinian-Israeli committee will meet on a regular basis to monitor cases of possible incitement to violence or terror and to make recommendations and reports on how to prevent such incitement. The Israeli, Palestinian and U.S. sides will each appoint a media specialist, a law enforcement representative, an educational specialist and a current or former elected official to the committee.

B. Security Cooperation

The two sides agree that their security cooperation will be based on a spirit of partnership and will include, among other things, the following steps:

1. Bilateral Cooperation

There will be full bilateral security cooperation between the two sides which will be continuous, intensive and comprehensive.

2. Forensic Cooperation

There will be an exchange of forensic expertise, training, and other assistance.

3. Trilateral Committee

In addition to the bilateral Israeli-Palestinian security cooperation, a high-ranking U.S.-Palestinian-Israeli committee will meet as required and not less than biweekly to assess current threats, deal with any impediments to effective security cooperation and coordination and address the steps being taken to combat terror and terrorist organizations. The committee will also serve as a forum to address the issue of external support for terror. In these meetings, the Palestinian side will fully inform the

members of the committee of the results of its investigations concerning terrorist suspects already in custody and the participants will exchange additional relevant information The committee will report regularly to the leaders of the two sides on the status of cooperation, the results of the meetings and its recommendations.

C. Other Issues

1. Palestinian Police Force

a. The Palestinian side will provide a list of its policemen to the Israeli side in conformity with the prior agreements.
b. Should the Palestinian side request technical assistance, the U.S. has indicated its willingness to help meet their needs in cooperation with other donors.
c. The Monitoring and Steering Committee will, as part of its functions, monitor the implementation of this provision and brief the U.S.

2. PLO Charter

The Executive Committee of the Palestine Liberation Organization and the Palestinian Central Council will reaffirm the letter of 22 January 1998 from PLO Chairman Yasir Arafat to President Clinton concerning the nullification of the Palestinian National Charter provisions that are inconsistent with the letters exchanged between the PLO and the Government of Israel on 9/10 September 1993. PLO Chairman Arafat, the Speaker of the Palestine National Council, and the Speaker of the Palestinian Council will invite the members of the PNC, as well as the members of the Central Council, the Council, and the Palestinian Heads of Ministries to a meeting to be addressed by President Clinton to reaffirm their support for the peace process and the aforementioned decisions of the Executive Committee and the Central Council.

3. Legal Assistance in Criminal Matters

Among other forms of legal assistance in criminal matters, the requests for arrest and transfer of suspects and defendants pursuant to Article II (7) of Annex IV of the Interim Agreement will be submitted (or resubmitted) through the mechanism of the Joint Israeli-Palestinian Legal Committee and will be responded to in conformity with Article II (7) (f) of Annex IV of the Interim Agreement within the twelve week period. Requests submitted after the eighth week will be responded to in conformity with Article II (7) (f) within four weeks of their submission. The U.S. has been requested by the sides to report on a regular basis on the steps being taken to respond to the above requests.

4. Human Rights and the Rule of Law

Pursuant to Article XI (1) of Annex I of the Interim Agreement, and without derogating from the above, the Palestinian Police will exercise powers and responsibilities to implement this Memorandum with due regard to internationally accepted norms of human rights and the rule of law, and will be guided by the need to protect the public, respect human dignity, and avoid harassment.

III. INTERIM COMMITTEES AND ECONOMIC ISSUES

1. The Israeli and Palestinian sides reaffirm their commitment to enhancing their relationship and agree on the need to actively promote economic development in the West Bank and Gaza. In this regard, the parties agree to continue or to reactivate all standing committees established by the Interim Agreement, including the Monitoring and Steering Committee, the Joint Economic Committee (JEC), the Civil Affairs Committee (CAC), the Legal Committee, and the Standing Cooperation Committee.

2. The Israeli and Palestinian sides have agreed on arrangements which will permit the timely opening of the Gaza Industrial Estate. They also have concluded a "Protocol Regarding the Establishment and Operation of the International Airport in the Gaza Strip During the Interim Period."

3. Both sides will renew negotiations on Safe Passage immediately. As regards the southern route, the sides will make best efforts to conclude the agreement within a week of the entry into force of this Memorandum. Operation of the southern route will start as soon as possible thereafter. As regards the northern route, negotiations will continue with the goal of reaching agreement as soon as possible. Implementation will take place expeditiously thereafter.

4. The Israeli and Palestinian sides acknowledge the great importance of the Port of Gaza for the development of the Palestinian economy, and the expansion of Palestinian trade. They commit themselves to proceeding without delay to conclude an agreement to allow the construction and operation of the port in accordance with the prior agreements. The Israeli-Palestinian Committee will reactivate its work immediately with a goal of concluding the protocol within sixty days, which will allow commencement of the construction of the port.

5. The two sides recognize that unresolved legal issues adversely affect the relationship between the two peoples. They therefore will accelerate efforts through the Legal Committee to address outstanding legal issues and to implement solutions to these issues in the shortest possible period. The Palestinian side will provide to the Israeli side copies of all of its laws in effect.

6. The Israeli and Palestinian sides also will launch a strategic economic dialogue to enhance their economic relationship. They will establish within the framework of the JEC an Ad Hoc Committee for this purpose. The committee will review the following four issues: (1) Israeli purchase taxes; (2) cooperation in combating vehicle theft; (3) dealing with unpaid Palestinian debts; and (4) the impact of Israeli standards as barriers to trade and the expansion of the A1 and A2 lists. The committee will submit an interim report within three weeks of the entry into force of this Memorandum, and within six weeks will submit its conclusions and recommendations to be implemented.

7. The two sides agree on the importance of continued international donor assistance to facilitate implementation by both sides of agreements reached. They also recognize the need for enhanced donor support for economic development in the West Bank and Gaza. They agree to jointly approach the donor community to organize a Ministerial Conference before the end of 1998 to seek pledges for enhanced levels of assistance.

IV. PERMANENT STATUS NEGOTIATIONS

The two sides will immediately resume permanent status negotiations on an accelerated basis and will make a determined effort to achieve the mutual goal of reaching an agreement by May 4, 1999. The negotiations will be continuous and without interruption. The U.S. has expressed its willingness to facilitate these negotiations.

V. UNILATERAL ACTIONS

Recognizing the necessity to create a positive environment for the negotiations, neither side shall initiate or take any step that will change the status of the West Bank and the Gaza Strip in accordance with the Interim Agreement.

ATTACHMENT: Time Line

This Memorandum will enter into force ten days from the date of signature.

Done at Washington, D.C. this 23d day of October 1998.

For the Government of the State of Israel:
Benjamin Netanyahu

For the PLO:
Yassir Arafat

Witnessed by:
William J. Clinton
The United States of America

TIME LINE

Note: Parenthetical references below are to paragraphs in "The Wye River Memorandum" to which this time line is an integral attachment. Topics not included in the time line follow the schedule provided for in the text of the Memorandum.

1. Upon Entry into Force of the Memorandum:

- Third further redeployment committee starts (I (B))
- Palestinian security work plan shared with the U.S. (II (A) (1) (b))
- Full bilateral security cooperation (II (B) (1))
- Trilateral security cooperation committee starts (II (B) (3))
- Interim committees resume and continue; Ad Hoc Economic Committee starts (III)
- Accelerated permanent status negotiations start (IV)

2. Entry into Force - Week 2:

- Security work plan implementation begins (II (A) (1) (b)); (II (A) (1) (c)) committee starts
- Illegal weapons framework in place (II (A) (2) (a)); Palestinian implementation report (II (A) (2) (b))
- Anti-incitement committee starts (II (A) (3) (b)); decree issued (II (A) (3) (a))
- PLO Executive Committee reaffirms Charter letter (II (C) (2))
- Stage 1 of F.R.D. implementation: 2% C to B, 7.1% B to A. Israeli officials acquaint their Palestinian counterparts as required with areas; F.R.D. carried out; report on F.R.D. implementation (I(A))

3. Week 2-6:

- Palestinian Central Council reaffirms Charter letter (weeks two to four) (II (C) (2))
- PNC and other PLO organizations reaffirm Charter letter (weeks four to six) (II (C) (2))
- Establishment of weapons collection program (II (A) (2) (b)) and collection stage (II (A) (2) (c)); committee starts and reports on activities.
- Anti-incitement committee report (II (A) (3) (b))
- Ad Hoc Economic Committee: interim report at week three; final report at week six (III)
- Policemen list (II (C) (1) (a)); Monitoring and Steering Committee review starts (II (C) (1) (c)
- Stage 2 of F.R.D. implementation: 5% C to B. Israeli officials acquaint their Palestinian counterparts as required with areas; F.R.D. carried out; report on F.R.D. implementation (I (A))

4. Week 6-12:

- Weapons collection stage II (A) (2) (b); II (A) (2) (c) committee report on its activities.
- Anti-incitement committee report (II (A) (3) (b))
- Monitoring and Steering Committee briefs U.S. on policemen list (II (C) (1) (c))

- Stage 3 of F.R.D. implementation: 5% C to B, 1% C to A, 7.1% B to A. Israeli officials acquaint Palestinian counterparts as required with areas; F.R.D. carried out; report on F.R.D. implementation (I (A))

5. After Week 12:

Activities described in the Memorandum continue as appropriate and if necessary, including:

- Trilateral security cooperation committee (II (B)(3))
- (II (A) (1) (c)) committee
- (II (A) (1) (e)) committee
- Anti-incitement committee (II (A) (3) (b))
- Third Phase F.R.D. Committee (I (B))
- Interim Committees (III)
- Accelerated permanent status negotiations (IV)

End of ATTACHMENT

The Sharm el-Sheikh Memorandum on Implementation Timeline of Outstanding Commitments of Agreements Signed and the Resumption of Permanent Status Negotiations- Sharm el-Sheikh 4 September, 1999

The Government of the State of Israel ("GOI") and the Palestine Liberation Organization ("PLO") commit themselves to full and mutual implementation of the Interim Agreement and all other agreements concluded between them since September 1993 (hereinafter "the prior agreements"), and all outstanding commitments emanating from the prior agreements. Without derogating from the other requirements of the prior agreements, the two Sides have agreed as follows:

1. Permanent Status negotiations:

a. In the context of the implementation of the prior agreements, the two Sides will resume the Permanent Status negotiations in an accelerated manner and will make a determined effort to achieve their mutual goal of reaching a Permanent Status Agreement based on the agreed agenda i.e. the specific issues reserved for Permanent Status negotiators and other issues of common interest.
b. The two Sides reaffirm their understanding that the negotiations on the Permanent Status will lead to the implementation of Security Council Resolutions 242 and 338;
c. The two Sides will make a determined effort to conclude a Framework Agreement on all Permanent Status issues in five months from the resumption of the Permanent Status negotiations;
d. The two Sides will conclude a comprehensive agreement on all Permanent Status issues within one year from the resumption of the Permanent Status negotiations;
e. Permanent Status negotiations will resume after the implementation of the first stage of release of prisoners and the second stage of the First and Second Further Redeployments and not later than September 13, 1999. In the Wye River Memorandum, the United States has expressed its willingness to facilitate these negotiations.

2. Phase One and Phase Two of the Further Redeployments

The Israeli Side undertakes the following with regard to Phase One and Phase Two of the Further Redeployments:

a. On September 5, 1999, to transfer 7% from Area C to Area B;
b. On November 15, 1999, to transfer 2% from Area B to Area A and 3% from Area C to Area B;
c. On January 20, 2000, to transfer 1% from Area C to Area A, and 5.1% from Area B to Area A.

3. Release of Prisoners

a. The two Sides shall establish a joint committee that shall follow-up on matters related to release of Palestinian prisoners.
b. The Government of Israel shall release Palestinian and other prisoners who committed their offences prior to September 13, 1993, and were arrested prior to May 4, 1994. The Joint Committee shall agree on the names of those who will be released in the first two stages. Those

lists shall be recommended to the relevant Authorities through the Monitoring and Steering Committee;

c. The first stage of release of prisoners shall be carried out on September 5, 1999 and shall consist of 200 prisoners. The second stage of release of prisoners shall be carried out on October 8, 1999 and shall consist of 150 prisoners;
d. The joint committee shall recommend further lists of names to be released to the relevant Authorities through the Monitoring and Steering Committee;
e. The Israeli side will aim to release Palestinian prisoners before next Ramadan.

4. Committees

a. The Third Further Redeployment Committee shall commence its activities not later than September 13, 1999;
b. The Monitoring and Steering Committee, all Interim Committees (i.e. CAC, JEC, JSC, legal committee, people to people), as well as Wye River Memorandum committees shall resume and/or continue their activity, as the case may be, not later than September 13, 1999. The Monitoring and Steering Committee will have on its agenda, inter alia, the Year 2000, Donor/PA projects in Area C, and the issue of industrial estates;
c. The Continuing Committee on displaced persons shall resume its activity on October 1, 1999 (Article XXVII, Interim Agreement);
d. Not later than October 30, 1999, the two Sides will implement the recommendations of the Ad-hoc Economic Committee (article III-6, WRM).

5. Safe Passage

a. The operation of the Southern Route of the Safe Passage for the movement of persons, vehicles, and goods will start on October 1, 1999 (Annex I, Article X, Interim Agreement) in accordance with the details of operation, which will be provided for in the Safe Passage Protocol that will be concluded by the two Sides not later than September 30, 1999;
b. The two Sides will agree on the specific location of the crossing point of the Northern Route of the Safe Passage as specified in Annex I, Article X, provision c-4, in the Interim Agreement not later than October 5, 1999;
c. The Safe Passage Protocol applied to the Southern Route of the Safe Passage shall apply to the Northern Route of the Safe Passage with relevant agreed modifications;
d. Upon the agreement on the location of the crossing point of the Northern Route of the Safe Passage, construction of the needed facilities and related procedures shall commence and shall be ongoing. At the same time, temporary facilities will be established for the operation of the Northern Route not later than four months from the agreement on the specific location of the crossing-point;
e. In between the operation of the Southern crossing point of the Safe Passage and the Northern crossing point of the Safe Passage, Israel will facilitate arrangements for the movement between the West Bank and the Gaza Strip, using non-Safe Passage routes other than the Southern Route of the Safe Passage;
f. The location of the crossing points shall be without prejudice to the Permanent Status negotiations (Annex I, Article X, provision e, Interim Agreement).

6. Gaza Sea Port

The two Sides have agreed on the following principles to facilitate and enable the construction works of the Gaza Sea Port. The principles shall not prejudice or preempt the outcome of negotiations on the Permanent Status:

a. The Israeli Side agrees that the Palestinian Side shall commence construction works in and related to the Gaza Sea Port on October 1, 1999;
b. The two Sides agree that the Gaza Sea Port will not be operated in any way before reaching a joint Sea Port protocol on all aspects of operating the Port, including security;
c. The Gaza Sea Port is a special case, like the Gaza Airport, being situated in an area under the responsibility of the Palestinian Side and serving as an international passage. Therefore, until the conclusion of a joint Sea Port Protocol, all activities and arrangements relating to the construction of the Port shall be in accordance with the provisions of the Interim Agreement, especially those relating to international passages, as adapted in the Gaza Airport Protocol;
d. The construction shall ensure adequate provision for effective security and customs inspection of people and goods, as well as the establishment of a designated checking area in the Port;
e. In this context, the Israeli side will facilitate on an on-going basis the works related to the construction of the Gaza Sea Port, including the movement in and out of the Port of vessels, equipment, resources, and material required for the construction of the Port;
f. The two Sides will coordinate such works, including the designs and movement, through a joint mechanism.

7. Hebron Issues

a. The Shuhada Road in Hebron shall be opened for the movement of Palestinian vehicles in two phases. The first phase has been carried out, and the second phase shall be carried out not later than October 30, 1999;
b. The wholesale market-Hasbahe will be opened not later than November 1, 1999, in accordance with arrangements which will be agreed upon by the two Sides;
c. A high level Joint Liaison Committee will convene not later than September 13, 1999 to review the situation in the Tomb of the Patriarchs / Al Haram Al Ibrahimi (Annex I, Article VII, Interim Agreement and as per the January 15, 1998 US Minute of Discussion).

8. Security

a. The two Sides will, in accordance with the prior agreements, act to ensure the immediate, efficient and effective handling of any incident involving a threat or act of terrorism, violence or incitement, whether committed by Palestinians or Israelis. To this end, they will cooperate in the exchange of information and coordinate policies and activities. Each side shall immediately and effectively respond to the occurrence or anticipated occurrence of an act of terrorism, violence or incitement and shall take all necessary measures to prevent such an occurrence;
b. Pursuant to the prior agreements, the Palestinian side undertakes to implement its responsibilities for security, security cooperation, on-going obligations and other issues emanating from the prior agreements, including, in particular, the following obligations emanating from the Wye River Memorandum:

1. continuation of the program for the collection of the illegal weapons, including reports;
2. apprehension of suspects, including reports;
3. forwarding of the list of Palestinian policemen to the Israeli Side not later than September 13, 1999;
4. beginning of the review of the list by the Monitoring and Steering Committee not later than October 15, 1999.

9. The two Sides call upon the international donor community to enhance its commitment and financial support to the Palestinian economic development and the Israeli-Palestinian peace process.

10. Recognizing the necessity to create a positive environment for the negotiations, neither side shall initiate or take any step that will change the status of the West Bank and the Gaza Strip in accordance with the Interim Agreement.

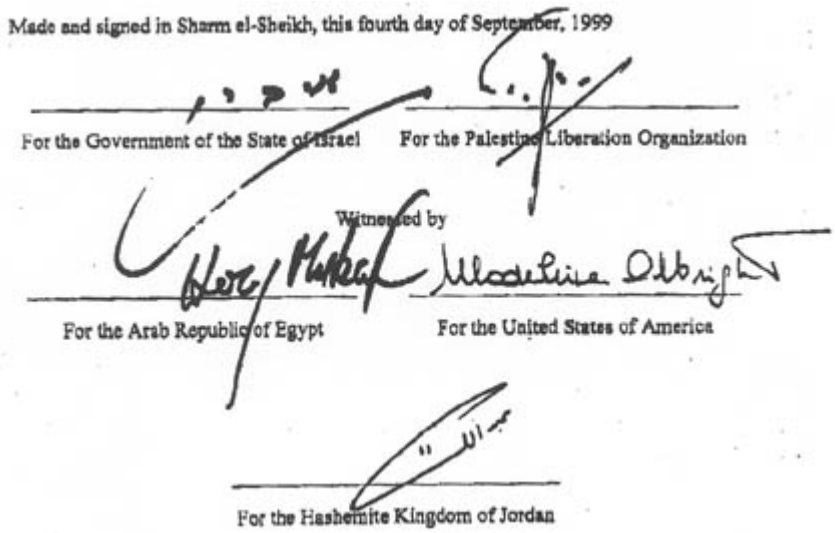
11. Obligations pertaining to dates, which occur on holidays or Saturdays, shall be carried out on the first subsequent working day.

This memorandum will enter into force one week from the date of its signature.[1]

Made and signed in Sharm el-Sheikh, this fourth day of September 1999.

For the Government of the State of Israel
For the PLO

Witnessed by
For the Arab Republic of Egypt
For the United States of America
For the Hashemite Kingdom of Jordan



[1] It is understood that, for technical reasons, implementation of Article 2- a and the first stage mentioned in Article 3-c will be carried out within a week from the signing of this Memorandum.

5- Protocol Concerning Safe Passage between the West Bank and the Gaza Strip

1. Preamble

A. Pursuant to the Wye River Memorandum of October 23, 1998 and the Sharm el-Sheikh Memorandum on Implementation Timeline of Outstanding Commitments of Agreements Signed and the Resumption of Permanent Status Negotiations of September 4, 1999; and

In accordance with the Israeli-Palestinian Interim Agreement on the West Bank and the Gaza Strip, signed in Washington, D.C. on September 28, 1995 (hereinafter "the Agreement"); and

With a view to implement Article X and the other related provisions of Annex I to the Agreement "Protocol Concerning Redeployment and Security Arrangements" (hereinafter "Annex I"),

both sides hereby agree to the following "Protocol Concerning Safe Passage between the West Bank and the Gaza Strip" (hereinafter the "Protocol").

B. This Protocol establishes the modalities for the use of safe passage. The arrangements set out in this Protocol are subject to the Agreement and are not in any way intended to derogate from any of its provisions, including, inter alia, the provisions of the Agreement regarding passage between the West Bank and Israel, between the Gaza Strip and Israel and between the West Bank and the Gaza Strip.

C. This Protocol may be amended by a decision of both sides.

D. This Protocol will come into force upon the signing thereof by both parties.

E. This Preamble is an integral part of this Protocol.

2. General Provisions

A. Article X of Annex I, and the attached map No. 6 delineate two routes through which Israel will make safe passage available.

B.

1. Israel will ensure safe passage for persons and transportation during daylight hours (from sunrise to sunset) or as otherwise agreed, but in any event not less than 10 hours a day.
2. Travelers will be required to commence their journey as follows,
    i. one and a half hours for travelers using private vehicles and taxis;

ii. two hours for commercial traffic and buses,

before sunset on the day of the journey.

C.

1. Safe passage will be effected by means of privately owned road vehicles and public transportation, as detailed in paragraph 5 below.
2. Safe passage shall be via the following designated crossing points:
   i. the Erez crossing point (for persons and vehicles only);
   ii. the Karni crossing point (Commercial) (for goods only);
   iii. the Tarkumya crossing point (for persons, vehicles and goods); and
   iv. an additional crossing point around Mevo Horon.

D.

1. The safe passage arrangements will not be available on Yom Kippur, Israel's Memorial Day and Israel's Independence Day.
2. Both sides may make special arrangements for other designated days, as agreed between them.

E. Israel shall signpost the safe passage routes clearly and shall take all necessary measures to ensure smooth movement while preserving safety and security on the route or routes in use on any specific day.

F. Except as provided in paragraph 3.H.2 below, the use of safe passage by residents of the West Bank and the Gaza Strip does not afford them license to be present in Israel except along the safe passage routes designated for their use.

G. Israel may, for security or safety reasons, temporarily halt the operation of a safe passage route or modify the passage arrangements while ensuring that one of the routes is kept open for safe passage. Notice of such temporary closure or modification shall be given to the Palestinian side, through agreed channels, as far in advance as the circumstances will allow.

H. Israel may deny the use of its territory for safe passage by persons who have seriously or repeatedly violated the safe passage provisions detailed in this Protocol or in the Agreement. Israel will notify the Palestinian side, through agreed channels, of any decision to deny the use of its territory as a result of such violations. The notification shall include details of the violations giving rise to the denial. The individual in question shall have the right to request, through the Palestinian side, that Israel reconsider its decision.

I. Nothing in this Protocol will be construed as derogating from Israel's right to apply inspection measures necessary for ensuring security and safety at the crossing points of the safe passage. Maximum efforts will be made to maintain the dignity of persons using safe passage and to implement inspection measures relying heavily on brief and modern procedures.

J. Israel shall notify the Palestinian side of incidents involving persons using safe passage routes through the agreed channels.

K. It is understood that the safe passage shall be operated on a cost-reimbursement basis, in accordance with an agreement on the modalities to be reached in the Joint Economic Committee.

L. Israel shall be compensated for damages incurred by Israel, Israelis or their property as a result of the use of safe passage, in accordance with an agreement on the modalities to be reached in the Joint Economic Committee.

3. Use of Safe Passage

A. Residents of the West Bank and the Gaza Strip wishing to make use of safe passage shall arrive with a safe passage card at the safe passage terminal at one of the crossing points specified at paragraph 2.C.2 above, where they will identify themselves by means of identification documents as mentioned in paragraph 6, Article 28, Appendix 1, Annex III to the Agreement.

B. After identification at the terminal, and after the validity check of the safe passage card, travelers will be issued with safe passage slips subject to the provisions of this Protocol and the Agreement, except for persons provided for in paragraph 2.H above and paragraph 6 below.

C.

1. The Palestinian side shall transfer to the Israeli side all applications for safe passage cards, after initial Palestinian security approval. The applications shall be in accordance with the agreed procedures (including the submission of all required information as well as two updated photographs).
2. The Israeli side shall respond to the applications within two working days. It is agreed that in all cases in which the photographs submitted with the application do not match the Israeli database, or in which the photograph of the individual does not appear in the Israeli database, the application shall not be processed and shall be returned to the Palestinian side.
3. Safe passage cards shall be issued in the relevant Israeli District Civil Liaison Office (DCL) in the West Bank or in the Regional Civil Affairs Subcommittee (RCAC) in the Gaza Strip.
4. On-duty Palestinian policemen and minors under age 14, traveling in accordance with the provisions of paragraphs 7 and 3.I below, respectively, shall not be required to receive a safe passage card for the use of safe passage.
5. Men over 50 and women shall generally receive their safe passage cards through the Palestinian side, except for special cases. The Israeli side will make all efforts to minimize such exceptions.
6. In light of the special nature of the safe passage, those persons whose applications for safe passage have been approved shall receive from the Israeli side their safe passage cards at the Israeli side of the District Coordination Offices (DCOs). An unarmed civilian Palestinian liaison officer shall be present throughout all stages of this process. Receipt of the safe passage card shall be contingent on the individual being definitively identified by the Israeli side, using the best available methods (including, in the near future, biometric information),

as agreed upon by the two sides.

D. A safe passage card shall be valid for one year for multiple two-way journeys on the safe passage routes. Travelers can only use safe passage within the operation time as provided for in paragraphs 2.B.1 and 2.B.2 above.

E. Upon completion of the journey, the safe passage slips and safe passage stickers shall be returned to the Israeli authorities at the destination crossing point.

F. Residents of the West Bank and the Gaza Strip in possession of permits enabling them to enter Israel will be able to use these permits as safe passage cards, subject to the conditions of such permits and to the modalities set out in this Protocol.

G.

1. Individual safe passage slips will be issued and stamped by the Israeli authorities at the crossing points, with the time of departure from the crossing point and the estimated time of arrival (hereinafter "the designated time").
2. The designated time shall enable completion of the journey within a reasonable time.

H.

1. Persons and vehicles using safe passage under these arrangements shall neither break their journey nor depart from the designated routes, and shall complete the passage within the designated time, unless a delay is caused by a medical emergency or a technical breakdown.
2. Notwithstanding paragraph 3.H.1 above, in the case of a medical emergency travelers may drive directly to the nearest hospital or first aid station. Such travelers will be required to report the incident to the relevant authorities at the destination crossing point as soon as circumstances allow.
3. In the case of a technical breakdown, travelers must remain on the safe passage route with their vehicles until the arrival of the Israeli police and follow their instructions. In addition, travelers may stop another vehicle using safe passage and request the driver to inform the authorities at the destination crossing point of the case.

I.

1.
    a. Minors under the age of 16 who are accompanied by a parent and registered in the identity card of that parent will not be required to carry individual safe passage cards.
    b. Such minors shall identify themselves via the identity card of the accompanying parent.
2.
    a. Minors who are not accompanied by a parent may also use safe passage without carrying a safe passage card provided that:
        i. they are under the age of 14; and
        ii. they are accompanied by an adult (18 or over).

b. Such minors shall identify themselves by means of a birth certificate or a certified copy of the parent's identity card in which they are registered.

J. Persons and vehicles shall not carry explosives, firearms or other weapons or ammunition except for special cases that may be agreed by both sides. Transportation of dangerous substances shall be in accordance with the provisions of the Agreement.

4. Use of Safe Passage Routes by Visitors from Abroad

A. Provisions of the Agreement and this Protocol regarding the use of safe passage will apply to visitors to the West Bank and the Gaza Strip from abroad, without derogating from the provisions of the Agreement concerning visitors.

B. Visitors will identify themselves by means of: (i) valid visitors' permits; and (ii) passports or travel documents when using the safe passage.

5. Use of Vehicles on Safe Passage Routes

A.

1. Residents of the West Bank and the Gaza Strip wishing to use their privately owned vehicles to travel along the safe passage shall apply for a vehicle safe passage permit through the Palestinian side. The Israeli side shall respond to such applications within five working days. Such applications shall include the identification documents referred to in paragraph 3.A above; safe passage cards or permits enabling them entry into Israel; valid drivers' licenses; valid vehicle licenses; and valid insurance policies. The vehicle safe passage permits shall be issued in the relevant Israeli DCL in the West Bank or in the RCAC in the Gaza Strip and transferred to the Palestinian side.
2. In addition to the above, the two sides may agree on specific categories or persons who may use a vehicle not owned by them. Such categories include, inter alia: (i) persons employed by the Palestinian Authority driving a vehicle owned by the Palestinian Authority; (ii) persons employed by a private company driving a vehicle owned by the private company; and (iii) taxi drivers (only one designated driver per taxi). In such cases, in addition to all other requirements of this Protocol, the person shall be required to possess and submit a written permit signed by the Palestinian side and by the vehicle-owner authorizing that person's use of the vehicle for safe passage.

B.

1. On the day of the journey, the drivers will arrive at the safe passage terminal at the departure crossing point with their vehicle safe passage permits; safe passage cards or permits enabling them entry into Israel; identity cards; valid drivers' licenses; valid vehicle licenses; valid insurance policies; and, if applicable, the permit referred to in paragraph 5.A.2 above. After identification, and after the validity check of the vehicle safe passage permit, drivers will be issued with an individual safe passage slip and a safe passage sticker, to be displayed on the

right-hand side of the front windshield of the vehicle.
2. The names of all passengers traveling in the vehicle shall be listed on a separate document to be attached to the driver's safe passage slip.
3. Persons listed as travelers in a particular vehicle must remain with the vehicle for the full duration of their safe passage journey, except for the medical emergencies provided for in paragraph 3.H.2 above.

C. Residents of the West Bank or the Gaza Strip in possession of valid permits enabling them to enter Israel with their vehicles, will be able to use these permits as vehicle safe passage permits, subject to the conditions of such permits and to the modalities set out in this Protocol.

D.

1. Vehicle safe passage permits shall be valid for not less than three months from the date of issuance, for multiple two-way journeys.
2. Certain persons who are acceptable to both sides will be issued vehicle safe passage permits, the validity of which shall be for more than the period specified in paragraph 5.D.1 above and up to one year. Such permits shall be issued provided that the Joint Civil Affairs Coordination and Cooperation Committee (CAC) had applied for them through the relevant DCL in the West Bank or the RCAC in the Gaza Strip.

E. All vehicles used by residents of the West Bank and the Gaza Strip for the purpose of traveling via safe passage must have valid licensing in accordance with Article 38, Appendix 1, Annex III to the Agreement and at least valid compulsory insurance policies, in accordance with Article 19, Appendix 1, Annex III to the Agreement, and Article XI, Annex V to the Agreement.

F. All vehicles used for the purpose of safe passage shall meet Israeli standards and applicable Israeli law.

G.

1. "Sterile" public transportation vehicles shall operate between Tarkumya and Erez crossing points.
2. The public transportation vehicles will be designated for the purpose of safe passage only.
3. The public transportation vehicles as well as their drivers should be acceptable to both sides.

H. In special emergency related cases, to be handled through agreed channels, safe passage may be used by privately owned vehicles without having submitted an application in advance.

6. Use of Safe Passage by Persons Denied Entry into Israel

A. Persons who are denied entry into Israel will use safe passage by means of shuttle buses which will he escorted by Israeli security forces vehicles, and which will operate from 7:00 AM to 2:00 PM

on Mondays and Wednesdays of every week.

B. Applications by persons denied entry into Israel to use the safe passage must be submitted to, and agreed upon, at least five working days prior to the planned journey.

C. Cases of persons denied entry into Israel whose applications to use safe passage are not agreed upon shall he discussed in the agreed channels.

D.

1. Persons denied entry into Israel who have used the safe passage will be able to return that same day to their original point of departure via the mechanism established in paragraph 6.A above.
2. Persons denied entry into Israel and who have used the safe passage will be able to return to their original point of departure by shuttle bus within two weeks following the date of departure with notification through the agreed channels at least 1 working day prior to the planned journey.
3. Persons denied entry into Israel and who have stayed for a period in excess of that specified in paragraph 6.D.2 above, will be required to submit applications as provided for in paragraph 6.B above.

E.

1. The aforementioned shuttle buses shall have Palestinian registration and shall be driven by Palestinian residents.
2. The aforementioned shuttle buses as well as their drivers should be acceptable to both sides.

7. Passage of Palestinian Police

A. In accordance with paragraph 2.g, Article X of Annex I, uniformed and plainclothes Palestinian policemen required to use the safe passage so as to perform their duty in the West Bank and the Gaza Strip, or Palestinian policemen other than in instances covered by paragraph 7.E below, using privately owned vehicles, official vehicles or other means of transportation, will be able to use the safe passage after the Palestinian police has submitted an application and after that application was approved, through the relevant DCO two working days prior to the planned journey.

B. Palestinian policemen provided for in paragraph 7.A above and Palestinian police vehicles and equipment moving between the West Bank and the Gaza Strip via safe passage shall be escorted by Israeli security forces vehicles.

C. When in safe passage, the weapons of the Palestinian policemen will be handed over to the Israeli police and placed in a closed trailer affixed to the Israel police vehicle. A Palestinian policeman may travel in the aforementioned Israeli police vehicle. The vehicle shall be driven by a member of the Israeli police. Upon completion of the safe passage journey the weapons shall be handed over to the Palestinian officer in charge in the DCO.

D. Cases of usage of safe passage by Palestinian policemen requiring special attention and arrangements will be dealt with and coordinated through the Joint Coordination and Cooperation Committee for Mutual Security Purposes (JSC).

E. The provisions set out in this Protocol and in the Agreement relating to regular persons will apply to Palestinian policemen using safe passage when off duty. Such policemen may only use safe passage when unarmed and out of uniform.

8. Use of Safe Passage for Commercial Traffic

A. Goods transferred to or from the Gaza Strip via the safe passage will enter or leave the Gaza Strip through the Karni (Commercial) crossing point.

B. Commercial vehicles carrying goods from the West Bank to the Gaza Strip via safe passage will travel along the relevant safe passage route as far as the Yad Mordechai Junction, and from there branch off to Karni as indicated on Map No. 6 (attached to the Agreement). Commercial vehicles carrying goods from the Gaza Strip to the West Bank will follow the same routes in reverse.

C. All provisions of this Protocol and the Agreement relating to use of vehicles on safe passage routes shall apply to the use of commercial vehicles.

D. The provisions in this paragraph 8 shall not prejudice any other mechanism established in the Agreement, or based on the Agreement, with respect to passage of goods.

E. Further details concerning commercial traffic will be agreed upon in a special sub-committee in the CAC. Until decided otherwise, the current arrangements adopted by the CAC concerning commercial traffic shall remain in effect.

9. Future Meetings for Improving Operation of the Safe Passage

A Continuing Safe Passage Committee shall meet regularly to supervise the implementation of this Protocol and to discuss ways to improve the safe passage operation, as agreed between both sides.

10. Use of Safe Passage by the Ra'ees of the Executive Authority

Arrangements for the use of safe passage by the Ra'ees of the Executive Authority shall be discussed in a special sub-committee through the JSC.

11. Final Clauses

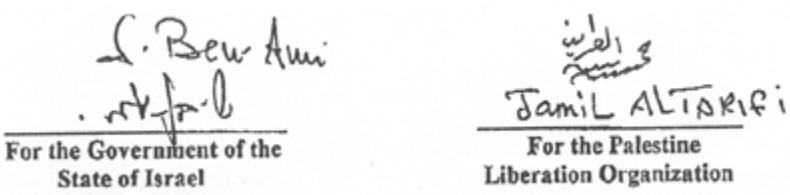
A. Consistent with paragraph 6, Article XXXI of the Agreement, the arrangements included in this Protocol are without prejudice to the permanent status negotiations.

B. There shall be a Liaison Bureau at agreed locations close to each of the safe passage crossing points. In addition, the Palestinian side shall establish coordination points at agreed locations on the roads leading to the crossing points. The function of the coordination points shall be to ensure the

smooth and orderly movement of persons and vehicles to the crossing points, in accordance with their capacity.

C. In between the operation of the Southern crossing point of the safe passage and the Northern crossing point of the safe passage, Israel will facilitate arrangements for the movement between the West Bank and the Gaza Strip, using non-safe passage routes other than the Southern route of the safe passage.

Done at Jerusalem, this 5th day of October, 1999.



For the Government of the State of Israel

For the Palestine Liberation Organization

6- Israel-PLO Recognition: Exchange of Letters between PM Rabin and Chairman Arafat

1. LETTER FROM YASSER ARAFAT TO PRIME MINISTER RABIN:

September 9, 1993

Yitzhak Rabin
Prime Minister of Israel

Mr. Prime Minister,

The signing of the Declaration of Principles marks a new era in the history of the Middle East. In firm conviction thereof, I would like to confirm the following PLO commitments:

The PLO recognizes the right of the State of Israel to exist in peace and security.

The PLO accepts United Nations Security Council Resolutions 242 and 338.

The PLO commits itself to the Middle East peace process, and to a peaceful resolution of the conflict between the two sides and declares that all outstanding issues relating to permanent status will be resolved through negotiations.

The PLO considers that the signing of the Declaration of Principles constitutes a historic event, inaugurating a new epoch of peaceful coexistence, free from violence and all other acts which endanger peace and stability. Accordingly, the PLO renounces the use of terrorism and other acts of violence and will assume responsibility over all PLO elements and personnel in order to assure their compliance, prevent violations and discipline violators.

In view of the pormise of a new era and the signing of the Declaration of Principles and based on Palestinian acceptance of Security Council Resolutions 242 and 338, the PLO affirms that those articles of the Palestinian Covenant which deny Israel's right to exist, and the provisions of the Covenant which are inconsistent with the commitments of this letter are now inoperative and no longer valid. Consequently, the PLO undertakes to submit to the Palestinian National Council for formal approval the necessary changes in regard to the Palestinian Covenant.

Sincerely,

Yasser Arafat
Chairman
The Palestine Liberation Organization

2. LETTER FROM YASSER ARAFAT TO NORWEGIAN FOREIGN MINISTER:

September 9, 1993

His Excellency
Johan Jorgen Holst
Foreign Minister of Norway

Dear Minister Holst,

I would like to confirm to you that, upon the signing of the Declaration of Principles, the PLO encourages and calls upon the Palestinian people in the West Bank and Gaza Strip to take part in the steps leading to the normalization of life, rejecting violence and terrorism, contributing to peace and stability and participating actively in shaping reconstruction, economic development and cooperation.

Sincerely,

Yasser Arafat
Chairman
The Palestine Liberation Organization

3. LETTER FROM PRIME MINISTER RABIN TO YASSER ARAFAT:

September 9, 1993

Yasser Arafat
Chairman
The Palestinian Liberation Organization

Mr. Chairman,

In response to your letter of September 9, 1993, I wish to confirm to you that, in light of the PLO commitments included in your letter, the Government of Israel has decided to recognize the PLO as the representative of the Palestinian people and commence negotiations with the PLO within the Middle East peace process.

Yitzhak Rabin
Prime Minister of Israel

7- Agreement on Movement and Access

To promote peaceful economic development and improve the humanitarian situation on the ground, the following agreement has been reached. It represents the commitments of the Government of Israel (GoI) and the Palestinian Authority (PA). Its implementation and further elaboration will be assisted by the Quartet Special Envoy for Disengagement and his staff and/or the United States Security Coordinator (USSC) and his staff.

Rafah

The parties have agreed to the attached statement of principles. Rafah will be opened as soon as it is ready to operate at an international standard in accordance with the specifications of this agreement and as soon as the 3rd party is on site, with a target date of November 25.

Crossing Points

The parties have agreed that:

The passages will operate continuously. On an urgent basis, Israel will permit the export of all agricultural products from Gaza during this 2005 harvest season.

The new and additional scanner will be installed and fully operational by December 31. At that time, the number of export trucks per day to be processed through Karni will reach 150 and 400 by end-2006. A common management system will be adopted by both parties.

In addition to the number of trucks above, Israel will permit export of agricultural produce from Gaza and will facilitate its speedy exit and onward movement so that quality and freshness can be maintained. Israel will ensure the continued opportunity to export.

To enhance operation, the parties agree that:

- When a new generation of x-ray equipment able to scan trailers as well as containers becomes available it will be used. Once it arrives in the country, testing will also be carried out with the assistance of the Quartet Special Envoy.

- The USSC will ensure continuing consultation, with unresolved implementation issues to be discussed as needed with the parties.

- The PA will ensure that the passages will be protected on the Palestinian side of the border and will train and upgrade the management of all crossings to ensure efficiency and effectiveness. The PA will establish, without delay, a unified system of border management.

- The management system that has been developed for Karni should, with suitable local variations, be adapted to the passages at Erez and Kerem Shalom. Israel also undertakes to put in place similar arrangements as appropriate that will make West Bank passages fully operational as soon as possible.

A bilateral committee, with participation as needed of the Quartet Special Envoy and/or the USSC, will develop operational procedures for those passages.

Link between Gaza and the West Bank

Israel will allow the passage of convoys to facilitate the movements of goods and persons. Specifically:

- Establish bus convoys by December 15.

- Establish truck convoys by January 15.

- Work out detailed implementation arrangements in a bilateral committee of the GoI and PA with participation as needed from the Quartet team and the USSC.

It is understood that security is a prime and continuing concern for Israel and that appropriate arrangements to ensure security will be adopted.

Movement within the West Bank

Consistent with Israel's security needs, to facilitate movement of people and goods within the West Bank and to minimize disruption to Palestinian lives, the ongoing work between Israel and the U.S. to establish an agreed list of obstacles to movement and develop a plan to reduce them to the maximum extent possible will be accelerated so that the work can be completed by December 31.

Gaza Seaport

Construction of a seaport can commence. The GoI will undertake to assure donors that it will not interfere with operation of the port. The parties will establish a U.S.-led tripartite committee to develop security and other relevant arrangements for the port prior to its opening. The 3rd party model to be used at Rafah will provide the basis for this work.

Airport

The parties agree on the importance of the airport. Discussions will continue on the issues of security arrangements, construction, and operation.

Agreed Principles for Rafah Crossing

To be supplemented prior to opening by agreements on security, customs and 3rd party implementation procedures

General

Rafah will be operated by the Palestinian Authority on its side, and Egypt on its side, according to

international standards, in accordance with Palestinian law and subject to the terms of this agreement.

Rafah will be opened as soon as it is ready to operate at an international standard in accordance with the specifications of this agreement and as soon as the 3rd party is on site, with a target date of November 25.

Use of the Rafah crossing will be restricted to Palestinian ID card holders and others by exception in agreed categories with prior notification to the GoI and approval of senior PA leadership.

The PA will notify the GoI 48 hours in advance of the crossing of a person in the excepted categories- diplomats, foreign investors, foreign representatives of recognized international organizations and humanitarian cases.

The GoI will respond within 24 hours with any objections and will include the reasons for the objections;

The PA will notify the GoI of their decision within 24 hours and will include the reasons for their decision;

The 3rd party will ensure the proper procedures are followed and will advise both sides of any information in its possession pertaining to the people applying to cross under these exceptions.

These procedures will remain in place for a period of 12 months, unless the 3rd party delivers a negative evaluation of the PA running the Rafah crossing. This evaluation will be done in close coordination with both sides and will give due consideration to the opinion of both sides.

Rafah will also be used for export of goods to Egypt.

Objective criteria for the inspection of cars will be established by consensus. The criteria are as follows:

Search equipment will be installed, including

- Black lights

- Power tools and a compressor for the tools

- Technology to be agreed, possibly including sonic imagery, gamma detection (full vehicle or hand held), and/or millimetre wave imagery

- Mirrors and bore scope equipment to search hard to reach places

Personnel will be trained to search vehicles and on the use of this equipment by the 3rd party to international standards.

Cameras will be installed to monitor the search process.

The 3rd party will evaluate the capacity of the PA to inspect cars according to these criteria and to international standards. Once the PA develops the capacity to inspect cars to the satisfaction of the 3rd party, cars will be allowed to pass through Rafah. Until that time, cars will pass through on an exceptional basis, subject to specifications agreed in the security protocol.

Rafah will be the only crossing point between the Gaza Strip and Egypt (with the exception of Kerem Shalom for the agreed period).

The PA will establish clear operating procedures.

Until Rafah is operational, the PA will open Rafah crossing on an ad hoc basis for religious pilgrims, medical patients, and others, in coordination with General Gilad's office on the Israeli side.

Israel will provide the PA with all information needed to update the Palestinian population registry, including all information on Palestinian ID card holders who are currently outside the country.

A liaison office, led by the 3rd party, will receive real-time video and data feed of the activities at Rafah and will meet regularly to review implementation of this agreement, resolve any disputes arising from this agreement, and perform other tasks specified in this agreement. Security

The PA will act to prevent the movement of weapons and explosives at the Rafah crossing.

The PA will establish baggage limits for each passenger as part of the procedures. Limits will be the same as currently applied by the GoI; very frequent travellers (suitcase policy) to be agreed.

Travellers, including returning residents, may use the crossing point to bring in personal effects as defined in Rule 1(e) to Heading 7 of the Annex to the prevailing Customs Tariff. Any other personal belongings or other goods shall be cleared at the Kerem Shalom crossing point.

The PA will provide the 3rd party a list of names of the workers at Rafah crossing which will be shared with the Israelis. The PA will take the Israelis concerns into account.

Security services from Israel, PA, the U.S., and Egypt will continue to coordinate on security issues and will participate in the security working group.

On a case by case basis, the PA will consider information on persons of concern provided by the GoI. The PA will consult with the GoI and the 3rd party prior to the PA making a decision to prohibit travel or not. During this consultation, which will not take more than six hours, the person in question will not be permitted to cross.

Customs

GoI and PA will continue to apply the Paris Protocol of 29 April 1994.

Rafah will be operated according to international standards and rules and the Paris Protocol.

GoI and PA agree on widest possible co-operation and information sharing.

GoI and PA will co-operate on training issues.

GoI and PA customs will hold regular meetings to which the GoE will be invited as appropriate.

Kerem Shalom

PA customs officials will clear incoming cargo at Kerem Shalom under the supervision of Israeli customs agents.

Both sides will discuss operating procedures at a later stage.

Operations at Kerem Shalom will provide training and capacity building to PA customs staff.

The 3rd party will review the PA's customs capacity in 12 months and make a recommendation to both sides for a joint decision regarding future arrangements. In the event of a disagreement, the U.S., in consultation with the GoI, the PA, and the 3rd party, will resolve the issue expeditiously.

Third party

The 3rd party will have the authority to ensure that the PA complies with all applicable rules and regulations concerning the Rafah crossing point and the terms of this agreement. In case of non-compliance the 3rd party has the authority to order the re-examination and reassessment of any passenger, luggage, vehicle or goods. While the request is being processed, the person, luggage, vehicle or cargo in question will not be allowed to leave the premises of the Rafah crossing point.

The 3rd party will assist the PA to build capacity - training, equipment and technical assistance - on border management and customs.

Details of the 3rd party's role are specified in the attached memorandum of understanding.

The 3rd party will be the European Union.

8- Agreement on Temporary International

Presence in the City of Hebron9 May 1996

1. Pursuant to Article VII of the Interim Agreement on the West Bank and the Gaza Strip, dated September 28, 1995, the two sides agree to the establishment of a Temporary International Presence in the city of Hebron ("TIPH"). This agreement will remain in force until such time as Israeli forces redeploy from Hebron, whereupon it will be superseded by a new agreement to be negotiated by the two sides and the TIPH established by this Agreement will be replaced by a new TIPH to be established under the new agreement ("the new TIPH").
2. A Temporary International presence will be established in the city of Hebron. As detailed in paragraph 4 below, the TIPH will, in anticipation of the Israeli redeployment in Hebron, act as an advance party for the new TIPH, assist in promoting stability and in monitoring and reporting the efforts to maintain normal life in the city of Hebron, thus creating a feeling of security among Palestinians in the city of Hebron. The organizational structure, operational guidelines, logistics, support and privileges and immunities of the TIPH shall be in accordance with the Modalities on the establishment of the TIPH established by Norway with the agreement of the two sides.
3. The two sides shall request Norway to provide 50-60 persons, citizens of Norway, as TIPH personnel, consisting of field observers, office staff and support personnel, as agreed between the two sides. Consistent with its stated task, the TIPH personnel shall have no military or police functions.
4. The tasks of the TIPH personnel will be:
    a. to begin preparations for the establishment of the new TIPH;
    b. to contribute by their presence to a feeling of security to the Palestinians of Hebron;
    c. to help promote stability and an appropriate environment conducive to the enhancement of the well-being of the Palestinians in Hebron and their economic development; and
    d. to provide reports as set out in paragraph 6 below.
5. In order to facilitate the carrying out of the TIPH tasks, a building will be chosen in the city of Hebron as a seat for the TIPH.
6. The TIPH will report to the following:
    a. On specific events - to a Joint Hebron Committee ("JHC"), comprised of two representatives from each side. The senior Palestinian representative will be the Mayor of Hebron and the senior Israeli representative will be the head of the Civil Administration in the city of Hebron. A representative of the TIPH will be invited on a bi-weekly basis to participate in the JHC meeting in order to report on the TIPH activities.
    b. Periodically - to the Monitoring and Steering Committee established pursuant to the Interim Agreement.
7. The members of the TIPH shall wear distinctive uniforms with a special emblem, as agreed by the two sides, and their vehicles shall be marked with the same emblem. TIPH members may carry pistols for self-defense purposes.
8. The TIPH will enjoy freedom of movement for the performance of its tasks within the city of Hebron. Such freedom of movement shall not be restricted, except for reasons of imperative

military necessity, and then only as an exceptional and temporary measure.

9. The TIPH and its members shall, in conformity with the Modalities referred to in paragraph 2, be accorded such privileges and immunities as are necessary for the fulfilment of their tasks, and for the independent exercise of their functions, including immunity of the TIPH premises. The presence and activities of the personnel assigned by Norway to the TIPH will be in accordance with Israel's responsibility for security in Hebron consistent with the DOP and dates of its implementation.
10. The expenses of the TIPH will be borne by Norway.
11. The TIPH may commence its operation immediately after the signing of this Agreement and continue to function for a period of three months or until such earlier date on which this agreement is superseded by a new agreement pursuant to paragraph 1 above. With the consent of the two sides, the TIPH may extend the period or change the scope of its operation, as agreed.

Signed by:

Mr. Joel Singer
Dr. Saeb Erakat

Part 4:

Palestinian Israeli conflict- relevant documents

1- The Balfour Declaration
November 2, 1917

During the First World War, British policy became gradually committed to the idea of establishing a Jewish home in Palestine (Eretz Yisrael). After discussions in the British Cabinet, and consultation with Zionist leaders, the decision was made known in the form of a letter by Arthur James Lord Balfour to Lord Rothschild. The letter represents the first political recognition of Zionist aims by a Great Power.

Foreign Office
November 2nd, 1917

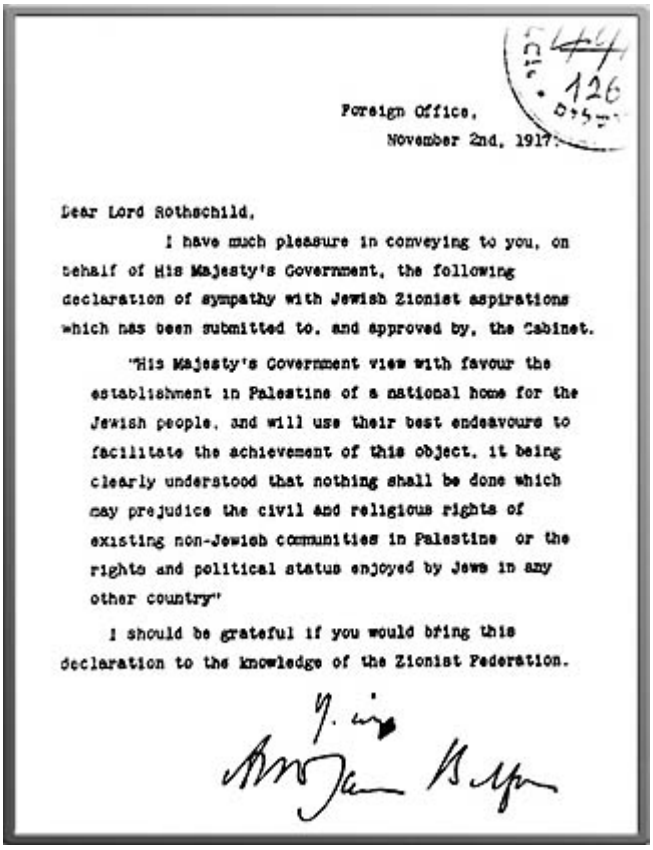
Dear Lord Rothschild,

I have much pleasure in conveying to you, on behalf of His Majesty's Government, the following declaration of sympathy with Jewish Zionist aspirations which has been submitted to, and approved by, the Cabinet.

"His Majesty's Government view with favour the establishment in Palestine of a national home for the Jewish people, and will use their best endeavours to facilitate the achievement of this object, it being clearly understood that nothing shall be done which may prejudice the civil and religious rights of existing non-Jewish communities in Palestine, or the rights and political status enjoyed by Jews in any other country."

I should be grateful if you would bring this declaration to the knowledge of the Zionist Federation.

Yours sincerely,
Arthur James Balfour



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Yours sincerely,
Arthur James Balfour

2- The Weizmann-Feisal Agreement

3 January 1919

Within the framework of the Paris Peace Conference, a political accord was signed on January 3, 1919, by Dr. Chaim Weizmann in the name of the Zionist Organization and by the Emir Feisal, son of the Sherif of Mecca. Under the terms of the agreement, the Arabs would recognize the Balfour Declaration and would encourage Jewish immigration and settlement in Palestine. Freedom of religion and worship in Palestine was set forth as a fundamental principle, and the Muslim holy sites were to be under Muslim control. The Zionist Organization promised to look into the economic possibilities of an Arab state and to help it develop its resources. In the same year, the Arabs and their representatives repudiated the agreement. The Weizmann-Feisal agreement was never implemented.

Text:

Agreement between Emir Feisal Ibn al-Hussein al-Hashemi, and the President of the World Zionist Organization, Dr. Chaim Weizmann
(January 3, 1919)

His Royal Highness the Emir Feisal, representing and acting on behalf of the Arab Kingdom of Hedjaz, and Dr. Chaim Weizmann, representing and acting on behalf of the Zionist Organization, mindful of the racial kinship and ancient bonds existing between the Arabs and the Jewish people, and realizing that the surest means of working out the consummation of their natural aspirations is through the closest possible collaboration in the development of the Arab State and Palestine, and being desirous further of confirming the good understanding which exists between them, have agreed upon the following:

Article I

The Arab State and Palestine in all their relations and undertakings shall be controlled by the most cordial goodwill and understanding, and to this end Arab and Jewish duly accredited agents shall be established and maintained in the respective territories.

Article II

Immediately following the completion of the deliberations of the Peace Conference, the definite boundaries between the Arab State and Palestine shall be determined by a Commission to be agreed upon by the parties hereto.

Article III

In the establishment of the Constitution and Administration of Palestine, all such measures shall be adopted as will afford the fullest guarantees for carrying into effect the British Government's Declaration of the 2nd of November, 1917.

Article IV

All necessary measures shall be taken to encourage and stimulate immigration of Jews into Palestine on a large scale, and as quickly as possible to settle Jewish immigrants upon the land through closer settlement and intensive cultivation of the soil. In taking such measures the Arab peasant and tenant farmers shall be protected in their rights and shall be assisted in forwarding their economic development.

Article V

No regulation or law shall be made prohibiting or interfering in any way with the free exercise of religion; and further, the free exercise and enjoyment of religious profession and worship, without discrimination or preference, shall forever be allowed. No religious test shall ever be required for the exercise of civil or political rights.

Article VI

The Mohammedan Holy Places shall be under Mohammedan control.

Article VII

The Zionist Organization proposes to send to Palestine a Commission of experts to make a survey of the economic possibilities of the country, and to report upon the best means for its development. The Zionist Organization will place the aforementioned Commission at the disposal of the Arab State for the purpose of a survey of the economic possibilities of the Arab State and to report upon the best means for its development. The Zionist Organization will use its best efforts to assist the Arab State in providing the means for developing the natural resources and economic possibilities thereof.

Article VIII

The parties hereto agree to act in complete accord and harmony on all matters embraced herein before the Peace Congress.

Article IX

Any matters of dispute which may arise between the contracting parties hall be referred to the British Government for arbitration.

Given under our hand at London, England, the third day of January, one thousand nine hundred and nineteen

Chaim Weizmann *Feisal Ibn-Hussein*

Reservation by the Emir Feisal

If the Arabs are established as I have asked in my manifesto of 4 January, addressed to the British Secretary of State for Foreign Affairs, I will carry out what is written in this agreement. If changes are made, I cannot be answerable for failing to carry out this agreement.

3- The Mandate for Palestine
July 24, 1922

The mandates for Mesopotamia, Syria and Palestine were assigned by the Supreme Court of the League of Nations at its San Remo meeting in April 1920. Negotiations between Great Britain and the United States with regard to the Palestine mandate were successfully concluded in May 1922, and approved by the Council of the League of Nations in July 1922. The mandates for Palestine and Syria came into force simultaneously on September 29, 1922. In this document, the League of Nations recognized the "historical connection of the Jewish people with Palestine" and the "grounds for reconstituting their national home in that country."

Text:

The Council of the League of Nations

Whereas the Principal Allied Powers have agreed, for the purpose of giving effect to the provisions of Article 22 of the Covenant of the League of Nations, to entrust to a Mandatory selected by the said Powers the administration of the territory of Palestine, which formerly belonged to the Turkish Empire, within such boundaries as may be fixed by them; and

Whereas the Principal Allied Powers have also agreed that the Mandatory should be responsible for putting into effect the declaration originally made on November 2nd, 1917, by the Government of His Britannic Majesty, and adopted by the said Powers, in favour of the establishment in Palestine of a national home for the Jewish people, it being clearly understood that nothing should be done which might prejudice the civil and religious rights of existing non-Jewish communities in Palestine, or the rights and political status enjoyed by Jews in any other country ; and

Whereas recognition has thereby been given to the historical connection of the Jewish people with Palestine and to the grounds for reconstituting their national home in that country; and

Whereas the Principal Allied Powers have selected His Britannic Majesty as the Mandatory for Palestine; and

Whereas the mandate in respect of Palestine has been formulated in the following terms and submitted to the Council of the League for approval; and

Whereas His Britannic Majesty has accepted the mandate in respect of Palestine and undertaken to exercise it on behalf of the League of Nations in conformity with the following provisions; and

Whereas by the afore-mentioned Article 22 (paragraph 8), it is provided that the degree of authority, control or administration to be exercised by the Mandatory, not having been

previously agreed upon by the Members of the League, shall be explicitly defined by the Council of the League of Nations;

Confirming the said mandate, defines its terms as follows:

Article 1

The Mandatory shall have full powers of legislation and of administration, save as they may be limited by the terms of this mandate.

Article 2

The Mandatory shall be responsible for placing the country under such political, administrative and economic conditions as will secure the establishment of the Jewish national home, as laid down in the preamble, and the development of self -governing institutions, and also for safeguarding the civil and religious rights of all the inhabitants of Palestine, irrespective of race and religion.

Article 3

The Mandatory shall,so far as circumstances permit, encourage local autonomy.

Article 4

An appropriate Jewish agency shall be recognised as a public body for the purpose of advising and co-operating with the Administration of Palestine in such economic, social and other matters as may affect the establishment of the Jewish national home and the interests of the Jewish population in Palestine, and, subject always to the control of the Administration, to assist and take part in the development of the country.

The Zionist organisation, so long as its organisation and constitution are in the opinion of the Mandatory appropriate, shall be recognised as such agency. It shall take steps in consultation with His Britannic Majesty's Government to secure the cooperation of all Jews who are willing to assist in the establishment of the Jewish national home.

Article 5

The Mandatory shall be responsible for seeing that no Palestine territory shall be ceded or leased to, or in any way placed under the control of, the Government of any foreign Power.

Article 6

The Administration of Palestine, while ensuring that the rights and position of other sections of the population are not prejudiced, shall facilitate Jewish immigration under suitable conditions and shall encourage, in co-operation with the Jewish agency. referred to in Article 4, close

settlement by Jews, on the land, including State lands and waste lands not required for public purposes.

Article 7

The Administration of Palestine shall be responsible for enacting a nationality law. There shall be included in this law provisions framed so as to facilitate the acquisition of Palestinian citizenship by Jews who take up their permanent residence in Palestine.

Article 8

The privileges and immunities of foreigners, including the benefits of consular jurisdiction and protection as formerly enjoyed by Capitulation or usage in the Ottoman Empire, shall not be applicable in Palestine.

Unless the Powers whose nationals enjoyed the afore-mentioned privileges and immunities on August 1st, 1914, shall have previously renounced the right to their re-establishment, or shall have agreed to their non-application for a specified period, these privileges and immunities shall, at the expiration of the mandate, be immediately re-established in their entirety or with such modifications as may have been agreed upon between the Powers concerned.

Article 9

The Mandatory shall be responsible for seeing that the judicial system established in Palestine shall assure to foreigners, as wen as to natives, a complete guarantee of their rights.

Respect for the personal status of the various peoples and communities and for their religious interests shall be fully guaranteed. In particular, the control and administration of Wakfs shall be exercised in accordance with religious law and the dispositions of the founders.

Article 10

Pending the making of special extradition agreements relating to Palestine, the extradition treaties in force between the Mandatory and other foreign Powers shall apply to Palestine.

Article 11

The Administration of Palestine shall take all necessary measures to safeguard the interests of the community in connection with the development of the country, and, subject to any international obligations accepted by the Mandatory, shall have full power to provide for public ownership or control of any of the natural resources of the country or of the public works, services and utilities established or to be established therein. It shall introduce a land system appropriate to the needs of the country, having regard, among other things, to the desirability of promoting the close settlement and intensive cultivation of the land.

The Administration may arrange with the Jewish agency mentioned in Article 4 to construct or operate, upon fair and equitable terms, any public works, services and utilities, and to develop any of the natural resources of the country, in so far as these matters are not directly undertaken by the Administration. Any such arrangements shall provide that no profits distributed by such agency, directly or indirectly, shall exceed a reasonable rate of interest on the capital, and any further profits shall be utilised by it for the benefit of the country in a manner approved by the Administration.

Article 12

The Mandatory shall be entrusted with the control of the foreign relations of Palestine and the right to issue exequaturs to consuls appointed by foreign Powers. He shall also be entitled to afford diplomatic and consular protection to citizens of Palestine when outside its territorial limits.

Article 13

All responsibility in connection with the Holy Places and religious buildings or sites in Palestine, including that of preserving existing rights and of securing free access to the Holy Places, religious buildings and sites and the free exercise of worship, while ensuring the requirements of public order and decorum, is assumed by the Mandatory, who shall be responsible solely to the League of Nations. in all matters connected herewith, provided that nothing in this article shall prevent the Mandatory from entering into such arrangements as he may deem reasonable with the Administration for the purpose of carrying the provisions of this article into effect; and provided also that nothing in this mandate shall be construed as conferring upon the Mandatory authority to interfere with the fabric or the management of purely Moslem sacred shrines, the immunities of which are guaranteed.

Article 14

A special Commission shall be appointed by the Mandatory to study, define and determine the rights and claims in connection with the Holy Places and the rights and claims relating to the different religious communities in Palestine. The method of nomination, the composition and the functions of this Commission shall be submitted to the Council of the League for its approval, and the Commission shall not be appointed or enter upon its functions without the approval of the Council.

Article 15

The Mandatory shall see that complete freedom of conscience and the free exercise of all forms of worship, subject only to the maintenance of public order and morals, are ensured to all. No discrimination of any kind shall be made between the inhabitants of Palestine on the ground of race, religion or language. No person shall be excluded from Palestine on the sole ground of his religious belief.

The right of each community to maintain its own schools for the education of its own members in its own language, while conforming to such educational requirements of a general nature as the Administration may impose, shall not be denied or impaired.

Article 16

The Mandatory shall be responsible for exercising such supervision over religious or eleemosynary bodies of all faiths in Palestine as may be required for the maintenance of public order and good government. Subject to such supervision, no measures shall be taken in Palestine to obstruct or interfere with the enterprise of such bodies or to discriminate against any representative or member of them on the ground of his religion or nationality.

Article 17

The Administration of Palestine may organise on a voluntary basis the forces necessary for the preservation of peace and order, and also for the defence of the country, subject, however, to the supervision of the Mandatory, but shall not use them for purposes other than those above specified save with the consent of the Mandatory, Except for such purposes, no military, naval or air forces shall be raised or maintained by the Administration of Palestine.

Nothing in this article shall preclude the Administration of Palestine from contributing to the cost of the maintenance of the forces of the Mandatory in Palestine.

The Mandatory shall be entitled at all times to use the roads, railways and ports of Palestine for the movement of armed f forces and the carriage of fuel and supplies.

Article 18

The Mandatory shall see that there is no discrimination in Palestine against the nationals of any State Member of the League of Nations (including companies incorporated under its laws) as compared with those of the Mandatory or of any foreign State in matters concerning taxation, commerce or navigation, the exercise of industries or professions, or in the treatment of merchant vessels or civil aircraft. Similarly, there shall be no discrimination in Palestine against goods originating in or destined for any of the said States, and there shall be freedom of transit under equitable conditions across the mandated area.

Subject as aforesaid and to the other provisions of this mandate, the Administration of Palestine may, on the advice of the Mandatory, impose such taxes and customs duties as it may consider necessary, and take such steps as it may think best to promote the development of the natural resources of the country and to safeguard the interests of the population. It may also, on the advice of the Mandatory, conclude a special customs agreement with any State the territory of which in 1914 was wholly included in Asiatic Turkey or Arabia.

Article 19

The Mandatory shall adhere on behalf of the Administration of Palestine to any general international conventions already existing, or which may be concluded hereafter with the approval of the League of Nations, respecting the slave traffic, the traffic in arms and ammunition, or the traffic in drugs, or relating to commercial equality, freedom of transit and navigation, aerial navigation and postal, telegraphic and wireless communication or literary, artistic or industrial property.

Article 20

The Mandatory shall co-operate on behalf of the Administration of Palestine, so far as religious, social and other conditions may permit, in the execution of any common policy adopted by the League of Nations for preventing and combating disease, including diseases of plants and animals.

Article 21

The Mandatory shall secure the enactment within twelve months from this date, and shall ensure the execution of a Law of Antiquities based on the following rules. This law shall ensure equality of treatment in the matter of excavations and archaeological research to the nations of all States Members of the League of Nations.

(1) 'Antiquity' means any construction or any product of human activity earlier than the year A.D. 1700.

(2) The law for the protection of antiquities shall proceed by encouragement rather than by threat.

Any person who, having discovered an antiquity without being furnished with the authorisation referred to in paragraph 5, reports the same to an official of the competent Department, shall be rewarded according to the value of the discovery.

(3) No antiquity may be disposed of except to the competent Department, unless this Department renounces the acquisition of any such antiquity.

No antiquity may leave the country without an export licence from the said Department.

(4) Any person who maliciously or negligently destroys or damages an antiquity shall be liable to a penalty to be fixed.

(5) No clearing of ground or digging with the object of finding

antiquities shall be permitted, under penalty of fine, except to persons authorised by the competent Department.

(6) Equitable terms shall be fixed for expropriation, temporary or permanent, of lands which might be of historical or archaeological interest.

(7) Authorisation to excavate shall only be granted to persons who show sufficient guarantees of archaeological experience. The Administration of Palestine shall not, in granting these authorisations, act in such a way as to exclude scholars of any nation without good grounds.

(8) The proceeds of excavations may be divided between the excavator and the competent Department in a proportion fixed by that Department. If division seems impossible for scientific reasons, the excavator shall receive a fair indemnity in lieu of a part of the find.

Article 22

English, Arabic and Hebrew shall be the official languages of Palestine. Any statement or inscription in Arabic on stamps or money in Palestine shall be repeated in Hebrew, and any statement or inscription in Hebrew shall be repeated in Arabic.

Article 23

The Administration of Palestine shall recognise the holy days of the respective communities in Palestine as legal days of rest for the members of such communities.

Article 24

The Mandatory shall make to the Council of the League of Nations an annual report to the satisfaction of the Council as to the measures taken during the year to carry out the provisions of the mandate. Copies of all laws and regulations promulgated or issued during the year shall be communicated with the report.

Article 25

In the territories lying between the Jordan and the eastern boundary of Palestine as ultimately determined, the Mandatory shall be entitled, with the consent of the Council of the League of Nations, to postpone or withhold application of such provisions of this mandate as he may consider inapplicable to the existing local conditions, and to make such provision for the administration of the territories as he may consider suitable to those conditions, provided that no action shall be taken which is inconsistent with the provisions of Articles 15, 16 and 18.

Article 26

The Mandatory agrees that, if any dispute whatever should arise between the Mandatory and another Member of the League of Nations relating to the interpretation or the application of the provisions of the mandate, such dispute, if it cannot be settled by negotiation, shall be submitted

to the Permanent Court of International Justice provided for by Article 14 of the Covenant of the League of Nations.

Article 27

The consent of the Council of the League of Nations is required for any modification of the terms of this mandate.

Article 28

In the event of the termination of the mandate hereby conferred upon the Mandatory, the Council of the League of Nations shall make such arrangements as may be deemed necessary for safeguarding in perpetuity, under guarantee of the League, the rights secured by Articles 13 and 14, and shall use its influence for securing, under the guarantee of the League, that the Government of Palestine will fully honour the financial obligations legitimately incurred by the Administration of Palestine during the period of the mandate, including the rights of public servants ,to pensions or gratuities.

The present instrument shall be deposited in original in the archives of the League of Nations and certified copies shall be forwarded by the Secretary-General of the League of Nations to all Members of the League.

Done at London the twenty-fourth day of July, one thousand nine hundred and twenty-two.

4- UN General Assembly Resolution 181
(Partition Plan)
November 29, 1947

United Nations General Assembly Resolution 181 called for the partition of the British-ruled Palestine Mandate into a Jewish state and an Arab state. It was approved on November 29, 1947 with 33 votes in favor, 13 against, 10 abstentions and one absent (see list at end of document).

The resolution was accepted by the Jews in Palestine, yet rejected by the Arabs in Palestine and the Arab states.

Listen to UN vote

Text:

The General Assembly,

Having met in special session at the request of the mandatory Power to constitute and instruct a Special Committee to prepare for the consideration of the question of the future Government of Palestine at the second regular session;

Having constituted a Special Committee and instructed it to investigate all questions and issues relevant to the problem of Palestine, and to prepare proposals for the solution of the problem, and

Having received and examined the report of the Special Committee (document A/364)(1) including a number of unanimous recommendations and a plan of partition with economic union approved by the majority of the Special Committee,

Considers that the present situation in Palestine is one which is likely to impair the general welfare and friendly relations among nations;

Takes note of the declaration by the mandatory Power that it plans to complete its evacuation of Palestine by l August 1948;

Recommends to the United Kingdom, as the mandatory Power for Palestine, and to all other Members of the United Nations the adoption and implementation, with regard to the future Government of Palestine, of the Plan of Partition with Economic Union set out below;

Requests that

a. The Security Council take the necessary measures as provided for in the plan for its implementation;
b. The Security Council consider, if circumstances during the transitional period require such consideration, whether the situation in Palestine constitutes a threat to the peace. If it decides that such a threat exists, and in order to maintain international peace and security, the Security Council should supplement the authorization of the General Assembly by taking measures, under Articles 39 and 41 of the Charter, to empower the United Nations Commission, as provided in this resolution, to exercise in Palestine the functions which are assigned to it by this resolution;
c. The Security Council determine as a threat to the peace, breach of the peace or act of aggression, in accordance with Article 39 of the Charter, any attempt to alter by force the settlement envisaged by this resolution;
d. The Trusteeship Council be informed of the responsibilities envisaged for it in this plan;

Calls upon the inhabitants of Palestine to take such steps as may be necessary on their part to put this plan into effect;

Appeals to all Governments and all peoples to refrain from taking any action which might hamper or delay the carrying out of these recommendations, and

Authorizes the Secretary-General to reimburse travel and subsistence expenses of the members of the Commission referred to in Part 1, Section B, Paragraph I below, on such basis and in such form as he may determine most appropriate in the circumstances, and to provide the Commission with the necessary staff to assist in carrying out the functions assigned to the Commission by the General Assembly.*

The General Assembly,

Authorizes the Secretary-General to draw from the Working Capital Fund a sum not to exceed 2,000,000 dollars for the purposes set forth in the last paragraph of the resolution on the future government of Palestine.

PLAN OF PARTITION WITH ECONOMIC UNION

Part I. - Future Constitution and Government of Palestine

A. TERMINATION OF MANDATE, PARTITION AND INDEPENDENCE

1. The Mandate for Palestine shall terminate as soon as possible but in any case not later than 1 August 1948.
2. The armed forces of the mandatory Power shall be progressively withdrawn from Palestine, the withdrawal to be completed as soon as possible but in any case not later than 1 August 1948.
   The mandatory Power shall advise the Commission, as far in advance as possible, of its intention to terminate the mandate and to evacuate each area. The mandatory Power shall use its best endeavours to ensure that an area situated in the territory of the Jewish State, including a seaport and hinterland adequate to provide facilities for a substantial immigration, shall be evacuated at the earliest possible date and in any event not later than 1 February 1948.
3. Independent Arab and Jewish States and the Special International Regime for the City of Jerusalem, set forth in Part III of this Plan, shall come into existence in Palestine two months after the evacuation of the armed forces of the mandatory Power has been completed but in any case not later than 1 October 1948. The boundaries of the Arab State, the Jewish State, and the City of Jerusalem shall be as described in Parts II and III below.
4. The period between the adoption by the General Assembly of its recommendation on the question of Palestine and the establishment of the independence of the Arab and Jewish States shall be a transitional period.

B. STEPS PREPARATORY TO INDEPENDENCE

1. A Commission shall be set up consisting of one representative of each of five Member States. The Members represented on the Commission shall be elected by the General Assembly on as broad a basis, geographically and otherwise, as possible.
2. The administration of Palestine shall, as the mandatory Power withdraws its armed forces, be progressively turned over to the Commission, which shall act in conformity with the recommendations of the General Assembly, under the guidance of the Security Council. The mandatory Power shall to the fullest possible extent coordinate its plans for withdrawal with the plans of the Commission to take over and administer areas which have been evacuated. In the discharge of this administrative responsibility the Commission shall have authority to issue necessary regulations and take other measures as required. The mandatory Power shall not take any action to prevent, obstruct or delay the implementation by the Commission of the measures recommended by the General Assembly.
3. On its arrival in Palestine the Commission shall proceed to carry out measures for the establishment of the frontiers of the Arab and Jewish States and the City of Jerusalem in accordance with the general lines of the recommendations of the General Assembly on the partition of Palestine. Nevertheless, the boundaries as described in Part II of this Plan are to be modified in such a way that village areas as a rule will not be divided by state boundaries unless pressing reasons make that

necessary.

4. The Commission, after consultation with the democratic parties and other public organizations of the Arab and Jewish States, shall select and establish in each State as rapidly as possible a Provisional Council of Government. The activities of both the Arab and Jewish Provisional Councils of Government shall be carried out under the general direction of the Commission.
   If by 1 April 1948 a Provisional Council of Government cannot be selected for either of the States, or, if selected, cannot carry out its functions, the Commission shall communicate that fact to the Security Council for such action with respect to that State as the Security Council may deem proper, and to the Secretary-General for communication to the Members of the United Nations.
5. Subject to the provisions of these recommendations, during the transitional period the Provisional Councils of Government, acting under the Commission, shall have full authority in the areas under their control including authority over matters of immigration and land regulation.
6. The Provisional Council of Government of each State, acting under the Commission, shall progressively receive from the Commission full responsibility for the administration of that State in the period between the termination of the Mandate and the establishment of the State's independence.
7. The Commission shall instruct the Provisional Councils of Government of both the Arab and Jewish States, after their formation, to proceed to the establishment of administrative organs of government, central and local.
8. The Provisional Council of Government of each State shall, within the shortest time possible, recruit an armed militia from the residents of that State, sufficient in number to maintain internal order and to prevent frontier clashes.
   This armed militia in each State shall, for operational purposes, be under the command of Jewish or Arab officers resident in that State, but general political and military control, including the choice of the militia's High Command, shall be exercised by the Commission.
9. The Provisional Council of Government of each State shall, not later than two months after the withdrawal of the armed forces of the mandatory Power, hold elections to the Constituent Assembly which shall be conducted on democratic lines.
   The election regulations in each State shall be drawn up by the Provisional Council of Government and approved by the Commission. Qualified voters for each State for this election shall be persons over eighteen years of age who are (a) Palestinian citizens residing in that State; and (b) Arabs and Jews residing in the State, although not Palestinian citizens, who, before voting, have signed a notice of intention to become citizens of such State.
   Arabs and Jews residing in the City of Jerusalem who have signed a notice of intention to become citizens, the Arabs of the Arab State and the Jews of the Jewish State, shall be entitled to vote in the Arab and Jewish States respectively.
   Women may vote and be elected to the Constituent Assemblies.
   During the transitional period no Jew shall be permitted to establish residence in the area of the proposed Arab State, and no Arab shall be permitted to establish residence in the area of the proposed Jewish State, except by special leave of the

Commission.

10. The Constituent Assembly of each State shall draft a democratic constitution for its State and choose a provisional government to succeed the Provisional Council of Government appointed by the Commission. The Constitutions of the States shall embody Chapters 1 and 2 of the Declaration provided for in section C below and include, inter alia, provisions for:
    a. Establishing in each State a legislative body elected by universal suffrage and by secret ballot on the basis of proportional representation, and an executive body responsible to the legislature;
    b. Settling all international disputes in which the State may be involved by peaceful means in such a manner that international peace and security, and justice, are not endangered;
    c. Accepting the obligation of the State to refrain in its international relations from the threat or use of force against the territorial integrity or political independence of any State, or in any other manner inconsistent with the purpose of the United Nations;
    d. Guaranteeing to all persons equal and non-discriminatory rights in civil, political, economic and religious matters and the enjoyment of human rights and fundamental freedoms, including freedom of religion, language, speech and publication, education, assembly and association;
    e. Preserving freedom of transit and visit for all residents and citizens of the other State in Palestine and the City of Jerusalem, subject to considerations of national security, provided that each State shall control residence within its borders.
11. The Commission shall appoint a preparatory economic commission of three members to make whatever arrangements are possible for economic co-operation, with a view to establishing, as soon as practicable, the Economic Union and the Joint Economic Board, as provided in section D below.
12. During the period between the adoption of the recommendations on the question of Palestine by the General Assembly and the termination of the Mandate, the mandatory Power in Palestine shall maintain full responsibility for administration in areas from which it has not withdrawn its armed forces. The Commission shall assist the mandatory Power in the carrying out of these functions. Similarly the mandatory Power shall co-operate with the Commission in the execution of its functions.
13. With a view to ensuring that there shall be continuity in the functioning of administrative services and that, on the withdrawal of the armed forces of the mandatory Power, the whole administration shall be in the charge of the Provisional Councils and the Joint Economic Board, respectively, acting under the Commission, there shall be a progressive transfer, from the mandatory Power to the Commission, of responsibility for all the functions of government, including that of maintaining law and order in the areas from which the forces of the mandatory Power have been withdrawn.
14.
15. The Commission shall be guided in its activities by the recommendations of the General Assembly and by such instructions as the Security Council may consider

necessary to issue.
The measures taken by the Commission, within the recommendations of the General Assembly, shall become immediately effective unless the Commission has previously received contrary instructions from the Security Council. The Commission shall render periodic monthly progress reports, or more frequently if desirable, to the Security Council.

16. The Commission shall make its final report to the next regular session of the General Assembly and to the Security Council simultaneously.

C. DECLARATION

A declaration shall be made to the United Nations by the Provisional Government of each proposed State before independence. It shall contain, inter alia, the following clauses:

General Provision

The stipulations contained in the Declaration are recognized as fundamental laws of the State and no law, regulation or official action shall conflict or interfere with these stipulations, nor shall any law, regulation or official action prevail over them.

Chapter I: Holy Places, Religious Buildings and Sites

1. Existing rights in respect of Holy Places and religious buildings or sites shall not be denied or impaired.
2. In so far as Holy Places are concerned, the liberty of access, visit, and transit shall be guaranteed, in conformity with existing rights, to all residents and citizen of the other State and of the City of Jerusalem, as well as to aliens, without distinction as to nationality, subject to requirements of national security, public order and decorum.
   Similarly, freedom of worship shall be guaranteed in conformity with existing rights, subject to the maintenance of public order and decorum.
3. Holy Places and religious buildings or sites shall be preserved. No act shall be permitted which may in an way impair their sacred character. If at any time it appears to the Government that any particular Holy Place, religious, building or site is in need of urgent repair, the Government may call upon the community or communities concerned to carry out such repair. The Government may carry it out itself at the expense of the community or community concerned if no action is taken within a reasonable time.
4. No taxation shall be levied in respect of any Holy Place, religious building or site which was exempt from taxation on the date of the creation of the State. No change in the incidence of such taxation shall be made which would either discriminate between the owners or occupiers of Holy Places, religious buildings or sites, or would place such owners or occupiers in a position less favourable in relation to the general incidence of taxation than existed at the time of the adoption of the Assembly's recommendations.

5. The Governor of the City of Jerusalem shall have the right to determine whether the provisions of the Constitution of the State in relation to Holy Places, religious buildings and sites within the borders of the State and the religious rights appertaining thereto, are being properly applied and respected, and to make decisions on the basis of existing rights in cases of disputes which may arise between the different religious communities or the rites of a religious community with respect to such places, buildings and sites. He shall receive full co-operation and such privileges and immunities as are necessary for the exercise of his functions in the State.

Chapter 2: Religious and Minority Rights

1. Freedom of conscience and the free exercise of all forms of worship, subject only to the maintenance of public order and morals, shall be ensured to all.
2. No discrimination of any kind shall be made between the inhabitants on the ground of race, religion, language or sex.
3. All persons within the jurisdiction of the State shall be entitled to equal protection of the laws.
4. The family law and personal status of the various minorities and their religious interests, including endowments, shall be respected.
5. Except as may be required for the maintenance of public order and good government, no measure shall be taken to obstruct or interfere with the enterprise of religious or charitable bodies of all faiths or to discriminate against any representative or member of these bodies on the ground of his religion or nationality.
6. The State shall ensure adequate primary and secondary education for the Arab and Jewish minority, respectively, in its own language and its cultural traditions. The right of each community to maintain its own schools for the education of its own members in its own language, while conforming to such educational requirements of a general nature as the State may impose, shall not be denied or impaired. Foreign educational establishments shall continue their activity on the basis of their existing rights.
7. No restriction shall be imposed on the free use by any citizen of the State of any language in private intercourse, in commerce, in religion, in the Press or in publications of any kind, or at public meetings.(3)
8. No expropriation of land owned by an Arab in the Jewish State (by a Jew in the Arab State)(4) shall be allowed except for public purposes. In all cases of expropriation full compensation as fixed by the Supreme Court shall be said previous to dispossession.

Chapter 3: Citizenship, International Conventions and Financial Obligations

1. Citizenship

Palestinian citizens residing in Palestine outside the City of Jerusalem, as well as Arabs and Jews who, not holding Palestinian citizenship, reside in Palestine outside the City of

Jerusalem shall, upon the recognition of independence, become citizens of the State in which they are resident and enjoy full civil and political rights. Persons over the age of eighteen years may opt, within one year from the date of recognition of independence of the State in which they reside, for citizenship of the other State, providing that no Arab residing in the area of the proposed Arab State shall have the right to opt for citizenship in the proposed Jewish State and no Jew residing in the proposed Jewish State shall have the right to opt for citizenship in the proposed Arab State. The exercise of this right of option will be taken to include the wives and children under eighteen years of age of persons so opting.

Arabs residing in the area of the proposed Jewish State and Jews residing in the area of the proposed Arab State who have signed a notice of intention to opt for citizenship of the other State shall be eligible to vote in the elections to the Constituent Assembly of that State, but not in the elections to the Constituent Assembly of the State in which they reside.

2. International conventions

a. The State shall be bound by all the international agreements and conventions, both general and special, to which Palestine has become a party. Subject to any right of denunciation provided for therein, such agreements and conventions shall be respected by the State throughout the period for which they were concluded.
b. Any dispute about the applicability and continued validity of international conventions or treaties signed or adhered to by the mandatory Power on behalf of Palestine shall be referred to the International Court of Justice in accordance with the provisions of the Statute of the Court.

3. Financial obligations

a. The State shall respect and fulfil all financial obligations of whatever nature assumed on behalf of Palestine by the mandatory Power during the exercise of the Mandate and recognized by the State. This provision includes the right of public servants to pensions, compensation or gratuities.
b. These obligations shall be fulfilled through participation in the Joint Economic Board in respect of those obligations applicable to Palestine as a whole, and individually in respect of those applicable to, and fairly apportionable between, the States.
c. A Court of Claims, affiliated with the Joint Economic Board, and composed of one member appointed by the United Nations, one representative of the United Kingdom and one representative of the State concerned, should be established. Any dispute between the United Kingdom and the State respecting claims not recognized by the latter should be referred to that Court.
d. Commercial concessions granted in respect of any part of Palestine prior to the adoption of the resolution by the General Assembly shall continue to be valid according to their terms, unless modified by agreement between the concession-holders and the State.

Chapter 4: Miscellaneous Provisions

1. The provisions of chapters 1 and 2 of the declaration shall be under the guarantee of the United Nations, and no modifications shall be made in them without the assent of the General Assembly of the United Nations. Any Member of the United Nations shall have the right to bring to the attention of the General Assembly any infraction or danger of infraction of any of these stipulations, and the General Assembly may thereupon make such recommendations as it may deem proper in the circumstances.
2. Any dispute relating to the application or interpretation of this declaration shall be referred, at the request of either party, to the International Court of Justice, unless the parties agree to another mode of settlement.

D. ECONOMIC UNION AND TRANSIT

1. The Provisional Council of Government of each State shall enter into an undertaking with respect to Economic Union and Transit. This undertaking shall be drafted by the Commission provided for in section B, paragraph 1, utilizing to the greatest possible extent the advice and cooperation of representative organizations and bodies from each of the proposed States. It shall contain provisions to establish the Economic Union of Palestine and provide for other matters of common interest. If by 1 April 1948 the Provisional Councils of Government have not entered into the undertaking, the undertaking shall be put into force by the Commission.

The Economic Union of Palestine

2. The objectives of the Economic Union of Palestine shall be:
    a. A customs union;
    b. A joint currency system providing for a single foreign exchange rate;
    c. Operation in the common interest on a non-discriminatory basis of railways inter-State highways; postal, telephone and telegraphic services and ports and airports involved in international trade and commerce;
    d. Joint economic development, especially in respect of irrigation, land reclamation and soil conservation;
    e. Access for both States and for the City of Jerusalem on a non-discriminatory basis to water and power facilities.
3. There shall be established a Joint Economic Board, which shall consist of three representatives of each of the two States and three foreign members appointed by the Economic and Social Council of the United Nations. The foreign members shall be appointed in the first instance for a term of three years; they shall serve as individuals and not as representatives of States.
4. The functions of the Joint Economic Board shall be to implement either directly or by delegation the measures necessary to realize the objectives of the Economic Union. It shall have all powers of organization and administration necessary to fulfil its functions.

5. The States shall bind themselves to put into effect the decisions of the Joint Economic Board. The Board's decisions shall be taken by a majority vote.
6. In the event of failure of a State to take the necessary action the Board may, by a vote of six members, decide to withhold an appropriate portion of the part of the customs revenue to which the State in question is entitled under the Economic Union. Should the State persist in its failure to cooperate, the Board may decide by a simple majority vote upon such further sanctions, including disposition of funds which it has withheld, as it may deem appropriate.
7. In relation to economic development, the functions of the Board shall be planning, investigation and encouragement of joint development projects, but it shall not undertake such projects except with the assent of both States and the City of Jerusalem, in the event that Jerusalem is directly involved in the development project.
8. In regard to the joint currency system, the currencies circulating in the two States and the City of Jerusalem shall be issued under the authority of the Joint Economic Board, which shall be the sole issuing authority and which shall determine the reserves to be held against such currencies.
9. So far as is consistent with paragraph 2(b) above, each State may operate its own central bank, control its own fiscal and credit policy, its foreign exchange receipts and expenditures, the grant of import licences, and may conduct international financial operations on its own faith and credit. During the first two years after the termination of the Mandate, the Joint Economic Board shall have the authority to take such measures as may be necessary to ensure that - to the extent that the total foreign exchange revenues of the two States from the export of goods and services permit, and provided that each State takes appropriate measures to conserve its own foreign exchange resources - each State shall have available, in any twelve months' period, foreign exchange sufficient to assure the supply of quantities of imported goods and services for consumption in its territory equivalent to the quantities of such goods and services consumed in that territory in the twelve months' period ending 31 December 1947.
10. All economic authority not specifically vested in the Joint Economic Board is reserved to each State.
11. There shall be a common customs tariff with complete freedom of trade between the States, and between the States and the City of Jerusalem.
12. The tariff schedules shall be drawn up by a Tariff Commission, consisting of representatives of each of the States in equal numbers, and shall be submitted to the Joint Economic Board for approval by a majority vote. In case of disagreement in the Tariff Commission, the Joint Economic Board shall arbitrate the points of difference. In the event that the Tariff Commission fails to draw up any schedule by a date to be fixed, the Joint Economic Board shall determine the tariff schedule.
13. The following items shall be a first charge on the customs and other common revenue of the Joint Economic Board:
    a. The expenses of the customs service and of the operation of the joint services;
    b. The administrative expenses of the Joint Economic Board;

c. The financial obligations of the Administration of Palestine, consisting of:
   i. The service of the outstanding public debt;
   ii. The cost of superannuation benefits, now being paid or falling due in the future, in accordance with the rules and to the extent established by paragraph 3 of chapter 3 above.

14. After these obligations have been met in full, the surplus revenue from the customs and other common services shall be divided in the following manner: not less than 5 per cent and not more than 10 per cent to the City of Jerusalem; the residue shall be allocated to each State by the Joint Economic Board equitably, with the objective of maintaining a sufficient and suitable level of government and social services in each State, except that the share of either State shall not exceed the amount of that State's contribution to the revenues of the Economic Union by more than approximately four million pounds in any year. The amount granted may be adjusted by the Board according to the price level in relation to the prices prevailing at the time of the establishment of the Union. After five years, the principles of the distribution of the joint revenue may be revised by the Joint Economic Board on a basis of equity.
15. All international conventions and treaties affecting customs tariff rates, and those communications services under the jurisdiction of the Joint Economic Board, shall be entered into by both States. In these matters, the two States shall be bound to act in accordance with the majority of the Joint Economic Board.
16. The Joint Economic Board shall endeavour to secure for Palestine's exports fair and equal access to world markets.
17. All enterprises operated by the Joint Economic Board shall pay fair wages on a uniform basis.

Freedom of Transit and Visit

18. The undertaking shall contain provisions preserving freedom of transit and visit for all residents or citizens of both States and of the City of Jerusalem, subject to security considerations; provided that each State and the City shall control residence within its borders.

Termination, Modification and Interpretation of the Undertaking

19. The undertaking and any treaty issuing therefrom shall remain in force for a period of ten years. It shall continue in force until notice of termination, to take effect two years thereafter, is given by either of the parties.
20. During the initial ten-year period, the undertaking and any treaty issuing therefrom may not be modified except by consent of both parties and with the approval of the General Assembly.
21. Any dispute relating to the application or the interpretation of the undertaking and any treaty issuing therefrom shall be referred, at the request of either party, to the International Court Of Justice, unless the parties agree to another mode of settlement.

E. ASSETS

1. The movable assets of the Administration of Palestine shall be allocated to the Arab and Jewish States and the City of Jerusalem on an equitable basis. Allocations should be made by the United Nations Commission referred to iii section B, paragraph 1, above. Immovable assets shall become the property of the government of the territory in which they are situated.
2. During the period between the appointment of the United Nations Commission and the termination of the Mandate, the mandatory Power shall, except in respect of ordinary operations, consult with the Commission on any measure which it may contemplate involving the liquidation, disposal or encumbering of the assets of the Palestine Government, such as the accumulated treasury surplus, the proceeds of Government bond issues, State lands or any other asset.

F. ADMISSION TO MEMBERSHIP IN THE UNITED NATIONS

When the independence of either the Arab or the Jewish State as envisaged in this plan has become effective and the declaration and undertaking, as envisaged in this plan, have been signed by either of them, sympathetic consideration should be given to its application for admission to membership in the United Nations in accordance with article 4 of the Charter of the United Nations.

Part II. - Boundaries

A. THE ARAB STATE

The area of the Arab State in Western Galilee is bounded on the west by the Mediterranean and on the north by the frontier of the Lebanon from Ras en Naqura to a point north of Saliha. From there the boundary proceeds southwards, leaving the built-up area of Saliha in the Arab State, to join the southernmost point of this village. There it follows the western boundary line of the villages of 'Alma, Rihaniya and Teitaba, thence following the northern boundary line of Meirun village to join the Acre-Safad Sub-District boundary line. It follows this line to a point west of Es Sammu'i village and joins it again at the northernmost point of Farradiya. Thence it follows the sub-district boundary line to the Acre-Safad main road. From here it follows the western boundary of Kafr-I'nan village until it reaches the Tiberias-Acre Sub-District boundary line, passing to the west of the junction of the Acre-Safad and Lubiya-Kafr-I'nan roads. From the south-west corner of Kafr-I'nan village the boundary line follows the western boundary of the Tiberias Sub-District to a point close to the boundary line between the villages of Maghar and 'Eilabun, thence bulging out to the west to include as much of the eastern part of the plain of Battuf as is necessary for the reservoir proposed by the Jewish Agency for the irrigation of lands to the south and east.

The boundary rejoins the Tiberias Sub-District boundary at a point on the Nazareth-Tiberias road south-east of the built-up area of Tur'an; thence it runs southwards, at first following the sub-district boundary and then passing between the Kadoorie Agricultural

School and Mount Tabor, to a point due south at the base of Mount Tabor. From here it runs due west, parallel to the horizontal grid line 230, to the north-east corner of the village lands of Tel Adashim. It then runs to the northwest corner of these lands, whence it turns south and west so as to include in the Arab State the sources of the Nazareth water supply in Yafa village. On reaching Ginneiger it follows the eastern, northern and western boundaries of the lands of this village to their south-west comer, whence it proceeds in a straight line to a point on the Haifa-Afula railway on the boundary between the villages of Sarid and El-Mujeidil. This is the point of intersection. The south-western boundary of the area of the Arab State in Galilee takes a line from this point, passing northwards along the eastern boundaries of Sarid and Gevat to the north-eastern corner of Nahalal, proceeding thence across the land of Kefar ha Horesh to a central point on the southern boundary of the village of 'Ilut, thence westwards along that village boundary to the eastern boundary of Beit Lahm, thence northwards and north-eastwards along its western boundary to the north-eastern corner of Waldheim and thence north-westwards across the village lands of Shafa 'Amr to the southeastern corner of Ramat Yohanan. From here it runs due north-north-east to a point on the Shafa 'Amr-Haifa road, west of its junction with the road of I'billin. From there it proceeds north-east to a point on the southern boundary of I'billin situated to the west of the I'billin-Birwa road. Thence along that boundary to its westernmost point, whence it turns to the north, follows across the village land of Tamra to the north-westernmost corner and along the western boundary of Julis until it reaches the Acre-Safad road. It then runs westwards along the southern side of the Safad-Acre road to the Galilee-Haifa District boundary, from which point it follows that boundary to the sea.

The boundary of the hill country of Samaria and Judea starts on the Jordan River at the Wadi Malih south-east of Beisan and runs due west to meet the Beisan-Jericho road and then follows the western side of that road in a north-westerly direction to the junction of the boundaries of the Sub-Districts of Beisan, Nablus, and Jenin. From that point it follows the Nablus-Jenin sub-District boundary westwards for a distance of about three kilometres and then turns north-westwards, passing to the east of the built-up areas of the villages of Jalbun and Faqqu'a, to the boundary of the Sub-Districts of Jenin and Beisan at a point northeast of Nuris. Thence it proceeds first northwestwards to a point due north of the built-up area of Zie'in and then westwards to the Afula-Jenin railway, thence north-westwards along the District boundary line to the point of intersection on the Hejaz railway. From here the boundary runs southwestwards, including the built-up area and some of the land of the village of Kh. Lid in the Arab State to cross the Haifa-Jenin road at a point on the district boundary between Haifa and Samaria west of El- Mansi. It follows this boundary to the southernmost point of the village of El-Buteimat. From here it follows the northern and eastern boundaries of the village of Ar'ara rejoining the Haifa-Samaria district boundary at Wadi 'Ara, and thence proceeding south-south-westwards in an approximately straight line joining up with the western boundary of Qaqun to a point east of the railway line on the eastern boundary of Qaqun village. From here it runs along the railway line some distance to the east of it to a point just east of the Tulkarm railway station. Thence the boundary follows a line half-way between the railway and the Tulkarm-Qalqiliya-Jaljuliya and Ras El-Ein road to a point just east of Ras El-Ein station, whence it proceeds along the railway some distance to the east of it to the point

on the railway line south of the junction of the Haifa-Lydda and Beit Nabala lines, whence it proceeds along the southern border of Lydda airport to its south-west corner, thence in a south-westerly direction to a point just west of the built-up area of Sarafand El 'Amar, whence it turns south, passing just to the west of the built-up area of Abu El-Fadil to the north-east corner of the lands of Beer Ya'aqov. (The boundary line should be so demarcated as to allow direct access from the Arab State to the airport.) Thence the boundary line follows the western and southern boundaries of Ramle village, to the north-east corner of El Na'ana village, thence in a straight line to the southernmost point of El Barriya, along the eastern boundary of that village and the southern boundary of 'Innaba village. Thence it turns north to follow the southern side of the Jaffa-Jerusalem road until El-Qubab, whence it follows the road to the boundary of Abu-Shusha. It runs along the eastern boundaries of Abu Shusha, Seidun, Hulda to the southernmost point of Hulda, thence westwards in a straight line to the north-eastern corner of Umm Kalkha, thence following the northern boundaries of Umm Kalkha, Qazaza and the northern and western boundaries of Mukhezin to the Gaza District boundary and thence runs across the village lands of El-Mismiya El-Kabira, and Yasur to the southern point of intersection, which is midway between the built-up areas of Yasur and Batani Sharqi.

From the southern point of intersection the boundary lines run north-westwards between the villages of Gan Yavne and Barqa to the sea at a point half way between Nabi Yunis and Minat El-Qila, and south-eastwards to a point west of Qastina, whence it turns in a south-westerly direction, passing to the east of the built-up areas of Es Sawafir Esh Sharqiya and 'Ibdis. From the south-east corner of 'Ibdis village it runs to a point southwest of the built-up area of Beit 'Affa, crossing the Hebron-El-Majdal road just to the west of the built-up area of 'Iraq Suweidan. Thence it proceeds southward along the western village boundary of El-Faluja to the Beersheba Sub-District boundary. It then runs across the tribal lands of 'Arab El-Jubarat to a point on the boundary between the Sub-Districts of Beersheba and Hebron north of Kh. Khuweilifa, whence it proceeds in a south-westerly direction to a point on the Beersheba-Gaza main road two kilometres to the north-west of the town. It then turns south-eastwards to reach Wadi Sab' at a point situated one kilometer to the west of it. From here it turns north-eastwards and proceeds along Wadi Sab' and along the Beersheba-Hebron road for a distance of one kilometer, whence it turns eastwards and runs in a straight line to Kh. Kuseifa to join the Beersheba-Hebron Sub-District boundary. It then follows the Beersheba-Hebron boundary eastwards to a point north of Ras Ez-Zuweira, only departing from it so as to cut across the base of the indentation between vertical grid lines 150 and 160.

About five kilometres north-east of Ras Ez-Zuweira it turns north, excluding from the Arab State a strip along the coast of the Dead Sea not more than seven kilometres in depth, as far as 'Ein Geddi, whence it turns due east to join the Transjordan frontier in the Dead Sea.

The northern boundary of the Arab section of the coastal plain runs from a point between Minat El-Qila and Nabi Yunis, passing between the built-up areas of Gan Yavne and Barqa to the point of intersection. From here it turns south-westwards, running across the lands of Batani Sharqi, along the eastern boundary of the lands of Beit Daras and across

the lands of Julis, leaving the built-up areas of Batani Sharqi and Julis to the westwards, as far as the north-west corner of the lands of Beit-Tima. Thence it runs east of El-Jiya across the village lands of El-Barbara along the eastern boundaries of the villages of Beit Jirja, Deir Suneid and Dimra. From the south-east corner of Dimra the boundary passes across the lands of Beit Hanun, leaving the Jewish lands of Nir-Am to the eastwards. From the south-east corner of Beit Hanun the line runs south-west to a point south of the parallel grid line 100, then turns north-west for two kilometres, turning again in a southwesterly direction and continuing in an almost straight line to the north-west corner of the village lands of Kirbet Ikhza'a. From there it follows the boundary line of this village to its southernmost point. It then runs in a southerly direction along the vertical grid line 90 to its junction with the horizontal grid line 70. It then turns south-eastwards to Kh. El-Ruheiba and then proceeds in a southerly direction to a point known as El-Baha, beyond which it crosses the Beersheba-EI 'Auja main road to the west of Kh. El-Mushrifa. From there it joins Wadi El-Zaiyatin just to the west of El-Subeita. From there it turns to the north-east and then to the south-east following this Wadi and passes to the east of 'Abda to join Wadi Nafkh. It then bulges to the south-west along Wadi Nafkh, Wadi 'Ajrim and Wadi Lassan to the point where Wadi Lassan crosses the Egyptian frontier.

The area of the Arab enclave of Jaffa consists of that part of the town-planning area of Jaffa which lies to the west of the Jewish quarters lying south of Tel-Aviv, to the west of the continuation of Herzl street up to its junction with the Jaffa-Jerusalem road, to the south-west of the section of the Jaffa-Jerusalem road lying south-east of that junction, to the west of Miqve Yisrael lands, to the northwest of Holon local council area, to the north of the line linking up the north-west corner of Holon with the northeast corner of Bat Yam local council area and to the north of Bat Yam local council area. The question of Karton quarter will be decided by the Boundary Commission, bearing in mind among other considerations the desirability of including the smallest possible number of its Arab inhabitants and the largest possible number of its Jewish inhabitants in the Jewish State.

B. THE JEWISH STATE

The north-eastern sector of the Jewish State (Eastern Galilee) is bounded on the north and west by the Lebanese frontier and on the east by the frontiers of Syria and Trans-jordan. It includes the whole of the Huleh Basin, Lake Tiberias, the whole of the Beisan Sub-District, the boundary line being extended to the crest of the Gilboa mountains and the Wadi Malih. From there the Jewish State extends north-west, following the boundary described in respect of the Arab State. The Jewish section of the coastal plain extends from a point between Minat El-Qila and Nabi Yunis in the Gaza Sub-District and includes the towns of Haifa and Tel-Aviv, leaving Jaffa as an enclave of the Arab State. The eastern frontier of the Jewish State follows the boundary described in respect of the Arab State.

The Beersheba area comprises the whole of the Beersheba Sub-District, including the Negeb and the eastern part of the Gaza Sub-District, but excluding the town of Beersheba and those areas described in respect of the Arab State. It includes also a strip of land

along the Dead Sea stretching from the Beersheba-Hebron Sub-District boundary line to 'Ein Geddi, as described in respect of the Arab State.

C. THE CITY OF JERUSALEM

The boundaries of the City of Jerusalem are as defined in the recommendations on the City of Jerusalem. (See Part III, section B, below).

Part III. - City of Jerusalem(5)

A. SPECIAL REGIME

The City of Jerusalem shall be established as a corpus separatum under a special international regime and shall be administered by the United Nations. The Trusteeship Council shall be designated to discharge the responsibilities of the Administering Authority on behalf of the United Nations.

B. BOUNDARIES OF THE CITY

The City of Jerusalem shall include the present municipality of Jerusalem plus the surrounding villages and towns, the most eastern of which shall be Abu Dis; the most southern, Bethlehem; the most western, 'Ein Karim (including also the built-up area of Motsa); and the most northern Shu'fat, as indicated on the attached sketch-map (annex B).

C. STATUTE OF THE CITY

The Trusteeship Council shall, within five months of the approval of the present plan, elaborate and approve a detailed statute of the City which shall contain, inter alia, the substance of the following provisions:

1. Government machinery; special objectives. The Administering Authority in discharging its administrative obligations shall pursue the following special objectives:
    a. To protect and to preserve the unique spiritual and religious interests located in the city of the three great monotheistic faiths throughout the world, Christian, Jewish and Moslem; to this end to ensure that order and peace, and especially religious peace, reign in Jerusalem;
    b. To foster cooperation among all the inhabitants of the city in their own interests as well as in order to encourage and support the peaceful development of the mutual relations between the two Palestinian peoples throughout the Holy Land; to promote the security, well-being and any constructive measures of development of the residents having regard to the special circumstances and customs of the various peoples and communities.
2. Governor and Administrative staff. A Governor of the City of Jerusalem shall be

appointed by the Trusteeship Council and shall be responsible to it. He shall be selected on the basis of special qualifications and without regard to nationality. He shall not, however, be a citizen of either State in Palestine. The Governor shall represent the United Nations in the City and shall exercise on their behalf all powers of administration, including the conduct of external affairs. He shall be assisted by an administrative staff classed as international officers in the meaning of Article 100 of the Charter and chosen whenever practicable from the residents of the city and of the rest of Palestine on a non-discriminatory basis. A detailed plan for the organization of the administration of the city shall be submitted by the Governor to the Trusteeship Council and duly approved by it.

3. 3. Local autonomy
    a. The existing local autonomous units in the territory of the city (villages, townships and municipalities) shall enjoy wide powers of local government and administration.
    b. The Governor shall study and submit for the consideration and decision of the Trusteeship Council a plan for the establishment of special town units consisting, respectively, of the Jewish and Arab sections of new Jerusalem. The new town units shall continue to form part the present municipality of Jerusalem.
4. Security measures
    a. The City of Jerusalem shall be demilitarized; neutrality shall be declared and preserved, and no para-military formations, exercises or activities shall be permitted within its borders.
    b. Should the administration of the City of Jerusalem be seriously obstructed or prevented by the non-cooperation or interference of one or more sections of the population the Governor shall have authority to take such measures as may be necessary to restore the effective functioning of administration.
    c. To assist in the maintenance of internal law and order, especially for the protection of the Holy Places and religious buildings and sites in the city, the Governor shall organize a special police force of adequate strength, the members of which shall be recruited outside of Palestine. The Governor shall be empowered to direct such budgetary provision as may be necessary for the maintenance of this force.
5. Legislative Organization.
   A Legislative Council, elected by adult residents of the city irrespective of nationality on the basis of universal and secret suffrage and proportional representation, shall have powers of legislation and taxation. No legislative measures shall, however, conflict or interfere with the provisions which will be set forth in the Statute of the City, nor shall any law, regulation, or official action prevail over them. The Statute shall grant to the Governor a right of vetoing bills inconsistent with the provisions referred to in the preceding sentence. It shall also empower him to promulgate temporary ordinances in case the Council fails to adopt in time a bill deemed essential to the normal functioning of the administration.
6. Administration of Justice.

The Statute shall provide for the establishment of an independent judiciary system, including a court of appeal. All the inhabitants of the city shall be subject to it.

7. Economic Union and Economic Regime.
   The City of Jerusalem shall be included in the Economic Union of Palestine and be bound by all stipulations of the undertaking and of any treaties issued therefrom, as well as by the decisions of the Joint Economic Board. The headquarters of the Economic Board shall be established in the territory City. The Statute shall provide for the regulation of economic matters not falling within the regime of the Economic Union, on the basis of equal treatment and non-discrimination for all members of thc United Nations and their nationals.
8. Freedom of Transit and Visit: Control of residents.
   Subject to considerations of security, and of economic welfare as determined by the Governor under the directions of the Trusteeship Council, freedom of entry into, and residence within the borders of the City shall be guaranteed for the residents or citizens of the Arab and Jewish States. Immigration into, and residence within, the borders of the city for nationals of other States shall be controlled by the Governor under the directions of the Trusteeship Council.
9. Relations with Arab and Jewish States. Representatives of the Arab and Jewish States shall be accredited to the Governor of the City and charged with the protection of the interests of their States and nationals in connection with the international administration of the City.
10. Official languages.
    Arabic and Hebrew shall be the official languages of the city. This will not preclude the adoption of one or more additional working languages, as may be required.
11. Citizenship.
    All the residents shall become ipso facto citizens of the City of Jerusalem unless they opt for citizenship of the State of which they have been citizens or, if Arabs or Jews, have filed notice of intention to become citizens of the Arab or Jewish State respectively, according to Part 1, section B, paragraph 9, of this Plan. The Trusteeship Council shall make arrangements for consular protection of the citizens of the City outside its territory.
12. Freedoms of citizens
    a. Subject only to the requirements of public order and morals, the inhabitants of the City shall be ensured the enjoyment of human rights and fundamental freedoms, including freedom of conscience, religion and worship, language, education, speech and press, assembly and association, and petition.
    b. No discrimination of any kind shall be made between the inhabitants on the grounds of race, religion, language or sex.
    c. All persons within the City shall be entitled to equal protection of the laws.
    d. The family law and personal status of the various persons and communities and their religious interests, including endowments, shall be respected.

e. Except as may be required for the maintenance of public order and good government, no measure shall be taken to obstruct or interfere with the enterprise of religious or charitable bodies of all faiths or to discriminate against any representative or member of these bodies on the ground of his religion or nationality.
f. The City shall ensure adequate primary and secondary education for the Arab and Jewish communities respectively, in their own languages and in accordance with their cultural traditions.
The right of each community to maintain its own schools for the education of its own members in its own language, while conforming to such educational requirements of a general nature as the City may impose, shall not be denied or impaired. Foreign educational establishments shall continue their activity on the basis of their existing rights.
g. No restriction shall be imposed on the free use by any inhabitant of the City of any language in private intercourse, in commerce, in religion, in the Press or in publications of any kind, or at public meetings.

13. Holy Places
    a. Existing rights in respect of Holy Places and religious buildings or sites shall not be denied or impaired.
    b. Free access to the Holy Places and religious buildings or sites and the free exercise of worship shall be secured in conformity with existing rights and subject to the requirements of public order and decorum.
    c. Holy Places and religious buildings or sites shall be preserved. No act shall be permitted which may in any way impair their sacred character. If at any time it appears to the Governor that any particular Holy Place, religious building or site is in need of urgent repair, the Governor may call upon the community or communities concerned to carry out such repair. The Governor may carry it out himself at the expense of the community or communities concerned if no action is taken within a reasonable time.
    d. No taxation shall be levied in respect of any Holy Place, religious building or site which was exempt from taxation on the date of the creation of the City. No change in the incidence of such taxation shall be made which would either discriminate between the owners or occupiers of Holy Places, religious buildings or sites or would place such owners or occupiers in a position less favourable in relation to the general incidence of taxation than existed at the time of the adoption of the Assembly's recommendations.
14. Special powers of the Governor in respect of the Holy Places, religious buildings and sites in the City and in any part of Palestine.
    a. The protection of the Holy Places, religious buildings and sites located in the City of Jerusalem shall be a special concern of the Governor.
    b. With relation to such places, buildings and sites in Palestine outside the city, the Governor shall determine, on the ground of powers granted to him by the Constitution of both States, whether the provisions of the Constitution of the Arab and Jewish States in Palestine dealing therewith and the religious rights appertaining thereto are being properly applied

and respected.

c. The Governor shall also be empowered to make decisions on the basis of existing rights in cases of disputes which may arise between the different religious communities or the rites of a religious community in respect of the Holy Places, religious buildings and sites in any part of Palestine. In this task he may be assisted by a consultative council of representatives of different denominations acting in an advisory capacity.

D. DURATION OF THE SPECIAL REGIME

The Statute elaborated by the Trusteeship Council the aforementioned principles shall come into force not later than 1 October 1948. It shall remain in force in the first instance for a period of ten years, unless the Trusteeship Council finds it necessary to undertake a re-examination of these provisions at an earlier date. After the expiration of this period the whole scheme shall be subject to examination by the Trusteeship Council in the light of experience acquired with its functioning. The residents the City shall be then free to express by means of a referendum their wishes as to possible modifications of regime of the City.

Part IV. Capitulations

States whose nationals have in the past enjoyed in Palestine the privileges and immunities of foreigners, including the benefits of consular jurisdiction and protection, as formerly enjoyed by capitulation or usage in the Ottoman Empire, are invited to renounce any right pertaining to them to the re-establishment of such privileges and immunities in the proposed Arab and Jewish States and the City of Jerusalem.

Adopted at the 128th plenary meeting:

In favour: 33

Australia, Belgium, Bolivia, Brazil, Byelorussian S.S.R., Canada, Costa Rica, Czechoslovakia, Denmark, Dominican Republic, Ecuador, France, Guatemala, Haiti, Iceland, Liberia, Luxemburg, Netherlands, New Zealand, Nicaragua, Norway, Panama, Paraguay, Peru, Philippines, Poland, Sweden, Ukrainian S.S.R., Union of South Africa, U.S.A., U.S.S.R., Uruguay, Venezuela.

Against: 13

Afghanistan, Cuba, Egypt, Greece, India, Iran, Iraq, Lebanon, Pakistan, Saudi Arabia, Syria, Turkey, Yemen.

Abstained: 10

Argentina, Chile, China, Colombia, El Salvador, Ethiopia, Honduras, Mexico, United

Kingdom, Yugoslavia.

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(1) See Official Records of the General Assembly, Second Session Supplement No. 11,Volumes l-lV.

* At its hundred and twenty-eighth plenary meeting on 29 November 1947 the General Assembly, in accordance with the terms of the above resolution, elected the following members of the United Nations Commission on Palestine: Bolivia, Czechoslovakia, Denmark, Panama, and Philippines.

(2) This resolution was adopted without reference to a Committee.

(3) The following stipulation shall be added to the declaration concerning the Jewish State: "In the Jewish State adequate facilities shall be given to Arabic-speaking citizens for the use of their language, either orally or in writing, in the legislature, before the Courts and in the administration."

(4) In the declaration concerning the Arab State, the words "by an Arab in the Jewish State" should be replaced by the words "by a Jew in the Arab State."

(5) On the question of the internationalization of Jerusalem, see also General Assembly resolutions 185 (S-2) of 26 April 1948; 187 (S-2) of 6 May 1948, 303 (lV) of 9 December 1949, and resolutions of the Trusteeship Council (Section IV).

5- Creation of a Conciliation Commission, General Assembly Resolution 194 (III), 11 December 1948:

The third session of the General Assembly refused to accept any decision altering the Partition Resolution of the preceding year, nor did it decide on ways of its implementation. Instead, it decided to set up a United Nations Conciliation Commission, reiterated the decision on internationalization of Jerusalem, and laid down several principles on the refugee question. Text of Resolution 194 (III) follows:

The General Assembly,

Having considered further the situation in Palestine,

1. Expresses its deep appreciation of the progress achieved through the good offices of the late United Nations Mediator in promoting a peaceful adjustment of the future situation of Palestine, for which cause he sacrificed his life; and

Extends its thanks to the Acting Mediator and his staff for their continued efforts and devotion to duty in Palestine;

2. Establishes a Conciliation Commission consisting of three States Members of the United Nations which shall have the following functions:

> (a) To assume, in so far as it considers necessary in existing circumstances, the functions given to the United Nations Mediator on Palestine by the resolution of the General Assembly of 14 May 1948;
>
> (b) To carry out the specific functions and directives given to it by the present resolution and such additional functions and directives as may be given to it by the General Assembly or by the Security Council;
>
> (c) To undertake, upon the request of the Security Council, any of the functions now assigned to the United Nations Mediator on Palestine or to the United Nations Truce Commission by resolutions of the Security Council; upon such request to the Conciliation Commission by the Security Council with respect to all the remaining functions of the United Nations Mediator on Palestine under Security Council resolutions, the office of the Mediator shall be terminated;

3. Decides that a Committee of the Assembly, consisting of China, France, the Union of Soviet Socialist Republics, the United Kingdom and the United States of America, shall present, before the end of the first part of the present session of the General Assembly, for the approval of the Assembly, a proposal concerning the names of the three States which will constitute the Conciliation Commission;

4. Requests the Commission to begin its functions at once, with a view to the establishment of contact between the parties themselves and the Commission at the earliest possible date;

5. Calls upon >the Governments and authorities concerned to extend the scope of the negotiations provided for in the Security Council's resolution of 16 November 1948 and to seek agreement by negotiations conducted either with the Conciliation Commission or directly with a view to the final settlement of all questions outstanding between them;

6. Instructs the Conciliation Commission to take steps to assist the Government and authorities concerned to achieve a final settlement of all questions outstanding between them;

7. Resolves that the Holy Places - including Nazareth - religious buildings and sites in Palestine should be protected and free access to them assured, in accordance with existing rights and historical practice that arrangements to this end should be under effective United Nations supervision; that the United Nations Conciliation Commission, in presenting to the fourth regular session of the General Assembly its detailed proposal for a permanent international regime for the territory of Jerusalem, should include recommendations concerning the Holy Places in that territory; that with regard to the Holy Places in the rest of Palestine the Commission should call upon the political authorities of the areas concerned to give appropriate formal guarantees as to the protection of the Holy Places and access to them; and that these undertakings should be presented to the General Assembly for approval;

8. Resolves that, in view of its association with three world religions, the Jerusalem area, including the present municipality of Jerusalem plus the surrounding villages and towns, the most Eastern of which shall be Abu Dis; the most Southern, Bethlehem; the most Western, Ein Karim (including also the built-up area of Motsa); and the most Northern, Shu'fat, should be accorded special and separate treatment from the rest of Palestine and should be placed under effective United Nations control;

Requests the Security Council to take further steps to ensure the demilitarization of Jerusalem at the earliest possible date;

Instructs the Conciliation Commission to present to the fourth regular session of the General Assembly detailed proposals for a permanent international regime for the Jerusalem area which will provide for the maximum local autonomy for distinctive groups consistent with the special international status of the Jerusalem area;

The Conciliation Commission is authorized to appoint a United Nations representative who shall cooperate with the local authorities with respect to the interim administration of the Jerusalem area;

9. Resolves that, pending agreement on more detailed arrangements among the Governments and authorities concerned, the freest possible access to Jerusalem by road, rail or air should be accorded to all inhabitants of Palestine;

Instructs the Conciliation Commission to report immediately to the Security Council, for appropriate action by that organ, any attempt by any party to impede such access;

10. Instructs the Conciliation Commission to seek arrangements among the Governments and authorities concerned which will facilitate the economic development of the area, including arrangements for access to ports and airfields and the use of transportation and communication facilities;

11. Resolves that the refugees wishing to return to their homes and live at peace with their neighbours should be permitted to do so at the earliest practicable date, and that compensation should be paid for the property of those choosing not to return and for loss of or damage to property which, under principles of international law or in equity, should be made good by the Governments or authorities responsible;

Instructs the Conciliation Commission to facilitate the repatriation, resettlement and economic and social rehabilitation of the refugees and the payment of compensation, and to maintain close relations with the Director of the United Nations Relief for Palestine Refugees and, through him, with the appropriate organs and agencies of the United Nations;

12. Authorizes the Conciliation Commission to appoint such subsidiary bodies and to employ such technical experts, acting under its authority, as it may find necessary for the effective discharge of its functions and responsibilities under the present resolution;

The Conciliation Commission will have its official headquarters at Jerusalem. The authorities responsible for maintaining order in Jerusalem will be responsible for taking all measures necessary to ensure the security of the Commission. The Secretary-General will provide a limited number of guards for the protection of the staff and premises of the Commission;

13. Instructs the Conciliation Commission to render progress reports periodically to the Secret ary-General for transmission to the Security Council and to the Members of the United Nations;

14. Calls upon all Governments and authorities concerned to cooperate with the Conciliation Commission and to take all possible steps to assist in the implementation of the present resolution;

15. Requests the Secretary-General to provide the necessary staff and facilities and to make appropriate arrangements to provide the necessary funds required in carrying out the terms of the present resolution.

6- THE DECLARATION OF THE ESTABLISHMENT OF THE STATE OF ISRAEL May 14, 1948

On May 14, 1948, on the day in which the British Mandate over a Palestine expired, the Jewish People's Council gathered at the Tel Aviv Museum, and approved the following proclamation, declaring the establishment of the State of Israel. The new state was recognized that night by the United States and three days later by the USSR.

Text:
ERETZ-ISRAEL [(Hebrew) - the Land of Israel, Palestine] was the birthplace of the Jewish people. Here their spiritual, religious and political identity was shaped. Here they first attained to statehood, created cultural values of national and universal significance and gave to the world the eternal Book of Books.

After being forcibly exiled from their land, the people kept faith with it throughout their Dispersion and never ceased to pray and hope for their return to it and for the restoration in it of their political freedom.

Impelled by this historic and traditional attachment, Jews strove in every successive generation to re-establish themselves in their ancient homeland. In recent decades they returned in their masses. Pioneers, *ma'pilim* [(Hebrew) - immigrants coming to Eretz-Israel in defiance of restrictive legislation] and defenders, they made deserts bloom, revived the Hebrew language, built villages and towns, and created a thriving community controlling its own economy and culture, loving peace but knowing how to defend itself, bringing the blessings of progress to all the country's inhabitants, and aspiring towards independent nationhood.

In the year 5657 (1897), at the summons of the spiritual father of the Jewish State, Theodore Herzl, the First Zionist Congress convened and proclaimed the right of the Jewish people to national rebirth in its own country.

This right was recognized in the Balfour Declaration of the 2nd November, 1917, and re-affirmed in the Mandate of the League of Nations which, in particular, gave international sanction to the historic connection between the Jewish people and Eretz-Israel and to the right of the Jewish people to rebuild its National Home.

The catastrophe which recently befell the Jewish people - the massacre of millions of Jews in Europe - was another clear demonstration of the urgency of solving the problem of its homelessness by re-establishing in Eretz-Israel the Jewish State, which would open the gates of the homeland wide to every Jew and confer upon the Jewish people the status of a fully privileged member of the comity of nations.

Survivors of the Nazi holocaust in Europe, as well as Jews from other parts of the world, continued to migrate to Eretz-Israel, undaunted by difficulties, restrictions and dangers, and never ceased to assert their right to a life of dignity, freedom and honest toil in their national homeland.

In the Second World War, the Jewish community of this country contributed its full share to the struggle of the freedom- and peace-loving nations against the forces of Nazi wickedness and, by the blood of its soldiers and its war effort, gained the right to be reckoned among the peoples who founded the United Nations.

On the 29th November, 1947, the United Nations General Assembly passed a resolution calling for the establishment of a Jewish State in Eretz-Israel; the General Assembly required the inhabitants of Eretz-Israel to take such steps as were necessary on their part for the implementation of that resolution. This recognition by the United Nations of the right of the Jewish people to establish their State is irrevocable.

This right is the natural right of the Jewish people to be masters of their own fate, like all other nations, in their own sovereign State.

ACCORDINGLY WE, MEMBERS OF THE PEOPLE'S COUNCIL, REPRESENTATIVES OF THE JEWISH COMMUNITY OF ERETZ-ISRAEL AND OF THE ZIONIST MOVEMENT, ARE HERE ASSEMBLED ON THE DAY OF THE TERMINATION OF THE BRITISH MANDATE OVER ERETZ-ISRAEL AND, BY VIRTUE OF OUR NATURAL AND HISTORIC RIGHT AND ON THE STRENGTH OF THE RESOLUTION OF THE UNITED NATIONS GENERAL ASSEMBLY, HEREBY DECLARE THE ESTABLISHMENT OF A JEWISH STATE IN ERETZ-ISRAEL, TO BE KNOWN AS THE STATE OF ISRAEL.

WE DECLARE that, with effect from the moment of the termination of the Mandate being tonight, the eve of Sabbath, the 6th Iyar, 5708 (15th May, 1948), until the establishment of the elected, regular authorities of the State in accordance with the Constitution which shall be adopted by the Elected Constituent Assembly not later than the 1st October 1948, the People's Council shall act as a Provisional Council of State, and its executive organ, the People's Administration, shall be the Provisional Government of the Jewish State, to be called "Israel".

THE STATE OF ISRAEL will be open for Jewish immigration and for the Ingathering of the Exiles; it will foster the development of the country for the benefit of all its inhabitants; it will be based on freedom, justice and peace as envisaged by the prophets of Israel; it will ensure complete equality of social and political rights to all its inhabitants irrespective of religion, race or sex; it will guarantee freedom of religion, conscience, language, education and culture; it will

safeguard the Holy Places of all religions; and it will be faithful to the principles of the Charter of the United Nations.

THE STATE OF ISRAEL is prepared to cooperate with the agencies and representatives of the United Nations in implementing the resolution of the General Assembly of the 29th November, 1947, and will take steps to bring about the economic union of the whole of Eretz-Israel.

WE APPEAL to the United Nations to assist the Jewish people in the building-up of its State and to receive the State of Israel into the comity of nations.

WE APPEAL - in the very midst of the onslaught launched against us now for months - to the Arab inhabitants of the State of Israel to preserve peace and participate in the upbuilding of the State on the basis of full and equal citizenship and due representation in all its provisional and permanent institutions.

WE EXTEND our hand to all neighbouring states and their peoples in an offer of peace and good neighbourliness, and appeal to them to establish bonds of cooperation and mutual help with the sovereign Jewish people settled in its own land. The State of Israel is prepared to do its share in a common effort for the advancement of the entire Middle East.

WE APPEAL to the Jewish people throughout the Diaspora to rally round the Jews of Eretz-Israel in the tasks of immigration and upbuilding and to stand by them in the great struggle for the realization of the age-old dream - the redemption of Israel.

PLACING OUR TRUST IN THE "ROCK OF ISRAEL", WE AFFIX OUR SIGNATURES TO THIS PROCLAMATION AT THIS SESSION OF THE PROVISIONAL COUNCIL OF STATE, ON THE SOIL OF THE HOMELAND, IN THE CITY OF TEL-AVIV, ON THIS SABBATH EVE, THE 5TH DAY OF IYAR, 5708 (14TH MAY,1948).

David Ben-Gurion

Daniel Auster
Mordekhai Bentov
Yitzchak Ben Zvi
Eliyahu Berligne
Fritz Bernstein
Rabbi Wolf Gold
Meir Grabovsky
Yitzchak Gruenbaum
Dr. Abraham Granovsky
Eliyahu Dobkin
Meir Wilner-Kovner
Zerach Wahrhaftig
Herzl Vardi
Rachel Cohen
Rabbi Kalman Kahana
Saadia Kobashi
Rabbi Yitzchak Meir Levin
Meir David Loewenstein
Zvi Luria
Golda Myerson
Nachum Nir
Zvi Segal
Rabbi Yehuda Leib Hacohen Fishman
David Zvi Pinkas
Aharon Zisling
Moshe Kolodny
Eliezer Kaplan
Abraham Katznelson
Felix Rosenblueth
David Remez
Berl Repetur
Mordekhai Shattner
Ben Zion Sternberg
Bekhor Shitreet
Moshe Shapira
Moshe Shertok

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7- U.N. Security Council Resolution 242
November 22, 1967

Following the June '67, Six-Day War, the situation in the Middle East was discussed by the UN General Assembly, which referred the issue to the Security Council. After lengthy discussion, a final draft for a Security Council resolution was presented by the British Ambassador, Lord Caradon, on November 22, 1967. It was adopted on the same day.

This resolution, numbered 242, established provisions and principles which, it was hoped, would lead to a solution of the conflict. Resolution 242 was to become the cornerstone of Middle East diplomatic efforts in the coming decades.

The Security Council,

Expressing its continuing concern with the grave situation in the Middle East,

Emphasizing the inadmissibility of the acquisition of territory by war and the need to work for a just and lasting peace in which every State in the area can live in security,

Emphasizing further that all Member States in their acceptance of the Charter of the United Nations have undertaken a commitment to act in accordance with Article 2 of the Charter,

1. Affirms that the fulfillment of Charter principles requires the establishment of a just and lasting peace in the Middle East which should include the application of both the following principles:
    - Withdrawal of Israeli armed forces from territories occupied in the recent conflict;
    - Termination of all claims or states of belligerency and respect for and acknowledgement of the sovereignty, territorial integrity and political independence of every State in the area and their right to live in peace within secure and recognized boundaries free from threats or acts of force;
2. Affirms further the necessity
    - For guaranteeing freedom of navigation through international waterways in the area;
    - For achieving a just settlement of the refugee problem;
    - For guaranteeing the territorial inviolability and political independence of every State in the area, through measures including the establishment of demilitarized zones;
3. Requests the Secretary General to designate a Special Representative to proceed to the Middle East to establish and maintain contacts with the States concerned in order to promote agreement and assist efforts to achieve a peaceful and accepted settlement in accordance with the provisions and principles in this resolution;
4. Requests the Secretary-General to report to the Security Council on the progress of the efforts of the Special Representative as soon as possible.

7 Statements Clarifying the Meaning of U.N. Security Council Resolution 242

Even before the beginning of the Jarring Mission (the Special Representative as mentioned in the Resolution), the Arab States insisted that Security Council Resolution 242 called for a total withdrawal of Israeli forces from territories occupied in the Six-Day War. Israel held that the withdrawal phrase in the Resolution was not meant to refer to a total withdrawal. Following are statements including the interpretations of various delegations to Resolution 242:

A. United Kingdom

 Lord Caradon, sponsor of the draft that was about to be adopted, stated, before the vote in the Security Council on Resolution 242:

"... the draft Resolution is a balanced whole. To add to it or to detract from it would destroy the balance and also destroy the wide measure of agreement we have achieved together. It must be considered as a whole as it stands. I suggest that we have reached the stage when most, if not all, of us want the draft Resolution, the whole draft Resolution and nothing but the draft Resolution." (S/PV 1382, p. 31, of 22.11.67)

 Lord Caradon, interviewed on Kol Israel in February 1973:

Question: "This matter of the (definite) article which is there in French and is missing in English, is that really significant?"

Answer: "The purposes are perfectly clear; the principle is stated in the preamble, the necessity for withdrawal is stated in the operative section. And then the essential phrase which is not sufficiently recognized is that withdrawal should take place to secure and recognized boundaries, and these words were very carefully chosen: they have to be secure and they have to be recognized. They will not be secure unless they are recognized. And that is why one has to work for agreement. This is essential. I would defend absolutely what we did. It was not for us to lay down exactly where the border should be. I know the 1967 border very well. It is not a satisfactory border; it is where troops had to stop in 1947, just where they happened to be that night, that is not a permanent boundary... "

 Mr. Michael Stewart, Secretary of State for Foreign and Commonwealth Affairs, in reply to a question in Parliament, 17 November 1969:

Question: "What is the British interpretation of the wording of the 1967 Resolution? Does the Right Honourable Gentleman understand it to mean that the Israelis should withdraw from all territories taken in the late war?"

Mr. Stewart: "No, Sir. That is not the phrase used in the Resolution. The Resolution speaks of secure and recognized boundaries. These words must be read concurrently with the statement on withdrawal."

 Mr. Michael Stewart, Secretary of State for Foreign and Commonwealth Affairs, in a reply to a question in Parliament, 9 December 1969:

"As I have explained before, there is reference, in the vital United Nations Security Council Resolution, both to withdrawal from territories and to secure and recognized boundaries. As I have told the House previously, we believe that these two things should be read concurrently and that the omission of the word 'all' before the word 'territories' is deliberate."

 Mr. George Brown, British Foreign Secretary in 1967, on 19 January 1970:

"I have been asked over and over again to clarify, modify or improve the wording, but I do not intend to do that. The phrasing of the Resolution was very carefully worked out, and it was a difficult and complicated exercise to get it accepted by the UN Security Council. "I formulated the Security Council Resolution. Before we submitted it to the Council, we showed it to Arab leaders. The proposal said 'Israel will withdraw from territories that were occupied', and not from 'the' territories, which means that Israel will not withdraw from all the territories." (The Jerusalem Post, 23.1.70)

B. United States of America

 Mr. Arthur Goldberg, US representative, in the Security Council in the course of the discussions which preceded the adoption of Resolution 242:

"To seek withdrawal without secure and recognized boundaries ... would be just as fruitless as to seek secure and recognized boundaries without withdrawal. Historically, there have never been secure or recognized boundaries in the area. Neither the armistice lines of 1949 nor the cease-fire lines of 1967 have answered that description... such boundaries have yet to be agreed upon. An agreement on that point is an absolute essential to a just and lasting peace just as withdrawal is... "(S/PV. 137, p.37, of 15.11.67)

 President Lyndon Johnson, 10 September 1968:

"We are not the ones to say where other nations should draw lines between them that will assure each the greatest security. It is clear, however, that a return to the situation of 4 June 1967 will not bring peace. There must be secure and there must be recognized borders. Some such lines must be agreed to by the neighbours involved."

 Mr. Joseph Sisco, Assistant Secretary of State, 12 July 1970 (NBC "Meet the Press"):

"That Resolution did not say 'withdrawal to the pre-June 5 lines'. The Resolution said that the parties must negotiate to achieve agreement on the so-called final secure and recognized borders. In other words, the question of the final borders is a matter of negotiations between the parties."

 Eugene V. Rostow, Professor of Law and Public Affairs, Yale University, who, in 1967, was US Under-Secretary of State for Political Affairs:

a) "... Paragraph 1 (i) of the Resolution calls for the withdrawal of Israeli armed forces 'from territories occupied in the recent conflict', and not 'from the territories occupied in the recent conflict'. Repeated attempts to amend this sentence by inserting the word 'the' failed in the Security Council. It is, therefore, not legally possible to assert that the provision requires Israeli withdrawal from all the territories now occupied under the cease-fire resolutions to the Armistice Demarcation lines." (American Journal of International Law, Volume 64, September 1970, p. 69)

b) "The agreement required by paragraph 3. of the Resolution, the Security Council said, should establish 'secure and recognized boundaries' between Israel and its neighbours 'free from threats or acts of force', to replace the Armistice Demarcation lines established in 1949, and the cease-fire lines of June 1967. The Israeli armed forces should withdraw to such lines as part of a comprehensive agreement, settling all the issues mentioned in the Resolution, and in a condition of peace." (American Journal of International Law, Volume 64, September 1970, p. 68)

C. USSR

 Mr. Vasily Kuznetsov said in discussions that preceded the adoption of Resolution 242:

"*... Phrases such as 'secure and recognized boundaries'. What does that mean? What boundaries are these? Secure, recognized - by whom, for what? Who is going to judge how secure they are? Who must recognize them? ... There is certainly much leeway for different interpretations which retain for Israel the right to establish new boundaries and to withdraw its troops only as far as the lines which it judges convenient." (S/PV. 1373, p. 112, of 9.11.67)*

D. Brazil

 Mr. Geraldo de Carvalho Silos, Brazilian representative, speaking in the Security Council after the adoption of Resolution 242:

"We keep constantly in mind that a just and lasting peace in the Middle East has necessarily to be based on secure, permanent boundaries freely agreed upon and negotiated by the neighbouring States." (S/PV. 1382, p. 66,

22.11.67)

8- U.N. Security Council Resolution 338
October 22, 1973

In the later stages of the Yom Kippur War -- after Israel repulsed the Syrian attack on the Golan Heights and established a bridgehead on the Egyptian side of the Suez Canal -- international efforts to stop the fighting were intensified. US Secretary of State Kissinger flew to Moscow on October 20, and, together with the Soviet Government, the US proposed a cease-fire resolution in the UN Security Council. The Council met on 21 October at the urgent request of both the US and the USSR, and by 14 votes to none, adopted the following resolution:

The Security Council,

1. Calls upon all parties to present fighting to cease all firing and terminate all military activity immediately, no later than 12 hours after the moment of the adoption of this decision, in the positions after the moment of the adoption of this decision, in the positions they now occupy;
2. Calls upon all parties concerned to start immediately after the cease-fire the implementation of Security Council Resolution 242 (1967) in all of its parts;

Decides that, immediately and concurrently with the cease-fire, negotiations start between the parties concerned under appropriate auspices aimed at establishing a just and durable peace in the Middle East.

9. The PLO Charter

Below is the Palestinian National Covenant, the official charter of the Palestine Liberation Organization (PLO). The text is the English version published officially by the PLO, unabridged and unedited.

Note, however, that the PLO's translation sometimes deviates from the original Arabic so as to be more palatable to Western readers. For example, in Article 15, the Arabic is translated as "the elimination of Zionism," whereas the correct translation is "the liquidation of the Zionist presence." "The Zionist presence" is a common Arabic euphemism for the State of Israel, so this clause in fact calls for the destruction of Israel, not just the end of Zionism.

Where subtleties in the original Arabic are important, the Arabic word has been inserted in parentheses.

THE PALESTINIAN NATIONAL CHARTER:

Resolutions of the Palestine National Council

July 1-17, 1968

Article 1: Palestine is the homeland of the Arab Palestinian people; it is an indivisible part of the Arab homeland, and the Palestinian people are an integral part of the Arab nation.

Article 2: Palestine, with the boundaries it had during the British Mandate, is an indivisible territorial unit.

Article 3: The Palestinian Arab people possess the legal right to their homeland and have the right to determine their destiny after achieving the liberation of their country in accordance with their wishes and entirely of their own accord and will.

Article 4: The Palestinian identity is a genuine, essential, and inherent characteristic; it is transmitted from parents to children. The Zionist occupation and the dispersal of the Palestinian Arab people, through the disasters which befell them, do not make them lose their Palestinian identity and their membership in the Palestinian community, nor do they negate them.

Article 5: The Palestinians are those Arab nationals who, until 1947, normally resided in Palestine regardless of whether they were evicted from it or have stayed there. Anyone born, after that date, of a Palestinian father - whether inside Palestine or outside it - is also a Palestinian.

Article 6: The Jews who had normally resided in Palestine until the beginning of the Zionist invasion will be considered Palestinians.

Article 7: That there is a Palestinian community and that it has material, spiritual, and historical connection with Palestine are indisputable facts. It is a national duty to bring up individual Palestinians in an Arab revolutionary manner. All means of information and education must be adopted in order to acquaint the Palestinian with his country in the most profound manner, both spiritual and material, that is possible. He must be prepared for the armed struggle and ready to sacrifice his wealth and his life in order to win back his homeland and bring about its liberation.

Article 8: The phase in their history, through which the Palestinian people are now living, is that of national (watani) struggle for the liberation of Palestine. Thus the conflicts among the Palestinian national forces are secondary, and should be ended for the sake of the basic conflict that exists between the forces of Zionism and of imperialism on the one hand, and the Palestinian Arab people on the other. On this basis the Palestinian masses, regardless of whether they are residing in the national homeland or in Diaspora (mahajir) constitute - both their organizations and the individuals - one national front working for the retrieval of Palestine and its liberation through armed struggle.

Article 9: Armed struggle is the only way to liberate Palestine. This it is the overall strategy, not merely a tactical phase. The Palestinian Arab people assert their absolute determination and firm resolution to continue their armed struggle and to work for an armed popular revolution for the liberation of their country and their return to it . They also assert their right to normal life in Palestine and to exercise their right to self-determination and sovereignty over it.

Article 10: Commando action constitutes the nucleus of the Palestinian popular liberation war. This requires its escalation, comprehensiveness, and the mobilization of all the Palestinian popular and educational efforts and their organization and involvement in the armed Palestinian revolution. It also requires the achieving of unity for the national (watani) struggle among the different groupings of the Palestinian people, and between the Palestinian people and the Arab masses, so as to secure the continuation of the revolution, its escalation, and victory.

Article 11: The Palestinians will have three mottos: national (wataniyya) unity, national (qawmiyya) mobilization, and liberation.

Article 12: The Palestinian people believe in Arab unity. In order to contribute their share toward the attainment of that objective, however, they must, at the present stage of their struggle, safeguard their Palestinian identity and develop their consciousness of that identity, and oppose any plan that may dissolve or impair it.

Article 13: Arab unity and the liberation of Palestine are two complementary objectives, the attainment of either of which facilitates the attainment of the other.

Thus, Arab unity leads to the liberation of Palestine, the liberation of Palestine leads to Arab unity; and work toward the realization of one objective proceeds side by side with work toward the realization of the other.

Article 14: The destiny of the Arab nation, and indeed Arab existence itself, depend upon the destiny of the Palestine cause. From this interdependence springs the Arab nation's pursuit of, and striving for, the liberation of Palestine. The people of Palestine play the role of the vanguard in the realization of this sacred (qawmi) goal.

Article 15: The liberation of Palestine, from an Arab viewpoint, is a national (qawmi) duty and it attempts to repel the Zionist and imperialist aggression against the Arab homeland, and aims at the elimination of Zionism in Palestine. Absolute responsibility for this falls upon the Arab nation - peoples and governments - with the Arab people of Palestine in the vanguard. Accordingly, the Arab nation must mobilize all its military, human, moral, and spiritual capabilities to participate actively with the Palestinian people in the liberation of Palestine. It must, particularly in the phase of the armed Palestinian revolution, offer and furnish the Palestinian people with all possible help, and material and human support, and make available to them the means and opportunities that will enable them to continue to carry out their leading role in the armed revolution, until they liberate their homeland.

Article 16: The liberation of Palestine, from a spiritual point of view, will provide the Holy Land with an atmosphere of safety and tranquility, which in turn will safeguard the country's religious sanctuaries and guarantee freedom of worship and of visit to all, without discrimination of race, color, language, or religion. Accordingly, the people of Palestine look to all spiritual forces in the world for support.

Article 17: The liberation of Palestine, from a human point of view, will restore to the Palestinian individual his dignity, pride, and freedom. Accordingly the Palestinian Arab people look forward to the support of all those who believe in the dignity of man and his freedom in the world.

Article 18: The liberation of Palestine, from an international point of view, is a defensive action necessitated by the demands of self-defense. Accordingly the Palestinian people, desirous as they are of the friendship of all people, look to freedom-loving and peace-loving states for support in order to restore their legitimate rights in Palestine, to re-establish peace and security in the country, and to enable its people to exercise national sovereignty and freedom.

Article 19: The partition of Palestine in 1947 and the establishment of the state of Israel are entirely illegal, regardless of the passage of time, because they were contrary to the will of the Palestinian people and to their natural right in their homeland, and inconsistent with the principles embodied in the Charter of the United Nations, particularly the right to self-determination.

Article 20: The Balfour Declaration, the Mandate for Palestine, and everything that has been based upon them, are deemed null and void. Claims of historical or religious ties of Jews with Palestine are incompatible with the facts of history and the true conception of what constitutes statehood. Judaism, being a religion, is not an independent nationality. Nor do Jews constitute a single nation with an identity of its own; they are citizens of the states to which they belong.

Article 21: The Arab Palestinian people, expressing themselves by the armed Palestinian revolution, reject all solutions which are substitutes for the total liberation of Palestine and reject all proposals aiming at the liquidation of the Palestinian problem, or its internationalization.

Article 22: Zionism is a political movement organically associated with international imperialism and antagonistic to all action for liberation and to progressive movements in the world. It is racist and fanatic in its nature, aggressive, expansionist, and colonial in its aims, and fascist in its methods. Israel is the instrument of the Zionist movement, and geographical base for world imperialism placed strategically in the midst of the Arab homeland to combat the hopes of the Arab nation for liberation, unity, and progress. Israel is a constant source of threat vis-a-vis peace in the Middle East and the whole world. Since the liberation of Palestine will destroy the Zionist and imperialist presence and will contribute to the establishment of peace in the Middle East, the Palestinian people look for the support of all the progressive and peaceful forces and urge them all, irrespective of their affiliations and beliefs, to offer the Palestinian people all aid and support in their just struggle for the liberation of their homeland.

Article 23: The demand of security and peace, as well as the demand of right and justice, require all states to consider Zionism an illegitimate movement, to outlaw its existence, and to ban its operations, in order that friendly relations among peoples may be preserved, and the loyalty of citizens to their respective homelands safeguarded.

Article 24: The Palestinian people believe in the principles of justice, freedom, sovereignty, self-determination, human dignity, and in the right of all peoples to exercise them.

Article 25: For the realization of the goals of this Charter and its principles, the Palestine Liberation Organization will perform its role in the liberation of Palestine in accordance with the Constitution of this Organization.

Article 26: The Palestine Liberation Organization, representative of the Palestinian revolutionary forces, is responsible for the Palestinian Arab people's movement in its struggle - to retrieve its homeland, liberate and return to it and exercise the right to self-determination in it - in all military, political, and financial fields and also for whatever may be required by the Palestine case on the inter-Arab and international levels.

Article 27: The Palestine Liberation Organization shall cooperate with all Arab states, each according to its potentialities; and will adopt a neutral policy among them in the light of the requirements of the war of liberation; and on this basis it shall not interfere in the internal affairs of any Arab state.

Article 28: The Palestinian Arab people assert the genuineness and independence of their national (wataniyya) revolution and reject all forms of intervention, trusteeship, and subordination.

Article 29: The Palestinian people possess the fundamental and genuine legal right to liberate and retrieve their homeland. The Palestinian people determine their attitude toward all states and forces on the basis of the stands they adapt vis-a-vis to the Palestinian revolution to fulfill the aims of the Palestinian people.

Article 30: Fighters and carriers of arms in the war of liberation are the nucleus of the popular army which will be the protective force for the gains of the Palestinian Arab people.

Article 31: The Organization shall have a flag, an oath of allegiance, and an anthem. All this shall be decided upon in accordance with a special regulation.

Article 32: Regulations, which shall be known as the Constitution of the Palestinian Liberation Organization, shall be annexed to this Charter. It will lay down the manner in which the Organization, and its organs and institutions, shall be constituted; the respective competence of each; and the requirements of its obligation under the Charter.

Article 33: This Charter shall not be amended save by [vote of] a majority of two-thirds of the total membership of the National Congress of the Palestine Liberation Organization [taken] at a special session convened for that purpose.

** English rendition as published in Basic Political Documents of the Armed Palestinian Resistance Movement; Leila S. Kadi (ed.), Palestine Research Centre, Beirut, December 1969, pp.137-141.*

Modifications of the PLO Charter

Letter from: Yassar Arafat to President Clinton
January 13, 1998

His Excellency President William Clinton
President of the United states Of America
Washington D.C.

Dear Mr. President.

In the. mutual recognition letters between myself and the late Prime Minister Itzhaq Rabbin of September 9/10, 1993, the PLO committed to recognize the right of the State of Israel to exist in peace and security, to accept UN Security Council Resolutions 242 and 338 and to a peaceful resolution of the conflict between the two sides. The PLO also agreed to secure the necessary changes in the Palestinian Covenant to reflect these commitments.

Accordingly, the P.N.C. was held in Gaza city between 22-25 of April 1996, and in an extraordinary session decided that the "Palestine National Charter is hereby amended by canceling the articles that are contrary to the letters exchanged between the P.L.O and the Government of Israel on 9/10 September 1993".

It should be noted that the above mentioned resolution acquired the consent of both the American Administration and the Israeli Government. Afterwards I sent letters concerning this historic resolution to your Excellency and Prime Minister Shimon Peres, and later a similar letter was sent to Prime Minister Benyamin Netanyahu.

Both your Excellency and Prime Minister Peres warmly welcomed the P.N.C. Resolution.

The Israeli Labor Party, and in appreciation of the P.N.C. resolution dropped its objection to the establishment of a Palestinian State from its political platform.

From time to time questions have been raised about the effect of the Palestine National Council's action, particularly concerning which of the 33 articles of the Palestinian Covenant have been changed.

We would like to put to rest these concerns. The Palestine National Council's resolution, in accordance with Article 33 of the Covenant, is a comprehensive amendment of the Covenant. All of the provisions of the Covenant which are inconsistent with the P.L.O. commitment to recognize and live in peace side by side with Israel are no longer in effect.

As a result, Articles 6-10, 15, 19-23, and 30 have been nullified, and the parts in Articles 1-5, 11-14, 16-l8, 25-27 and 29 that are in consistent with the above mentioned commitments have also been nullified.

I can assure you on behalf of the PLO and the Palestinian Authority that all the provisions of the Covenant that were inconsistent with the commitments of September 9/10, 1993) to Prime Minister Rabin, have been nullified.

Nablus : January 13, 1998

Yasser Arafat

Chairman of the Executive Committee Of the P.L.O
President of the P.N.A.

10- Camp David Summit

2000 Trilateral Statement

The following statement was issued on July 25, 2000 by President Clinton, Israeli Prime Minister Ehud Barak, and Palestinian Authority Chairman Yasser Arafat upon the close of the 2000 Camp David Summit:

"President William J. Clinton
Israeli Prime Minister Ehud Barak
Palestinian Authority Chairman Yasser Arafat

Between July 11 and 24, under the auspices of President Clinton, Prime Minister Barak and Chairman Arafat met at Camp David in an effort to reach an agreement on permanent status. While they were not able to bridge the gaps and reach an agreement, their negotiations were unprecedented in both scope and detail. Building on the progress achieved at Camp David, the two leaders agreed on the following principles to guide their negotiations:

1) The two sides agreed that the aim of their negotiations is to put an end to decades of conflict and achieve a just and lasting peace.

2) The two sides commit themselves to continue their efforts to conclude an agreement on all permanent status issues as soon as possible.

3) Both sides agree that negotiations based on UN Security Council Resolutions 242 and 338 are the only way to achieve such an agreement and they undertake to create an environment for negotiations free from pressure, intimidation and threats of violence.

4) The two sides understand the importance of avoiding unilateral actions that prejudge the outcome of negotiations and that their differences will be resolved only by good faith negotiations.

5) Both sides agree that the United States remains a vital partner in the search for peace and will continue to consult closely with President Clinton and Secretary Albright in the period ahead."

11- Camp David Summit July 25, 2000

The following statement was issued on July 25, 2000 by President Clinton upon the close of the 2000 Camp David Summit:

"After 14 days of intensive negotiations between Israelis and Palestinians, I have concluded with regret that they will not be able to reach an agreement at this time. As I explained on the eve of the summit, success was far from guaranteed--given the historical, religious, political and emotional dimensions of the conflict.

Still, because the parties were not making progress on their own and the September deadline they set for themselves was fast approaching, I thought we had no choice. We can't afford to leave a single stone unturned in the search for a just, lasting and comprehensive peace.

Now, at Camp David, both sides engaged in comprehensive discussions that were really unprecedented because they dealt with the most sensitive issues dividing them; profound and complex questions that long had been considered off limits.

Under the operating rules that nothing is agreed until everything is agreed, they are, of course, not bound by any proposal discussed at the summit. However, while we did not get an agreement here, significant progress was made on the core issues. I want to express my appreciation to Prime Minister Barak, Chairman Arafat and their delegations for the efforts they undertook to reach an agreement.

Prime Minister Barak showed particular courage vision, and an understanding of the historical importance of this moment. Chairman Arafat made it clear that he, too, remains committed to the path of peace. The trilateral statement we issued affirms both leaders' commitment to avoid violence or unilateral actions which will make peace more difficult and to keep the peace process going until it reaches a successful conclusion.

At the end of this summit, I am fully aware of the deep disappointment that will be felt on both sides. But it was essential for Israelis and Palestinians, finally, to begin to deal with the toughest decisions in the peace process. Only they can make those decisions, and they both pledged to make them, I say again, by mid-September.

Now, it's essential that they not lose hope, that they keep working for peace, they avoid any unilateral actions that would only make the hard task ahead more difficult. The statement the leaders have made today is encouraging in that regard.

Israelis and Palestinians are destined to live side by side, destined to have a common future. They have to decide what kind of future it will be. Though the differences that remain are deep, they have come a long way in the last seven years, and, notwithstanding the failure to reach an agreement, they made real headway in the last two weeks.

Now, the two parties must go home and reflect, both on what happened at Camp David and on what did not happen. For the sake of their children, they must rededicate themselves to the path of peace and find a way to resume their negotiations in the next few weeks. They've asked us to continue to help, and as always, we'll do our best. But the parties themselves, both of them, must be prepared to resolve profound questions of history, identity and national faith--as well as the future of sites that are holy to religious people all over the world who are part of the Islamic, Christian and Judaic traditions.

The children of Abraham, the descendants of Isaac and Ishmael can only be reconciled through courageous compromise. In the spirit of those who have already given their lives for peace and all Israelis, Palestinians, friends of peace in the Middle East and across the world, we long for peace and deserve a Holy Land that lives for the values of Judaism, Islam and Christianity.

Thank you.

Question: Was Jerusalem--Mr. President, was Jerusalem the main stumbling block? And where do you go from here?

The President: It was the most difficult problem. And I must tell you that we tried a lot of different approaches to it, and we have not yet found a solution. But the good news is that there is not a great deal of disagreement--and I want to emphasize this--it seemed to me, anyway, there was not a great deal of disagreement in many of these areas about what the facts on the ground would be after an agreement were made--that is, how people would live.

For example, everyone conceded that Jerusalem is a place that required everyone to have access to the holy sites and the kinds of things you've heard, and lot of other things in terms of how, operationally, the Israelis and the Palestinians have worked together; there was actually more agreement than I had thought there would be.

But obviously, the questions around Jerusalem go to the core identity of both the Palestinians and the Israelis. There were some very, as I said--it has been reported

Prime Minister Barak took some very bold decisions, but we were in the end unable to bridge the gaps. I think there will be a bridge, because I think the alternative is unthinkable.

Question: There is a striking contrast between the way you described Prime Minister Barak's courageous and visionary approach to this, and Mr. Arafat seemed to be still committed to the path of peace. It sounds like that at the end of the day, Prime Minister Barak was ready to really step up to something that President Arafat wasn't yet ready to step up to.

The President: Let me be more explicit. I will say again: We made progress on all of the core issues. We made really significant progress on many of them. The Palestinian teams worked hard on a lot of these areas. But I think it is fair to say that at this moment in time, maybe because they had been preparing for it longer, maybe because they had thought through it more, that the Prime Minister moved forward more from his initial position than Chairman Arafat, on--particularly surrounding the questions of Jerusalem.

Now, these are hard questions. And as I said to both of them, none of us, no outsider can judge for another person what is at the core of his being, at the core of his sense of national essence. But we cannot make an agreement here without a continuing effort of both sides to compromise.

I do believe that--let me say this--and you will appreciate this, Tom, because you've been covering this a long time--but I want to give credit to both sides in the sense that they were really coming to grips with things they had never seriously come to grips with before.

Oh, yes, there were always side papers--even going back to 1993--about how these final issues would be solved. There were always speculation; there were always the odd conversation between Palestinians and Israelis who were friends and part of the various--the different government operations. But these folks really never had to come together before, and in an official setting put themselves on the line. And it is profoundly difficult.

So I said what I said, and my remarks should stand for themselves, because not so much as a criticism of Chairman Arafat, because this is really hard and never been done before, but in praise of Barak. He came there knowing that he was going to have to take bold steps, and he did it. And I think you should look at it more as a positive toward him than as a condemnation of the Palestinian side.

This is agonizing for them--both of them. And unless you have lived there and lived with them and talked to them, or lived with this problem a long time, it is hard to appreciate it. But I do think--I stand by the statement as written. I think they both remain committed to peace, I think they will both find a way to get there if they don't let time run away with them so that external events rob them of their options. And that's why I decided to call the summit in the first place.

I got worried that--this is like going to the dentist without having your gums deadened, you know. I mean, this is not easy. And I got worried that if we didn't do the summit and we didn't force a process to begin, which would require people to come to grips with this in a disciplined, organized way, as well as to face--look themselves in the mirror and look into the abyss and think: What can I do and what can't I do, that we would never get there. Now, I believe because of the work that was done within both teams and what they did with each other, we can still do it. Let me just make one other observation and then I'll answer your question.

You know, when we worked, I remember when we went to Dayton over Bosnia; when we went to Paris over Bosnia. After the Kosovo conflict--and I went there and met with all the people who were going to have to work on Kosovo's future--even when we first started the Irish peace talks, we were dealing with people who would hardly speak to each other. We were dealing with people who still often wouldn't shake hands. We were dealing with people who thought they were from another planet from one another, whose wounds were open.

Let me give you some good news. Of all the peace groups I ever worked with, these people know each other, they know the names of each other's children, they know how many grandchildren the grandparents have, they know their life stories, they have a genuine respect and understanding for each other. It is truly extraordinary and unique in my experience in almost eight years of dealing with it.

So I'm not trying to put a funny gloss on this; they couldn't get there. That's the truth. They couldn't get there. But this was the first time in an organized, disciplined way they had to work through, both for themselves and then with each other how they were going to come to grips with issues that go to the core of their identity.

And I think on balance, it was very much the right thing to do, and it increases the chance of a successful agreement, and it increases the chances of avoiding a disaster.

Now, I promised you, you could ask now.

Question: What is your assessment of whether Arafat's going to go through with the threat to declare statehood unilaterally? Did you get any sort of sense on whether he's going to go through with that? Did you have any--

The President: Well, let me say this. One of the reasons that I wanted to have this summit is that they're both under--will be under conflicting pressures as we go forward. One of the things that often happens in a very difficult peace process is that people, if they're not careful, will gravitate to the intense position rather than the position that will make peace. And it's very often that people know that a superficially safe position is to say no, that you won't get in trouble with whoever is dominating the debate back home wherever your home is, as long as you say no.

One of the reasons I called this summit is so that we could set in motion a process that would give the Palestinians the confidence that all of us--and most of all, the Israelis--really didn't want to make peace, so that it would offset the pressure that will be increasingly on Chairman Arafat as we approach the September 13th deadline.

Question: Are you implying that he should give up his claim to East Jerusalem--the Palestinians should?

The President: No, I didn't say that.

Question: Or any kind of a foothold?

The President: I didn't say that. I didn't say that. I didn't say that. And let me say, I presume, I am bound--I'm going to honor my promise not to leak about what they talked about, but I presume it will come out. No, I didn't say that. I said only this: I said--I will say again--the Palestinians changed their position; the moved forward. The Israelis moved more from the position they had. I said what I said; I will say again: I was not condemning Arafat, I was praising Barak. But I would be making a mistake not to praise Barak because I think he took a big risk. And I think it sparked, already, in Israel a real debate, which is moving Israeli public opinion toward the conditions that will make peace. So I thought that was important, and I think it deserves to be acknowledged.

But the overriding thing you need to know is that progress was made on all fronts, that significant progress was made on some of the core issues, that Jerusalem, as you all knew it would be, remains the biggest problem for the reasons you know.

But what we have to find here, if there is going to be an agreement--by definition, an agreement is one in which everybody is a little disappointed and nobody is defeated, in which neither side requires the other to say they have lost everything and they find a way to--a shared result.

And there's no place in the world like Jerusalem. There is no other place in the world like Jerusalem, which is basically at the core of the identity of all three monotheistic religions in the world, at the core of the identity of what it means to be a Palestinian, at the core of the identity of what it means to be an Israeli. There is no other place like this in the world. So they have to find a way to work through this.

And it shouldn't surprise you that when they first come to grips with this in an official, disciplined way where somebody has to actually say something instead of sort of be off in a corner having a conversation over a cup of coffee that no one ever--that has no--it just vanishes into air, that it's hard for them to do.

Question: But did they make enough progress, sir, to now go back home, check with their people, and possibly come back during your administration--next month or in September--to come back to Camp David and try again?

The President: I don't know if they need to come back to Camp David. I think that it rained up there so much, I'm not sure I'll ever get them back there. (Laughter.) But I think if you asked me did they make enough progress to get this done? Yes. But they've got to go home and check; they've got to feel around. And what I want to say to you is, the reason I tried to keep them there so long--and I feel much better about this than I did when we almost lost it before--and you remember, and I got them and we all agreed to stay--I didn't feel that night like I feel today.

Today, I feel that we have the elements here to keep this process going. But it's important that the people whose--both leaders represent, support their continuing involvement in this and stick with them, and understand that this is a script that's never been written before. They have to write a script and they've got to keep working at it.

But, yes, I think it can happen--

Question: During your administration?

The President: Yes. Not because it's my administration, that's irrelevant. They're operating on their timetable, not mine. It has nothing to do with the fact that it's my

administration. I think it can happen because they set for themselves a September 13th deadline. And if they go past it, every day they go past it will put more pressure on the Palestinians to declare a Palestinian state unilaterally and more pressure on the Israelis to have some greater edge in conflict in their relations as a result of that.

Neither one of them want that; so I think they will find a way to keep this going. And the only relevance of my being here is that I've been working with them for eight years, and I think they both trust us and believe that Secretary Albright and Dennis and Sandy and our whole team, that we will heave to, to make peace.

Question: But, Mr. President, the Prime Minister came here in quite a precarious position to begin with back home. And some of the things you call bold and courageous, his critics back home have called treason. Can he go home, and do you believe he will have the political stability to come back at this, and did he voice any concerns to you about that?

The President: First of all, this is not a weak man. It's not for nothing that he's the most decorated soldier in the history of Israel. He didn't come over here to play safe with his political future; he came over here to do what he thought was right for the people of Israel, and I think that he--he knows that he would never do anything to put the security of Israel at risk, and that the only long-term guarantee of Israel's security is a constructive peace that's fair with her neighbors--all of them--starting with the Palestinians.

So I think the people of Israel should be very proud of him. He did nothing to compromise Israel's security, and he did everything he possibly could within the limits that he thought he had, all the kinds of constraints that operate on people in these circumstances to reach a just peace. So I would hope the people of Israel will support him, and let this thing percolate, not overreact, and say keep trying.

I want the people on both sides to tell their leaders to keep trying--to keep trying. You know, that's the only real answer here is just to bear down and go on.

Question: Mr. President, couldn't you have gotten a partial agreement and left Jerusalem for later? Was that a possibility at all?

The President: That possibility was explored and rejected.

Question: Why?

The President: I can't talk about it. If they want to talk about it, that's their business; but I can't.

Question: Have you done all you can do, sir, or would you be making more proposals?

The President: Oh, I think--well, first of all, we all agreed to reassess here. So the first thing we're going do to is, we're going to let each side go home and try to get a little sleep. I mean, we've all been sort of--we're kind of--nobody knows what time it is, I don't think, on either team.

Last night, we quit at 3:00 a.m.; the night before, we went all night long. And so, we've been working very hard at this. So what I'm going to do is let them take a deep breath and then our side, Madeleine and Sandy and all of our team and I--Dennis, we'll try to think what we think we ought to do, then we'll ask them what they want to do, and then we'll figure out what we're going to do.

We don't have a lot of time, and I wouldn't rule out the possibility that all of us will be coming up with new ideas here. I wouldn't rule anything out. The clock is still working against us. The bad news is, we don't have a deal. The good news is, they are fully and completely and comprehensively engaged in an official way for the first time on these fundamental issues.

Keep in mind: When the Oslo Agreement was drafted, these things were put down as final status issues because the people that drafted them knew it would be hard. And they took a gamble. And their gamble was that if the Israelis and the Palestinians worked together over a seven-year period and they began to share security cooperation, for example, they began to--we had some land transfers and we saw how they would work in a different geographical way, and if they kept making other specific agreements, that by the time we got to the end of the road, there would be enough knowledge and trust and understanding of each other's positions that these huge, epochal issues could be resolved.

Now, we started the process and we've got to finish. And so, and again, I say, the thing I hope most of all is that the people in the Middle East will appreciate the fact that a lot was done here and we'll support their leaders in coming back and finishing the job. The venue is not important; the mechanisms aren't important. But we know what the state of play is now and if we'll keep at it, I still think we can get it done.

Question: Can you describe what type of U.S. role was discussed in sealing the agreement financially and otherwise?

The President: Let me say, first of all, anything that would require our participation, other than financial, was not finalized. But there were a lot of ideas floated around. None of it amounted to large numbers of people. But they were potentially significant in terms of the psychology of the situation. But there was no decision made about that.

On the money, basically, you know, I think that the United States should be prepared to make a significant contribution to resolving the refugee problem. You've got refugees that have to be resettled, you've got some compensation which has to be given, and there are lots of issues in that refugee pot that cost money, and then there's the whole question of working out the economic future of the Palestinians and the whole question of working out what the security relationships will be and the security needs will be for Israel and in this new partnership that they will have--the Palestinians. How is that going to work and what should we do.

I also, when I went to the G-8, I gave a briefing to the G-8, and I asked the people who were there to help pay, too. I said, you know, this is going to have to be a worldwide financial responsibility, but because of the United States' historic involvement, which goes back many decades in the Middle East, we were the first country under President Truman to recognize Israel, we've had Republicans and Democrats alike up to their ears in the Middle East peace process for a long time, and because we have such a lot of strategic interest over there, if there could be an agreement, I think we ought to lead the way in financial contributions, but the others who are able to do so should play their part as well.

Thank you."

PART- 5:

PRE-OSLO EVENTS DOCUMENTS

- **THE *GENEVA PEACE CONFERENCE(DECEMBER 21, 1973)***
- ***LETTER OF INVITATION TO MADRID PEACE CONFERENCE- OCTOBER 30, 1991***
- ***US LETTERS OF ASSURANCES TO THE PALESTINIANS AND ISRAEL MADRID 18 OCTOBER 1991***

1- THE *GENEVA PEACE CONFERENCE*

(DECEMBER 21, 1973)

The Peace Conference on the Middle East opened at Geneva on 21 December. Syria refused to attend. Opening statements were made by the Secretary-General of the United Nations and the Foreign Ministers of the United States, the Soviet Union, Israel, Egypt and Jordan. Complete texts of these addresses follow:

The Secretary-General of the United Nations: It is a great honour for me to open this historic Conference and to welcome the representatives of the participating Governments. It is also a source of gratification to me that this unique event is taking place under the auspices of the United Nations. The Palais des Nations has housed many historic meetings, but none have been of more potential importance, both to the Governments concerned and to the international community as a whole, than this Conference on peace in the Middle East.

I am certain that I am speaking on behalf of all the participants in the Conference when I also take this opportunity to thank sincerely the Federal and Cantonal authorities of Switzerland for their valuable assistance. We are indeed most grateful for their unfailing and generous co-operation in making the necessary arrangements possible.

There is no need to remind the distinguished representatives of the Governments here assembled of the concern of the international community for the success of our deliberations. This concern was emphasized most recently by the Security Council when it expressed the hope that the Conference would make speedy progress towards the establishment of a just and durable peace in the Middle East. The United Nations has been seized of the various aspects of the Middle East conflict for more than a quarter of a century and has devoted an immense amount of time and effort both to keeping the peace and to the search for a just and lasting settlement.

On 11 October of this year, five days after bitter fighting had broken out once again in the Middle East, I appealed to the Governments concerned to look urgently to the possibility of turning the tragic conflict into a starting point for a new effort at a real settlement. Similar appeals were made by numerous

Governments. Now, two months later, this new effort is taking shape here in Geneva. None of us, I know, underestimates the difficulties of the task ahead, but the very fact of this Conference, and the willingness of the Governments concerned to respond to this new effort to find a just and lasting settlement, is a source of encouragement and hope for all mankind.

The basis for this meeting was laid down in Security Council resolution 338 of 22 October 1973. That resolution called upon the parties for an immediate cessation of all firing and a termination of all military activity. It called upon the parties to start immediately the implementation of Security Council resolution 242 in all its parts, and it decided that negotiations should begin at once between the parties concerned under appropriate auspices aimed at establishing a just and durable peace in the Middle East.

In subsequent resolutions on 23 and 25 October, the Council confirmed its decisions on an immediate cessation of all kinds of firing and of all military action, called for United Nations observation of the cease-fire and decided to set up a United Nations Emergency Force. The United Nations Military Observers and the Force were immediately put into the field, and they continue to exert their best efforts to keep the peace.

On 11 November the representatives of Egypt and Israel, under the auspices of the Commander of UNEF, met at Kilometre Marker 101 on the Cairo-Suez road and signed the six-point agreement which had been communicated to the Secretary-General on 9 November by the Secretary of State of the United States. In subsequent meetings the modalities for the implementation of five of the six points were agreed upon by the parties and were put into effect with the assistance of UNEF and the International Committee of the Red Cross. It is gratifying that in this way the humanitarian aspects of the six-point agreement have been largely fulfilled.

I am aware of the outstanding humanitarian problems relating to the Middle East question as a whole. The Commander of UNEF, in close co-operation with the International Committee of the Red Cross, is making persistent efforts to find solutions to some of these problems, and I myself have taken initiatives in an effort to resolve others. It is my earnest hope that through such efforts and through the proceedings of this Conference rapid progress may be made in this regard.

On the implementation of one point of the agreement, namely, the question of the return to the October 22 position in the framework of agreement on the

disengagement and separation of forces under the auspices of the United Nations, the parties have not so far reached accord, although detailed exploratory discussions have been held. I hope that through its deliberations this Conference may make progress on this important matter, as well as embarking on the next step envisaged in resolution 338, namely, the negotiations aimed at establishing a just and durable peace in the Middle East.

The presence of the Secretary-General of the United Nations here today reflects the deep concern of the international community in the Middle East question. It also symbolizes the willingness of the Organization to be of assistance whenever the parties require it. I want to assure all of the parties here present that in that spirit I and my staff, both at United Nations Headquarters and in the Middle East, stand ready to be of assistance in any way that may seem useful to them. We have, I believe, amply demonstrated this readiness to act promptly in the critical events of recent months.

Before concluding, may I express appreciation to all the Governments which, by their spirit of co-operation and their desire to make progress on this most complex and crucial question, have made possible the convening of this Conference today. The Conference has a unique opportunity to come to grips with a most difficult, dangerous and complex international problem. If this opportunity is not seized, the world will inevitably be confronted once again with a dangerous and highly explosive situation in the Middle East. Unless progress can be made, the cease-fire and the United Nations peace-keeping arrangements already in operation in the area will remain fragile, and there will be an ever-present danger that fighting will break out again.

This Conference presents a historic challenge to its participants not only because the eyes of the world are upon it, but because the situation in the Middle East, with all its manifold implications, urgently demands the statesmanship, courage, patience and vision of each and all of the participants. I know that these qualities are not lacking in this room. I am sure that all the participants share a sense of urgency and will not fail to seize the opportunity to build a lasting structure of peace in the area. It is an opportunity which may not recur for a very long time. I wish this Conference all success in its noble task.

The Secretary-General of the United Nations:

I call upon the representative of the USSR, Foreign Minister Gromyko.

Mr. Gromyko (Union of Soviet Socialist Republics) (interpretation from Russian):

Mr. Secretary-General, distinguished colleagues. It is with a deep feeling of satisfaction that the Soviet Union welcomes the convening of this conference. A first, but important, step has been taken on the road to the political solution of one of the most acute international problems. For a quarter of a century now it has been a constant source of tension, not only in the Middle East but also far beyond its boundaries.

From time to time, and we are all witnesses to that, the tension in this area turns into open armed conflict. Every time that happens, the fate of the whole world is in jeopardy. That was so six years ago, as it was quite recently in October this year, when the military activities, although they did not last long, were marked by extreme violence.

There can hardly be any doubt that further sanguinary military clashes in the Middle East will take place in the future as well unless we eradicate the main tensions prevailing there. Anyone must inevitably come to that conclusion who has even a slight knowledge of the actual situation and approaches the question objectively.

The intolerable situation in the Middle East created because of the policy of Israel cannot continue. We should like to hope that the participants in the Conference will recognize this, that they came here with the firm intention of laying the foundation for a just settlement.

There is no alternative to such a settlement which would be acceptable to the peoples of the area, to the peoples of the world as a whole. This is irrefutably demonstrated by the whole course of events, including those which have happened recently. It is now quite clear to all that the Arab States will never reconcile themselves to the loss of the territories which were taken away from them in 1967. The Soviet Union has full understanding of their position, and supports it. The Arab countries have the support of the overwhelming majority of the States of the world in their righteous struggle. They have on their side the strengthening solidarity of the Arab world.

It is hopeless to think that the occupied territories can be kept by force. The need for another, a realistic approach to the problems of war and peace in the Middle East, of which the Soviet Union has always spoken, cannot be deferred.

The overwhelming majority of the States of the world have very definitely shown, in one form or another, that they will not tolerate the perpetuation of a source of tension in the Middle East. Not to take this into account would be to go against the expressed will of the peoples.

Also conducive to a lasting settlement of the situation in the Middle East are the positive movements towards détente in the world as a whole that have been achieved in recent years. In many parts of the world a number of important international problems have been solved, including some which had seemed unapproachable. It is sufficient to recall the termination of the war in Viet-Nam, the settlement of acute and important post-war problems in Europe, and the important turn towards normalization and the improvement of relations among States with different social structures on the basis of peaceful co-existence through the conclusion of international treaties and agreements.

A real indicator of the positive changes that have taken place in the Middle East, too, was the initiative taken by the Soviet Union and the United States, which found its expression in the well-known decisions of the United Nations Security Council. In the light of all this, the continuing Middle East conflict, even though the military activities have stopped, seems an inadmissible anomaly.

We do not wish to say again whose responsibility it is. We know whose it is and we believe we are not the only ones who do. Now that the question of a settlement is no longer deadlocked, something else is more important: to determine what must be done in order to establish such a peace in the Middle East as would be lasting and just to all States and peoples in the area.

In the first place, it is the Soviet Union's firm conviction that a fundamental principle of international life must be unswervingly applied - the principle of the inadmissibility of the acquisition of territory by means of war.

That is the key to the whole problem. If the participants in the conference really wish to rid the Middle East area of the threat of new conflicts, it is necessary to remove the initial cause of the crisis - the occupation of Arab territories which has been continuing now for more than six years. These territories must be returned in full to their lawful owners. It is our conviction that, so long as Israeli forces are in these territories, there will be no peace in the Middle East.

Any document adopted by this conference must contain precise and clear obligations concerning the withdrawal of Israeli forces from the territories occupied in 1967.

Without the achievement of an agreement by the parties on this question of principle, we do not see how it would be possible to ensure a settlement which would satisfy the interests of the Arab States and Israel, and the interests of international security. On the other hand, if agreement was reached on this basis, the solution of many other aspects of the settlement would undoubtedly be greatly simplified.

At the same time it is necessary to ensure respect for and recognition of the sovereignty, territorial integrity and political independence of all the States of the Middle East, and of their right to live in peace. This also refers to Israel. Our position is clear and consistent from start to finish - peace and security for all the peoples of the area. This implies, of course, that justice will be ensured as regards the Arab people of Palestine. Their legitimate rights must be protected. It goes without saying that the Palestinian problem cannot be considered and decided without the participation of representatives of the Arab people of Palestine.

The contention that Israel is being deprived of the right to existence is of course advanced as one of the main arguments, if not the main argument, in favour of the occupation of other peoples' territory. It is an argument which does not stand up to criticism. Israel was recognized to possess that right by the very fact of the creation of that State by decision of the United Nations. Possession of that right was confirmed by the establishment in due course of diplomatic relations with Israel by many States, including the Soviet Union. The Arab neighbours of Israel have expressed their willingness to negotiate a settlement on the basis of the well-known resolutions of the Security Council, in which the principle is clearly expressed that all States involved in the conflict have the right to existence.

That right cannot be unilateral, however. It is inconceivable without respect for the sovereign rights of other States and countries. One cannot use one's right to existence to the detriment of the interests of others. Only obligations of a reciprocal kind, based on equality of rights, and a readiness to observe them rigorously, can ensure normal development of inter-State relations in the Middle East.

This is fully applicable to the principle of the integrity of frontiers. Just as in other parts of the world, reliable frontiers are, above all, peaceful frontiers which provide an assurance that they will not be violated. It is naive to believe that secure frontiers can be ensured by the seizure of alien territories. The only frontiers that are truly secure are legal frontiers that are recognized by those on both sides of

them. In the specific circumstances of the Middle East, these are the demarcation lines that existed on 4 June 1967.

This is the Soviet Union's position on the most fundamental aspect of a settlement in the Middle East. It is fully in accordance with the letter and spirit of the decisions adopted by the United Nations since 1967. This applies, above all, to the well-known Security Council resolution 242 of 22 November 1967.

The Soviet Union, which firmly pursues a policy of securing a radical improvement of the situation in the Middle East, has not deviated from this position nor does it intend to do so.

We are convinced that the 1967 Security Council resolution we have mentioned continues to retain its full significance as a realistic and sound approach to the problems existing in the Middle East and to the settlement of those problems.

And we are not alone in this conviction. It is shared by virtually all States Members of the United Nations, which have frequently expressed a desire for the appropriate action both within the United Nations and outside it.

It is, of course, one thing to recognize resolutions in the word, but another to carry them out in deeds. If this had been done, the problem of a Middle East settlement would long since have been removed from the agenda. However, even as I speak, the smell of gunpowder and burning still hangs over Sinai and the Golan Heights and the pain of bloody wounds still wrings the hearts of thousands of Arabs as well as of Israelis.

The practical task of this Conference is to work out a concrete, realistic programme for implementing the above-mentioned Security Council resolution in all its parts. Such action is also required by the decisions which were taken by the Security Council during the recent military operations and in which a cease-fire in the Middle East was linked with the start of immediate negotiations with a view to a sound solution of the Middle East problem.

As we see it, the agreements on such a settlement that are reached between the parties concerned will be embodied in the appropriate documents at the Conference. It is important that these should be substantial documents and should be binding on all the parties that subscribe to them. In other words, they must have the force of law.

In this way a firm foundation would be laid for peaceful co-existence and good neighbourly relations between all States and peoples of the Middle East.

Obligations assumed by the parties under international law would be the best guarantee of their mutual security, which can be ensured only through trust and co-operation between States, through strict fulfilment of the treaties and agreements they have concluded, and not through seizure of the territories of others.

If it proves necessary to lend additional weight to such agreements, the Soviet Union, taking into account the wishes of the interested parties, is ready, together with appropriate other Powers, to assume the responsibilities involved. The Security Council of the United Nations can also make an important contribution in this connexion. What is vital is that the political settlement in the Middle East should be a truly solid one.

Other measures to achieve the same effect are also possible. I have in mind, in particular, the question of establishing demilitarized zones in certain sectors on a basis of reciprocity and the temporary deployment of international personnel in particular areas. All these matters would, of course, have to be the subject of separate negotiations and, what is most important, would have to be settled on terms which are mutually acceptable to the parties concerned.

It seems to me that, given agreement on the main problem to which we have referred, such matters would not constitute an obstacle to a general settlement.

Despite all its difficulties, the Middle East problem can be solved. We have said this before, and we reaffirm it now in this Conference. But we have also warned about something else: the conflagration of war in the Middle East could flare up at any moment. A dangerous situation continues to exist in the area. Further delays in achieving a peaceful settlement are fraught with great danger. We hope that all those present in this room are bearing this fully in mind.

The participants in this Conference bear a heavy responsibility. Their joint efforts can and must bring a dependable peace to the peoples of the Middle East. The Soviet Union has set itself, as one of the principal tasks, the task of helping to eliminate the hotbed of tension in the Middle East. We have supported and continue to support the Arab peoples in their efforts to establish a lasting and just peace in the Middle East area. At this Conference, too, we will do everything we can to help reach the necessary agreements so that such a peace will become a reality.

The Soviet Union is not hostile to the State of Israel as such. The policy of annexation and the flouting of the norms of international law and of United Nations resolutions - these are what have given rise to the general condemnation of Israel, by us among others. Israel has even come to this Conference without having implemented resolutions 338 and 339 of the Security Council. The situation can change when Israel confirms its readiness to arrive at an honourable and mutually acceptable settlement by deeds. The important and immediate task now is to decide the question of an effective withdrawal of troops.

The establishment of a genuine peace is in accordance with the fundamental interests of all the States of the Middle East. Enjoying the advantages of a peaceful life, their peoples could switch their efforts from hostility, which squanders human and material energies on both sides, to solving the problems of social and economic progress.

This would benefit other States and peoples which, because of certain circumstances, are experiencing the negative consequences of the Middle East conflict. These consequences are now being felt and quite perceptibly - both by countries in the immediate vicinity of the Middle East and by those which are situated many thousands of kilometres away from the area. International economic co-operation, trade and navigation - to mention only this aspect - would all be in a much better state.

One can only imagine the extent to which the entire international atmosphere would become more healthy and progress would be made towards the relaxation of tension as a result of the elimination of the Middle East conflict. This would have a most beneficial effect on the situation throughout the whole Mediterranean basin, in Europe, Asia and indeed throughout the whole world.

The peoples of the Middle East and indeed of the whole world expect practical measures aimed at ensuring a stable peaceful settlement in this area. The Soviet Union will do everything in its power to ensure that the work of the Conference proceeds in this direction and that it is businesslike and constructive.

The Secretary-General of the United Nations:

I thank the distinguished Foreign Minister of the Soviet Union. I now give the floor to the distinguished representative of the United States of America, Secretary of State, Mr. Kissinger.

Mr. Kissinger (United States of America):

Mr. Secretary-General distinguished Foreign Ministers, delegates.

Mr. Secretary-General, as one of the Co-Chairmen of this Conference, let me express my gratitude to the United Nations and to you personally for providing such excellent facilities for the Conference, for convening it, and for doing us all the honour of presiding at this historic moment.

We are convened here at a moment of historic opportunity for the cause of peace in the Middle East, and for the cause of peace in the world. For the first time in a generation the peoples of the Middle East are sitting together to turn their talents to the challenge of a lasting peace.

All of us must have the wisdom to grasp this moment - to break the shackles of the past, and to create at last a new hope for the future.

Two months ago what we now refer to as the fourth Arab-Israeli war was coming to an end. Today, there is the respite of an imperfect cease-fire, but the shadow of war still hangs over the Middle East. Either we begin today the process of correcting the conditions which produced that conflict, or we doom untold tens of thousands to travail, sorrow and further inconclusive bloodshed.

When the history of our era is written, it will speak not of a series of Arab-Israeli wars, but of one war broken by periods of uneasy armistices and temporary cease-fires. That war has already lasted twenty-five years. Whether future histories will call this the era of the twenty-five year Arab-Israeli war, or the thirty year war, or the fifty year war, rests in large measure in our hands. And above all, it rests in the hands of the Israeli and Arab Governments, not only those whose distinguished representatives are seated around this table, but also those who are absent and who we all hope will join us soon.

We are challenged by emotions so deeply felt - by causes so passionately believed and pursued - that the tragic march from cataclysm to cataclysm, each more costly and indecisive than the last, sometimes seems pre-ordained. Yet our presence here today - in itself a momentous accomplishment - is a symbol of rejection of this fatalistic view. Respect for the forces of history does not mean blind submission to those forces.

There is an Arab saying, Eli Fat Mat, which means that the past is dead. Let us overcome old myths with new hope. Let us make the Middle East worthy of the messages of hope and reconciliation that have been carried forward from its stark soil by three great religions.

Today there is hope for the future, for the conflict is no longer looked upon entirely in terms of irreconcilable absolutes. The passionate ideologies of the past have, in part at least, been replaced by a recognition that all the peoples concerned have earned, by their sacrifice, a long period of peace.

From two recent trips through the Middle East I have the impression that people on both sides have had enough of bloodshed. No further proof of heroism is necessary; no military point remains to be made. The Middle East - so often the source of mankind's inspiration - is challenged to another act of hope and reconciliation significant not only for its own peoples but for all mankind.

What does each side seek? Both answer with a single word: peace. But peace has of course a concrete meaning for each. One side seeks the recovery of sovereignty and the redress of grievances suffered by a displaced people. The other seeks security and recognition of its legitimacy as a nation. The common goal of peace must be broad enough to embrace all these aspirations.

For the United States, our objective is such a peace.

We cannot promise success, but we can promise dedication. We cannot guarantee a smooth journey towards our goal, but we can assure you of an unswerving quest for justice.

The United States will make a determined and unflagging effort.

President Nixon has sent me here because for five years he has endeavoured to build a new structure of international peace in which ties with old friends are strengthened and new and constructive relationships replace distrust and confrontation with adversaries.

But world peace remains tenuous and incomplete so long as the Middle East is in perpetual crisis. Its turmoil is a threat to the hopes of all of us in this room.

It is time to end this turmoil.

The question is not whether there must be peace. The question is how do we achieve it. What can we do here to launch new beginnings?

First, this Conference must speak with a clear and unequivocal voice: the cease-fire called for by the Security Council must be scrupulously adhered to by all concerned. Prior to last October the United States did all it could to prevent a new

outbreak of fighting. But we failed because frustration could no longer be contained.

After the fighting began we, in concert with the Soviet Union, helped bring an end to the hostilities by sponsoring a number of resolutions in the Security Council. The six-point agreement of 11 November consolidated the cease-fire. It helped create the minimal conditions necessary for carrying forward our efforts here. All these resolutions and agreements must be strictly implemented.

But regardless of these steps, we recognize that the cease-fire remains fragile and tentative. The United States is concerned over the evidence of increased military preparedness. A renewal of hostilities would be both foolhardy and dangerous. We urge all concerned to refrain from the use of force, and to give our efforts here the chance they deserve.

Second, we must understand what can realistically be accomplished at any given moment.

The separation of military forces is certainly the most immediate problem. Disengagement of military forces would help to reduce the danger of a new military outbreak; it would begin the process of building confidence between the two sides.

Based on intensive consultations with the leaders of the Middle East, including many in this room today, I believe that the first work of this Conference should be to achieve early agreement on the separation of military forces, and I believe too that such an agreement is possible.

Serious discussions have already taken place between the military representatives of Egypt and Israel at Kilometre 101. It is important to build promptly on the progress achieved there. And on the Jordanian and Syrian fronts a comparable base for the lessening of tensions and the negotiation of further steps towards peace must be found. Progress towards peace should include all parties concerned.

Third, the disengagement of forces is an essential first step - a consolidation of the cease-fire and a bridge to the "peaceful and accepted settlement" called for in Security Council resolution 242. Our final objective is the implementation in all of its parts of this resolution. This goal has the full support of the United States.

Peace must bring a new relationship among the nations of the Middle East - a relationship that will not only put an end to the state of war which has persisted for

the last quarter of a century, but will also permit the peoples of the Middle East to live together in harmony and safety. It must replace the reality of mistrust with a new reality of promise and hope. It must include concrete measures that make war less likely.

A peace agreement must include these elements among others: withdrawals, recognized frontiers, security arrangements such as demilitarized zones, guarantees, a settlement of the legitimate interests of the Palestinians and recognition that Jerusalem contains places considered holy by three great religions.

Peace will require that we relate the imperative of withdrawals to the necessities of security, the requirement of guarantees to the sovereignty of the parties, the hopes of the displaced to the realities now existing.

Fourth, we believe there must be realistic negotiations between the parties. Resolution 338 provides just such a process. It is on the parties that the primary responsibility rests. The United States intends to help facilitate these talks in every feasible way, to encourage moderation and the spirit of accommodation. We are prepared to make concrete suggestions to either side if this will help promote practical progress. But we must always remember that while a Middle East settlement is in the interest of us all, it is the people of the area that must live with the results. It must, in the final analysis, be acceptable to them.

Peace, in short, cannot last unless it rests on the consent of the parties concerned. The wisest of realists are those who understand the power of a moral consensus. There is a measure of safety in power to prevent aggression, but there is greater security still in arrangements considered so just that no one wishes to overthrow them.

As we open this Conference we take a momentous step. We are challenging a history of missed opportunities, of mutual fear and bottomless distrust. Our backdrop is a war that has brought anguish and pain, a war that has been costly to both sides, that has brought neither victory nor defeat, that reflected the failure of all our past efforts at peaceful solutions.

Mr. Secretary-General, fellow delegates, President Nixon has sent me here with the purpose of affirming America's commitment to a just and lasting peace.

We do not embark on this task with false expectations. We do not pretend that there are easy answers. A problem that has defied solution for a generation does not yield to simple remedies.

In all efforts for peace the overriding problem is to relate the sense of individual justice to the common good. The great tragedies of history occur not when right confronts wrong, but when two rights face each other.

The problems of the Middle East today have such a character. There is justice on all sides, but there is a greater justice still in finding a truth which merges all aspirations in the realization of a common humanity. It was a Jewish sage, who speaking for all mankind, expressed this problem well: "If I am not for myself, who is for me, but if I am for myself alone, who am I?"

Fellow delegates, in the months ahead we will examine many problems. We will discuss many expedients. We will know success - and I dare say we shall experience deadlock and perhaps occasionally despair.

But let us always keep in mind our final goal:

We can exhaust ourselves in manoeuvres or we can remember that this is the first real chance for peace the Middle East has had in three decades.

We can concentrate on our resentments or we can be motivated by the consciousness that this opportunity, once past, will not return.

We can emphasize the very real causes of distrust, or we can remember that if we succeed our children will thank us for what they have been spared.

We can make propaganda or we can try to make progress.

The American attitude is clear. We know we are starting on a journey whose outcome is uncertain and whose progress will be painful. We are conscious that we need wisdom and patience and good will. But we know, too, that the agony of three decades must be overcome and that somehow we have to muster the insight and courage to put an end to the conflict between peoples who have so often ennobled mankind.

So we in the American delegation are here to spare no effort in the quest of a lasting peace in the Middle East, a task which is as worthy as it may be agonizing. If I may quote the words of a poet: "Pain that cannot forget falls drop by drop upon the heart until in our despair there comes wisdom through the awful grace of God."

The Secretary-General of the United Nations*:* I thank the distinguished Secretary of State of the United States.

I have been informed that the distinguished representative of Egypt wishes to speak now. If so, I give to the floor to the distinguished Foreign Minister of Egypt, Mr. Ismail Fahmy.

Mr. Fahmy (Egypt): Mr. Secretary-General, we are meeting today under the auspices of the United Nations, and we are indeed pleased to meet under the chairmanship of the Secretary-General of the United Nations. Your presence symbolizes the interest of the Organization in the question of the Middle East, which has been the concern of the United Nations since its inception. We would wish to thank you and all your colleagues, and we are sure that the United Nations will follow with keen interest our deliberations. I would appreciate it, if and when our work departs -and heaven forbid that it should - from the principles enshrined in the Charter, if you and the United Nations would fulfil your duty and put us back on the path prescribed by the Charter. resistance when faced with wrongs perpetrated against them. Legitimate grievances never fail to generate increasing resolve to do away with injustice. We in Egypt have had to face along the centuries many kinds of wrongs inflicted upon us. Each time we have resisted and suppressed them and have emerged in the end triumphant. No sacrifices were too great and no sufferings unbearable when nations pursuing such a noble cause worked with determination for justice and genuine peace. Such are the teachings of history. This we must remember when all of us look ahead and delve into the future.

When applying these lessons to the Middle East, one hardly needs to point out the tragic events that have taken place since the Palestinians were denied their national rights over their country and driven by force from their own land, a land to which they and we eternally belong. This area has since then continuously suffered from the militaristic and expansionist policy of Israel and from its unrelenting efforts to conquer and annex ever more territory, thus seriously endangering the independence, and infringing upon the territorial integrity, of the countries in the area.

The conflict in the Middle East is not and never has been a struggle that arose because its peoples hold different beliefs. For centuries these peoples, irrespective of their creed or religion, lived peacefully side by side. They could have continued living in peace, enjoying the immense opportunities which God and nature have bestowed on this good earth, had it not been for the wedge that was driven by force and in the alleged name of religion into their midst for the sake of domination, exploitation and racist practices. I do not wish, however, to dwell on this well-known matter, but merely want to say that only when warlike acts and aggression

cease to be the maxim of Israel, which is trying to convince the world that its very existence can be built on military rashness and supremacy, only then can a just peace at last be envisaged for the region.

As a result of the events which took place on 6 October, the Israelis must, we hope, have decided to relinquish this maxim and to change their course towards real peace, durable peace and just peace. So far as Egypt is concerned, my presence here symbolizes our deep desire to restore to our ravaged and embattled region a durable and just peace. This Conference is an historic event on which all the hopes of the world are focused. It would be a real tragedy if the wisdom of those most directly concerned - or even of those only indirectly linked with the future of the Middle East - should fail to seize this unique opportunity to come to grips with the basic issues involved and find genuine solutions which could form the foundation of a lasting peace leading to an era of enlightened accomplishment rather than tragic disillusion.

This Conference is, as I have said, both historic and unique in the sense that it represents the culmination of the manifold efforts and endeavours which all nations and statesmen of the world have exerted with the aim of bringing to an end a struggle which has lasted only too long. As for the Arab countries, they have come to this Conference ready and prepared to lay the cornerstone of the edifice of peace in the Middle East.

This Conference is unique in nature because, if Israel does not comprehend the deeper significance of our work here, the chances of repeating such an historic gathering will be very remote indeed. The net result will then be, no doubt, the recourse to other means in order to liberate our lands and to restore the legitimate rights of the Palestinians who have lived under appalling conditions for more than a quarter of a century. This Conference is, furthermore, unique and, if I may say so, unparallelled, since for the first time in history a conference dealing with the Middle East has amongst its participants the Soviet Union and the United States, that is, the two global Powers which shoulder responsibilities unprecedented in history for the maintenance of international peace and security. I take their participation as being a good omen, and the fact that they are represented here by their Foreign Ministers is added evidence of their wish to guarantee that a peaceful and just settlement will prevail in the Middle East.

For Egypt and, I am sure, for the world as a whole, this is an historic event of a highly political significance. Consequently, I hope we all agree that a durable and just peace cannot emerge in our region unless it conforms with certain basic norms

and principles constituting what I should like to call "the essentials for peace in our area". In this connexion I am sure that all of us here, including the super-Powers, fully realize that a just and durable peace in the Middle East cannot be built on the basis of the following:

(i) expansion by force by one country against another;

(ii) the acquisition of foreign territories by force;

(iii) the threatening of international and recognized boundaries under any pretext or argument;

(iv) the infringement of the sovereignty of States and the violation of their territorial integrity;

(v) the denial of the inalienable rights of the Palestinians to self-determination and to live in peace.

As for us, Mr. Secretary-General, we are sincerely and hopefully looking forward to achieving a durable and just peace. To our minds, nothing less should emerge from this historic gathering; otherwise we would produce a most unusual document which public opinion in our countries and in the world at large would never accept, but rather oppose and reject. Such a peace would be as vulnerable and fragile as the present cease-fire and as shaky and dangerous as were the conditions which, for the last 25 years or so, have persisted in the Middle East as a result of the failure to implement the many relevant resolutions adopted by the different organs of the United Nations.

Mr. Chairman, my presence here is a true and faithful continuation and implementation of the policies and the strategy laid down by President Sadat. In fact, as you may recall, he proposed on 14 February 1971 a programme for achieving peace based on the full implementation of Security Council resolution 242 (1967). Again, on 16 October of this year, he proposed that a peace conference be convened at the United Nations: such a conference was to lay down the modalities and establish the guarantees for building peace in the area based on respect for the legitimate rights of the people living therein.

Egypt's determination to work for peace equals its resolve to see that, in one way or another, its land, the Arab lands and those of our neighbours, are liberated, and that the Palestinians enjoy their legitimate right to live in peace and dignity. This, in fact, represents what Egypt has been endeavouring to achieve since 5 June 1967,

and up to 6 October 1973. Indeed, Egypt worked unremittingly for peace. These efforts were recognized and welcomed by all the countries of the world, whether in Africa, Asia or Europe, by the Soviet Union and even by the United States. My

President, and with him the Egyptian people, are on record as declaring that they have done their best to attain a durable and just peace by peaceful means. Alas, all these efforts were met by a persistent cry and determination to retain Arab territories unlawfully and by the use of force. Then the hour of 6 October 1973 struck, as a result of which we hope that the Israeli Government has now realized that Israeli security does not lie in retaining geographical trophies or in achieving military supremacy, but that it would best be safeguarded if it undertakes to live in peace with its neighbours. We hope, furthermore, that Israel now also understands that Egypt and, for that matter, all the Arab countries cannot be conquered by force or allow their lands to remain occupied. Nor will the Arab world accept the continued inhumane treatment of the Palestinians or agree that Jerusalem, the city of peace, should remain under the banner of the conqueror. Territories are the heritage most jealously guarded and defended by a people. They are handed from generation to generation. They are part of its history and prompt a profound sense of pride and thus of nationhood. Loss of territory deeply affects them and provokes a strong resolve to regain by all possible means what is theirs by right. Peoples do not bargain or barter over their territories, and the Arab nation is no exception. To expect the Arabs to give up part of their lands is tragically to misread their determination to the contrary. To insist that this be done would wreck all hopes for this Peace Conference to achieve what it has set out to do.

For all of us, coming to this Conference is a major step on the road to peace. We realize that this Conference would never have materialized if it were not for the multiple efforts of all countries of the world and their resolve to see to it that peace is at last restored to the region. Egypt is attending this Conference with the full determination to do its best in a businesslike manner to achieve a just and lasting peace. In doing so, however, we will never overlook the following basis essentials for peace in our area:

1. the total withdrawal of Israeli forces from the Arab territories occupied since 5 June 1967;

2. the liberation of the Arab city of Jerusalem and non-acceptance of any situation which may be injurious to the complete Arab sovereignty over the holy city;

3. the exercise by the Palestinians of the right to self-determination and to live in peace and dignity;

4. the right of every State in the area to enjoy territorial inviolability and political independence;

5. that there be international guarantees by the major Powers or the United Nations or both, as an added safeguard to international peace and security in the area.

These essentials for peace are in conformity with and fully reflect the decisions taken at the recent Arab summit in Algiers. Egypt, for its part, is fully prepared to honour all its other obligations emanating from Security Council resolution 242 (1967) both in letter and in spirit.

Mr. Secretary-General, I hope that I have made clear the basic philosophy of my Government, and that I have conveyed to you and the members around this table the extent to which we in Egypt are prepared to co-operate in establishing a just and durable peace. We realize that this cannot be achieved through Egypt's will and determination alone. Peace needs an equally profound desire and determination by all those concerned with this conflict, and in particular the United States and the Soviet Union, to take upon themselves a unique responsibility unprecedented in history. Durable and just peace in the Middle East must be maintained without ambiguities, in conformity with international law and basic principles enshrined in the Charter of the United Nations, and reflected in the resolutions and decisions of the world organization, which are in fact the true expression of the opinion and the hopes of the peoples of the world. Egypt has come to this conference to sustain the rights of the Arab nations and to obtain by peaceful means the restitution of all Arab territories occupied since June 1967 and the restoration of the inalienable rights of the Palestinians. Thank you.

***The Secretary-General of the United Nations**:*

I thank the distinguished Foreign Minister of Egypt. The last speaker on my list for our meeting today is the distinguished representative of Jordan. I give the floor to the Prime Minister and Foreign Minister of Jordan, Mr. Zeid El-Rifai.

Mr. Zeid EI-Rifai (Jordan):

Mr. Secretary-General, as we come to this Peace Conference, it might be in order to recall the words of Rebindranath Tagore: "Give me the supreme faith of love,

this is my prayer, the faith of the life in death, of the victory in defeat, of the power hidden in the frailness of beauty."

Indeed, Mr. Chairman, it is this victory of right over wrong, of justice over injustice, and of peace over war which the delegation of the Hashemite Kingdom of Jordan is coming to seek at this Conference.

It has been a long time, too long, since we started our search for peace in the Palestine area. The Middle East crisis of today, which earlier was known as the question of Palestine, is a tragedy the like of which humanity has never witnessed on such a large scale.

From the days of the First World War, when the Jews in Palestine were no more than 56,000 people who owned no more than 2 per cent of the total area of Palestine, to the days when they increased immensely and rapidly through emigration from various other lands, and expanded in Arab Palestine through invasion and occupation, the struggle between the Israeli invader and the Arab indigenous people has weighed heavily on the human conscience.

The tide, however, never stopped at any limit. The resolution on the partition of Palestine adopted by the United Nations in 1947 was overshadowed by the delineation of the Armistice lines in 1949 as a result of Israel's military gains. Thus, while the Jewish State, in the partition of 1947, was given 56 per cent of the total area of Palestine, it was able to occupy 77.4 per cent of this total area and, in its ambitious expansionist policy, Israel followed its own time-table for the acquisition of Arab territory. In 1967, twenty years after its establishment, Israel swept over all of Palestine plus large areas of three neighbouring Arab States. Today its armed forces stand on the banks of the Jordan river, on the plains of Damascus, and west of the Suez. By force or arms, Israel reached that extent.

Is it the sword that shall win? Is it the force of arms, as Israel's leaders put it, that shall determine the issue? Can Israel establish its future in the Arab ocean through continued adventures?

Throughout the twenty-five years of its life, Israel has failed to win the slightest degree of love or acceptance by its Arab neighbours. It has always been looked upon as an authority of terror and aggression, the conduct of which is always characterized by defiance and arrogance. The seeds of oppression which it planted in the Arab soil grew with hatred. It is not the intention of my delegation to speak at this opening stage of the Conference on other aspects and episodes involved in the Israeli expansionist policy in its various phases. It will take a long time to

speak of the expulsion of the native Arab population, of the eradication of their roots, of the suppression of those who were left behind, of the repressive measures taken against them, of the large-scale deportation of Arab inhabitants, of the confiscation and expropriation of land and property, of the desecration of holy place and venerated shrines, and of the change of historical and cultural heritage. It is not time to speak of the damage, destruction and murder that was committed against the Arab people and homeland at the hands of Israel. But it is time, no doubt, to ask - at the outset of this Conference - how long will this Israeli armed aggression and occupation be allowed to continue and to remain?

Should the Arabs always have to wage war in order to restore right and justice? Should we always suffer in order to live in peace? Those piles of resolutions which were adopted at the United Nations by its various organs stand witness to the failure of the international community to heed the call of justice. The fact, the naked fact, remains that Israel's armed occupation of Arab territory constitutes an act of continued and escalating aggression which the world has watched in silence.

It is from this position, the position of recourse, as a last resort, to rebellion against tyranny, that the Arabs had to take up arms. The fighting which broke out in our area at the Egyptian and Syrian fronts on 6 October last was a gallant effort by the Arab forces, dedicated to making peace a reality. The economic measures taken by other Arab countries were another resolute expression of the demand for compliance by Israel with the conditions of peace.

The sacred heritage which has come down to our people through history and the well-established civilization which we safeguard motivate us continuously to avoid exposing this legacy to danger and destruction. Israel does not seem to share this concern with us. Could it be because it does not belong to our environment? Could it be because it is a stranger in our homeland?

The measures Israel took, despite the universal will of mankind, to alter the status of the Holy City of Jerusalem and to change life and tradition in it are a grave violation which neither history nor the future would forgive or tolerate.

How could Israel be introduced into the Arab region and live in permanent peace with the Arab surroundings as long as it insists on being foreign and hostile?

The peace, Mr. Chairman, which we would conclude with Israel is one that would restore to the Arab people their occupied land; one that would return to the legitimate inhabitants their inalienable rights; and one that would ensure security against Israeli attacks for its Arab neighbours.

Mr. Chairman, we meet today, as directly concerned parties, under appropriate auspices, with the aim of establishing a just and durable peace through the implementation of Security Council resolution 242 of 22 November 1967 in all its parts.

In fact, the Government of the Hashemite Kingdom of Jordan has never failed on any single occasion to call for the implementation of resolution 242 as a way to achieve peace. This has been our steady position since the adoption of this resolution. Whether at the General Assembly of the United Nations, or the Security Council, or whether with the Special Representative of the Secretary-General, Jordan has maintained this stand.

We sincerely believe that the delay in the implementation of this resolution, which primarily requires withdrawal of Israeli armed forces from all Arab territories occupied in 1967 and back to the lines from which they advanced, caused, indeed, a delay in starting the process of establishing peace.

Resolution 242 (1967), the implementation of which has become the fundamental demand of the whole community of nations and all individual States and regional organizations, emphasized clearly at the start of its preamble and in the first operative part, the inadmissibility of the acquisition of territory by war and the demand for Israel's withdrawal from the territories it occupied as a result of the 1967 military operations.

Neither in international law nor in sound logic can a state of occupation by armed attack be acceptable or permissible. Nor could such a state be allowed to continue simply because the occupying authority insists on imposing its own will. Six and a half years have passed at the expense of peace and tranquillity in the Middle East. There was no reason for failure to achieve peace during that period except the refusal of Israel to comply with the pronouncements of the United Nations, with the rule of law, and with the prerequisites of peace.

We ought to declare unequivocally that time will continue to lapse vainly unless Israel commits itself to complete withdrawal from all the Arab territories it has occupied since 5 June 1967. And this includes Syrian occupied territory, since the absence of Syria from this Conference should not in any way prejudice its right to full withdrawal of Israeli forces from all its occupied territory, and since the position of my Government is that the principle of withdrawal is indivisible.

This, Mr. Chairman, is the only way to proceed if we, at this Conference, are to reach a peaceful settlement.

My Government believes that there are major issues in the construction of peace which should be decided upon in this Conference. These issues are as follows:

First, Israel's complete withdrawal from all Arab territories which it has occupied since 5 June 1967. A programme of implementation and a time-table for this withdrawal should be drawn up and agreed upon.

Second, international boundaries of the States of the area must be recognized and respected, as well as the territorial integrity, sovereignty and independence of these States.

Third, wherever there are no international boundaries between an Arab State and Israel, such boundaries are to be established by agreement and on the basis of the inadmissibility of the acquisition by force.

Fourth, the right of every State in the area to live in peace within secure and recognized boundaries, free from threats or acts of force, must be pledged and guaranteed.

Fifth, the legitimate rights of the Arab people of Palestine must be fulfilled in accordance with the resolutions of the United Nations, and the Palestinian refugees must exercise their right of repatriation and/or compensation in accordance with law and justice.

Sixth, Arab Jerusalem is an inseparable part of Arab occupied territory. Therefore, Israel is to relinquish its authority over it. Arab sovereignty must be restored in the Arab sector of the city. The Holy Places of all the three divine religions must be preserved, protected and respected, and free access for all the followers of these three religions must be secured and maintained.

Mr. Chairman, when Israel was established by the United Nations in 1947 and was admitted to the membership of the United Nations in 1948, it made a declaration that it "unreservedly accepts the obligations of the United Nations Charter and undertakes to honour them from the day it becomes a Member of the United Nations".

With such an undertaking, Mr. Chairman, Israel failed to honour its first obligation of membership under the Charter of the United Nations, which stipulates that "all Members shall refrain in their international relations from the threat or use of force against the territorial integrity or political independence of any State".

For the last six and a half years, Israel has been violating the sovereignty, independence and territorial integrity of three Arab States, namely Egypt, Jordan and Syria, and has, for the last twenty-five years, been violating the legitimate rights of the Arab people of Palestine.

Today, we come, as directly involved parties and most concerned with the problem, to try to arrive at a settlement through peace.

My Government's attitude towards the deliberations and conclusions of this Conference is that an over-all settlement of the problem before us and the major issues related to it is a collective responsibility of all the parties directly concerned. Questions of withdrawal, boundaries, Palestinian rights, refugees, obligations of peace and the status of Jerusalem are all of common concern and a collective responsibility. My delegation, therefore, is not prepared to conclude any partial settlement on matters that we feel are of a joint interest with our Arab brothers at this Conference.

Sir, faithful to our obligations towards the United Nations, and noting that the only recognized documents before us today are Security Council Resolutions 242 of 22 November 1967 and 338 of 22 October 1973, my Government is pleased to have the Secretary-General of the United Nations, Dr. Waldheim, preside over the opening meeting of this Conference.

May I also be allowed, Mr. Chairman, to acknowledge on this occasion, with sincere appreciation and high admiration, the effective and noble role which both the United States of America and the Soviet Union have played to bring this Conference into being. Needless to say we are also grateful to have had the chance to convene our Peace Conference in Switzerland, the land of peace, beauty and human dignity.

And as we meet today, we know that the eyes of the world are turning towards us. Here on the European continent the voice of right is echoing stronger and stronger. On the free soil of Africa our African brothers are boldly knocking at the gates of peace. Great Asia is backing our efforts with all its weight and dignity. Every patriot, every refugee, and every free man is wishing us success in our work. Let us, therefore, give, in the present test, the lofty principles of mankind the seriousness, sincerity and devotion they deserve. Let us give to the Middle East, the torch of civilization and the cradle of prophets, the peace which it has missed for many decades.

Thank you, Mr. Chairman.

The Secretary-General of the United Nations:

I thank the distinguished Prime Minister and Foreign Minister of Jordan. May I ask whether any other delegation wishes to take the floor in our meeting today? The distinguished representative of Israel.

Mr. Eban (Israel):

If there is a chance of addressing the Conference this afternoon I would like to study the addresses that have been made and to speak at the next session. If it could be this afternoon I would prefer it, but I leave that, Sir, to the Chair.

The Secretary-General of the United Nations:

Is there any objection to having a meeting this afternoon? Originally I had intended to hold the next meeting tomorrow morning at 10.30 and to leave the afternoon free for private consultations, but of course I am in the hands of the Conference, of the distinguished members of this Conference, and therefore I wish to consult you as to whether you prefer a meeting tomorrow morning or this afternoon. May I ask the distinguished representative of Israel whether he would agree to speak tomorrow morning?

Mr. Eban (Israel):

If there is no reason for not having a meeting this afternoon, Mr. Chairman, I would like to address the Conference this afternoon. But I would at any rate like to address it at the next meeting.

The Secretary-General of the United Nations:

Do the delegates agree to hold a meeting this afternoon? I see no objection. I assume therefore that you agree to hold our next meeting this afternoon at, may I suggest, 3.30? I take it then that we agree to hold the next meeting this afternoon at 3.30. It is so decided. The meeting is adjourned.

The meeting rose at 12.40 p. m.

The Secretary-General of the United Nations:

I call the meeting to order and I give the floor to the distinguished representative of Israel, Foreign Minister Abba Eban.

Mr. Eban (Israel):

Mr. Secretary-General, distinguished Prime Minister, Foreign Ministers, Gentlemen. There has never been an Arab-Israel peace conference before. Instead there have been many wars, for which the price has been paid in thousands of lives and in a region's long agony. Today at last a new opportunity is born. No wonder that this Conference opens under the burden of an immense expectation. Millions of people across the world are hoping that we shall somehow succeed to break the cycle of violence, to give a new purpose and direction to Middle East history, and to bring a halt to the spreading contagion of force.

We have no way of knowing whether this opportunity will be fulfilled or wasted. The answer lies in the intentions of many governments and peoples in the Middle East -- and beyond. Israel for its part is resolved to seize the chance.

Now, the agreed purpose of this Conference is to negotiate peace between States whose relations until now have been scarred by a fierce enmity which has exploded again and again into war. The assault launched against us by Egyptian and Syrian armies on 6 October was only the most recent link in a chain of violence extending with tragic results across the entire life of Israel as a modem State. To achieve its aim, therefore, this Conference must reverse the whole tide of recent history. It is not going to be an easy task, nor at best can its fulfilment be rapid. We shall have to reconcile a sense of urgency with a capacity for patience. And yet, when all the calculations of prudence and caution and realism are duly made, our heart and imagination inspire a positive hope. We cannot ignore experience but nor are we committed to its endless reiteration. So Israel comes to Geneva in the conviction that there is room for innovation, initiative and choice.

We must be well aware of the particular complexity of our task. There is nothing in any degree similar to the Arab-Israel conflict. The crisis of the Middle East has many consequences, but only one cause. Israel's right to peace, security, sovereignty, commerce, international friendship, economic development, maritime freedom, indeed its very right to live, has been forcibly denied and constantly attacked. All the other elements of the conflict are consequences of this single cause. In no other dispute has there ever been such a total denial, not only of the sovereign rights of a State but even of its legitimate personality. And the emotional assault on Israel has gone much beyond the political context. It sweeps all human

solidarities aside. It is nourished by a copious literature with official endorsement that gives support to Nazi anti-Jewish myths. It nourishes a conspiratorial theory of Jewish history. It explodes into the mutilation of Israeli soldiers in the field, the murder and torture of Israeli prisoners, and it has culminated most recently in Syria's sadistic refusal to carry out the Geneva Convention on the treatment of prisoners of war. Out of this kind of ferocious hatred springs the kind of assault on humane values that was enacted in Munich last year, in Rome airport five days ago and with weary regularity in other places between, before and since. When sportsmen in the shelter of the Olympic flag are bound hand and foot and calmly shot in the head, one by one, when passengers in a civil aircraft are methodically blown up and burned, to fragments, do we not come face to face with the mentality and ideology which produced the gas chambers and the gallows of Auschwitz?

It is from this tradition that we must seek to break away. The prospects for this Conference to succeed depends in the last analysis on whether the Arab nations and Israel want to reach an objective understanding of each other. Now, we have no trouble or reluctance in understanding what Arab nationalism is all about. It is the moving story of a people's liberation from external servitudes. It is an effort to build a bridge between past glories and future hopes. The success of the Arab nationalist enterprise is reflected in the existence of 19 States, occupying 12 million square kilometres, in which 100 million Arabs live under their sovereign flags, in command of vast resources. The world, including Israel, has come to terms with Arab nationalism. The unsolved question is whether Arab nationalism will frankly come to terms with the modest rights of another Middle Eastern nation to live securely in its original, and only, home.

For this to happen it will, I suggest, be necessary for political and intellectual leaders in the Arab world to reject the fallacy that Israel is alien to the Middle East. Israel is not alien to the Middle East: it is an organic part of its texture and memory. Take Israel and all that has flowed from Israel out of Middle Eastern history and you evacuate that history of its central experiences. Israel's historic, religious, national roots in the Land of Israel are a primary element of mankind's cultural history. Nothing - not even dispersion, exile, martyrdom, long separation - has ever disrupted this connexion. Modern Israel is the resumption of a primary current in the flow of universal history. We ask our neighbours to believe that it is an authentic reality from which most of the other elements in Middle Eastern history take their birth. Israel is no more or less than the Jewish people's resolve to be itself and to live, renewed, within its own frame of values, and thus to contribute its particular shape of mind to the universal human legacy.

That is what Israel is all about, and all this is much too deep and old and strong to be swept away. I ask Arab leaders and thinkers when they reflect on Israel, to ponder a French historian's definition of nationhood: "A nation is a soul, a spiritual principle. To share a common glory in the past, a common will in the present; to have done great things together; to want to do them again - these are the essential conditions of being a nation."

When to all this memory you add the special tragedy of Jewish homelessness, you will understand why Israel faces the other Middle Eastern nations in the perfect consciousness of its own legitimacy. It will neither disappear nor apologize for itself, nor compromise its sovereign destiny nor surrender its name and image, nor be swallowed up in something else. Within the framework of its own legitimate existence it seeks reconciliation and peace.

It seems to me that the effort to resist the existential truth about Israel as inseparable from Middle Eastern destiny lies at the root of every other discord. We ought to remember that the war against Israel is a little older than the State of Israel itself. If we want to know the authentic answer to the question "How did it all begin?", we could go to the library downstairs and look up the documents and find the report of the United Nations Partition Commission of 20 April 1948. I quote:

"Arab opposition to the plan of the General Assembly has taken the form of organized efforts by strong Arab elements both inside and outside Palestine, to prevent its implementation and thwart its objectives by threats and acts of violence.... Powerful Arab interests, both inside and outside Palestine, are defying the resolution of the General Assembly, and are engaged in a deliberate effort to alter by force the settlement envisaged therein."

That is the report.

How little has changed since then. Can we not describe today's condition in these sentences without changing many words? The pendulum of military advantage swings this way and that. The tide of political struggle ebbs and flows. One thing alone has been constant - the volcanic atmosphere in which the Middle East lives, with only a few years between each eruption and each succeeding lull. And so in the twenty-sixth year, as in the first, we woke up one morning to find the Arab forces moving against us from south and north. Nobody believes that if those massive armoured thrusts had gone forward as their commanders wished, they would have come to a voluntary halt, at any particular line. The distinguished

Egyptian writer, Muhammad Hasainein Heikal, has put it very clearly in "Al-Ahram" of 19 October:

"If the Arabs succeeded by force of arms in liberating the lands conquered in June 1967, what is to prevent them in the next stage from liberating the whole of Palestine itself by force of arms?"

What indeed? And so in October 1973, as in May 1948, the issue for Israel became no less than the survival of life and home, of national future, of personal destiny, of all that had been built and cherished and defended, in common action, for 25 years.

And yet with all the similarity between 1948 and 1973, there has been one ominous transformation. All of us around these tables must be aware of it. Small Middle Eastern countries can now use arms in such quantities and of such destructive force as would have been available only to the greatest military Powers one generation ago. And therefore the Golan and Sinai are strewn with young bodies of Israelis and Arabs, and the burnt-out hulks of armoured vehicles and trucks. Two thousands tanks were destroyed in the one, single month of October. For the price of them the countries of the Middle East could have had 20,000 tractors to bring fertility to their lands.

It may be that one thing has changed for the better, namely that a mutual understanding of the sterility of war and the sterility of political deadlock has become sufficiently alive to bring all of us here to Geneva - Israel, Egypt and Jordan. We come with a mandate from our Governments to seek peace. We also have a common mandate from bereaved mothers and widows and orphans to bring 25 years of insanity to an end. The pathos of it all is that this Peace Conference could have been convened six years ago, after the 1967 war, or indeed at any time since the 1948 war ended with the 1949 armistice agreements. A peace negotiation is what Israel has been proposing all the time. We could have had this moment, without all those graves, without all that blood.

The question now is whether we can break out of past deadlocks into a new vision and a new hope. Well, a common interest in bringing the war to an end has already brought Egypt and Israel together in three agreements. We have accepted a cease-fire in pursuance of Security Council resolution No. 338, of 22 October. On 7 November, we signed a six-point agreement for stabilizing the cease-fire. The Egyptian and Israeli senior officers who concluded that agreement met face to face and pursued their discourse in a civilized atmosphere at Kilometre 101, until 10

December. Now Egypt and Israel, together with Jordan, have agreed on the procedure and terms of reference for a peace conference.

These three decisions are the bridge across which we wish to make a transition from belligerency to peace. It is especially vital that the cease-fire continue to be observed by land and air and sea.

I propose that Egypt and Israel pledge themselves at this Conference to observe the cease-fire on the basis of reciprocity. I give that pledge on Israel's behalf. Surely the maintenance of the cease-fire is an indispensable condition before any useful negotiation.

Beyond these transitional steps we should have a clear conception of our objective. Israel's aim at this Conference is a peace treaty defining the terms of our co-existence in future years. Since the purpose of this Conference is peace we must have an understanding of what that term involves. Peace is not a mere cease-fire or armistice. Its meaning is not exhausted by the absence of war. It commits us also to positive obligations which neighbouring States owe to each other by virtue of their proximity and of their common membership in the international community. Above all, a durable peace must create a new human reality. It does not rest on the cold formalism of documents alone. Nations at peace are not separated from each other by hermetically sealed boundaries guarded by international police forces. Indeed the emphasis on the interposition of police units in so much of the public debate on the Middle East is a confession that the peace that is envisaged is not authentic or stable or real. The ultimate guarantee of a peace agreement lies in the creation of common regional interests, in such degree of intensity, in such multiplicity of inter-action, in such entanglement of reciprocal advantage, in such mutual human accessibility, as to put the possibility of future war beyond any rational contingency.

Let us all atone for 25 years of separation by working towards a co-operative relationship similar to that which European States created after centuries of conflict and war. It may take time to achieve that full objective. But does not every serious architect design a vision of the finished structure before anybody begins to face the prosaic difficulties of construction? At any rate, our vision must be one of sovereign States, the Arab States and Israel, each pursuing its national life within its own particularity while co-operating with its neighbours in a broader regional devotion.

The peace treaties that we want to negotiate and conclude should provide for the permanent elimination of all forms of hostility, boycott and blockade. The peace settlement must be the product of mutual agreement and not of external pressure, or of intimidation of one party by the other. It is only by freely accepting national and international responsibility for the peace that the signatory Governments can ensure its stability. Our peace agreements should of course provide for the renunciation of the use of force in our relations with each other. They should contain specific and unequivocal recognition of each other's political independence, integrity and sovereignty.

They should prohibit any hostile action, including terrorist action, conducted from the territory of one of the signatories against the territory and population of the other. They should formally proclaim the permanent end of the conflict and the renunciation of all claims or acts arising from belligerency. They should ensure that all international conventions which each of the signatories has signed should be applicable to the other signatory without any of the reservations entered by Arab Governments in the past into such international obligations. Nations at peace with each other do not seek to impede the movement of each other's ships or aircraft, or forbid them the normal civilities of air transit and maritime passage. Governments establishing peaceful relations after long years of conflict invariably define their intentions with respect to formal relations with each other in the economic, commercial, cultural and political domains. With the establishment of peace it would become normal for Israel and the Arab States to take their places jointly in regional development organizations.

There is also need for attitudinal change. Bertrand Russell wrote that "all wars originate in classrooms". Long years of conflict have given successive generations of our people a distorted vision of each other. The transition to peace should have its effects in educational systems, expelling all the images and stereotypes which nations at war invoke both as causes and consequences of their hostility. A peace settlement should unlock the arteries of our region's communications.

Now, these aims may seem very remote and visionary today, but they do not go beyond what Governments have usually accomplished in their transition from hostility to peace. In fact, I have never come across any peace agreement which does not include everything that I have listed here. The three Governments represented at this Conference all accepted these aims when they endorsed Security Council resolution 242, of which the main provisions are the establishment of a just and lasting peace, the mutual acknowledgement by all States in the area of each other's sovereignty, integrity, independence and right to security. Another

provision of that resolution is the elimination of all forms of belligerency, agreement on secure and recognized boundaries to which forces would be withdrawn in the context of a peace settlement. Israel adheres to what it said on this subject in its communications to you, Mr. Secretary-General, in August 1970.

We shall seek to know from the Arab participants in this Conference whether they share our understanding of the obligations, rights and prohibitions involved in a peace agreement. If we can reach a harmonious understanding on this point, we shall still face many complexities but there will be a stronger probability, than otherwise, of agreement and compromise.

Of course, the peace treaty to be negotiated with each neighbouring State should contain an agreement on boundaries. The decisive test for Israel will be the defensibility of its new boundaries against the contingency of attacks and blockades, such as those threatened and carried out in 1967 and 1973. The experience of October 1973 confirmed our view that the permanent boundaries must be negotiated with the utmost precision and care. If those armoured thrusts had begun from EI Arish or northern Gaza, or from the Golan Heights itself, then the first assault might well have been the last. Peace-makers do not reconstruct vulnerable, inflammatory situations. They try to correct them. Therefore there cannot be a return to the former armistice lines of 1949-1967, which proved to be inherently fragile and which served as a temptation to an aggressive design of encirclement and blockade, from which Israel broke out in 1967 after weeks of solitude and peril.

In this matter as in others there must be a basic readiness on all sides to make such concessions as do not threaten vital security interests. Israel does not seek acceptance of any of its positions as a prior condition of the negotiation, just as we should not be asked to seek acceptance of any prior condition as a condition of negotiation. Having heard Arab positions and stated our own, we should at an appropriate stage seek to bring our policies into compromise. Security arrangements and demilitarized areas can supplement the negotiated boundary agreement, without, of course, replacing it.

But for Israel the overriding element in the peace discussion is that of security. It is true that we have again come out successfully from a military assault, this time with every conceivable advantage on the other side - advantage in numbers, in quantity of weapons, in initiative and total surprise. But despite this success the mood in Israel is sombre, for we come up again and again against the predicament of human vulnerability. The losses sustained in 1973 compound the sacrifices of

1948 and 1956 and 1967 and all the attritions and infiltrations in between. And Israelis always contemplate these losses against the cruel background of the European holocaust, which took millions of our kinsmen away to their deaths. Now there is no other national experience even remotely similar to this. Too much of Jewish history is occupied by the simple ambition of being Jewish and yet staying alive, and usually this reconciliation has not been achieved. The only people to suffer such massive annihilation of its human resources and the only sovereign State to live for 25 years without a single month of peace - how does anyone expect such a people and such a State not to claim respect for a particularly intense concern for individual and collective survival.

The attainment of peace will make it possible to resolve the problem of refugees by co-operative regional action with international aid. We find it astonishing that States whose revenues from oil exports surpass 15,000 million dollars a year were not able to solve this problem in a spirit of kinship and human solidarity. In the very years when the Arab refugee problem was created by the assault on Israel in 1947 and 1948, 700,000 Jewish refugees from Arab and Moslem lands and from the debris of Hitler's Europe were received by Israel and integrated in full citizenship and economic dignity. There have been other such solutions in Europe, in the Indian sub-continent, in Africa. The Arab refugee problem is not basically intractable: it has been perpetuated by a conscious decision to perpetuate it. But surely a peace settlement will remove any political incentive which has prevented a solution in the past. At the appropriate stage Israel will define its contribution to an international and regional effort for refugees resettlement. We shall propose compensation for abandoned lands in the context of a general discussion on property abandoned by those who have left countries in the Middle East to seek a new life.

I presume that our negotiation with Jordan - I believe that it will define the agreed boundaries and other conditions of co-existence between two States occupying the original area of the Palestine Mandate - Israel and the neighbouring Arab State. The specific identity of the Palestinian and Jordanian Arabs will be able to find expression in the neighbouring State - I hope, in peaceful co-operation with Israel.

We declare our opposition to any explosive fragmentation of the area between three States in the region between the desert and the sea, where there are after all two nations, two languages, two cultures, and not three.

Today the bridges and the borders are open, and Arabs to the west and east of the Jordan - indeed, from all over the Arab world - move freely in and out of Israel,

back and forth, into every part of the region. In a peace settlement with agreed boundaries we should strive to preserve and develop these conditions of human contact and accessibility. Separate political sovereignties need not rule out a large measure of economic and social co-operation. We aspire to a community of sovereign States in the Middle East, with open frontiers and regional institutions for co-operation.

We are deeply aware that Israel's capital, Jerusalem, now united forever, is the cradle of two other religious traditions, and the home of their Holy Places. Israel does not wish to exercise exclusive jurisdiction or unilateral responsibility in the Holy Places of Christendom and Islam - Holy Places should be under the administration of those who hold them sacred. We would be willing to discuss ways of giving expression to this principle as well as of working out agreements on free access and pilgrimage.

Israel would support a proposal to discuss a disengagement agreement with Egypt as first priority, when the Conference meets after the inaugural phase. On other possible agenda items we shall give our views at a later stage. Today I shall only refer to some urgent issues of which the solution is compelling, both on human grounds and in the interests of the Conference itself.

The absence of Syria from the opening session is regrettable, but frankness and indignation compel me to state that Syria, in our judgment, has not yet qualified for participation in a peace conference because it continues to inflict a perverse injury on prisoners-of-war and their agonized and distraught families, in contravention of the Geneva Convention. This violation of human decencies continues unchecked. Syria is not to be trusted in the honourable treatment of prisoners-of-war and there are precedents much too harrowing for me to narrate. But we know that helpless prisoners-of-war are shackled and then murdered in cold blood. We have reported 42 such cases to the International Committee of the Red Cross. We know that prisoners are tortured and maimed, beaten and dishonoured. By withholding lists and refusing Red Cross visits, the Syrian Government creates wide circles of anguish and uncertainty amongst hundreds of families and thousands of citizens. Lists of Syrian prisoners have been presented by Israel to Red Cross Committees, and Red Cross visits do proceed regularly. The obligations of States under the Third Geneva Convention are unconditional and may not be made dependent on any other claim or request. Nevertheless, Israel has agreed, simultaneously with prisoner release, to the return of thousands of Syrian civilians to the territory east of Golan captured in the October war and even to handing over to the United Nations Emergency Force of two positions occupied between 22 and 24 October.

We would also emphasize the urgency for Egyptian action in reply to our queries on additional missing prisoners and on the repatriation of the bodies of soldiers fallen in action. In general, whenever we talk of this issue of prisoners, surely the time has come to banish the savageness which has marked the treatment of Israelis in Arab hands and to adapt the life of our region to the principles of international civility.

We want to substitute the idea of international civility for the present atmosphere of Middle Eastern life today. Too much of international life is left under the hijacker's philosophy. The slogan of the hijacker is "Do what I tell you, or else". This is said by terrorists to pilots of aircraft, by some oil-producing States to European and other Governments, by some Arab Governments to States whose relations with Israel they wish to weaken, by boycott committees to commercial companies. Now this slogan "Do what I tell you or else" is not the best prescription for Middle Eastern stability. It gets some immediate results but it is bound in the last resort to encounter resistance. What we seek is a transformation of all the concepts and attitudes which govern international relations in our region.

For many years, the Middle Eastern conflict has been a constant theme of public debate. The eyes of the world are upon this meeting, but 1 do hope that in the next stages of its work the Conference will develop compact, reticent procedures to discuss each component of the dispute. We do not rule out agreed stages of progress towards the final settlement, but the Conference should not be satisfied as an ultimate result with anything less than a permanent, overall peace.

The distinction between a public debate in the General Assembly and a peace conference is crucial. In the case of a public debate there is an attempt to solve problems by adjudication; in a peace conference, by agreement. We hope for restraint by Governments outside the area who may think that they know the exact point of balance at which the interests of the parties should be reconciled. Our free agreement is essential because in the last resort nobody outside Israel is called upon - or is ever likely - to risk any life or blood for Israel's survival. Whenever there is that kind of sacrifice, we shall have to face it alone. We ask therefore for respect for our solitude of responsibility, that is to say, for our judgment of what the basic minimal conditions for Israel's security and survival are. We intend to preserve that domain of ultimate decision with traditional tenacity. This issue is especially sensitive. We have accepted the joint initiative of both co-chairmen as a reflection of the real balance of forces at work. We understood from Foreign Minister Gromyko's speech that in his view Israel's legitimacy and right to security are not under any doubt. As we read the Algiers Declaration, however, that

declaration puts both of those things in doubt. The word "peace" does not exist in that declaration at all, nor does the word "Israel", and there is an ominous reference to "the enemy". That is why the Algiers Declaration is really not the sort of declaration that can guide a peace conference.

But while we have accepted the joint initiative of both co-chairmen, we cannot ignore that one of them identifies himself exclusively with our adversaries and has felt no balancing necessity to concern itself with Israel's welfare or destiny. This has been the case in the arms race as well. There is therefore no symmetry here, even if the imbalance is less marked than in the broader multilateral arena. The true remedy then is to allow maximum opportunity for the parties themselves to achieve dialogue and to come to agreed solutions.

In conclusion, Mr. Secretary-General, while the components of the problem are complex, everything comes back in simple terms to the intentions that we bring with us to this table. Israel, Egypt, Jordan, Syria, Lebanon - and in the final resort all of these should be participants - are relatively new as sovereign States, but Arab and Jews are very old as peoples. Both of us have always had the gift of memory, neither of us has ever been very good at forgetting. In this generation we have been made more aware of our divisions than of our common humanity but there are some ideas and recollections that are common to us both. There is one cave at Machpelah in which our common ancestors, the Patriarchs and the Matriarchs, are laid to rest.

Our common ancestor, Abraham, shocked all his contemporaries by breaking the idols and suggesting something new. That is what we now have to do, to smash the idolatries of war and hate and suspicion, to break the adoration that men give to their traditional attitudes and above all to their traditional slogans, to strike out towards a horizon, uncertain, but better than the terrible certainties that face us if we stay behind.

Our Holy Book puts it simply (spoken in Hebrew and English): "Nation shall not lift up sword against nation, neither shall they learn war any more." But it is put with equal simplicity in your Holy Book (spoken in Arabic): "If they incline to peace, then turn towards it and put your trust in God".

Thank you.

The Secretary-General of the United Nations:

I thank the distinguished Foreign Minister of Israel. I have been informed that the distinguished Foreign Minister of Egypt wants to speak. I give him the floor.

Mr. Fahmy (Egypt):

Mr. Chairman, with your permission and the permission of the distinguished Foreign Ministers, I would like to say a few words in connexion with the statement which we have just heard from the Foreign Minister of Israel.

This morning I have tried with all the responsibility at my command to place the Egyptian position based on facts and nothing but facts. I have myself, as you have all witnessed, avoided referring to anything else but facts. Why did I do so? Because I thought, and I hope that this will remain true, that we are starting or embarking on a very solemn occasion at this historic moment in this Conference. Secondly, I was not in need of resorting to the procedure which the Foreign Minister of Israel chose because I do not have any problem of speaking here for home consumption and I do not have any election campaign which is going to take place in a few days in my country. This is my first remark.

My second remark is that it is really a pity that Mr. Eban refers to the archives of the United Nations in this library and he knows better than anybody else that the archives of the United Nations are full of resolutions adopted by the Security Council of the United Nations and the General Assembly, more than 100 times condemning Israel for its behaviour against the world community, for its behaviour against the Arab countries, and for its behaviour against the Palestinians. Israel for that reason has now found herself alone, completely isolated. There is no other country or Member State of the United Nations which finds itself in the situation in which Israel finds itself now. Why is this? Because of the misbehaviour of the Arab countries? Because all the Member States of the United Nations do not know the truth, but only Israel knows the truth, only Israel gives advice and only Israel knows the facts? They know the facts, yes; but they know only the facts which they wanted to believe themselves; nobody else believes them. So much for the archives, for the isolation of Israel, and for the behaviour of Israel.

Then he tried again to belittle the intelligence of us here whilst talking to the gallery for home consumption and trying to distort facts again, as we are accustomed to hear. He thought it fit even to refer to the Palestinians, to some incidents of desperate people, a desperate nation. Mr. Eban and his colleagues invaded their country by force in 1947 and this is why they are behaving in that way, and they are entitled to do that. But it is not for a Government which believes

that it is a responsible Government to take certain actions - I am going to refer to only a few of them. First of all Deir Yassin in 1947; Kibya and Nahalin in 1954; the Lavon affair in 1954; Khan Younis and Gaza in 1955; Kafr Kassem in 1956; Karame in 1958; Samoa in 1965; the airport of Beirut 1968; the invasion against Beirut, 1968; Southern Lebanon, 1969; mass murder on the instructions of the Government of Israel - I repeat, the mass murder of some of the leaders of the Palestinians; the mass invasion of Beirut, 1973; and the hitting of the tents of the Palestinians in Syria and Lebanon.

These are acts of Governments - responsible people, if they are responsible at all but he thinks that we don't know. We know, but he thinks that the other people do not know. Everybody around this table, everybody outside this table knows the facts, and I hope that for the future if he would like to work in a serious way he should not use this rostrum for propaganda. He spoke about Syria. He spoke about Syria because Syria is absent. I am ready to keep you here for three hours and tell you how the Israelis act and react, what kind of atrocities they do, what their armies are doing either on the cease-fire or around the cease-fire or during the battle itself. Even Mr. Eban cannot deny that his planes dropped booby-traps on villages in my country - to kill what? Farmers and children. And now he speaks about security. What kind of security? Security through agreement. What does he mean? He means annexed territories. He means by "agreement" that the Arab countries must agree to what? To give him Arab land for the sake of his security. And he forgot - I doubt it, that he forgot that in 1947 it was the Zionists who engaged with Palestine: 1956 he remembers, and I thing he participated in that collusion against my country. In 1967 they invaded my country and all the Arab countries. And he speaks about 1973, the sixth of October. He admitted in his statement that now - and this is the lesson he should learn - that now, after 1973, he knows very well that not only the Israelis can use weapons, modern and sophisticated weapons. He is trying here to present himself as the lamp of the whole world - the most peaceful legend in history.

He referred to the Algiers decision of the Arab Summit, and he is very angry that we did not mention the name of Israel. We will mention the name of Israel when Israel behaves, when Israel would like to live in peace in this country, not to annex territory under any pretext whatsoever, not to try to confuse and mislead people under this fallacy of so-called security. Security of whom, Mr. Eban? You threaten the security of all the Arab countries as long as you are using these militaristic maxims of yours. But in his speech today, while he was pleading for peace, he never uttered once the word "withdrawal from Arab territories" - not a single time - and this is how he would like to plead for peace here. Thank you, Mr. Chairman.

The Secretary-General of the United Nations:

I thank the distinguished representative of Egypt. Does any other delegation wish to speak? Apparently this is not the case. May I then propose that we adjourn this meeting and that we hold a closed meeting tomorrow morning at 11o'clock? The purpose of that meeting would be to discuss the organization of the future work of this Conference.

I call on the distinguished Foreign Minister of the Soviet Union.

Mr. Gromyko (Union of Soviet Socialist Republics) (interpretation from Russian):

Tomorrow we shall have to discuss the question you have raised, but if anybody has any considerations to put forward on the substance of the problem, then of course he will be free to express those considerations as well at tomorrow's meeting. I take it that this stands to reason.

The Secretary-General of the United Nations:

I think that there is certainly no objection to this interpretation; I think the Conference agress that, if any delegation wants to discuss substance, it is accepted. Are there any other comments? If not, I adjourn this meeting until tomorrow at 11 a.m.

The meeting rose at 4.45 p.m.

The Secretary-General of the United Nations:

It is a great honour for me to open this historic Conference and to welcome the representatives of the participating Governments. It is also a source of gratification to me that this unique event is taking place under the auspices of the United Nations. The Palais des Nations has housed many historic meetings, but none have been of more potential importance, both to the Governments concerned and to the international community as a whole, than this Conference on peace in the Middle East.

I am certain that I am speaking on behalf of all the participants in the Conference when I also take this opportunity to thank sincerely the Federal and Cantonal authorities of Switzerland for their valuable assistance. We are indeed most grateful for their unfailing and generous co-operation in making the necessary arrangements possible.

There is no need to remind the distinguished representatives of the Governments here assembled of the concern of the international community for the success of our deliberations. This concern was emphasized most recently by the Security Council when it expressed the hope that the Conference would make speedy progress towards the establishment of a just and durable peace in the Middle East. The United Nations has been seized of the various aspects of the Middle East conflict for more than a quarter of a century and has devoted an immense amount of time and effort both to keeping the peace and to the search for a just and lasting settlement.

On 11 October of this year, five days after bitter fighting had broken out once again in the Middle East, I appealed to the Governments concerned to look urgently to the possibility of turning the tragic conflict into a starting point for a new effort at a real settlement. Similar appeals were made by numerous Governments. Now, two months later, this new effort is taking shape here in Geneva. None of us, I know, underestimates the difficulties of the task ahead, but the very fact of this Conference, and the willingness of the Governments concerned to respond to this new effort to find a just and lasting settlement, is a source of encouragement and hope for all mankind.

The basis for this meeting was laid down in Security Council resolution 338 of 22 October 1973. That resolution called upon the parties for an immediate cessation of all firing and a termination of all military activity. It called upon the parties to start immediately the implementation of Security Council resolution 242 in all its parts, and it decided that negotiations should begin at once between the parties concerned under appropriate auspices aimed at establishing a just and durable peace in the Middle East.

In subsequent resolutions on 23 and 25 October, the Council confirmed its decisions on an immediate cessation of all kinds of firing and of all military action, called for United Nations observation of the cease-fire and decided to set up a United Nations Emergency Force. The United Nations Military Observers and the Force were immediately put into the field, and they continue to exert their best efforts to keep the peace.

On 11 November the representatives of Egypt and Israel, under the auspices of the Commander of UNEF, met at Kilometre Marker 101 on the Cairo-Suez road and signed the six-point agreement which had been communicated to the Secretary-General on 9 November by the Secretary of State of the United States. In subsequent meetings the modalities for the implementation of five of the six points

were agreed upon by the parties and were put into effect with the assistance of UNEF and the International Committee of the Red Cross. It is gratifying that in this way the humanitarian aspects of the six-point agreement have been largely fulfilled.

I am aware of the outstanding humanitarian problems relating to the Middle East question as a whole. The Commander of UNEF, in close co-operation with the International Committee of the Red Cross, is making persistent efforts to find solutions to some of these problems, and I myself have taken initiatives in an effort to resolve others. It is my earnest hope that through such efforts and through the proceedings of this Conference rapid progress may be made in this regard.

On the implementation of one point of the agreement, namely, the question of the return to the October 22 position in the framework of agreement on the disengagement and separation of forces under the auspices of the United Nations, the parties have not so far reached accord, although detailed exploratory discussions have been held. I hope that through its deliberations this Conference may make progress on this important matter, as well as embarking on the next step envisaged in resolution 338, namely, the negotiations aimed at establishing a just and durable peace in the Middle East.

The presence of the Secretary-General of the United Nations here today reflects the deep concern of the international community in the Middle East question. It also symbolizes the willingness of the Organization to be of assistance whenever the parties require it. I want to assure all of the parties here present that in that spirit I and my staff, both at United Nations Headquarters and in the Middle East, stand ready to be of assistance in any way that may seem useful to them. We have, I believe, amply demonstrated this readiness to act promptly in the critical events of recent months.

Before concluding, may I express appreciation to all the Governments which, by their spirit of co-operation and their desire to make progress on this most complex and crucial question, have made possible the convening of this Conference today. The Conference has a unique opportunity to come to grips with a most difficult, dangerous and complex international problem. If this opportunity is not seized, the world will inevitably be confronted once again with a dangerous and highly explosive situation in the Middle East. Unless progress can be made, the cease-fire and the United Nations peace-keeping arrangements already in operation in the area will remain fragile, and there will be an ever-present danger that fighting will break out again.

This Conference presents a historic challenge to its participants not only because the eyes of the world are upon it, but because the situation in the Middle East, with all its manifold implications, urgently demands the statesmanship, courage, patience and vision of each and all of the participants. I know that these qualities are not lacking in this room. I am sure that all the participants share a sense of urgency and will not fail to seize the opportunity to build a lasting structure of peace in the area. It is an opportunity which may not recur for a very long time. I wish this Conference all success in its noble task.

The Secretary-General of the United Nations:

I call upon the representative of the USSR, Foreign Minister Gromyko.

Mr. Gromyko (Union of Soviet Socialist Republics) (interpretation from Russian):

Mr. Secretary-General, distinguished colleagues. It is with a deep feeling of satisfaction that the Soviet Union welcomes the convening of this conference. A first, but important, step has been taken on the road to the political solution of one of the most acute international problems. For a quarter of a century now it has been a constant source of tension, not only in the Middle East but also far beyond its boundaries.

From time to time, and we are all witnesses to that, the tension in this area turns into open armed conflict. Every time that happens, the fate of the whole world is in jeopardy. That was so six years ago, as it was quite recently in October this year, when the military activities, although they did not last long, were marked by extreme violence.

There can hardly be any doubt that further sanguinary military clashes in the Middle East will take place in the future as well unless we eradicate the main tensions prevailing there. Anyone must inevitably come to that conclusion who has even a slight knowledge of the actual situation and approaches the question objectively.

The intolerable situation in the Middle East created because of the policy of Israel cannot continue. We should like to hope that the participants in the Conference will recognize this, that they came here with the firm intention of laying the foundation for a just settlement.

There is no alternative to such a settlement which would be acceptable to the peoples of the area, to the peoples of the world as a whole. This is irrefutably demonstrated by the whole course of events, including those which have happened recently. It is now quite clear to all that the Arab States will never reconcile themselves to the loss of the territories which were taken away from them in 1967. The Soviet Union has full understanding of their position, and supports it. The Arab countries have the support of the overwhelming majority of the States of the world in their righteous struggle. They have on their side the strengthening solidarity of the Arab world.

It is hopeless to think that the occupied territories can be kept by force. The need for another, a realistic approach to the problems of war and peace in the Middle East, of which the Soviet Union has always spoken, cannot be deferred.

The overwhelming majority of the States of the world have very definitely shown, in one form or another, that they will not tolerate the perpetuation of a source of tension in the Middle East. Not to take this into account would be to go against the expressed will of the peoples.

Also conducive to a lasting settlement of the situation in the Middle East are the positive movements towards détente in the world as a whole that have been achieved in recent years. In many parts of the world a number of important international problems have been solved, including some which had seemed unapproachable. It is sufficient to recall the termination of the war in Viet-Nam, the settlement of acute and important post-war problems in Europe, and the important turn towards normalization and the improvement of relations among States with different social structures on the basis of peaceful co-existence through the conclusion of international treaties and agreements.

A real indicator of the positive changes that have taken place in the Middle East, too, was the initiative taken by the Soviet Union and the United States, which found its expression in the well-known decisions of the United Nations Security Council. In the light of all this, the continuing Middle East conflict, even though the military activities have stopped, seems an inadmissible anomaly.

We do not wish to say again whose responsibility it is. We know whose it is and we believe we are not the only ones who do. Now that the question of a settlement is no longer deadlocked, something else is more important: to determine what must be done in order to establish such a peace in the Middle East as would be lasting and just to all States and peoples in the area.

In the first place, it is the Soviet Union's firm conviction that a fundamental principle of international life must be unswervingly applied - the principle of the inadmissibility of the acquisition of territory by means of war.

That is the key to the whole problem. If the participants in the conference really wish to rid the Middle East area of the threat of new conflicts, it is necessary to remove the initial cause of the crisis - the occupation of Arab territories which has been continuing now for more than six years. These territories must be returned in full to their lawful owners. It is our conviction that, so long as Israeli forces are in these territories, there will be no peace in the Middle East.

Any document adopted by this conference must contain precise and clear obligations concerning the withdrawal of Israeli forces from the territories occupied in 1967.

Without the achievement of an agreement by the parties on this question of principle, we do not see how it would be possible to ensure a settlement which would satisfy the interests of the Arab States and Israel, and the interests of international security. On the other hand, if agreement was reached on this basis, the solution of many other aspects of the settlement would undoubtedly be greatly simplified.

At the same time it is necessary to ensure respect for and recognition of the sovereignty, territorial integrity and political independence of all the States of the Middle East, and of their right to live in peace. This also refers to Israel. Our position is clear and consistent from start to finish - peace and security for all the peoples of the area. This implies, of course, that justice will be ensured as regards the Arab people of Palestine. Their legitimate rights must be protected. It goes without saying that the Palestinian problem cannot be considered and decided without the participation of representatives of the Arab people of Palestine.

The contention that Israel is being deprived of the right to existence is of course advanced as one of the main arguments, if not the main argument, in favour of the occupation of other peoples' territory. It is an argument which does not stand up to criticism. Israel was recognized to possess that right by the very fact of the creation of that State by decision of the United Nations. Possession of that right was confirmed by the establishment in due course of diplomatic relations with Israel by many States, including the Soviet Union. The Arab neighbours of Israel have expressed their willingness to negotiate a settlement on the basis of the well-known

resolutions of the Security Council, in which the principle is clearly expressed that all States involved in the conflict have the right to existence.

That right cannot be unilateral, however. It is inconceivable without respect for the sovereign rights of other States and countries. One cannot use one's right to existence to the detriment of the interests of others. Only obligations of a reciprocal kind, based on equality of rights, and a readiness to observe them rigorously, can ensure normal development of inter-State relations in the Middle East.

This is fully applicable to the principle of the integrity of frontiers. Just as in other parts of the world, reliable frontiers are, above all, peaceful frontiers which provide an assurance that they will not be violated. It is naive to believe that secure frontiers can be ensured by the seizure of alien territories. The only frontiers that are truly secure are legal frontiers that are recognized by those on both sides of them. In the specific circumstances of the Middle East, these are the demarcation lines that existed on 4 June 1967.

This is the Soviet Union's position on the most fundamental aspect of a settlement in the Middle East. It is fully in accordance with the letter and spirit of the decisions adopted by the United Nations since 1967. This applies, above all, to the well-known Security Council resolution 242 of 22 November 1967.

The Soviet Union, which firmly pursues a policy of securing a radical improvement of the situation in the Middle East, has not deviated from this position nor does it intend to do so.

We are convinced that the 1967 Security Council resolution we have mentioned continues to retain its full significance as a realistic and sound approach to the problems existing in the Middle East and to the settlement of those problems.

And we are not alone in this conviction. It is shared by virtually all States Members of the United Nations, which have frequently expressed a desire for the appropriate action both within the United Nations and outside it.

It is, of course, one thing to recognize resolutions in the word, but another to carry them out in deeds. If this had been done, the problem of a Middle East settlement would long since have been removed from the agenda. However, even as I speak, the smell of gunpowder and burning still hangs over Sinai and the Golan Heights and the pain of bloody wounds still wrings the hearts of thousands of Arabs as well as of Israelis.

The practical task of this Conference is to work out a concrete, realistic programme for implementing the above-mentioned Security Council resolution in all its parts. Such action is also required by the decisions which were taken by the Security Council during the recent military operations and in which a cease-fire in the Middle East was linked with the start of immediate negotiations with a view to a sound solution of the Middle East problem.

As we see it, the agreements on such a settlement that are reached between the parties concerned will be embodied in the appropriate documents at the Conference. It is important that these should be substantial documents and should be binding on all the parties that subscribe to them. In other words, they must have the force of law.

In this way a firm foundation would be laid for peaceful co-existence and good neighbourly relations between all States and peoples of the Middle East.

Obligations assumed by the parties under international law would be the best guarantee of their mutual security, which can be ensured only through trust and co-operation between States, through strict fulfilment of the treaties and agreements they have concluded, and not through seizure of the territories of others.

If it proves necessary to lend additional weight to such agreements, the Soviet Union, taking into account the wishes of the interested parties, is ready, together with appropriate other Powers, to assume the responsibilities involved. The Security Council of the United Nations can also make an important contribution in this connexion. What is vital is that the political settlement in the Middle East should be a truly solid one.

Other measures to achieve the same effect are also possible. I have in mind, in particular, the question of establishing demilitarized zones in certain sectors on a basis of reciprocity and the temporary deployment of international personnel in particular areas. All these matters would, of course, have to be the subject of separate negotiations and, what is most important, would have to be settled on terms which are mutually acceptable to the parties concerned.

It seems to me that, given agreement on the main problem to which we have referred, such matters would not constitute an obstacle to a general settlement.

Despite all its difficulties, the Middle East problem can be solved. We have said this before, and we reaffirm it now in this Conference. But we have also warned about something else: the conflagration of war in the Middle East could flare up at

any moment. A dangerous situation continues to exist in the area. Further delays in achieving a peaceful settlement are fraught with great danger. We hope that all those present in this room are bearing this fully in mind.

The participants in this Conference bear a heavy responsibility. Their joint efforts can and must bring a dependable peace to the peoples of the Middle East. The Soviet Union has set itself, as one of the principal tasks, the task of helping to eliminate the hotbed of tension in the Middle East. We have supported and continue to support the Arab peoples in their efforts to establish a lasting and just peace in the Middle East area. At this Conference, too, we will do everything we can to help reach the necessary agreements so that such a peace will become a reality.

The Soviet Union is not hostile to the State of Israel as such. The policy of annexation and the flouting of the norms of international law and of United Nations resolutions - these are what have given rise to the general condemnation of Israel, by us among others. Israel has even come to this Conference without having implemented resolutions 338 and 339 of the Security Council. The situation can change when Israel confirms its readiness to arrive at an honourable and mutually acceptable settlement by deeds. The important and immediate task now is to decide the question of an effective withdrawal of troops.

The establishment of a genuine peace is in accordance with the fundamental interests of all the States of the Middle East. Enjoying the advantages of a peaceful life, their peoples could switch their efforts from hostility, which squanders human and material energies on both sides, to solving the problems of social and economic progress.

This would benefit other States and peoples which, because of certain circumstances, are experiencing the negative consequences of the Middle East conflict. These consequences are now being felt and quite perceptibly - both by countries in the immediate vicinity of the Middle East and by those which are situated many thousands of kilometres away from the area. International economic co-operation, trade and navigation - to mention only this aspect - would all be in a much better state.

One can only imagine the extent to which the entire international atmosphere would become more healthy and progress would be made towards the relaxation of tension as a result of the elimination of the Middle East conflict. This would have a

most beneficial effect on the situation throughout the whole Mediterranean basin, in Europe, Asia and indeed throughout the whole world.

The peoples of the Middle East and indeed of the whole world expect practical measures aimed at ensuring a stable peaceful settlement in this area. The Soviet Union will do everything in its power to ensure that the work of the Conference proceeds in this direction and that it is businesslike and constructive.

The Secretary-General of the United Nations:

I thank the distinguished Foreign Minister of the Soviet Union. I now give the floor to the distinguished representative of the United States of America, Secretary of State, Mr. Kissinger.

Mr. Kissinger (United States of America):

Mr. Secretary-General, distinguished Foreign Ministers, delegates.

Mr. Secretary-General, as one of the Co-Chairmen of this Conference, let me express my gratitude to the United Nations and to you personally for providing such excellent facilities for the Conference, for convening it, and for doing us all the honour of presiding at this historic moment.

We are convened here at a moment of historic opportunity for the cause of peace in the Middle East, and for the cause of peace in the world. For the first time in a generation the peoples of the Middle East are sitting together to turn their talents to the challenge of a lasting peace.

All of us must have the wisdom to grasp this moment - to break the shackles of the past, and to create at last a new hope for the future.

Two months ago what we now refer to as the fourth Arab-Israeli war was coming to an end. Today, there is the respite of an imperfect cease-fire, but the shadow of war still hangs over the Middle East. Either we begin today the process of correcting the conditions which produced that conflict, or we doom untold tens of thousands to travail, sorrow and further inconclusive bloodshed.

When the history of our era is written, it will speak not of a series of Arab-Israeli wars, but of one war broken by periods of uneasy armistices and temporary cease-fires. That war has already lasted twenty-five years. Whether future histories will call this the era of the twenty-five year Arab-Israeli war, or the thirty year war, or

the fifty year war, rests in large measure in our hands. And above all, it rests in the hands of the Israeli and Arab Governments, not only those whose distinguished representatives are seated around this table, but also those who are absent and who we all hope will join us soon.

We are challenged by emotions so deeply felt - by causes so passionately believed and pursued - that the tragic march from cataclysm to cataclysm, each more costly and indecisive than the last, sometimes seems pre-ordained. Yet our presence here today - in itself a momentous accomplishment - is a symbol of rejection of this fatalistic view. Respect for the forces of history does not mean blind submission to those forces.

There is an Arab saying, Eli Fat Mat, which means that the past is dead. Let us overcome old myths with new hope. Let us make the Middle East worthy of the messages of hope and reconciliation that have been carried forward from its stark soil by three great religions.

Today there is hope for the future, for the conflict is no longer looked upon entirely in terms of irreconcilable absolutes. The passionate ideologies of the past have, in part at least, been replaced by a recognition that all the peoples concerned have earned, by their sacrifice, a long period of peace.

From two recent trips through the Middle East I have the impression that people on both sides have had enough of bloodshed. No further proof of heroism is necessary; no military point remains to be made. The Middle East - so often the source of mankind's inspiration - is challenged to another act of hope and reconciliation significant not only for its own peoples but for all mankind.

What does each side seek? Both answer with a single word: peace. But peace has of course a concrete meaning for each. One side seeks the recovery of sovereignty and the redress of grievances suffered by a displaced people. The other seeks security and recognition of its legitimacy as a nation. The common goal of peace must be broad enough to embrace all these aspirations.

For the United States, our objective is such a peace.

We cannot promise success, but we can promise dedication. We cannot guarantee a smooth journey towards our goal, but we can assure you of an unswerving quest for justice.

The United States will make a determined and unflagging effort.

President Nixon has sent me here because for five years he has endeavoured to build a new structure of international peace in which ties with old friends are strengthened, and new and constructive relationships replace distrust and confrontation with adversaries.

But world peace remains tenuous and incomplete so long as the Middle East is in perpetual crisis. Its turmoil is a threat to the hopes of all of us in this room.

It is time to end this turmoil.

The question is not whether there must be peace. The question is how do we achieve it. What can we do here to launch new beginnings?

First, this Conference must speak with a clear and unequivocal voice: the cease-fire called for by the Security Council must be scrupulously adhered to by all concerned. Prior to last October the United States did all it could to prevent a new outbreak of fighting. But we failed because frustration could no longer be contained.

After the fighting began we, in concert with the Soviet Union, helped bring an end to the hostilities by sponsoring a number of resolutions in the Security Council. The six-point agreement of 11 November consolidated the cease-fire. It helped create the minimal conditions necessary for carrying forward our efforts here. All these resolutions and agreements must be strictly implemented.

But regardless of these steps, we recognize that the cease-fire remains fragile and tentative. The United States is concerned over the evidence of increased military preparedness. A renewal of hostilities would be both foolhardy and dangerous. We urge all concerned to refrain from the use of force, and to give our efforts here the chance they deserve.

Second, we must understand what can realistically be accomplished at any given moment.

The separation of military forces is certainly the most immediate problem. Disengagement of military forces would help to reduce the danger of a new military outbreak; it would begin the process of building confidence between the two sides.

Based on intensive consultations with the leaders of the Middle East, including many in this room today, I believe that the first work of this Conference should be

to achieve early agreement on the separation of military forces, and I believe too that such an agreement is possible.

Serious discussions have already taken place between the military representatives of Egypt and Israel at Kilometre 101. It is important to build promptly on the progress achieved there. And on the Jordanian and Syrian fronts a comparable base for the lessening of tensions and the negotiation of further steps towards peace must be found. Progress towards peace should include all parties concerned.

Third, the disengagement of forces is an essential first step - a consolidation of the cease-fire and a bridge to the "peaceful and accepted settlement" called for in Security Council resolution 242. Our final objective is the implementation in all of its parts of this resolution. This goal has the full support of the United States.

Peace must bring a new relationship among the nations of the Middle East - a relationship that will not only put an end to the state of war which has persisted for the last quarter of a century, but will also permit the peoples of the Middle East to live together in harmony and safety. It must replace the reality of mistrust with a new reality of promise and hope. It must include concrete measures that make war less likely.

A peace agreement must include these elements among others: withdrawals, recognized frontiers, security arrangements such as demilitarized zones, guarantees, a settlement of the legitimate interests of the Palestinians and a recognition that Jerusalem contains places considered holy by three great religions.

Peace will require that we relate the imperative of withdrawals to the necessities of security, the requirement of guarantees to the sovereignty of the parties, the hopes of the displaced to the realities now existing.

Fourth, we believe there must be realistic negotiations between the parties. Resolution 338 provides just such a process. It is on the parties that the primary responsibility rests. The United States intends to help facilitate these talks in every feasible way, to encourage moderation and the spirit of accommodation. We are prepared to make concrete suggestions to either side if this will help promote practical progress. But we must always remember that while a Middle East settlement is in the interest of us all, it is the people of the area that must live with the results. It must, in the final analysis, be acceptable to them.

Peace, in short, cannot last unless it rests on the consent of the parties concerned. The wisest of realists are those who understand the power of a moral consensus.

There is a measure of safety in power to prevent aggression, but there is greater security still in arrangements considered so just that no one wishes to overthrow them.

As we open this Conference we take a momentous step. We are challenging a history of missed opportunities, of mutual fear and bottomless distrust. Our backdrop is a war that has brought anguish and pain, a war that has been costly to both sides, that has brought neither victory nor defeat, that reflected the failure of all our past efforts at peaceful solutions.

Mr. Secretary-General, fellow delegates, President Nixon has sent me here with the purpose of affirming America's commitment to a just and lasting peace.

We do not embark on this task with false expectations. We do not pretend that there are easy answers. A problem that has defied solution for a generation does not yield to simple remedies.

In all efforts for peace the overriding problem is to relate the sense of individual justice to the common good. The great tragedies of history occur not when right confronts wrong, but when two rights face each other.

The problems of the Middle East today have such a character. There is justice on all sides, but there is a greater justice still in finding a truth which merges all aspirations in the realization of a common humanity. It was a Jewish sage, who speaking for all mankind, expressed this problem well: "If I am not for myself, who is for me, but if I am for myself alone, who am I?"

Fellow delegates, in the months ahead we will examine many problems. We will discuss many expedients. We will know success - and I dare say we shall experience deadlock and perhaps occasionally despair.

But let us always keep in mind our final goal:

We can exhaust ourselves in manoeuvres or we can remember that this is the first real chance for peace the Middle East has had in three decades.

We can concentrate on our resentments or we can be motivated by the consciousness that this opportunity, once past, will not return.

We can emphasize the very real causes of distrust, or we can remember that if we succeed our children will thank us for what they have been spared.

We can make propaganda or we can try to make progress.

The American attitude is clear. We know we are starting on a journey whose outcome is uncertain and whose progress will be painful. We are conscious that we need wisdom and patience and good will. But we know, too, that the agony of three decades must be overcome and that somehow we have to muster the insight and courage to put an end to the conflict between peoples who have so often ennobled mankind.

So we in the American delegation are here to spare no effort in the quest of a lasting peace in the Middle East, a task which is as worthy as it may be agonizing. If I may quote the words of a poet: "Pain that cannot forget falls drop by drop upon the heart until in our despair there comes wisdom through the awful grace of God."

The Secretary-General of the United Nations: I thank the distinguished Secretary of State of the United States.

I have been informed that the distinguished representative of Egypt wishes to speak now. If so, I give to the floor to the distinguished Foreign Minister of Egypt, Mr. Ismail Fahmy.

Mr. Fahmy (Egypt): Mr. Secretary-General, we are meeting today under the auspices of the United Nations, and we are indeed pleased to meet under the chairmanship of the Secretary-General of the United Nations. Your presence symbolizes the interest of the Organization in the question of the Middle East, which has been the concern of the United Nations since its inception. We would wish to thank you and all your colleagues, and we are sure that the United Nations will follow with keen interest our deliberations. I would appreciate it, if and when our work departs -and heaven forbid that it should - from the principles enshrined in the Charter, if you and the United Nations would fulfil your duty and put us back on the path prescribed by the Charter. resistance when faced with wrongs perpetrated against them. Legitimate grievances never fail to generate increasing resolve to do away with injustice. We in Egypt have had to face along the centuries many kinds of wrongs inflicted upon us. Each time we have resisted and suppressed them and have emerged in the end triumphant. No sacrifices were too great and no sufferings unbearable when nations pursuing such a noble cause worked with determination for justice and genuine peace. Such are the teachings of history. This we must remember when all of us look ahead and delve into the future.

When applying these lessons to the Middle East, one hardly needs to point out the tragic events that have taken place since the Palestinians were denied their national rights over their country and driven by force from their own land, a land to which they and we eternally belong. This area has since then continuously suffered from the militaristic and expansionist policy of Israel and from its unrelenting efforts to conquer and annex ever more territory, thus seriously endangering the independence, and infringing upon the territorial integrity, of the countries in the area.

The conflict in the Middle East is not and never has been a struggle that arose because its peoples hold different beliefs. For centuries these peoples, irrespective of their creed or religion, lived peacefully side by side. They could have continued living in peace, enjoying the immense opportunities which God and nature have bestowed on this good earth, had it not been for the wedge that was driven by force and in the alleged name of religion into their midst for the sake of domination, exploitation and racist practices. I do not wish, however, to dwell on this well-known matter, but merely want to say that only when warlike acts and aggression cease to be the maxim of Israel, which is trying to convince the world that its very existence can be built on military rashness and supremacy, only then can a just peace at last be envisaged for the region.

As a result of the events which took place on 6 October, the Israelis must, we hope, have decided to relinquish this maxim and to change their course towards real peace, durable peace and just peace. So far as Egypt is concerned, my presence here symbolizes our deep desire to restore to our ravaged and embattled region a durable and just peace. This Conference is an historic event on which all the hopes of the world are focused. It would be a real tragedy if the wisdom of those most directly concerned - or even of those only indirectly linked with the future of the Middle East - should fail to seize this unique opportunity to come to grips with the basic issues involved and find genuine solutions which could form the foundation of a lasting peace leading to an era of enlightened accomplishment rather than tragic disillusion.

This Conference is, as I have said, both historic and unique in the sense that it represents the culmination of the manifold efforts and endeavours which all nations and statesmen of the world have exerted with the aim of bringing to an end a struggle which has lasted only too long. As for the Arab countries, they have come to this Conference ready and prepared to lay the cornerstone of the edifice of peace in the Middle East.

This Conference is unique in nature because, if Israel does not comprehend the deeper significance of our work here, the chances of repeating such an historic gathering will be very remote indeed. The net result will then be, no doubt, the recourse to other means in order to liberate our lands and to restore the legitimate rights of the Palestinians who have lived under appalling conditions for more than a quarter of a century. This Conference is, furthermore, unique and, if I may say so, unparallelled, since for the first time in history a conference dealing with the Middle East has amongst its participants the Soviet Union and the United States, that is, the two global Powers which shoulder responsibilities unprecedented in history for the maintenance of international peace and security. I take their participation as being a good omen, and the fact that they are represented here by their Foreign Ministers is added evidence of their wish to guarantee that a peaceful and just settlement will prevail in the Middle East.

For Egypt and, I am sure, for the world as a whole, this is an historic event of a highly political significance. Consequently, I hope we all agree that a durable and just peace cannot emerge in our region unless it conforms with certain basic norms and principles constituting what I should like to call "the essentials for peace in our area". In this connexion I am sure that all of us here, including the super-Powers, fully realize that a just and durable peace in the Middle East cannot be built on the basis of the following:

(i) expansion by force by one country against another;

(ii) the acquisition of foreign territories by force;

(iii) the threatening of international and recognized boundaries under any pretext or argument;

(iv) the infringement of the sovereignty of States and the violation of their territorial integrity;

(v) the denial of the inalienable rights of the Palestinians to self-determination and to live in peace.

As for us, Mr. Secretary-General, we are sincerely and hopefully looking forward to achieving a durable and just peace. To our minds, nothing less should emerge from this historic gathering; otherwise we would produce a most unusual document which public opinion in our countries and in the world at large would never accept, but rather oppose and reject. Such a peace would be as vulnerable and fragile as the present cease-fire and as shaky and dangerous as were the conditions which,

for the last 25 years or so, have persisted in the Middle East as a result of the failure to implement the many relevant resolutions adopted by the different organs of the United Nations.

Mr. Chairman, my presence here is a true and faithful continuation and implementation of the policies and the strategy laid down by President Sadat. In fact, as you may recall, he proposed on 14 February 1971 a programme for achieving peace based on the full implementation of Security Council resolution 242 (1967). Again, on 16 October of this year, he proposed that a peace conference be convened at the United Nations: such a conference was to lay down the modalities and establish the guarantees for building peace in the area based on respect for the legitimate rights of the people living therein.

Egypt's determination to work for peace equals its resolve to see that, in one way or another, its land, the Arab lands and those of our neighbours, are liberated, and that the Palestinians enjoy their legitimate right to live in peace and dignity. This, in fact, represents what Egypt has been endeavouring to achieve since 5 June 1967, and up to 6 October 1973. Indeed, Egypt worked unremittingly for peace. These efforts were recognized and welcomed by all the countries of the world, whether in Africa, Asia or Europe, by the Soviet Union and even by the United States. My

President, and with him the Egyptian people, are on record as declaring that they have done their best to attain a durable and just peace by peaceful means. Alas, all these efforts were met by a persistent cry and determination to retain Arab territories unlawfully and by the use of force. Then the hour of 6 October 1973 struck, as a result of which we hope that the Israeli Government has now realized that Israeli security does not lie in retaining geographical trophies or in achieving military supremacy, but that it would best be safeguarded if it undertakes to live in peace with its neighbours. We hope, furthermore, that Israel now also understands that Egypt and, for that matter, all the Arab countries cannot be conquered by force or allow their lands to remain occupied. Nor will the Arab world accept the continued inhumane treatment of the Palestinians or agree that Jerusalem, the city of peace, should remain under the banner of the conqueror. Territories are the heritage most jealously guarded and defended by a people. They are handed from generation to generation. They are part of its history and prompt a profound sense of pride and thus of nationhood. Loss of territory deeply affects them and provokes a strong resolve to regain by all possible means what is theirs by right. Peoples do not bargain or barter over their territories, and the Arab nation is no exception. To expect the Arabs to give up part of their lands is tragically to misread their

determination to the contrary. To insist that this be done would wreck all hopes for this Peace Conference to achieve what it has set out to do.

For all of us, coming to this Conference is a major step on the road to peace. We realize that this Conference would never have materialized if it were not for the multiple efforts of all countries of the world and their resolve to see to it that peace is at last restored to the region. Egypt is attending this Conference with the full determination to do its best in a businesslike manner to achieve a just and lasting peace. In doing so, however, we will never overlook the following basis essentials for peace in our area:

1. the total withdrawal of Israeli forces from the Arab territories occupied since 5 June 1967;

2. the liberation of the Arab city of Jerusalem and non-acceptance of any situation which may be injurious to the complete Arab sovereignty over the holy city;

3. the exercise by the Palestinians of the right to self-determination and to live in peace and dignity;

4. the right of every State in the area to enjoy territorial inviolability and political independence;

5. that there be international guarantees by the major Powers or the United Nations or both, as an added safeguard to international peace and security in the area.

These essentials for peace are in conformity with and fully reflect the decisions taken at the recent Arab summit in Algiers. Egypt, for its part, is fully prepared to honour all its other obligations emanating from Security Council resolution 242 (1967) both in letter and in spirit.

Mr. Secretary-General, I hope that I have made clear the basic philosophy of my Government, and that I have conveyed to you and the members around this table the extent to which we in Egypt are prepared to co-operate in establishing a just and durable peace. We realize that this cannot be achieved through Egypt's will and determination alone. Peace needs an equally profound desire and determination by all those concerned with this conflict, and in particular the United States and the Soviet Union, to take upon themselves a unique responsibility unprecedented in history. Durable and just peace in the Middle East must be maintained without ambiguities, in conformity with international law and basic principles enshrined in the Charter of the United Nations, and reflected in the

resolutions and decisions of the world organization, which are in fact the true expression of the opinion and the hopes of the peoples of the world. Egypt has come to this conference to sustain the rights of the Arab nations and to obtain by peaceful means the restitution of all Arab territories occupied since June 1967 and the restoration of the inalienable rights of the Palestinians. Thank you.

The Secretary-General of the United Nations:

I thank the distinguished Foreign Minister of Egypt. The last speaker on my list for our meeting today is the distinguished representative of Jordan. I give the floor to the Prime Minister and Foreign Minister of Jordan, Mr. Zeid El-Rifai.

Mr. Zeid EI-Rifai (Jordan):

Mr. Secretary-General, as we come to this Peace Conference, it might be in order to recall the words of Rebindranath Tagore: "Give me the supreme faith of love, this is my prayer, the faith of the life in death, of the victory in defeat, of the power hidden in the frailness of beauty."

Indeed, Mr. Chairman, it is this victory of right over wrong, of justice over injustice, and of peace over war which the delegation of the Hashemite Kingdom of Jordan is coming to seek at this Conference.

It has been a long time, too long, since we started our search for peace in the Palestine area. The Middle East crisis of today, which earlier was known as the question of Palestine, is a tragedy the like of which humanity has never witnessed on such a large scale.

From the days of the First World War, when the Jews in Palestine were no more than 56,000 people who owned no more than 2 per cent of the total area of Palestine, to the days when they increased immensely and rapidly through emigration from various other lands, and expanded in Arab Palestine through invasion and occupation, the struggle between the Israeli invader and the Arab indigenous people has weighed heavily on the human conscience.

The tide, however, never stopped at any limit. The resolution on the partition of Palestine adopted by the United Nations in 1947 was overshadowed by the delineation of the Armistice lines in 1949 as a result of Israel's military gains. Thus, while the Jewish State, in the partition of 1947, was given 56 per cent of the total area of Palestine, it was able to occupy 77.4 per cent of this total area and, in its ambitious expansionist policy, Israel followed its own time-table for the

acquisition of Arab territory. In 1967, twenty years after its establishment, Israel swept over all of Palestine plus large areas of three neighbouring Arab States. Today its armed forces stand on the banks of the Jordan river, on the plains of Damascus, and west of the Suez. By force or arms, Israel reached that extent.

Is it the sword that shall win? Is it the force of arms, as Israel's leaders put it, that shall determine the issue? Can Israel establish its future in the Arab ocean through continued adventures?

Throughout the twenty-five years of its life, Israel has failed to win the slightest degree of love or acceptance by its Arab neighbours. It has always been looked upon as an authority of terror and aggression, the conduct of which is always characterized by defiance and arrogance. The seeds of oppression which it planted in the Arab soil grew with hatred. It is not the intention of my delegation to speak at this opening stage of the Conference on other aspects and episodes involved in the Israeli expansionist policy in its various phases. It will take a long time to speak of the expulsion of the native Arab population, of the eradication of their roots, of the suppression of those who were left behind, of the repressive measures taken against them, of the large-scale deportation of Arab inhabitants, of the confiscation and expropriation of land and property, of the desecration of holy place and venerated shrines, and of the change of historical and cultural heritage. It is not time to speak of the damage, destruction and murder that was committed against the Arab people and homeland at the hands of Israel. But it is time, no doubt, to ask - at the outset of this Conference - how long will this Israeli armed aggression and occupation be allowed to continue and to remain?

Should the Arabs always have to wage war in order to restore right and justice? Should we always suffer in order to live in peace? Those piles of resolutions which were adopted at the United Nations by its various organs stand witness to the failure of the international community to heed the call of justice. The fact, the naked fact, remains that Israel's armed occupation of Arab territory constitutes an act of continued and escalating aggression which the world has watched in silence.

It is from this position, the position of recourse, as a last resort, to rebellion against tyranny, that the Arabs had to take up arms. The fighting which broke out in our area at the Egyptian and Syrian fronts on 6 October last was a gallant effort by the Arab forces, dedicated to making peace a reality. The economic measures taken by other Arab countries were another resolute expression of the demand for compliance by Israel with the conditions of peace.

The sacred heritage which has come down to our people through history and the well-established civilization which we safeguard motivate us continuously to avoid exposing this legacy to danger and destruction. Israel does not seem to share this concern with us. Could it be because it does not belong to our environment? Could it be because it is a stranger in our homeland?

The measures Israel took, despite the universal will of mankind, to alter the status of the Holy City of Jerusalem and to change life and tradition in it are a grave violation which neither history nor the future would forgive or tolerate.

How could Israel be introduced into the Arab region and live in permanent peace with the Arab surroundings as long as it insists on being foreign and hostile?

The peace, Mr. Chairman, which we would conclude with Israel is one that would restore to the Arab people their occupied land; one that would return to the legitimate inhabitants their inalienable rights; and one that would ensure security against Israeli attacks for its Arab neighbours.

Mr. Chairman, we meet today, as directly concerned parties, under appropriate auspices, with the aim of establishing a just and durable peace through the implementation of Security Council resolution 242 of 22 November 1967 in all its parts.

In fact, the Government of the Hashemite Kingdom of Jordan has never failed on any single occasion to call for the implementation of resolution 242 as a way to achieve peace. This has been our steady position since the adoption of this resolution. Whether at the General Assembly of the United Nations, or the Security Council, or whether with the Special Representative of the Secretary-General, Jordan has maintained this stand.

We sincerely believe that the delay in the implementation of this resolution, which primarily requires withdrawal of Israeli armed forces from all Arab territories occupied in 1967 and back to the lines from which they advanced, caused, indeed, a delay in starting the process of establishing peace.

Resolution 242 (1967), the implementation of which has become the fundamental demand of the whole community of nations and all individual States and regional organizations, emphasized clearly at the start of its preamble and in the first operative part, the inadmissibility of the acquisition of territory by war and the demand for Israel's withdrawal from the territories it occupied as a result of the 1967 military operations.

Neither in international law nor in sound logic can a state of occupation by armed attack be acceptable or permissible. Nor could such a state be allowed to continue simply because the occupying authority insists on imposing its own will. Six and a half years have passed at the expense of peace and tranquillity in the Middle East. There was no reason for failure to achieve peace during that period except the refusal of Israel to comply with the pronouncements of the United Nations, with the rule of law, and with the prerequisites of peace.

We ought to declare unequivocally that time will continue to lapse vainly unless Israel commits itself to complete withdrawal from all the Arab territories it has occupied since 5 June 1967. And this includes Syrian occupied territory, since the absence of Syria from this Conference should not in any way prejudice its right to full withdrawal of Israeli forces from all its occupied territory, and since the position of my Government is that the principle of withdrawal is indivisible.

This, Mr. Chairman, is the only way to proceed if we, at this Conference, are to reach a peaceful settlement.

My Government believes that there are major issues in the construction of peace which should be decided upon in this Conference. These issues are as follows:

First, Israel's complete withdrawal from all Arab territories which it has occupied since 5 June 1967. A programme of implementation and a time-table for this withdrawal should be drawn up and agreed upon.

Second, international boundaries of the States of the area must be recognized and respected, as well as the territorial integrity, sovereignty and independence of these States.

Third, wherever there are no international boundaries between an Arab State and Israel, such boundaries are to be established by agreement and on the basis of the inadmissibility of the acquisition by force.

Fourth, the right of every State in the area to live in peace within secure and recognized boundaries, free from threats or acts of force, must be pledged and guaranteed.

Fifth, the legitimate rights of the Arab people of Palestine must be fulfilled in accordance with the resolutions of the United Nations, and the Palestinian refugees must exercise their right of repatriation and/or compensation in accordance with law and justice.

Sixth, Arab Jerusalem is an inseparable part of Arab occupied territory. Therefore, Israel is to relinquish its authority over it. Arab sovereignty must be restored in the Arab sector of the city. The Holy Places of all the three divine religions must be preserved, protected and respected, and free access for all the followers of these three religions must be secured and maintained.

Mr. Chairman, when Israel was established by the United Nations in 1947 and was admitted to the membership of the United Nations in 1948, it made a declaration that it "unreservedly accepts the obligations of the United Nations Charter and undertakes to honour them from the day it becomes a Member of the United Nations".

With such an undertaking, Mr. Chairman, Israel failed to honour its first obligation of membership under the Charter of the United Nations, which stipulates that "all Members shall refrain in their international relations from the threat or use of force against the territorial integrity or political independence of any State".

For the last six and a half years, Israel has been violating the sovereignty, independence and territorial integrity of three Arab States, namely Egypt, Jordan and Syria, and has, for the last twenty-five years, been violating the legitimate rights of the Arab people of Palestine.

Today, we come, as directly involved parties and most concerned with the problem, to try to arrive at a settlement through peace.

My Government's attitude towards the deliberations and conclusions of this Conference is that an over-all settlement of the problem before us and the major issues related to it is a collective responsibility of all the parties directly concerned. Questions of withdrawal, boundaries, Palestinian rights, refugees, obligations of peace and the status of Jerusalem are all of common concern and a collective responsibility. My delegation, therefore, is not prepared to conclude any partial settlement on matters that we feel are of a joint interest with our Arab brothers at this Conference.

Sir, faithful to our obligations towards the United Nations, and noting that the only recognized documents before us today are Security Council Resolutions 242 of 22 November 1967 and 338 of 22 October 1973, my Government is pleased to have the Secretary-General of the United Nations, Dr. Waldheim, preside over the opening meeting of this Conference.

May I also be allowed, Mr. Chairman, to acknowledge on this occasion, with sincere appreciation and high admiration, the effective and noble role which both the United States of America and the Soviet Union have played to bring this Conference into being. Needless to say we are also grateful to have had the chance to convene our Peace Conference in Switzerland, the land of peace, beauty and human dignity.

And as we meet today, we know that the eyes of the world are turning towards us. Here on the European continent the voice of right is echoing stronger and stronger. On the free soil of Africa our African brothers are boldly knocking at the gates of peace. Great Asia is backing our efforts with all its weight and dignity. Every patriot, every refugee, and every free man is wishing us success in our work. Let us, therefore, give, in the present test, the lofty principles of mankind the seriousness, sincerity and devotion they deserve. Let us give to the Middle East, the torch of civilization and the cradle of prophets, the peace which it has missed for many decades.

Thank you, Mr. Chairman.

The Secretary-General of the United Nations:

I thank the distinguished Prime Minister and Foreign Minister of Jordan. May I ask whether any other delegation wishes to take the floor in our meeting today? The distinguished representative of Israel.

Mr. Eban (Israel):

If there is a chance of addressing the Conference this afternoon I would like to study the addresses that have been made and to speak at the next session. If it could be this afternoon I would prefer it, but I leave that, Sir, to the Chair.

The Secretary-General of the United Nations:

Is there any objection to having a meeting this afternoon? Originally I had intended to hold the next meeting tomorrow morning at 10.30 and to leave the afternoon free for private consultations, but of course I am in the hands of the Conference, of the distinguished members of this Conference, and therefore I wish to consult you as to whether you prefer a meeting tomorrow morning or this afternoon. May I ask the distinguished representative of Israel whether he would agree to speak tomorrow morning?

Mr. Eban (Israel):

If there is no reason for not having a meeting this afternoon, Mr. Chairman, I would like to address the Conference this afternoon. But I would at any rate like to address it at the next meeting.

The Secretary-General of the United Nations:

Do the delegates agree to hold a meeting this afternoon? I see no objection. I assume therefore that you agree to hold our next meeting this afternoon at, may I suggest, 3.30? I take it then that we agree to hold the next meeting this afternoon at 3.30. It is so decided. The meeting is adjourned.

The meeting rose at 12.40 p. m.

The Secretary-General of the United Nations:

I call the meeting to order and I give the floor to the distinguished representative of Israel, Foreign Minister Abba Eban.

Mr. Eban (Israel):

Mr. Secretary-General, distinguished Prime Minister, Foreign Ministers, Gentlemen. There has never been an Arab-Israel peace conference before. Instead there have been many wars, for which the price has been paid in thousands of lives and in a region's long agony. Today at last a new opportunity is born. No wonder that this Conference opens under the burden of an immense expectation. Millions of people across the world are hoping that we shall somehow succeed to break the cycle of violence, to give a new purpose and direction to Middle East history, and to bring a halt to the spreading contagion of force.

We have no way of knowing whether this opportunity will be fulfilled or wasted. The answer lies in the intentions of many governments and peoples in the Middle East -- and beyond. Israel for its part is resolved to seize the chance.

Now, the agreed purpose of this Conference is to negotiate peace between States whose relations until now have been scarred by a fierce enmity which has exploded again and again into war. The assault launched against us by Egyptian and Syrian armies on 6 October was only the most recent link in a chain of violence extending

with tragic results across the entire life of Israel as a modem State. To achieve its aim, therefore, this Conference must reverse the whole tide of recent history. It is not going to be an easy task, nor at best can its fulfilment be rapid. We shall have to reconcile a sense of urgency with a capacity for patience. And yet, when all the calculations of prudence and caution and realism are duly made, our heart and imagination inspire a positive hope. We cannot ignore experience but nor are we committed to its endless reiteration. So Israel comes to Geneva in the conviction that there is room for innovation, initiative and choice.

We must be well aware of the particular complexity of our task. There is nothing in any degree similar to the Arab-Israel conflict. The crisis of the Middle East has many consequences, but only one cause. Israel's right to peace, security, sovereignty, commerce, international friendship, economic development, maritime freedom, indeed its very right to live, has been forcibly denied and constantly attacked. All the other elements of the conflict are consequences of this single cause. In no other dispute has there ever been such a total denial, not only of the sovereign rights of a State but even of its legitimate personality. And the emotional assault on Israel has gone much beyond the political context. It sweeps all human solidarities aside. It is nourished by a copious literature with official endorsement that gives support to Nazi anti-Jewish myths. It nourishes a conspiratorial theory of Jewish history. It explodes into the mutilation of Israeli soldiers in the field, the murder and torture of Israeli prisoners, and it has culminated most recently in Syria's sadistic refusal to carry out the Geneva Convention on the treatment of prisoners of war. Out of this kind of ferocious hatred springs the kind of assault on humane values that was enacted in Munich last year, in Rome airport five days ago and with weary regularity in other places between, before and since. When sportsmen in the shelter of the Olympic flag are bound hand and foot and calmly shot in the head, one by one, when passengers in a civil aircraft are methodically blown up and burned, to fragments, do we not come face to face with the mentality and ideology which produced the gas chambers and the gallows of Auschwitz?

It is from this tradition that we must seek to break away. The prospects for this Conference to succeed depends in the last analysis on whether the Arab nations and Israel want to reach an objective understanding of each other. Now, we have no trouble or reluctance in understanding what Arab nationalism is all about. It is the moving story of a people's liberation from external servitudes. It is an effort to build a bridge between past glories and future hopes. The success of the Arab nationalist enterprise is reflected in the existence of 19 States, occupying 12 million square kilometres, in which 100 million Arabs live under their sovereign flags, in command of vast resources. The world, including Israel, has come to

terms with Arab nationalism. The unsolved question is whether Arab nationalism will frankly come to terms with the modest rights of another Middle Eastern nation to live securely in its original, and only, home.

For this to happen it will, I suggest, be necessary for political and intellectual leaders in the Arab world to reject the fallacy that Israel is alien to the Middle East. Israel is not alien to the Middle East: it is an organic part of its texture and memory. Take Israel and all that has flowed from Israel out of Middle Eastern history and you evacuate that history of its central experiences. Israel's historic, religious, national roots in the Land of Israel are a primary element of mankind's cultural history. Nothing - not even dispersion, exile, martyrdom, long separation - has ever disrupted this connexion. Modern Israel is the resumption of a primary current in the flow of universal history. We ask our neighbours to believe that it is an authentic reality from which most of the other elements in Middle Eastern history take their birth. Israel is no more or less than the Jewish people's resolve to be itself and to live, renewed, within its own frame of values, and thus to contribute its particular shape of mind to the universal human legacy.

That is what Israel is all about, and all this is much too deep and old and strong to be swept away. I ask Arab leaders and thinkers when they reflect on Israel, to ponder a French historian's definition of nationhood: "A nation is a soul, a spiritual principle. To share a common glory in the past, a common will in the present; to have done great things together; to want to do them again - these are the essential conditions of being a nation."

When to all this memory you add the special tragedy of Jewish homelessness, you will understand why Israel faces the other Middle Eastern nations in the perfect consciousness of its own legitimacy. It will neither disappear nor apologize for itself, nor compromise its sovereign destiny nor surrender its name and image, nor be swallowed up in something else. Within the framework of its own legitimate existence it seeks reconciliation and peace.

It seems to me that the effort to resist the existential truth about Israel as inseparable from Middle Eastern destiny lies at the root of every other discord. We ought to remember that the war against Israel is a little older than the State of Israel itself. If we want to know the authentic answer to the question "How did it all begin?", we could go to the library downstairs and look up the documents and find the report of the United Nations Partition Commission of 20 April 1948. I quote:

"Arab opposition to the plan of the General Assembly has taken the form of organized efforts by strong Arab elements both inside and outside Palestine, to prevent its implementation and thwart its objectives by threats and acts of violence.... Powerful Arab interests, both inside and outside Palestine, are defying the resolution of the General Assembly, and are engaged in a deliberate effort to alter by force the settlement envisaged therein."

That is the report.

How little has changed since then. Can we not describe today's condition in these sentences without changing many words? The pendulum of military advantage swings this way and that. The tide of political struggle ebbs and flows. One thing alone has been constant - the volcanic atmosphere in which the Middle East lives, with only a few years between each eruption and each succeeding lull. And so in the twenty-sixth year, as in the first, we woke up one morning to find the Arab forces moving against us from south and north. Nobody believes that if those massive armoured thrusts had gone forward as their commanders wished, they would have come to a voluntary halt, at any particular line. The distinguished Egyptian writer, Muhammad Hasainein Heikal, has put it very clearly in "Al-Ahram" of 19 October:

"If the Arabs succeeded by force of arms in liberating the lands conquered in June 1967, what is to prevent them in the next stage from liberating the whole of Palestine itself by force of arms?"

What indeed? And so in October 1973, as in May 1948, the issue for Israel became no less than the survival of life and home, of national future, of personal destiny, of all that had been built and cherished and defended, in common action, for 25 years.

And yet with all the similarity between 1948 and 1973, there has been one ominous transformation. All of us around these tables must be aware of it. Small Middle Eastern countries can now use arms in such quantities and of such destructive force as would have been available only to the greatest military Powers one generation ago. And therefore the Golan and Sinai are strewn with young bodies of Israelis and Arabs, and the burnt-out hulks of armoured vehicles and trucks. Two thousands tanks were destroyed in the one, single month of October. For the price of them the countries of the Middle East could have had 20,000 tractors to bring fertility to their lands.

It may be that one thing has changed for the better, namely that a mutual understanding of the sterility of war and the sterility of political deadlock has

become sufficiently alive to bring all of us here to Geneva - Israel, Egypt and Jordan. We come with a mandate from our Governments to seek peace. We also have a common mandate from bereaved mothers and widows and orphans to bring 25 years of insanity to an end. The pathos of it all is that this Peace Conference could have been convened six years ago, after the 1967 war, or indeed at any time since the 1948 war ended with the 1949 armistice agreements. A peace negotiation is what Israel has been proposing all the time. We could have had this moment, without all those graves, without all that blood.

The question now is whether we can break out of past deadlocks into a new vision and a new hope. Well, a common interest in bringing the war to an end has already brought Egypt and Israel together in three agreements. We have accepted a cease-fire in pursuance of Security Council resolution No. 338, of 22 October. On 7 November, we signed a six-point agreement for stabilizing the cease-fire. The Egyptian and Israeli senior officers who concluded that agreement met face to face and pursued their discourse in a civilized atmosphere at Kilometre 101, until 10 December. Now Egypt and Israel, together with Jordan, have agreed on the procedure and terms of reference for a peace conference.

These three decisions are the bridge across which we wish to make a transition from belligerency to peace. It is especially vital that the cease-fire continue to be observed by land and air and sea.

I propose that Egypt and Israel pledge themselves at this Conference to observe the cease-fire on the basis of reciprocity. I give that pledge on Israel's behalf. Surely the maintenance of the cease-fire is an indispensable condition before any useful negotiation.

Beyond these transitional steps we should have a clear conception of our objective. Israel's aim at this Conference is a peace treaty defining the terms of our co-existence in future years. Since the purpose of this Conference is peace we must have an understanding of what that term involves. Peace is not a mere cease-fire or armistice. Its meaning is not exhausted by the absence of war. It commits us also to positive obligations which neighbouring States owe to each other by virtue of their proximity and of their common membership in the international community. Above all, a durable peace must create a new human reality. It does not rest on the cold formalism of documents alone. Nations at peace are not separated from each other by hermetically sealed boundaries guarded by international police forces. Indeed the emphasis on the interposition of police units in so much of the public debate on the Middle East is a confession that the peace that is envisaged is not

authentic or stable or real. The ultimate guarantee of a peace agreement lies in the creation of common regional interests, in such degree of intensity, in such multiplicity of inter-action, in such entanglement of reciprocal advantage, in such mutual human accessibility, as to put the possibility of future war beyond any rational contingency.

Let us all atone for 25 years of separation by working towards a co-operative relationship similar to that which European States created after centuries of conflict and war. It may take time to achieve that full objective. But does not every serious architect design a vision of the finished structure before anybody begins to face the prosaic difficulties of construction? At any rate, our vision must be one of sovereign States, the Arab States and Israel, each pursuing its national life within its own particularity while co-operating with its neighbours in a broader regional devotion.

The peace treaties that we want to negotiate and conclude should provide for the permanent elimination of all forms of hostility, boycott and blockade. The peace settlement must be the product of mutual agreement and not of external pressure, or of intimidation of one party by the other. It is only by freely accepting national and international responsibility for the peace that the signatory Governments can ensure its stability. Our peace agreements should of course provide for the renunciation of the use of force in our relations with each other. They should contain specific and unequivocal recognition of each other's political independence, integrity and sovereignty.

They should prohibit any hostile action, including terrorist action, conducted from the territory of one of the signatories against the territory and population of the other. They should formally proclaim the permanent end of the conflict and the renunciation of all claims or acts arising from belligerency. They should ensure that all international conventions which each of the signatories has signed should be applicable to the other signatory without any of the reservations entered by Arab Governments in the past into such international obligations. Nations at peace with each other do not seek to impede the movement of each other's ships or aircraft, or forbid them the normal civilities of air transit and maritime passage. Governments establishing peaceful relations after long years of conflict invariably define their intentions with respect to formal relations with each other in the economic, commercial, cultural and political domains. With the establishment of peace it would become normal for Israel and the Arab States to take their places jointly in regional development organizations.

There is also need for attitudinal change. Bertrand Russell wrote that "all wars originate in classrooms". Long years of conflict have given successive generations of our people a distorted vision of each other. The transition to peace should have its effects in educational systems, expelling all the images and stereotypes which nations at war invoke both as causes and consequences of their hostility. A peace settlement should unlock the arteries of our region's communications.

Now, these aims may seem very remote and visionary today, but they do not go beyond what Governments have usually accomplished in their transition from hostility to peace. In fact, I have never come across any peace agreement which does not include everything that I have listed here. The three Governments represented at this Conference all accepted these aims when they endorsed Security Council resolution 242, of which the main provisions are the establishment of a just and lasting peace, the mutual acknowledgement by all States in the area of each other's sovereignty, integrity, independence and right to security. Another provision of that resolution is the elimination of all forms of belligerency, agreement on secure and recognized boundaries to which forces would be withdrawn in the context of a peace settlement. Israel adheres to what it said on this subject in its communications to you, Mr. Secretary-General, in August 1970.

We shall seek to know from the Arab participants in this Conference whether they share our understanding of the obligations, rights and prohibitions involved in a peace agreement. If we can reach a harmonious understanding on this point, we shall still face many complexities but there will be a stronger probability, than otherwise, of agreement and compromise.

Of course, the peace treaty to be negotiated with each neighbouring State should contain an agreement on boundaries. The decisive test for Israel will be the defensibility of its new boundaries against the contingency of attacks and blockades, such as those threatened and carried out in 1967 and 1973. The experience of October 1973 confirmed our view that the permanent boundaries must be negotiated with the utmost precision and care. If those armoured thrusts had begun from EI Arish or northern Gaza, or from the Golan Heights itself, then the first assault might well have been the last. Peace-makers do not reconstruct vulnerable, inflammatory situations. They try to correct them. Therefore there cannot be a return to the former armistice lines of 1949-1967, which proved to be inherently fragile and which served as a temptation to an aggressive design of encirclement and blockade, from which Israel broke out in 1967 after weeks of solitude and peril.

In this matter as in others there must be a basic readiness on all sides to make such concessions as do not threaten vital security interests. Israel does not seek acceptance of any of its positions as a prior condition of the negotiation, just as we should not be asked to seek acceptance of any prior condition as a condition of negotiation. Having heard Arab positions and stated our own, we should at an appropriate stage seek to bring our policies into compromise. Security arrangements and demilitarized areas can supplement the negotiated boundary agreement, without, of course, replacing it.

But for Israel the overriding element in the peace discussion is that of security. It is true that we have again come out successfully from a military assault, this time with every conceivable advantage on the other side - advantage in numbers, in quantity of weapons, in initiative and total surprise. But despite this success the mood in Israel is sombre, for we come up again and again against the predicament of human vulnerability. The losses sustained in 1973 compound the sacrifices of 1948 and 1956 and 1967 and all the attritions and infiltrations in between. And Israelis always contemplate these losses against the cruel background of the European holocaust, which took millions of our kinsmen away to their deaths. Now there is no other national experience even remotely similar to this. Too much of Jewish history is occupied by the simple ambition of being Jewish and yet staying alive, and usually this reconciliation has not been achieved. The only people to suffer such massive annihilation of its human resources and the only sovereign State to live for 25 years without a single month of peace - how does anyone expect such a people and such a State not to claim respect for a particularly intense concern for individual and collective survival.

The attainment of peace will make it possible to resolve the problem of refugees by co-operative regional action with international aid. We find it astonishing that States whose revenues from oil exports surpass 15,000 million dollars a year were not able to solve this problem in a spirit of kinship and human solidarity. In the very years when the Arab refugee problem was created by the assault on Israel in 1947 and 1948, 700,000 Jewish refugees from Arab and Moslem lands and from the debris of Hitler's Europe were received by Israel and integrated in full citizenship and economic dignity. There have been other such solutions in Europe, in the Indian sub-continent, in Africa. The Arab refugee problem is not basically intractable: it has been perpetuated by a conscious decision to perpetuate it. But surely a peace settlement will remove any political incentive which has prevented a solution in the past. At the appropriate stage Israel will define its contribution to an international and regional effort for refugees resettlement. We shall propose compensation for abandoned lands in the context of a general discussion on

property abandoned by those who have left countries in the Middle East to seek a new life.

I presume that our negotiation with Jordan - I believe that it will define the agreed boundaries and other conditions of co-existence between two States occupying the original area of the Palestine Mandate - Israel and the neighbouring Arab State. The specific identity of the Palestinian and Jordanian Arabs will be able to find expression in the neighbouring State - I hope, in peaceful co-operation with Israel.

We declare our opposition to any explosive fragmentation of the area between three States in the region between the desert and the sea, where there are after all two nations, two languages, two cultures, and not three.

Today the bridges and the borders are open, and Arabs to the west and east of the Jordan - indeed, from all over the Arab world - move freely in and out of Israel, back and forth, into every part of the region. In a peace settlement with agreed boundaries we should strive to preserve and develop these conditions of human contact and accessibility. Separate political sovereignties need not rule out a large measure of economic and social co-operation. We aspire to a community of sovereign States in the Middle East, with open frontiers and regional institutions for co-operation.

We are deeply aware that Israel's capital, Jerusalem, now united forever, is the cradle of two other religious traditions, and the home of their Holy Places. Israel does not wish to exercise exclusive jurisdiction or unilateral responsibility in the Holy Places of Christendom and Islam - Holy Places should be under the administration of those who hold them sacred. We would be willing to discuss ways of giving expression to this principle as well as of working out agreements on free access and pilgrimage.

Israel would support a proposal to discuss a disengagement agreement with Egypt as first priority, when the Conference meets after the inaugural phase. On other possible agenda items we shall give our views at a later stage. Today I shall only refer to some urgent issues of which the solution is compelling, both on human grounds and in the interests of the Conference itself.

The absence of Syria from the opening session is regrettable, but frankness and indignation compel me to state that Syria, in our judgment, has not yet qualified for participation in a peace conference because it continues to inflict a perverse injury on prisoners-of-war and their agonized and distraught families, in contravention of the Geneva Convention. This violation of human decencies continues unchecked.

Syria is not to be trusted in the honourable treatment of prisoners-of-war and there are precedents much too harrowing for me to narrate. But we know that helpless prisoners-of-war are shackled and then murdered in cold blood. We have reported 42 such cases to the International Committee of the Red Cross. We know that prisoners are tortured and maimed, beaten and dishonoured. By withholding lists and refusing Red Cross visits, the Syrian Government creates wide circles of anguish and uncertainty amongst hundreds of families and thousands of citizens. Lists of Syrian prisoners have been presented by Israel to Red Cross Committees, and Red Cross visits do proceed regularly. The obligations of States under the Third Geneva Convention are unconditional and may not be made dependent on any other claim or request. Nevertheless, Israel has agreed, simultaneously with prisoner release, to the return of thousands of Syrian civilians to the territory east of Golan captured in the October war and even to handing over to the United Nations Emergency Force of two positions occupied between 22 and 24 October.

We would also emphasize the urgency for Egyptian action in reply to our queries on additional missing prisoners and on the repatriation of the bodies of soldiers fallen in action. In general, whenever we talk of this issue of prisoners, surely the time has come to banish the savageness which has marked the treatment of Israelis in Arab hands and to adapt the life of our region to the principles of international civility.

We want to substitute the idea of international civility for the present atmosphere of Middle Eastern life today. Too much of international life is left under the hijacker's philosophy. The slogan of the hijacker is "Do what I tell you, or else". This is said by terrorists to pilots of aircraft, by some oil-producing States to European and other Governments, by some Arab Governments to States whose relations with Israel they wish to weaken, by boycott committees to commercial companies. Now this slogan "Do what I tell you or else" is not the best prescription for Middle Eastern stability. It gets some immediate results but it is bound in the last resort to encounter resistance. What we seek is a transformation of all the concepts and attitudes which govern international relations in our region.

For many years, the Middle Eastern conflict has been a constant theme of public debate. The eyes of the world are upon this meeting, but 1 do hope that in the next stages of its work the Conference will develop compact, reticent procedures to discuss each component of the dispute. We do not rule out agreed stages of progress towards the final settlement, but the Conference should not be satisfied as an ultimate result with anything less than a permanent, overall peace.

The distinction between a public debate in the General Assembly and a peace conference is crucial. In the case of a public debate there is an attempt to solve problems by adjudication; in a peace conference, by agreement. We hope for restraint by Governments outside the area who may think that they know the exact point of balance at which the interests of the parties should be reconciled. Our free agreement is essential because in the last resort nobody outside Israel is called upon - or is ever likely - to risk any life or blood for Israel's survival. Whenever there is that kind of sacrifice, we shall have to face it alone. We ask therefore for respect for our solitude of responsibility, that is to say, for our judgment of what the basic minimal conditions for Israel's security and survival are. We intend to preserve that domain of ultimate decision with traditional tenacity. This issue is especially sensitive. We have accepted the joint initiative of both co-chairmen as a reflection of the real balance of forces at work. We understood from Foreign Minister Gromyko's speech that in his view Israel's legitimacy and right to security are not under any doubt. As we read the Algiers Declaration, however, that declaration puts both of those things in doubt. The word "peace" does not exist in that declaration at all, nor does the word "Israel", and there is an ominous reference to "the enemy". That is why the Algiers Declaration is really not the sort of declaration that can guide a peace conference.

But while we have accepted the joint initiative of both co-chairmen, we cannot ignore that one of them identifies himself exclusively with our adversaries and has felt no balancing necessity to concern itself with Israel's welfare or destiny. This has been the case in the arms race as well. There is therefore no symmetry here, even if the imbalance is less marked than in the broader multilateral arena. The true remedy then is to allow maximum opportunity for the parties themselves to achieve dialogue and to come to agreed solutions.

In conclusion, Mr. Secretary-General, while the components of the problem are complex, everything comes back in simple terms to the intentions that we bring with us to this table. Israel, Egypt, Jordan, Syria, Lebanon - and in the final resort all of these should be participants - are relatively new as sovereign States, but Arab and Jews are very old as peoples. Both of us have always had the gift of memory, neither of us has ever been very good at forgetting. In this generation we have been made more aware of our divisions than of our common humanity but there are some ideas and recollections that are common to us both. There is one cave at Machpelah in which our common ancestors, the Patriarchs and the Matriarchs, are laid to rest.

Our common ancestor, Abraham, shocked all his contemporaries by breaking the idols and suggesting something new. That is what we now have to do, to smash the idolatries of war and hate and suspicion, to break the adoration that men give to their traditional attitudes and above all to their traditional slogans, to strike out towards a horizon, uncertain, but better than the terrible certainties that face us if we stay behind.

Our Holy Book puts it simply (spoken in Hebrew and English): "Nation shall not lift up sword against nation, neither shall they learn war any more." But it is put with equal simplicity in your Holy Book (spoken in Arabic): "If they incline to peace, then turn towards it and put your trust in God".

Thank you.

The Secretary-General of the United Nations:

I thank the distinguished Foreign Minister of Israel. I have been informed that the distinguished Foreign Minister of Egypt wants to speak. I give him the floor.

Mr. Fahmy (Egypt):

Mr. Chairman, with your permission and the permission of the distinguished Foreign Ministers, I would like to say a few words in connexion with the statement which we have just heard from the Foreign Minister of Israel.

This morning I have tried with all the responsibility at my command to place the Egyptian position based on facts and nothing but facts. I have myself, as you have all witnessed, avoided referring to anything else but facts. Why did I do so? Because I thought, and I hope that this will remain true, that we are starting or embarking on a very solemn occasion at this historic moment in this Conference. Secondly, I was not in need of resorting to the procedure which the Foreign Minister of Israel chose because I do not have any problem of speaking here for home consumption and I do not have any election campaign which is going to take place in a few days in my country. This is my first remark.

My second remark is that it is really a pity that Mr. Eban refers to the archives of the United Nations in this library and he knows better than anybody else that the archives of the United Nations are full of resolutions adopted by the Security Council of the United Nations and the General Assembly, more than 100 times condemning Israel for its behaviour against the world community, for its behaviour against the Arab countries, and for its behaviour against the Palestinians. Israel for

that reason has now found herself alone, completely isolated. There is no other country or Member State of the United Nations which finds itself in the situation in which Israel finds itself now. Why is this? Because of the misbehaviour of the Arab countries? Because all the Member States of the United Nations do not know the truth, but only Israel knows the truth, only Israel gives advice and only Israel knows the facts? They know the facts, yes; but they know only the facts which they wanted to believe themselves; nobody else believes them. So much for the archives, for the isolation of Israel, and for the behaviour of Israel.

Then he tried again to belittle the intelligence of us here whilst talking to the gallery for home consumption and trying to distort facts again, as we are accustomed to hear. He thought it fit even to refer to the Palestinians, to some incidents of desperate people, a desperate nation. Mr. Eban and his colleagues invaded their country by force in 1947 and this is why they are behaving in that way, and they are entitled to do that. But it is not for a Government which believes that it is a responsible Government to take certain actions - I am going to refer to only a few of them. First of all Deir Yassin in 1947; Kibya and Nahalin in 1954; the Lavon affair in 1954; Khan Younis and Gaza in 1955; Kafr Kassem in 1956; Karame in 1958; Samoa in 1965; the airport of Beirut 1968; the invasion against Beirut, 1968; Southern Lebanon, 1969; mass murder on the instructions of the Government of Israel - I repeat, the mass murder of some of the leaders of the Palestinians; the mass invasion of Beirut, 1973; and the hitting of the tents of the Palestinians in Syria and Lebanon.

These are acts of Governments - responsible people, if they are responsible at all but he thinks that we don't know. We know, but he thinks that the other people do not know. Everybody around this table, everybody outside this table knows the facts, and I hope that for the future if he would like to work in a serious way he should not use this rostrum for propaganda. He spoke about Syria. He spoke about Syria because Syria is absent. I am ready to keep you here for three hours and tell you how the Israelis act and react, what kind of atrocities they do, what their armies are doing either on the cease-fire or around the cease-fire or during the battle itself. Even Mr. Eban cannot deny that his planes dropped booby-traps on villages in my country - to kill what? Farmers and children. And now he speaks about security. What kind of security? Security through agreement. What does he mean? He means annexed territories. He means by "agreement" that the Arab countries must agree to what? To give him Arab land for the sake of his security. And he forgot - I doubt it, that he forgot that in 1947 it was the Zionists who engaged with Palestine: 1956 he remembers, and I thing he participated in that collusion against my country. In 1967 they invaded my country and all the Arab

countries. And he speaks about 1973, the sixth of October. He admitted in his statement that now - and this is the lesson he should learn - that now, after 1973, he knows very well that not only the Israelis can use weapons, modern and sophisticated weapons. He is trying here to present himself as the lamp of the whole world - the most peaceful legend in history.

He referred to the Algiers decision of the Arab Summit, and he is very angry that we did not mention the name of Israel. We will mention the name of Israel when Israel behaves, when Israel would like to live in peace in this country, not to annex territory under any pretext whatsoever, not to try to confuse and mislead people under this fallacy of so-called security. Security of whom, Mr. Eban? You threaten the security of all the Arab countries as long as you are using these militaristic maxims of yours. But in his speech today, while he was pleading for peace, he never uttered once the word "withdrawal from Arab territories" - not a single time - and this is how he would like to plead for peace here. Thank you, Mr. Chairman.

The Secretary-General of the United Nations:

I thank the distinguished representative of Egypt. Does any other delegation wish to speak? Apparently this is not the case. May I then propose that we adjourn this meeting and that we hold a closed meeting tomorrow morning at 11o'clock? The purpose of that meeting would be to discuss the organization of the future work of this Conference.

I call on the distinguished Foreign Minister of the Soviet Union.

Mr. Gromyko *(Union of Soviet Socialist Republics) (interpretation from Russian):*

Tomorrow we shall have to discuss the question you have raised, but if anybody has any considerations to put forward on the substance of the problem, then of course he will be free to express those considerations as well at tomorrow's meeting. I take it that this stands to reason.

The Secretary-General of the United Nations:

I think that there is certainly no objection to this interpretation; I think the Conference agrees that, if any delegation wants to discuss substance, it is accepted. Are there any other comments? If not, I adjourn this meeting until tomorrow at 11 a.m.

The meeting rose at 4.45 p.m.

2. Letter of Invitation to Madrid Peace Conference- October 30, 1991)

The breakup of the Soviet Union and the Gulf War reshaped the basic political order of the Middle East. In an attempt to take advantage of this change, US Secretary of State James Baker made eight trips to the region in the eight months following the Gulf War. The Madrid Invitation, inviting Israel, Syria, Lebanon, Jordan and the Palestinians to an opening conference represents the result of this shuttle diplomacy. The invitation, an outcome of compromises by all sides, details the structure of the Madrid process:

- *An opening conference having no power to impose solutions*
- *Bilateral talks with the Arab states bordering Israel,*
- *Talks with the Palestinians on 5-year interim self-rule, to be followed by talks on the permanent status*
- *Multilateral talks on key regional issues, like refugees.*

The following is the complete text of the invitation to the Madrid Peace Conference on October 30, 1991, jointly issued by the U.S. and the Soviet Union:

TEXT:

After extensive consultations with Arab states, Israel and the Palestinians, the United States and the Soviet Union believe that an historic opportunity exists to advance the prospects for genuine peace throughout the region. The United States and the Soviet Union are prepared to assist the parties to achieve a just, lasting and comprehensive peace settlement, through direct negotiations along two tracks, between Israel and the Arab states, and between Israel and the Palestinians, based on United Nations Security Council Resolutions 242 and 338. The objective of this process is real peace.

Toward that end, the president of the U.S. and the president of the USSR invite you to a peace conference, which their countries will co-sponsor, followed immediately by direct negotiations. The conference will be convened in Madrid on October 30, 1991.

President Bush and President Gorbachev request your acceptance of this invitation no later than 6 P.M. Washington time, October 23, 1991, in order to ensure proper organization and preparation of the conference.

Direct bilateral negotiations will begin four days after the opening of the conference. Those parties who wish to attend multilateral negotiations will convene two weeks after the opening of

the conference to organize those negotiations. The co-sponsors believe that those negotiations should focus on region-wide issues of water, refugee issues, environment, economic development, and other subjects of mutual interest.

The co-sponsors will chair the conference which will be held at ministerial level. Governments to be invited include Israel, Syria, Lebanon and Jordan. Palestinians will be invited and attend as part of a joint Jordanian-Palestinian delegation. Egypt will be invited to the conference as a participant. The European Community will be a participant in the conference, alongside the United States and the Soviet Union and will be represented by its presidency. The Gulf Cooperation Council will be invited to send its secretary- general to the conference as an observer, and GCC member states will be invited to participate in organizing the negotiations on multilateral issues. The United Nations will be invited to send an observer, representing the secretary-general.

The conference will have no power to impose solutions on the parties or veto agreements reached by them. It will have no authority to make decisions for the parties and no ability to vote on issues of results. The conference can reconvene only with the consent of all the parties.

With respect to negotiations between Israel and Palestinians who are part of the joint Jordanian-Palestinian delegation, negotiations will be conducted in phases, beginning with talks on interim self- government arrangements. These talks will be conducted with the objective of reaching agreement within one year. Once agreed, the interim self-government arrangements will last for a period of five years; beginning the third year of the period of interim self-government arrangements, negotiations will take place on permanent status. These permanent status negotiations, and the negotiations between Israel and the Arab states, will take place on the basis of Resolutions 242 and 338.

It is understood that the co-sponsors are committed to making this process succeed. It is their intention to convene the conference and negotiations with those parties who agree to attend.

The co-sponsors believe that this process offers the promise of ending decades of confrontation and conflict and the hope of a lasting peace. Thus, the co-sponsors hope that the parties will approach these negotiations in a spirit of good will and mutual respect. In this way, the peace process can begin to break down the mutual suspicions and mistrust that perpetuate the conflict and allow the parties to begin to resolve their differences. Indeed, only through such a process can real peace and reconciliation among the Arab states, Israel and the Palestinians be achieved. And only through this process can the peoples of the Middle East attain the peace and security they richly deserve.

The Madrid Framework

Today's Middle East peace negotiations are being carried out within the structure of the Madrid Framework. This framework, described in the Letter of Invitation to the Madrid Conference, is the product of intensive diplomatic efforts carried out in the region immediately following the Gulf War.

The framework consists of three basic elements:

1. The Opening Conference

The Madrid invitation called for the convening of an opening conference, in order to inaugurate two separate yet parallel negotiating tracks -- the bilateral track and the multilateral track. The conference was designed to serve as a opening forum for all the participants, having no power to impose solutions or veto agreements. The Madrid Conference, hosted by the Government of Spain and co-sponsored by the U.S. and Russia (then the USSR), opened on October 30, 1991 and lasted for three days.

The opening addresses by hosts, co-sponsors and participating delegations reflect the aspirations of each. This conference may only be reconvened with the agreement of all participants.

2. The Bilateral Track

The bilateral negotiations are meant to resolve the conflicts of the past. The first_ever direct talks between Israel and her immediate Arab neighbors opened in Madrid on November 3, 1991, immediately following the Madrid Conference. Over a dozen formal rounds of bilateral talks were subsequently hosted by the US Department of State in Washington.

These talks are, in fact, four separate sets of bilateral negotiations. While the talks with the three Arab states are aimed at achieving peace treaties, the negotiations between Israel and the Palestinians are based on a two-stage formula: 5-year interim self-government arrangements, to be followed by negotiations on the permanent status issues.

- Israel-Jordan
- Israel-Palestinians
- Israel-Syria
- Israel-Lebanon

3. The Multilateral Track

The multilateral negotiations are meant to build the Middle East of the future, while building confidence among the regional parties. These talks, which opened in Moscow in January 1992, include five separate forums attended by delegations from countries in the region as well as

representatives of the international community. The negotiations focus on key issues that concern the entire Middle East -- water, environment, arms control, refugees and economic development. The talks have taken place in working groups which meet periodically in venues throughout the world, including the Middle East.

The Madrid Framework

Inaugurated at the
MADRID CONFERENCE
October 30 - November 1, 1991
October 30 - November 1, 1991

BILATERAL NEGOTIATIONS			
Israel- Palestinians	**Israel- Jordan**	**Israel- Syria**	**Israel- Lebanon**
Interim Self- Government Arrangements for 5 years			
Permanent Status	Peace Treaty Signed: Oct 26, 1994	Peace Treaty	Peace Treaty

- The purpose of the bilateral negotiations is to resolve the conflicts of the past.
- The goal of the talks with the Arab states is to conclude bilateral peace treaties.
- The talks with the Palestinians are aimed at achieving a settlement in two stages, over five years.

MULTILATERAL NEGOTIATIONS				
Steering Committee				
Working Groups				
Economic Cooperation & Development	Environment	Water	Refugees	Arms Control & Regional Security

- The purpose of the multilateral talks is to build the Middle East of the future.
- Issues of regional concern are discussed in a forum which fosters cooperation and builds confidence between the parties.

3-US Letters of Assurances to the Palestinians and Israel
Madrid 18 October 1991

U.S. Letter of Assurances to the Palestinians

The Palestinian decision to attend a peace conference to launch direct negotiations with Israel represents an important step in the search for a comprehensive, just and lasting peace in the region. The United States has long believed that Palestinian participation is critical to the success of our efforts.

In the context of the process, on which we are embarking, we want to respond to your request for certain assurances related to this process.

'These assurances constitute U.S. understandings and intentions concerning the conference and ensuing negotiations. These assurances are consistent with United States policy and do not undermine or contradict United Nations Security Council resolutions 242 and 338. Moreover, there will be no assurances provided to one party that are not known to all the others. By this way we can foster a sense of confidence and minimize chances for misunderstandings.

As President Bush stated in his March 6, 1991 address to Congress, the United States continues to believe firmly that a comprehensive peace must be grounded in United Nations Security Council Resolutions 242 and 338 and the principle of territory for peace. Such an outcome must also provide for security and recognition for all states in the region, including Israel, and for legitimate political rights of the Palestinian people. Anything else, the President noted, would fail the twin tests of fairness and security.

The process we are trying to create offers Palestinians a way to achieve these objectives. The United States believes that there should be an end to the Israeli occupation which can occur only through genuine and meaningful negotiations. The United States also believes that this process should create a new relationship of mutuality where Palestinians and Israelis can respect one another's security, identity, and political rights. We believe Palestinians should gain control over political, economic and other decisions that affect their lives and fate.

Direct bilateral negotiations will begin four days after the opening of the conference; those parties who wish to attend multilateral negotiations will convene two weeks after the opening of the conference to organize those negotiations. In this regard, the United States will support Palestinian involvement in any bilateral or multilateral negotiations on refugees and in all multilateral negotiations. The conference and the negotiations that follow will be based on UN Security Council Resolutions 242 and 338.

The process will proceed along two tracks through direct negotiations between Israel and Arab states and Israel and Palestinians. The United States is determined to achieve a comprehensive settlement of the Arab-Israeli conflict and will do its utmost to ensure that the process moves forward along both tracks toward this end.

In pursuit of a comprehensive settlement, all the negotiations should proceed as quickly as possible toward agreement. For its part, the United States will work for serious negotiations and will also seek to avoid prolongation and stalling by any party

The conference will be co-sponsored by the United States and the Soviet Union. The European Community will be participant in the conference alongside the United States and the Soviet Union and be represented by its Presidency. The conference can reconvene only with the consent of all the parties.

With regard to the role of the United Nations, the UN Secretary General will send a representative to the conference as an observer. The co-sponsors will keep the Secretary General apprised of the progress of the negotiations. Agreements reached between the parties will be registered with the UN Secretariat and reported to the Security Council, and the parties will seek the Council's endorsement of such agreements. Since it is in the interest of all parties for this process to succeed, while this process is actively ongoing, the United States will not support a competing or parallel process in the United Nations Security Council.

The United States does not seek to determine who speaks for Palestinians in this process. We are seeking to launch a political negotiating, process that directly involves Palestinians and offers a pathway for achieving the legitimate political rights of the Palestinian people and for participation in direct determination of their future. We believe that a joint Jordanian-Palestinian delegation offers the most promising pathway toward this end.

Only Palestinians can choose their delegation members, which are not subject to veto from anyone. The United States understands that members of the delegation will be Palestinians from the territories who agree to negotiations on two tracks, in phases, and who are willing, to live in peace with Israel. No party can be forced to sit with anyone it does not want to sit with.

Palestinians will be free to announce their comportment of the joint delegation and to make a statement during the opening of the conference. They may also raise any issue pertaining to the substance of the negotiations during the negotiations.

The United States understands how much importance Palestinians attach to the question of east Jerusalem. Thus, we want to assure you that nothing Palestinians do in choosing their delegation members in this phase of the process will affect their claim to east Jerusalem, or be prejudicial or precedential to the outcome of negotiations. It remains the firm position of the United States that Jerusalem must never again be a divided city and that its final status should be decided by negotiations. Thus, we do not recognize Israel's annexation of east Jerusalem or the extension of its municipal boundaries, and we encourage all sides to avoid unilateral acts that would exacerbate local tensions or make negotiations more difficult or preempt their final outcome. It is also the United States position that a Palestinian resident in Jordan with ties to a prominent Jerusalem family would be eligible to join the Jordanian side of the delegation.

Furthermore, it is also the United States position that Palestinians of east Jerusalem should be able to participate by voting in the elections for an interim self-governing authority. The United States further believes that Palestinians from east Jerusalem and Palestinians outside the

occupied territories who meet the three criteria should be able to participate in the negotiations on final status. And, the United States supports the right of Palestinians to bring any issue, including east Jerusalem, to the table.

Because the issues at stake are so complex and the emotions so deep, the United States has long maintained that a transitional period is required to break down the walls of suspicion and mistrust and lay the basis for sustainable negotiations on the final status of the occupied territories. The purpose of negotiations on transitional arrangements is to affect the peaceful and orderly transfer of authority from Israel to Palestinians. Palestinians need to achieve rapid control over political, economic, and other decisions that affect their lives and to adjust to a new situation in which Palestinians exercise authority in the West Bank and Gaza. For its part, the United States will strive from the outset and encourage all parties to adopt steps that can create an environment of confidence and mutual trust, including respect for human rights.

As you are aware with respect to negotiations between Israel and Palestinians, negotiations will be conducted in phases, beginning with talks on interim self Averment arrangements. These talks will be conducted with the objective of reaching agreement within one year. Once agreed, the interim self-government arrangements will last for a period of five years. Beginning the third year of the period of interim self-government arrangements, negotiations will take place on permanent status. It is the aim of the United States that permanent status negotiations will be concluded by the end of the transitional period.

It has long been our position that only direct negotiations based on UN Security Council Resolutions 242 and 338 can produce a real peace- No one can dictate the outcome in advance. The United States understands that Palestinians must be free, in opening statements and in the negotiations that follow to raise any issue -of importance to them. Thus Palestinians are free to argue for whatever outcome they believe best meets their requirements. The United States will accept any outcome agreed by the parties. In this regard and consistent with longstanding US policies, confederation is not excluded as a possible outcome of negotiations in final status.

The United States has long believed that no party should take unilateral actions that seek to predetermine issues that can only be resolved through negotiations. In this regard the United States has opposed and will continue to oppose settlement activity in the territories occupied in 1967, which remains an obstacle to peace.

The United States will act as an honest broker in trying to resolve the Arab-Israeli conflict. It is our intention together with the Soviet Union, to play the role of a driving force in this process to help the parties move forward toward a comprehensive peace. Any Party will have access to the co-sponsors at any time. The United States is prepared to Participate in all stages of the negotiations, with the consent of the parties to each negotiation.

These are the assurances that the United States is providing concerning the implementation we have discussed. We are persuaded that we have a real opportunity to accomplish something very important in the peace process. And we are prepared to work hard together with you in the period ahead to build on the progress we have made. There will be difficult challenges for all parties.

But with Palestinians' continued commitment and creativity we have a real chance of moving to a peace conference and to negotiations and then on toward the broader peace that we all seek.

U.S. Letter of Assurances to Israel

Israel's decision to attend a peace conference on the Middle East in order to launch direct and bilateral negotiations for peace is an important step that brings Israel closer to the peace and security it so aspires to. Now, it is time for all the sides to take decisions, in order to enable a rapid motion towards a Conference and negotiations. And indeed, only through direct negotiations can real peace and security be achieved.

In the context of the process on which we are embarking, we want to respond to your request for certain assurances related to this process. These assurances constitute the United States understanding and intentions concerning the Conference and the negotiations.

We have made it clear from the beginning that the United States will be ready to supply assurances which fit with our policy and which are not weakening or contradicting the framework we created for the convening of the peace process. We also, declared that no assurances will be provided to one party that are not known to all the others.

This process of negotiation is based on the special relations between our two countries which are based on common values and interests and on respect for democracy. Since the creation of the State of Israel the United States bas understood that the challenges which Israel face are tied to the essence of its existence. During quite a long period Israel has been living in a region where its neighbors refused to recognize its existence and tried to destroy it. Therefore, the key for promoting, peace bas always been the recognition of Israel's security needs and the need for close cooperation between our two countries in order to fulfill these needs.

We assure you that our commitment to Israel's security remains unaltered. Anyone who tries to drive a wedge between us in an attempt to drainage this commitment cannot understand the deep, ties between our two countries and the character of our commitment to Israel's security, including the commitment to preserve its qualitative advantage. We want to emphasize once again our stand that Israel bas the right to secure and defensible borders that should be agreed upon in direct negotiations and that will be acceptable to its neighbors. The United States believes that the aim of this process is a just and lasting peace that will be achieved through talks based on U.N. Resolution 242 and 338 including signing peace agreements with full diplomatic relations between Israel and its neighbors.

You and the other parties have informed us that there were various interpretations of Security Council Resolution 242 and they will be presented during the negotiations. In accordance with the United States traditional policy, we do not support the creation of an independent Palestinian State. Neither do we support the continuation of the Israeli rule or annexation of the Occupied Territories.

The Conference will have no power to impose solutions on the parties or to veto the agreements achieved by it. It will not have the power to take decisions nor the right of veto on questions or conclusions. The conference can be reconvened only by the agreement of all the parties.

Direct bi-lateral negotiations will begin 4 days after the opening, of the Conference. Those parties who wish to attend multilateral negotiations will convene two weeks after the opening of the Conference to organize those negotiations. The United States supports the participation and the organization of those multilateral negotiations. We believe that the debates should focus on general regional issues such as water, environment, arms control and regional security, economic development, the question of refugees and other issues.

The United States is committed to obtain a comprehensive peace settlement of the Israeli-Arab conflict and willl do its utmost to ensure that the process moves forward along both tracks towards this end. The United States hopes to enlarge the scope of peace and to include in it other states in the region.

The United States does not support linkage between the various negotiations for the achievement of a comprehensive settlement.

The United States believes that no party in the process can be forced to, sit with anyone it does not want to sit with. No surprises should occur concerning the nature of the representation in the Conference or in the negotiations. The United States believes that the Palestinians will be represented in a common Jordanian-Palestinian delegation. Palestinian residents of the West Bank and Gaza who agree to the two tracks concept and to negotiation by phases, and who are willing to live in peace with Israel will take part in the delegation and the negotiations on interim arrangements.

Moreover-it is not the United States aim to bring the P.L.O. into the process or to make Israel enter a dialogue or negotiation with the P.L.O. The United States will act as an honest broker in trying to; solve the Israeli-Arab conflict

The United States believes that a transitional period is required to break the walls of suspicion and mistrust and lay the basis for negotiation on the final status.

PART: 5

POST OSLO DOCUMENTS

- ***Announcement of Annapolis Conference***

- **Joint Understanding Read by President Bush at Annapolis Conference**

- **Address by Prime Minister Ehud Olmert at the Annapolis Conference (November 27, 2007)**

- ***Prime Minister Sharon's Letter to President Bush* (April 14, 2004)**

- ***President Bush's Letter to Prime Minister Sharon* (April 14, 2004)**

- ***President Bush Commends Israeli Prime Minister Sharon's Plan* (April 14, 2004)**

THE ANNAPOLIS CONFERENCE

Announcement of Annapolis Conference

On November 27, the United States will host Israeli Prime Minister Olmert, Palestinian Authority President Abbas, along with the Members of the Quartet, the Members of the Arab League Follow-on Committee, the G-8, the permanent members of the UN Security Council, and other key international actors for a conference at the U.S. Naval Academy in Annapolis, Maryland. Secretary Rice will host a dinner the preceding evening here in Washington, where President Bush will deliver remarks. President Bush and the Israeli and Palestinian leaders will deliver speeches to open the formal conference in Annapolis.

The Annapolis Conference will signal broad international support for the Israeli and Palestinian leaders' courageous efforts, and will be a launching point for negotiations leading to the establishment of a Palestinian state and the realization of Israeli-Palestinian peace.

Those invited to attend the conference are:

United States
Israel
Palestinian Authority
Algeria
Arab League Secretary General
Bahrain
Brazil
Canada
China
Denmark
Egypt
EU Commission
EU High Rep
EU Pres Portugal
France
Germany
Greece
India
Indonesia
Iraq
Italy

Japan
Jordan
Lebanon
Malaysia
Mauritania
Morocco
Norway
Oman
Pakistan
Poland
Qatar
Russia
Saudi Arabia
Senegal
Slovenia
South Africa
Spain
Sudan
Sweden
Syria
Quartet Special Envoy Tony Blair
Tunisia
Turkey
United Arab Emirates
United Kingdom
UNSYG
Yemen

Observers:
IMF
World Bank

2007/1027

Released on November 21, 2007

For Immediate Release
Office of the Press Secretary
November 27, 2007

Annapolis Conference

Memorial Hall
United States Naval Academy
Annapolis, Maryland- November 27, 2007

THE JOINT ANDERSTANDING

Joint Understanding Read by President Bush at Annapolis Conference

11:04 A.M. EST

PRESIDENT BUSH: Thank you for coming. Prime Minister Olmert, President Abbas, Secretary General Ban, former Prime Minister Blair, distinguished guests: Welcome to one of the finest institutes we have in America, the United States Naval Academy. We appreciate you joining us in what I believe is an historic opportunity to encourage the expansion of freedom and peace in the Holy Land.

We meet to lay the foundation for the establishment of a new nation -- a democratic Palestinian state that will live side by side with Israel in peace and security. We meet to help bring an end to the violence that has been the true enemy of the aspirations of both the Israelis and Palestinians.

We're off to a strong start. I'm about to read a statement that was agreed upon by our distinguished guests:

The representatives of the government of the state of Israel and the Palestinian Liberation Organization, represented respective by Prime Minister Ehud Olmert, and President Mahmoud Abbas in his capacity as Chairman of the PLO Executive Committee and President of the Palestinian Authority, have convened in Annapolis, Maryland, under the auspices of President George W. Bush of the United States of America, and with the support of the participants of this international conference, having concluded the following joint understanding.

We express our determination to bring an end to bloodshed, suffering and decades of conflict between our peoples; to usher in a new era of peace, based on freedom, security, justice, dignity, respect and mutual recognition; to propagate a culture of peace and nonviolence; to confront terrorism and incitement, whether committed by Palestinians or Israelis. In furtherance of the goal of two states, Israel and Palestine

living side by side in peace and security, we agree to immediately launch good-faith bilateral negotiations in order to conclude a peace treaty, resolving all outstanding issues, including all core issues, without exception, as specified in previous agreements.

We agree to engage in vigorous, ongoing and continuous negotiations, and shall make every effort to conclude an agreement before the end of 2008. For this purpose, a steering committee, led jointly by the head of the delegation of each party, will meet continuously, as agreed. The steering committee will develop a joint work plan and establish and oversee the work of negotiations teams to address all issues, to be headed by one lead representative from each party. The first session of the steering committee will be held on 12 December 2007.

President Abbas and Prime Minister Olmert will continue to meet on a bi-weekly basis to follow up the negotiations in order to offer all necessary assistance for their advancement.

The parties also commit to immediately implement their respective obligations under the performance-based road map to a permanent two-state solution to the Israel-Palestinian conflict, issued by the Quartet on 30 April 2003 -- this is called the road map -- and agree to form an American, Palestinian and Israeli mechanism, led by the United States, to follow up on the implementation of the road map.

The parties further commit to continue the implementation of the ongoing obligations of the road map until they reach a peace treaty. The United States will monitor and judge the fulfillment of the commitment of both sides of the road map. Unless otherwise agreed by the parties, implementation of the future peace treaty will be subject to the implementation of the road map, as judged by the United States.

Congratulations for your strong leadership. (

The Palestinian people are blessed with many gifts and talents. They want the opportunity to use those gifts to better their own lives and build a better future for their children. They want the dignity that comes with sovereignty and independence. They want justice and equality under the rule of law. They want freedom from violence and fear.

The people of Israel have just aspirations, as well. They want their children to be able to ride a bus or to go to school without fear of suicide bombers. They want an end to rocket attacks and

constant threats of assault. They want their nation to be recognized and welcomed in the region where they live.

Today, Palestinians and Israelis each understand that helping the other to realize their aspirations is key to realizing their own aspirations -- and both require an independent, democratic, viable Palestinian state. Such a state will provide Palestinians with the chance to lead lives of freedom and purpose and dignity. Such a state will help provide the Israelis with something they have been seeking for generations: to live in peace with their neighbors.

Achieving this goal is not going to be easy -- if it were easy, it would have happened a long time ago. To achieve freedom and peace, both Israelis and Palestinians will have to make tough choices. Both sides are sober about the work ahead, but having spent time with their leaders, they are ready to take on the tough issues. As Prime Minister Olmert recently put it, "We will avoid none of [the historic questions], we will not run from discussing any of them." As President Abbas has said: "I believe that there is an opportunity not only for us but for the Israelis, too. We have a historic and important opportunity that we must benefit from." It is with that spirit that we concluded -- that they concluded this statement I just read.

Our purpose here in Annapolis is not to conclude an agreement. Rather, it is to launch negotiations between the Israelis and the Palestinians. For the rest of us, our job is to encourage the parties in this effort -- and to give them the support they need to succeed.

In light of recent developments, some have suggested that now is not the right time to pursue peace. I disagree. I believe now is precisely the right time to begin these negotiations -- for a number of reasons:

First, the time is right because Palestinians and Israelis have leaders who are determined to achieve peace. President Abbas seeks to fulfill his people's aspirations for statehood, dignity and security. President Abbas understands that a Palestinian state will not be born of terror, and that terrorism is the enemy standing in the way of a state. He and Prime Minister Fayyad have both declared, without hesitation, that they are opposed to terrorism and committed to peace. They're committed to turning these declarations into actions on the ground to combat terror.

The emergence of responsible Palestinian leaders has given Israeli leaders the confidence they need to reach out to the Palestinians in true partnership. Prime Minister Olmert has expressed his understanding of the suffering and indignities felt by the Palestinian people. He's made clear that the security of Israel will be enhanced by the establishment of a responsible, democratic Palestinian state. With leaders of courage

and conviction on both sides, now is the time to come together and seek the peace that both sides desire.

Second, the time is right because a battle is underway for the future of the Middle East -- and we must not cede victory to the extremists. With their violent actions and contempt for human life, the extremists are seeking to impose a dark vision on the Palestinian people -- a vision that feeds on hopelessness and despair to sow chaos in the Holy Land. If this vision prevails, the future of the region will be endless terror, endless war, and endless suffering.

Standing against this dark vision are President Abbas and his government. They are offering the Palestinian people an alternative vision for the future -- a vision of peace, a homeland of their own, and a better life. If responsible Palestinian leaders can deliver on this vision, they will deal the forces of extremism a devastating blow. And when liberty takes root in the rocky soil of the West Bank and Gaza, it will inspire millions across the Middle East who want their societies built on freedom and peace and hope.

By contrast, if Palestinian reformers cannot deliver on this hopeful vision, then the forces of extremism and terror will be strengthened, a generation of Palestinians could be lost to the extremists, and the Middle East will grow in despair. We cannot allow this to happen. Now is the time to show Palestinians that their dream of a free and independent state can be achieved at the table of peace -- and that the terror and violence preached by Palestinian extremists is the greatest obstacle to a Palestinian state.

Third, the time is right because the world understands the urgency of supporting these negotiations. We appreciate that representatives from so many governments and international institutions have come to join us here in Annapolis -- especially the Arab world. We're here because we recognize what is at stake. We are here because we each have a vital role to play in helping Palestinians forge the institutions of a free society. We're here because we understand that the success of these efforts to achieve peace between Israelis and Palestinians will have an impact far beyond the Holy Land.

These are the reasons we've gathered here in Annapolis. And now we begin the difficult work of freedom and peace. The United States is proud to host this meeting -- and we reaffirm the path to peace set out in the road map. Yet in the end, the outcome of the negotiations they launch here depends on the Israelis and Palestinians themselves. America will do everything in our power to support their quest for peace, but we cannot achieve it for them. The success of these efforts will require that all parties show patience and flexibility -- and meet their responsibilities.

For these negotiations to succeed, the Palestinians must do their part. They must show the world they understand that while the borders of a Palestinian state are important, the nature of a Palestinian state is just as important. They must demonstrate that a Palestinian state will create opportunity for all its citizens, and govern justly, and dismantle the infrastructure of terror. They must show that a Palestinian state will accept its responsibility, and have the capability to be a source of stability and peace -- for its own citizens, for the people of Israel, and for the whole region.

The Israelis must do their part. They must show the world that they are ready to begin -- to bring an end to the occupation that began in 1967 through a negotiated settlement. This settlement will establish Palestine as a Palestinian homeland, just as Israel is a homeland for the Jewish people. Israel must demonstrate its support for the creation of a prosperous and successful Palestinian state by removing unauthorized outposts, ending settlement expansion, and finding other ways for the Palestinian Authority to exercise its responsibilities without compromising Israel's security.

Arab states also have a vital role to play. Relaunching the Arab League initiative and the Arab League's support for today's conference are positive steps. All Arab states should show their strong support for the government of President Abbas -- and provide needed assistance to the Palestinian Authority. Arab states should also reach out to Israel, work toward the normalization of relations, and demonstrate in both word and deed that they believe that Israel and its people have a permanent home in the Middle East. These are vital steps toward the comprehensive peace that we all seek.

Finally, the international community has important responsibilities. Prime Minister Fayyad is finalizing a plan to increase openness and transparency and accountability throughout Palestinian society -- and he needs the resources and support from the international community. With strong backing from those gathered here, the Palestinian government can build the free institutions that will support a free Palestinian state.

The United States will help Palestinian leaders build these free institutions -- and the United States will keep its commitment to the security of Israel as a Jewish state and homeland for the Jewish people.

The United States strongly feels that these efforts will yield the peace that we want -- and that is why we will continue to support the Lebanese people. We believe democracy brings peace. And democracy in Lebanon is vital, as well, for the peace in the Middle East. Lebanese people are in the process of electing a president. That decision is for the Lebanese people to make -- and they must be able to do so free from outside interference and intimidation. As they embark on this process, the people of Lebanon can know that the American people stand with them -- and we look forward to the day when the people of Lebanon can enjoy the blessings of liberty without fear of violence or coercion.

The task begun here at Annapolis will be difficult. This is the beginning of the process, not the end of it -- and no doubt a lot of work remains to be done. Yet the parties can

approach this work with confidence. The time is right. The cause is just. And with hard effort, I know they can succeed.

President Abbas and Prime Minister Olmert, I pledge to devote my effort during my time as President to do all I can to help you achieve this ambitious goal. I give you my personal commitment to support your work with the resources and resolve of the American government. I believe a day is coming when freedom will yield the peace we desire. And the land that is holy to so many will see the light of peace.

The day is coming when Palestinians will enjoy the blessings that freedom brings -- and all Israelis will enjoy the security they deserve. That day is coming. The day is coming when the terrorists and extremists who threaten the Israeli and Palestinian people will be marginalized and eventually defeated. And when that day comes, future generations will look to the work we began here at Annapolis. They will give thanks to the leaders who gathered on the banks of the Chesapeake for their vision, their wisdom and courage to choose a future of freedom and peace.

Thanks for coming. May God bless their work.

END 11:22 A.M. EST

Address by Prime Minister Ehud Olmert at the

Annapolis Conference (November 27, 2007)

The Honorable President of the United States, George Bush,
My colleague, President of the Palestinian Authority, Mahmud Abbas,
Heads of delegations,
Distinguished guests,

I came here today from Jerusalem at your invitation, Honorable President, to extend, on behalf of the people of Israel and the State of Israel, a hand in peace to the Palestinian people and to our neighboring Arab states, many of whose representatives are here with us in Annapolis.

I had many good reasons to refrain from coming to this meeting.

The memory of the failures of the near and distant past weighs heavy on us. The dreadful terrorism perpetrated by Palestinian terrorist organizations has affected thousands of Israeli citizens, destroyed families and attempted to disrupt the lives of all the citizens of Israel. I witnessed it personally during my term as Mayor of Jerusalem, at times of bombings at cafes, buses and recreational centers in Jerusalem and other cities in the State of Israel

The continued shooting of Qassam rockets against tens of thousands of residents in the south of Israel, particularly in the city of Sderot, serves as a warning sign – one which cannot be overlooked. The absence of governmental institutes and effective law-enforcement mechanisms, the rule of Hamas in the Gaza Strip, the ongoing activity of murderous organizations throughout all the territories of the Palestinian Authority, the absence of a legal system which meets the basic criteria of a democratic government – all these are factors which deter us from moving forward too hastily.

I do not ignore all the obstacles which are sure to emerge along the way. They are right in front of me. I came here, despite the concerns and doubts and hesitations, to say to you, President Mahmoud Abbas, and through you, to your people and to the entire Arab world: it is time. We no longer and you no longer, have the privilege of clinging to dreams which are disconnected from the sufferings of our peoples, the hardships they experience daily and the burden of living under ongoing uncertainty, with no chance for change or hope.

We want peace. We demand an end to terror, incitement and hatred. We are willing to make a painful compromise, rife with risks, in order to realize these aspirations.

I came here today not to settle historic accounts between us on what caused the conflict and hatred and what, for many years, stood in the way of compromise and peace.

I wish to say, from the bottom of my heart, that I know and acknowledge the fact that alongside the constant suffering which many in Israel have experienced because of the history, the wars, the terror and the hatred towards us – a suffering which has always been part of our lives in our land – your people have also suffered for many years, and some still suffer.

For dozens of years, many Palestinians have been living in camps, disconnected from the environment in which they grew, wallowing in poverty, neglect, alienation, bitterness, and a deep, unrelenting sense of deprivation.

I know that this pain and deprivation is one of the deepest foundations which fomented the ethos of hatred towards us.

We are not indifferent to this suffering. We are not oblivious to the tragedies you have experienced. I believe that in the course of negotiations between us we will find the right way, as part of an international effort in which we will participate, to assist these Palestinians in finding a proper framework for their future, in the Palestinian state which will be established in the territories agreed upon between us. Israel will be part of an international mechanism which will assist in finding a solution to this problem.

The negotiations between us will not be here in Annapolis, but rather in our home and in yours. It will be bilateral, direct, ongoing and continuous, in an effort to complete it during the course of 2008.

It will address all the issues which have thus far been evaded. We will do it directly, openly and courageously. We will not avoid any subject; we will deal with all the core issues. I have no doubt that the reality created in our region in 1967 will change significantly. While this will be an extremely difficult process for many of us, it is nevertheless inevitable. I know it. Many of my people know it. We are ready for it.

The negotiations will be based on previous agreements between us, UN Security Council Resolutions 242 and 338, the Roadmap and the April 14th 2004 letter of President Bush to the Prime Minister of Israel.

On conclusion of the negotiations, I believe that we will be able to reach an agreement which will fulfill the vision of President Bush: two states for two peoples.

A peace-seeking, viable, strong, democratic and terror-free Palestinian state for the Palestinian people.

A Jewish, democratic State of Israel, living in security and free from the threat of terror – the national home of the Jewish people.

It is clear that the implementation of an agreement will be subject to the implementation of all obligations in the Roadmap, on all its phases and according to its sequence, as

concluded between us from the very beginning. WE will abide by all our obligations, and so will you.

The agreement with you and its gradual implementation, cautiously and responsibly, is part of a much wider complex, which will lead us, hopefully, to peace with all the Arab states. There is not a single Arab state in the north, east or south with which we do not seek peace. There is no Muslim state with which we do not want to establish diplomatic relations. Anyone who wants peace with us, we say to them, from the bottom of our hearts: welcome!

I am pleased to see here, in this hall, representatives of Arab countries, most of which do not have relations with Israel, The time has come for you as well. You cannot continue to stand by indefinitely and watch the peace train go by. It is time to end the boycott and alienation towards the State of Israel. It is not helpful for you, and it hurts us. I am familiar with the Arab peace initiative, which was born in Riyadh, affirmed in Beirut and recently reaffirmed by you in Riyadh. I value this initiative, acknowledge its importance and highly appreciate its contribution. I have no doubt that it will be referred to in the course of the negotiations between us and the Palestinian leadership.

The Arab world represented here by many countries is a vital component in creating a new reality in the Middle East.

The peace signed between Israel and Egypt, and subsequently between Israel and the Hashemite Kingdom of Jordan, is a solid foundation of stability and hope in our region. This peace is an example and a model of the relations which we can build with Arab states.

My close relations with Egyptian President Hosni Mubarak and His Majesty King Abdullah II of Jordan are extremely significant fro the process of building trust and understanding with the Arab states.

However, these relations, as important as they may be, are not enough. We aspire for normalization with those Arab states which eschew, as much as we do, radical and frantic fundamentalism, and which seek to grant their citizens a more moderate, tolerant and prosperous world.

This is a common interest of all of us. There is a lot which separates us – memories and a heritage which do not emanate from the same historic roots, different ways of living, different customs, and our emotional, spontaneous sense of solidarity with our neighboring Arab countries, which have long been trapped in this age-old bloody conflict between us.

However, there is also a lot which brings us together. You, like us, know that religious fanaticism and national extremism are a perfect recipe for domestic instability, violence, bitterness and ultimately the disintegration of the very foundations of coexistence which is based on tolerance and mutual acceptance.

We are a tiny country with a small population, but rich in good will and with a significant ability to create a partnership which will lead to prosperity, growth, economic development and stability for the entire region.

The prospect of a new political horizon, and renewed hope, not only for Palestinians and Israelis, but also, together with you, for the entire region, can come from here, from Annapolis.

Honorable President of the United States, my colleague Mahmoud Abbas, distinguished guests,

Almost two years ago, under very sad circumstances, Prime Minister of Israel Ariel Sharon was no longer able to carry the heavy responsibility of leading the State of Israel, and this responsibility was passed on to me – first, as a result of formal procedures and subsequently on the basis of an election in Israel's democratic system of government.

Prior to my election I stated that my heart's desire and that of my people, was to achieve peace, primarily with the Palestinian people. This is what I believed then and it is what I continue to believe in now, with all my heart.

The past two years have been difficult for all of us. The hardships have not been alleviated, the terror organizations have not weakened, the enemies of peace have not disappeared, and we are still anxiously awaiting the return of our missing and captive sons who are held by terror organizations. I long for the day when I can see Gilad, Eldad and Udi back with their families, and I will not falter in my efforts to achieve their release.

I believe that there is no path other than peace. I believe that there is no just solution other than the solution of two national states for two peoples. I believe that there is no path which does not involve painful compromise for you, Palestinians, and for us Israelis. I want to thank you, President George Bush, an ally in the path of peace, for your willingness to assist in the historic process of peace and reconciliation between us and our neighbors.

I believe it is time. We are ready. I invite you, my friend Mahmoud Abbas, and your people, to join us in this long, tormenting and complex path, for which there is no substitute.

Together we will start. Together we will arrive.

Source: Israel Ministry of Foreign Affairs

Prime Minister Sharon's Letter to President Bush- (April 14, 2004)

The Honorable George W. Bush
President of the United States of America
The White House
Washington, D.C.

Dear Mr. President,

The vision that you articulated in your 24 June 2002 address constitutes one of the most significant contributions toward ensuring a bright future for the Middle East. Accordingly, the State of Israel has accepted the Roadmap, as adopted by our government. For the first time, a practical and just formula was presented for the achievement of peace, opening a genuine window of opportunity for progress toward a settlement between Israel and the Palestinians, involving two states living side-by-side in peace and security.

This formula sets forth the correct sequence and principles for the attainment of peace. Its full implementation represents the sole means to make genuine progress. As you have stated, a Palestinian state will never be created by terror, and Palestinians must engage in a sustained fight against the terrorists and dismantle their infrastructure. Moreover, there must be serious efforts to institute true reform and real democracy and liberty, including new leaders not compromised by terror. We are committed to this formula as the only avenue through which an agreement can be reached. We believe that this formula is the only viable one.

The Palestinian Authority under its current leadership has taken no action to meet its responsibilities under the Roadmap. Terror has not ceased, reform of the Palestinian security services has not been undertaken, and real institutional reforms have not taken place. The State of Israel continues to pay the heavy cost of constant terror. Israel must preserve its capability to protect itself and deter its enemies, and we thus retain our right to defend ourselves against terrorism and to take actions against terrorist organizations.

Having reached the conclusion that, for the time being, there exists no Palestinian partner with whom to advance peacefully toward a settlement and since the current impasse is unhelpful to the achievement of our shared goals, I have decided to initiate a process of gradual disengagement with the hope of reducing friction between Israelis and Palestinians. The Disengagement Plan is designed to improve security for Israel and stabilize our political and economic situation. It will enable us to deploy our forces more effectively until such time that conditions in the Palestinian Authority allow for the full implementation of the Roadmap to resume.

I attach, for your review, the main principles of the Disengagement Plan. This initiative, which we are not undertaking under the roadmap, represents an independent Israeli

plan, yet is not inconsistent with the roadmap. According to this plan, the State of Israel intends to relocate military installations and all Israeli villages and towns in the Gaza Strip, as well as other military installations and a small number of villages in Samaria.

In this context, we also plan to accelerate construction of the Security Fence, whose completion is essential in order to ensure the security of the citizens of Israel. The fence is a security rather than political barrier, temporary rather than permanent, and therefore will not prejudice any final status issues including final borders. The route of the Fence, as approved by our Government's decisions, will take into account, consistent with security needs, its impact on Palestinians not engaged in terrorist activities.

Upon my return from Washington, I expect to submit this Plan for the approval of the Cabinet and the Knesset, and I firmly believe that it will win such approval.

The Disengagement Plan will create a new and better reality for the State of Israel, enhance its security and economy, and strengthen the fortitude of its people. In this context, I believe it is important to bring new opportunities to the Negev and the Galilee. Additionally, the Plan will entail a series of measures with the inherent potential to improve the lot of the Palestinian Authority, providing that it demonstrates the wisdom to take advantage of this opportunity. The execution of the Disengagement Plan holds the prospect of stimulating positive changes within the Palestinian Authority that might create the necessary conditions for the resumption of direct negotiations.

We view the achievement of a settlement between Israel and the Palestinians as our central focus and are committed to realizing this objective. Progress toward this goal must be anchored exclusively in the Roadmap and we will oppose any other plan.

In this regard, we are fully aware of the responsibilities facing the State of Israel. These include limitations on the growth of settlements; removal of unauthorized outposts; and steps to increase, to the extent permitted by security needs, freedom of movement for Palestinians not engaged in terrorism. Under separate cover we are sending to you a full description of the steps the State of Israel is taking to meet all its responsibilities.

The government of Israel supports the United States efforts to reform the Palestinian security services to meet their roadmap obligations to fight terror. Israel also supports the American's efforts, working with the International Community, to promote the reform process, build institutions and improve the economy of the Palestinian Authority and to enhance the welfare of its people, in the hope that a new Palestinian leadership will prove able to fulfill its obligations under the roadmap.

I want to again express my appreciation for your courageous leadership in the war against global terror, your important initiative to revitalize the Middle East as a more fitting home for its people and, primarily, your personal friendship and profound support for the State of Israel.

Sincerely,

President Bush's Letter to Prime Minister Sharon (April 14, 2004)

April 14, 2004

His Excellency
Ariel Sharon
Prime Minister of Israel

Dear Mr. Prime Minister:

Thank you for your letter setting out your disengagement plan.

The United States remains hopeful and determined to find a way forward toward a resolution of the Israeli-Palestinian dispute. I remain committed to my June 24, 2002 vision of two states living side by side in peace and security as the key to peace, and to the roadmap as the route to get there.

We welcome the disengagement plan you have prepared, under which Israel would withdraw certain military installations and all settlements from Gaza, and withdraw certain military installations and settlements in the West Bank. These steps described in the plan will mark real progress toward realizing my June 24, 2002 vision, and make a real contribution towards peace. We also understand that, in this context, Israel believes it is important to bring new opportunities to the Negev and the Galilee. We are hopeful that steps pursuant to this plan, consistent with my vision, will remind all states and parties of their own obligations under the roadmap.

The United States appreciates the risks such an undertaking represents. I therefore want to reassure you on several points.

First, the United States remains committed to my vision and to its implementation as described in the roadmap. The United States will do its utmost to prevent any attempt by anyone to impose any other plan. Under the roadmap, Palestinians must undertake an immediate cessation of armed activity and all acts of violence against Israelis anywhere, and all official Palestinian institutions must end incitement against Israel. The Palestinian leadership must act decisively against terror, including sustained, targeted, and effective operations to stop terrorism and dismantle terrorist capabilities and infrastructure. Palestinians must undertake a comprehensive and fundamental political reform that includes a strong parliamentary democracy and an empowered prime minister.

Second, there will be no security for Israelis or Palestinians until they and all states, in the region and beyond, join together to fight terrorism and dismantle terrorist organizations. The United States reiterates its steadfast commitment to Israel's security,

including secure, defensible borders, and to preserve and strengthen Israel's capability to deter and defend itself, by itself, against any threat or possible combination of threats.

Third, Israel will retain its right to defend itself against terrorism, including to take actions against terrorist organizations. The United States will lead efforts, working together with Jordan, Egypt, and others in the international community, to build the capacity and will of Palestinian institutions to fight terrorism, dismantle terrorist organizations, and prevent the areas from which Israel has withdrawn from posing a threat that would have to be addressed by any other means. The United States understands that after Israel withdraws from Gaza and/or parts of the West Bank, and pending agreements on other arrangements, existing arrangements regarding control of airspace, territorial waters, and land passages of the West Bank and Gaza will continue. The United States is strongly committed to Israel's security and well-being as a Jewish state. It seems clear that an agreed, just, fair, and realistic framework for a solution to the Palestinian refugee issue as part of any final status agreement will need to be found through the establishment of a Palestinian state, and the settling of Palestinian refugees there, rather than in Israel.

As part of a final peace settlement, Israel must have secure and recognized borders, which should emerge from negotiations between the parties in accordance with UNSC Resolutions 242 and 338. In light of new realities on the ground, including already existing major Israeli populations centers, it is unrealistic to expect that the outcome of final status negotiations will be a full and complete return to the armistice lines of 1949, and all previous efforts to negotiate a two-state solution have reached the same conclusion. It is realistic to expect that any final status agreement will only be achieved on the basis of mutually agreed changes that reflect these realities.

I know that, as you state in your letter, you are aware that certain responsibilities face the State of Israel. Among these, your government has stated that the barrier being erected by Israel should be a security rather than political barrier, should be temporary rather than permanent, and therefore not prejudice any final status issues including final borders, and its route should take into account, consistent with security needs, its impact on Palestinians not engaged in terrorist activities.

As you know, the United States supports the establishment of a Palestinian state that is viable, contiguous, sovereign, and independent, so that the Palestinian people can build their own future in accordance with my vision set forth in June 2002 and with the path set forth in the roadmap. The United States will join with others in the international community to foster the development of democratic political institutions and new leadership committed to those institutions, the reconstruction of civic institutions, the growth of a free and prosperous economy, and the building of capable security institutions dedicated to maintaining law and order and dismantling terrorist organizations.

A peace settlement negotiated between Israelis and Palestinians would be a great boon not only to those peoples but to the peoples of the entire region. Accordingly, the United

States believes that all states in the region have special responsibilities: to support the building of the institutions of a Palestinian state; to fight terrorism, and cut off all forms of assistance to individuals and groups engaged in terrorism; and to begin now to move toward more normal relations with the State of Israel. These actions would be true contributions to building peace in the region.

Mr. Prime Minister, you have described a bold and historic initiative that can make an important contribution to peace. I commend your efforts and your courageous decision which I support. As a close friend and ally, the United States intends to work closely with you to help make it a success.

Sincerely,
George W. Bush

President Bush Commends Israeli Prime Minister Sharon's Plan

(April 14, 2004)

Text of press conference held after meeting between President Bush and Prime Minister Sharon:

THE PRESIDENT: I'm pleased to welcome Prime Minister Sharon back to the White House. For more than 50 years, Israel has been a vital ally and a true friend of America. I've been proud to call the Prime Minister my friend. I really appreciate our discussions today. The policy of the United States is to help bring peace to the Middle East and to hope -- bring hope to the people of that region.

On June 24, 2002, I laid out a vision to make this goal a reality. We then drafted the road map as the route to get us there. The heart of this vision is the responsibility of all parties -- of Israel, of the Palestinian people, of the Arab states -- to fight terror, to embrace democracy and reform, and to take the necessary steps for peace.

Today, the Prime Minister told me of his decision to take such a step. Israel plans to remove certain military installations and all settlements from Gaza, and certain military installations and settlements from the West Bank. These are historic and courageous actions. If all parties choose to embrace this moment they can open the door to progress and put an end to one of the world's longest running conflicts.

Success will require the active efforts of many nations. Two days ago, I held important discussions with President Mubarak of Egypt. And I will soon meet with King Abdullah of Jordan. We're consulting closely with other key leaders in the region, in Europe, and with our Quartet partners -- the EU, Russia, and the United Nations. These steps can open the door to progress toward a peaceful, democratic, viable Palestinian state. Working together, we can help build democratic Palestinian institutions, as well as strong capabilities dedicated to fighting terror so that the Palestinian people can meet their obligations under the road map on the path to peace.

This opportunity holds great promise for the Palestinian people to build a modern economy that will lift millions out of poverty, create the institutions and habits of liberty, and renounce the terror and violence that impede their aspirations and take a terrible toll on innocent life.

The Palestinian people must insist on change and on a leadership that is committed to reform and progress and peace. We will help. But the most difficult work is theirs. The United States is strongly committed, and I am strongly committed, to the security of Israel as a vibrant Jewish state. I reiterate our steadfast commitment to Israel's security

and to preserving and strengthening Israel's self-defense capability, including its right to defend itself against terror.

The barrier being erected by Israel as a part of that security effort should, as your government has stated, be a security, rather than political, barrier. It should be temporary rather than permanent, and, therefore, not prejudice any final status issues, including final borders. And its route should take into account, consistent with security needs, its impact on Palestinians not engaged in terrorist activities.

In an exchange of letters today and in a statement I will release later today, I'm repeating to the Prime Minister my commitment to Israel's security. The United States will not prejudice the outcome of final status negotiations. That matter is for the parties. But the realities on the ground and in the region have changed greatly over the last several decades, and any final settlement must take into account those realities and be agreeable to the parties.

The goal of two independent states has repeatedly been recognized in international resolutions and agreements, and it remains the key to resolving this conflict. The United States is strongly committed to Israel's security and well being as a Jewish state. It seems clear that an agreed, just, fair and realistic framework for a solution to the Palestinian refugee issue, as part of any final status agreement, will need to be found through the establishment of a Palestinian state and the settling of Palestinian refugees there, rather than Israel.

As part of a final peace settlement, Israel must have secure and recognized borders which should emerge from negotiations between the parties, in accordance with U.N. Security Council Resolutions 242 and 338. In light of new realities on the ground, including already existing major Israeli population centers, it is unrealistic to expect that the outcome of final status negotiations will be a full and complete return to the armistice lines of 1949. And all previous efforts to negotiate a two-state solution have reached the same conclusion. It is realistic to expect that any final status agreement will only be achieved on the basis of mutually agreed changes that reflect these realities.

I commend Prime Minister Sharon for his bold and courageous decision to withdraw from Gaza and parts of the West Bank. I call on the Palestinians and their Arab neighbors to match that boldness and that courage. All of us must show the wisdom and the will to bring lasting peace to that region.

Mr. Prime Minister, welcome to the White House.

THE PRIME MINISTER: Thank you. Thank you so much. I want to thank you, Mr. President, for your warm welcome and your strong support and friendship for the state of Israel.

I came to you from a peace-seeking country. Despite the repeated terror attacks against us, the people of Israel continue to wish for the achievement of a viable peace in accordance with our Jewish tradition as outlined by Israel's prophets.

Our people's desire to be known for its achievements in the fields of culture, science, and technology, rather than in the battlefield. We are committed to make any effort to develop our country and society for our own benefit and for the benefit of the peoples of the region.

In our meeting today, I presented to you the outlines of my disengagement plan. It will improve Israel's security and economy and will reduce friction and tension between Israelis and Palestinians. My plan will create a new and better reality for the state of Israel. And it also has the potential to create the right conditions to resume negotiations between Israel and the Palestinians.

I was encouraged by your positive response and your support for my plan. In that context, you handed me a letter that includes very important statement regarding Israel's security and its well being as a Jewish state. You have proven, Mr. President, your ongoing deep and sincere friendship to the state of Israel and to the Jewish people.

I believe that my plan can be an important contribution to advancing your vision, which is the only viable way to achieve the peace and security in the Middle East.

I wish to end with a personal note. I, myself, have been fighting terror for many years, and understand the threats and cost from terrorism. In all these years, I have never met a leader as committed as you are, Mr. President, to the struggle for freedom and the need to confront terrorism wherever it exists. I want to express my appreciation to you for your courageous leadership in the war against global terror and your commitment and vision to bring peace to the Middle East.

Thank you, Mr. President.

THE PRESIDENT: Thank you, Mr. Prime Minister. Good job, good job.

THE PRIME MINISTER: Thank you.

THE PRESIDENT: We will answer two questions aside, starting with the American side. The Prime Minister will call on somebody from the Israeli press at the appropriate moment.

THE PRIME MINISTER: If there will be any, there's no --

THE PRESIDENT: There may not be any questions from the Israeli press, is that what you're saying? (Laughter.) It's not the case from the American press.

Terry Hunt.

Q Thank you, Mr. President. I'd like to go back to your opening statement and ask you, does the United States recognize Israel's right to retain some Jewish settlements in the West Bank? And, if so, how does that fit with the U.S. policy that settlements are an obstacle to peace?

THE PRESIDENT: First, let us recognize that the Prime Minister has made the decision to dismantle some settlements. In other words, he is beginning to implement a vision that allows for contiguous territories so that a Palestinian state can emerge.

And this is an important step today. It accelerates the process. See, I view it as creating an opportunity, an opportunity for those of us who believe that a Palestinian state should emerge; a peaceful Palestinian state to work to put a framework for such a state to exist, so that the institutions of such state are bigger than the people. See, when you have a government where the person is bigger than the institutions, that government will inevitably fail. It's when the institutions are bigger than the people that you're able to have continuity and people's hopes and aspirations realized, and peace.

It is very important for a Palestinian state to emerge in which we have confidence, in which any Prime Minister of Israel has confidence, in which the United States has confidence, that will be a peaceful partner. And so what the Prime Minister has done is he started the process of removing settlements from the West Bank.

Your question to me is about the final status agreements. I said that the conditions on the ground have changed over time, and obviously, that must be recognized during any final status negotiations.

You know, I look forward to the moment when we're actually discussing final status negotiations. There's a lot of work to be done prior to getting there. And what the Prime Minister has done is started the process. And now it's up for responsible Palestinians, caring Europeans, Americans, the United Nations to step in and help develop such a state that will be a peaceful state, one in which money will actually end up helping the people of the Palestinian -- Palestinians to be able to grow their businesses and grow their -- find wealth for their families.

And then we can worry about the final status negotiations. In other words, there's a lot of work to do. What the Prime Minister has done is started the work, and we're prepared to help with the work.

THE PRIME MINISTER: Thank you. The same question for me?

THE PRESIDENT: Right over here.

THE PRIME MINISTER: Oh, there's another question?

THE PRESIDENT: You ask for one of the Israeli press. You don't have to answer their questions if you don't want to. (Laughter.) I'm sorry, you didn't ask him one. No, it's too late. I'm protecting my friend here from the appetite of the American press.

THE PRIME MINISTER: I'm afraid we have the same problem. (Laughter.)

THE PRESIDENT: It's not a problem, it's an opportunity, Mr. Prime Minister. (Laughter.) Go ahead and ask a question from your press corps.

THE PRIME MINISTER: Thank you.

Q Mr. President, may I ask a question, please?

THE PRESIDENT: It's up to the Prime Minister, but if it was up to me, of course you can.

Q I would like to ask you, please, first.

THE PRESIDENT: Please, what is it?

Q Sharon's political future depends largely on the Americans quid pro quo, so still I'm asking on this issue, could you clarify the ambiguity surrounding few key issues, as the settlements, for example. In your eyes, Ariel is going to be on the Israeli side of the fence. I wanted to ask about the right of return, but your answer was quite clear there.

(Speaking Hebrew.)

THE PRESIDENT: Let me say this to you, his future doesn't depend upon me. His future depends upon his capacity to convince the Israeli people he's doing the right thing, and I think he is. He's a bold leader. That's what people want. They want leadership.

There is a process that got stuck, and the Prime Minister steps up and leads. And I'm confident the Israeli people appreciate that kind of leadership.

You can answer the question if you care to, but I don't buy the premise that what I say helps him get elected. What he says helps him get elected. It's his vision of Israel that the people of Israel will be looking toward.

THE PRIME MINISTER: Thank you. First, I will answer in Hebrew.

(Speaking Hebrew.)

The question was, did I take a risky decision. So my answer is that when the issue is the security of the state of Israel, which I am fully responsible to, and political and

economic future of the state of Israel, I believe that personal issues like personal security is not to be taken in consideration; this is not the issue.

And I would say that what I have learned from my visit here, that the plan, disengagement plan, contributes to the security of Israel, contributes to the political situation of Israel in the world, and helps our economy. Therefore, I think that those questions of personal risk has not been taken into consideration. We have to look into the interests of the state of Israel.

PRESIDENT BUSH: Karen.

Q Thank you, sir --

PRESIDENT BUSH: Trudy, I'm sorry, I've got to call on the wire services, I'm sorry.

Q Former President Jimmy Carter said last week that he feels U.S. Middle East policy is tilted too much toward Israel. Is that a fair criticism?

PRESIDENT BUSH: U.S. Middle East policy is tilted toward peace. And the best way to achieve peace is to fight terror. And I'm the first American President ever to have articulated the creation of a Palestinian state. And the reason I did so is because I believe a Palestinian state, when properly done, will be -- provide enough hope for people, provide a peaceful avenue for those who aspire for a better future. And I also believe it's in Israel's interest that there be a Palestinian state which develops in a peaceful way.

Every statement I've said, I said all parties must assume responsibilities. The Palestinians have got to assume the responsibility of fighting off terror. If they want a state which provides a hopeful future for their people, they must fight terror. They must be resolute in the fighting of terror.

Israel has responsibilities. Today the Prime Minister stepped up to those responsibilities. He started a process that I believe can be a hopeful process. The Arab world has got responsibilities to help not only fight terror, but to provide hope for a peaceful Palestinian people. Those are responsibilities. America is assuming responsibilities. My position on Middle East peace is quite clear.

Final question, from the Israeli press.

Q (Speaking Hebrew.)

And Mr. President, if I may, is what you said about the Palestinian refugee mean that you deny unconditionally the -- what's it called -- the right of return of Palestinian refugee to the state of Israel?

PRESIDENT BUSH: My statement -- refer back to my statement that I said, and also look at the letter that I sent the Prime Minister. It will clarify my position on the issue.

PRIME MINISTER SHARON: (Speaking Hebrew.)

I mentioned first that I got from you, Mr. President, a letter. And I sent you a letter. And in these letters, all those issues, all those details are very clearly described in those letters. And I suggested also on your behalf that they will read the letters.

PRESIDENT BUSH: Thank you.

PRIME MINISTER SHARON: That's the first thing. I was asked by the Israeli media if I would say the things they held here, or were discussed here, or have been concluded here, will provide me a weapon against my colleagues in the government or the members of my party in Israel.

So my answer was that I was never looking for weapons to use against my colleagues in the government or against the members of my party. I agree that I've been using weapons for many years, being a soldier for many years, against the enemies of the state of Israel. And I never hesitated, and I will not hesitate also in the future, to use weapons if it will be needed in order to defend the citizens of Israel, their life, their normal life, their development, and so on.

And, therefore, I say that I don't need for that. I believe that our discussion today providing the needed security and hope for the future of the state of Israel and the future, I would say, of the region.

THE PRESIDENT: Thank you, sir.

THE PRIME MINISTER: Thank you.

THE PRESIDENT: Thank you all, very much.

THE PRIME MINISTER: Thank you so much.

THE PRESIDENT: Welcome.

THE PRIME MINISTER: Thank you.

END 1:29 P.M. EDT

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Miscellaneous Documents

The Beilin-Abu Mazen Document (October 31, 1995)

Geneva Accord (Bellin Abed Rabbo)

Ariel Sharon's Disengagement Plan (and George Bush's letter accepting it) April 14, 2004

The Beilin-Abu Mazen Document

(October 31, 1995)

Thou this agreement was neverly formally adopted by either Israel or the Palestinians, the ideas expressed, particularly with regard to establishing the capital of a future Palestinian state in a suburb of Jerusalem known as Abu Dis, have often been cited as potential solutions to some of the outstanding issues.

Framework for the conclusion of a final status agreement between Israel and the Palestine Liberation Organization

THE ATTAINMENT OF PEACE BETWEEN THE ISRAELI AND THE PALESTINIAN PEOPLES, RESOLVES THE CORE PROBLEM AT THE HEART OF THE ISRAELI-ARAB CONFLICT AND COMMENCES AN ERA OF COMPREHENSIVE PEACE CONTRIBUTING THEREBY TO THE STABILITY, SECURITY, AND PROSPERITY OF THE ENTIRE MIDDLE EAST.

The Government of the State of Israel and the Palestine Liberation Organization (hereafter "the P.L.O."), the representative of the Palestinian people;

WITHIN the framework of the Middle East peace process initiated at Madrid in October 1991;

AIMING at the achievement of a just, lasting and comprehensive peace in the Middle East based on the implementation of UN Security Council Resolutions 242 and 338 in all their aspects;

REAFFIRMING their adherence to the commitments expressed in the Declaration of Principles (hereinafter "the DOP") signed in Washington D.C. on September 13th 1993, the Cairo Agreement of May 4th 1994, and the Interim-Agreement of September 28th, 1995;

REAFFIRMING their determination to live in peaceful coexistence, mutual dignity and security;

DECLARING as null and void any agreement, declaration, document or statement which contradicts this Framework Agreement;

DESIROUS of reaching a full agreement on all outstanding final status issues as soon as possible, not later than May 5th 1999, as stipulated in the DOP;

HEREBY AGREE on the following Framework for a Final Status Agreement;

ARTICLE I: THE ESTABLISHMENT OF THE PALESTINIAN STATE AND ITS RELATIONS WITH THE STATE OF ISRAEL

1. As an integral part of this Framework Agreement and the full Final Status Agreement:

a. The Government of Israel shall extend its recognition to the independent State of Palestine within agreed and secure borders with its capital al-Quds upon its coming into being not later than May 5th 1999.

b. Simultaneously, the State of Palestine shall extend its recognition to the State of Israel within agreed and secure borders with its capital Yerushalayim.

c. Both sides continue to look favorably at the possibility of establishing a Jordanian-Palestinian confederation, to be agreed upon by the State of Palestine and the Hashemite Kingdom of Jordan.

2. The State of Israel and the State of Palestine (hereinafter: "the parties") will thereby extend mutual recognition of their right to live in peace and security within mutually agreed borders as defined in Article II of this agreement and in the Final Status Agreement. In particular, the Parties shall:

a. Recognize and respect each other's sovereignty, territorial integrity and political and economic independence.

b. Renounce the use of force and the threat of force as an instrument of policy and commit themselves to a peaceful resolution of all disputes between them.

c. Refrain from organizing, instigating, inciting, assisting or participating in acts of violence, subversion or terrorism against the other party.

d. Take effective measures to ensure that acts of or threats of violence do not originate from or through their respective territories, including their airspace and territorial waters, and take appropriate measures against those who perpetrate such acts.

e. Undertake not to join, assist, or cooperate with any military or security coalition, organization, or alliance hostile to either party.

f. Exchange and ratify the instruments of peace between them as shall be defined in the full Final Status Agreement.

ARTICLE II: THE DELINEATION OF SECURE AND RECOGNIZED

BORDERS

1. The secure and recognized borders between the State of Israel and the future State of Palestine are described in the attached Maps and in Annex One of the Final Status Agreement. The Parties recognize that these borders, including their respective subsoil, airspace and territorial waters shall be inviolable.

2. The parties shall define the route and mode of implementation of, as well as the extent of, territory to be yielded by Israel for the agreed extra-territorial passage between the Gaza Strip and the West Bank (as described in Annex One of the Final Status Agreement).

3. The border in the Jerusalem area is to be delineated in accordance with the provisions of Article VI of this Framework Agreement.

4. The Parties shall recognize the final borders between the two states as permanent and irrevocable.

ARTICLE III: THE CREATION OF NORMAL AND STABLE INTER-STATE RELATIONS

1. Upon the exchange of the instruments of ratification of the peace treaty, the Parties agree to establish full diplomatic and consular relations between them and to promote economic and cultural relations including the free movement of people, goods, capital and services across their borders.

2. The Parties shall continue to cooperate in all areas of mutual interest and will seek to promote jointly and separately similar regional cooperation with other states in the area and the international community.

3. The Parties shall seek to promote mutual cultural relations and will encourage mutual programs for the dissemination of their respective national customs, folklore and traditions between them.

4. The Parties shall secure freedom of access to places of religious, and historical significance on a non-discriminatory basis. Access to, worship in, and protection of all holy places and sites shall be guaranteed by both Parties.

ARTICLE IV: SCHEDULE OF ISRAELI MILITARY WITHDRAWAL AND SECURITY ARRANGEMENTS

1. In implementing UN Security Council Resolutions 242 and 338, the parties agree that the withdrawal of Israeli Military and Security Forces shall be carried out in three stages:

a. Withdrawal from the Central areas of the West Bank and the entire Gaza Strip, (as defined in Annex Two to the Final Status Agreement and attached Map/s), to commence not later than May 5th 1999 and be completed not later than September 4th, 1999;

b. Withdrawal from the Eastern areas of the West Bank (as defined in Annex Two to the Final Status Agreement), to commence not later than September 5th 1999 and be completed not later than January 4th, 2000;

c. Withdrawal from the Western areas of the West Bank (as defined in Annex Two to the Final Status Agreement) to commence not later than January 5th 2000 and be completed not later than May 4th 2000.

2. Thereafter Israel shall maintain a minimal residual force within agreed military compounds and in specified locations. This residual force will comprise:

a. Three reinforced battalions, two existing Military Emergency Stores, and integral logistical forces (their location and terms of lease, duration, mode of deployment, function and numerical strength, are detailed in Annex Two to the Final Status Agreement).

b. Three Early Warning stations and three Air Defense Units as defined and agreed in Annex Two to the Final Status Agreement will be maintained until May 5th 2007 or until peace agreements and bilateral security arrangements between Israel and the relevant Arab parties are attained, whichever comes last.

3. The Parties agree to the formation of an Israeli-Palestinian Coordinating Security Commission (hereinafter "the CSC") to oversee the implementation of Israel's military withdrawal, to establish the modalities governing its residual military presence, and to coordinate all other security matters (its structure and authorities are detailed in Annex Two to the Final Status Agreement). The CSC shall also implement an agreed schedule for the introduction of Palestinian Security Forces (hereinafter "PSF") into Palestinian territories commensurate with and parallel to the withdrawal of Israeli forces. The Parties agree that the CSC shall commence its deliberations not later than May 5th, 1998 (see Annex Two to the Final Status Agreement).

4. Joint Israeli-Palestinian patrols will be held along the Jordan River as well as along both sides of the Israeli-Palestinian border, in order to deter, prevent and combat the infiltration or organization of cross-border terrorism and other forms of violent activities. The mandate and duration of these patrols shall be determined by the CSC, as detailed in Annex Two to the Final Status Agreement.

5. The Parties agree that the State of Palestine shall be demilitarized. The PSF shall remain

subject to agreed limitations as defined in Annex Two to the Final Status Agreement. By mutual agreement, and not before May 5th 2007, Palestinian self-defense capabilities shall be negotiated by the Parties.

6. The Parties agree that the co-sponsors and other parties agreed upon, shall be invited to guarantee the arrangements for Israel's military withdrawal and other bilateral security agreements as stipulated in this Framework Agreement. In their capacity as guarantors, the said third-parties shall also be invited to participate in observation, verification and other technical duties to be agreed in the CSC. The said third parties shall accordingly be requested to establish and finance a permanent International Observer Force (hereafter the IOF) whose mandate and functions are described in Annex Two of the Final Status Agreement.

ARTICLE V: ISRAELI SETTLEMENTS

1. Subsequent to the establishment of the Independent State of Palestine and its recognition by the State of Israel as described in Articles I and III of this agreement:

a. There will be no exclusive civilian residential areas for Israelis in the State of Palestine.

b. Individual Israelis remaining within the borders of the Palestinian State shall be subject to Palestinian sovereignty and Palestinian rule of law.

c. Individual Israelis who have their permanent domicile within the Palestinian State as of May 5th 1999, shall be offered Palestinian citizenship or choose to remain as alien residents, all without prejudice to their Israeli citizenship.

d. Within the agreed schedule for the withdrawal of Israeli forces from Palestinian territories as described in Article IV and Annex Two to the Final Status Agreement, the Israeli Government and its security forces shall maintain responsibility for the safety and security of Israeli settlements outside the areas of Palestinian security jurisdiction, pending the transfer of said areas to full Palestinian rule.

e. The CSC shall establish the mechanism for dealing with security issues relating to Israeli citizens in Palestine and Palestinian citizens in Israel.

ARTICLE VI: JERUSALEM

1. Jerusalem shall remain an open and undivided city with free and unimpeded access for people of all faiths and nationalities.

2. The Parties further agree that a reform of the current Jerusalem Municipal System and its boundaries shall be introduced not later than May 5th 1999, and shall not be subject to further change by law or otherwise, unless by mutual consent, prior to the fulfillment of the provisions of paragraph 9 below. This reform shall expand the present municipal boundaries of Jerusalem and shall define the city limits of the "City of Jerusalem", to include: Abu Dis, Eyzariya, ar-Ram, Az-zaim, Ma'ale Adumim, Givat Ze'ev, Givon, and adjacent areas in the attached map/s.

3. Within the "City of Jerusalem", neighborhoods inhabited by Palestinians will be defined as "Palestinian boroughs" The exact borders of the "City of Jerusalem" and of the Israeli and Palestinian boroughs are delineated and described in Annex Three to the Final Status Agreement and attached Map/s. The number of Israeli boroughs and of Palestinian boroughs will reflect the present demographic balance of 2:1. This proportion will be updated in accordance with the modalities, criteria and schedule as described in Annex Three to this Final Status Agreement.

4. The Parties agree to maintain one Municipality for the "City of Jerusalem" in the form of a Joint Higher Municipal Council, formed by representatives of the boroughs. These representatives will elect the Mayor of the "City of Jerusalem" In all matters related to the areas of the "City of Jerusalem" under Palestinian sovereignty, the Joint Higher Municipal Council shall seek the consent of the Government of Palestine. In all matters related to the areas of the "City of Jerusalem" under Israeli sovereignty, the Joint Higher Municipal Council shall seek the consent of the Government of Israel.

5. The "City of Jerusalem" shall consist of the Joint Higher Municipal Council, two sub-municipalities - an Israeli sub-municipality, elected by the inhabitants of the Israeli boroughs, and a Palestinian sub-municipality, elected by the inhabitants of the Palestinian boroughs - as well as a Joint Parity Committee for the Old City Area as described in paragraph 12 below.

6. The Parties further agree that the municipality of the "City of Jerusalem" shall:

a. Delegate strong local powers to the sub-municipalities including the right to local taxation, local services, an independent education system, separate religious authorities, and housing planning and zoning, as detailed in Annex Three to the Final Status Agreement;

b. Develop a twenty-five year Master Plan for the "City of Jerusalem" with agreed modalities for its balanced implementation, including safeguards for the interests of both communities.

c. Provide for Israeli and Palestinian citizens resident within the jurisdiction of the City of Jerusalem Municipality and sub-municipalities to vote and seek election for all elected posts as shall be specified in the Jerusalem Municipal bylaws.

7. Within the "City of Jerusalem" both parties recognize the Western part of the city, to be "Yerushalayim" and the Arab Eastern part of the city, under Palestinian sovereignty, to be "al-Quds" (see attached Map/s).

8. Upon the exchange of the instruments of ratification of the peace treaty between them:

a. The Government of the State of Palestine shall recognize Yerushalayim, as defined under Article VI, paragraph 7 and Annex Three to the Final Status Agreement, as the sovereign Capital of the State of Israel.

b. The Government of the State of Israel shall recognize al-Quds, as defined under Article VI, paragraph 7 and Annex Three to the Final Status Agreement, as the sovereign Capital of the State of Palestine.

9. The ultimate sovereignty of the area outside Yerushalayim and al-Quds, but inside the present municipal boundaries of Jerusalem, shall be determined by the parties as soon as possible. Each party maintains its position regarding the sovereign status of this area. A joint Israeli-Palestinian committee for determining the final status of this area shall be established not later than May 5th, 1999 and shall commence its deliberations immediately thereafter. Without prejudice to the determination of the final status of this area:

a. Palestinian citizenship shall be extended to Palestinian residence of this area.

b. In certain matters Palestinian citizens residing in this area shall resort to Palestinian law (as detailed in Annex Three to the Final Status Agreement).

c. The Parties will enjoy free access to and use of the Qalandia Airport in this area. A new designated Palestinian terminal shall be constructed, to commence operation concurrent with the signing of the Treaty of Peace (for the modalities of operation, see Annex Three to the Final Status Agreement).

10. The Parties acknowledge Jerusalem's unique spiritual and religious role for all three great monotheistic religions. Wishing to promote interfaith relations and harmony among the three great religions, the Parties accordingly agree to guarantee freedom of worship and access to all Holy Sites for members of all faiths and religions without impediment or restriction.

11. In recognition of the special status and significance of the Old City Area (see map/s) for members of the Christian, Jewish, and Muslim faiths, the parties agree to grant this area a special status.

12. The Parties further agree that:

a. The Palestinian sub-municipality shall be responsible for the municipal concerns of the Palestinian citizens residing in the Old City Area and their local property.

b. The Israeli sub-municipalies shall be responsible for the municipal concerns of the Israeli citizens residing in the Old City Area and their local property.

c. The two sub-municipalities shall appoint a Joint Party Committee to manage all mattersrelated to the preservation of the unique character of the Old City Area (its structureand modalities are detailed in Annex Three to the Final Status Agreement).

d. In case of a dispute between the two sub-municipalities on matters related to the Old City Area, the issue shall be referred for a decision to the Joint Parity Committee.

13. The State of Palestine shall be granted extra-territorial sovereignty over the Haram ash-Sharif under the administration of the al-Quds Awqaf. The present status quo regarding the right of access and prayer for all, will be secured.

14. The Church of the Holy Sepulchre shall be managed by the Palestinian sub-Municipality.

The Joint Parity Committee, shall examine the possibility of assigning extra-territorial status to the Church of the Holy Sepulchre.

15. Supervision of persons and goods transiting through the "City of Jerusalem" shall take place at the exit points. Other security matters related to persons, vehicles and goods suspected of involvement in hostile activity are dealt with in Annex Two to the Final Status Agreement.

ARTICLE VII: PALESTINIAN REFUGEES

1. Whereas the Palestinian side considers that the right of the Palestinian refugees to return to their homes is enshrined in international law and natural justice, it recognizes that the prerequisites of the new era of peace and coexistence, as well as the realities that have been created on the ground since 1948, have rendered the implementation of this right impracticable. The Palestinian side, thus, declares its readiness to accept and implement policies and measures that will ensure, insofar as this is possible, the welfare and well-being of these refugees.

2. Whereas the Israeli side acknowledges the moral and material suffering caused to the Palestinian people as a result of the war of 1947-1949. It further acknowledges the Palestinian refugees' right of return to the Palestinian state and their right to compensation and rehabilitation for moral and material losses.

3. The parties agree on the establishment of an International Commisssion for Palestinian Refugees (hereinafter "the ICPR") for the final settlement of all aspects of the refugee issue as follows:

a. The Parties extend invitations to donor countries to join them in the formation of the ICPR.

b. The Parties welcome the intention of the Government of Sweden to lead the ICPR and to contribute financially to its activities.

c. The Government of Israel shall establish a fund for its contribution, along with others, to the activities of the ICPR.

d. The ICPR shall conduct all fundraising activities and coordinate donors' involvement in the program.

e. The ICPR shall define the criteria for compensation accounting for:

(1) moral loss;

(2) immovable property;

(3) financial and economic support enabling resettlement and rehabilitation of Palestinians residing in refugee camps.

f. The ICPR shall further:

(1) adjudicate claims for material loss;

(2) prepare and develop rehabilitation and absorption programs;

(3) establish the mechanisms and venues for disbursing payments and compensation;

(4) oversee rehabilitation programs;

(5) explore the intentions of Palestinian refugees on the one hand and of Arab and other countries on the other, concerning wishes for emigration and the possibilities thereof;

(6) explore with Arab governments hosting refugee populations, as well as with these refugees, venues for absorption in these countries whenever mutually desired.

g. The ICPR shall implement all the above according to the agreed schedule defined in Annex Four to the Final Status Agreement.

4. The ICPR shall be guided by the following principles in dealing with the "refugees of 1948" and their descendants as defined in Annex Four to the Final Status Agreement:

a. Each refugee family shall be entitled to compensation for moral loss to a sum of money to be agreed upon by the ICPR.

b. Each claimant with proven immovable property shall be compensated as per the adjudication of the ICPR.

c. The ICPR shall provide financial and economic support, enabling the resettlement and rehabilitation of Palestinians residing in refugee camps.

d. The refugees shall be entitled to financial and economic support from the ICPR for resettlement and rehabilitation.

5. The State of Israel undertakes to participate actively in implementing the program for the resolution of the refugee problem. Israel will continue to enable family reunification and will absorb Palestinian refugees in special defined cases, to be agreed upon with the ICPR.

6. The Palestinian side undertakes to participate actively in implementing the program for the resolution of the refugee problem. The Palestinian side shall enact a program to encourage the rehabilitation and resettlement of Palestinian refugees presently resident in the West Bank and Gaza Strip, within these areas.

7. The PLO considers the implementation of the above a full and final settlement of the refugee issue in all its dimensions. It further undertakes that no additional claims or demands arising from this issue will be made upon the full implementation of this Framework Agreement.

ARTICLE VIII: ISRAELI-PALESTINIAN STANDING COMMITTEE

1. The Parties shall establish an Israeli-Palestinian Standing Committee (hereafter: "IPSC"), which will commence activities upon the signing of this Framework Agreement.

2. This IPSC shall be authorized to deal with all matters related to the smooth transition between the Interim Agreement and Final Status Agreement.

3. The IPSC shall also coordinate activities related to the implementation of the Final Status Agreement.

ARTICLE IX: WATER RESOURCES

1. The Parties agree that they possess the same natural water resources essential for each nations livelihood and survival.

2. Water rights and issues are laid out in Annex Five to the Final Status Agreement.

3. With a view to achieving a comprehensive and lasting settlement of all water problems between them, the Parties jointly undertake to ensure that the management and development of their water resources should not in any way harm or imperil the water resources of the other.

4. The Parties further agree to the following:

a. The development of existing and new water resources to increase availability and minimize wastage.

b. The prevention of contamination of water resources.

c. The transfer of information and joint research and the review of the potential for water enhancement.

5. The Parties agree to prepare as soon as possible, but not later than May 5, 1999, an agreed upon coordinated separate and joint water management plan for the joint aquifers that will guarantee optimal use and development of water resources for the benefit of the Israeli and Palestinian nations.

6. The Parties agree to seek to extend their joint co-operation to the Hashemite Kingdom of Jordan, in particular with regard to the waters of the Jordan River and the Dead Sea and to seek to promote wider regional understanding on the exploitation and management of water resources in the Middle East.

ARTICLE X: TIME FRAME AND IMPLEMENTATION

A. The Preparatory Period: May 5th 1996 to May 4th 1999

1. With the signing of this Framework Agreement and its entry into force not later than May 5th 1996, the Preparatory Period for Final Status shall commence. Immediately thereafter, the Parties shall:

a. Establish the IPSC (Israeli-Palestinian Standing Committee) along the lines laid down in Article VIII.

b. Extend invitations to donor countries to join the Government of Sweden and themselves in formation of the ICPR (International Commission for Palestinian Refugees).

The Preparatory Period shall end not later than May 4th 1999.

2. During this period it is agreed that the following shall be implemented:

a. The Final Status Agreement with all Annexes will be prepared, based on the agreements and principles laid down in this Framework Agreement.

b. Consequently, and based on the mechanisms for border delineation set out in Annex One to the Final Status Agreement, the joint delineation of borders and official extra-territorial and other passages shall be finalized.

c. The Israeli-Palestinian Coordinating Security Commission (CSC) shall be established and commence its deliberation, not later than May 5th 1998. The CSC shall establish the mechanism for dealing with security issues relating to Israeli citizens in the State of Palestine, and Palestinian citizens in the State of Israel.

d. The Parties shall invite the co-sponsors to the Peace Process and other agreed upon third parties, to establish an International Observer Force (IOF) as agreed upon in Annex two to the Final Status Agreement.

e. The Government of Israel shall establish a program to encourage Israeli settlers to resettle within Israel's sovereign territory. Settlers wishing to take part in this program shall be compensated by the Israeli government before January 1st, 1999, according to guidelines to be announced within three months of the entry into force of this Framework Agreement.

f. The agreed upon reformed Jerusalem Municipal System shall be inaugurated not later than May 5th 1999.

g. Both sides shall prepare and agree on a Jerusalem Master Plan as described in Article VI.

h. In accordance with Article VII of this Framework Agreement, the PLO shall establish a program to encourage the rehabilitation and resettlement of Palestinian refugees presently residing in the West Bank and Gaza Strip, within these areas.

i. The Parties shall promote the work of the ICPR as stipulated in Article VII to this Agreement.

j. The Parties shall prepare an agreed upon coordinated, separate and joint water management plan for the joint aquifers.

k. As soon as possible, but not later than May 4th 1999, the interim period shall come to an end and a full Final Status Agreement shall be signed and a Peace Treaty shall be initiated.

B. The Implementation Period: May 5th 1999 to May 4th 2000

1. With the signing and entry into force of the Israeli-Palestinian Final Status Agreement, the implementation of the Final Status settlement will commence. The creation of the Independent State of Palestine within secure and recognized borders shall be promulgated by the PLO and its relevant agencies. Immediately thereafter, but not later than within two months, the Peace Treaty shall be signed.

2. The Government of the State of Israel shall extend immediate and full diplomatic recognition to the State of Palestine and to al-Quds as its capital, as described in Article VI and Annex Three to the Final Status Agreement.

3. The Government of the State of Palestine shall extend immediate and full diplomatic recognition to the State of Israel and to Yerushalayim as its capital, as described in Article VI and Annex Three to the Final Status Agreement.

4. Provisions relating to the normalization of Israeli-Palestinian relations shall be implemented as described in Article III.

5. Upon entry into force of the Israeli-Palestinian Final Status Agreement, the withdrawal of Israeli Military and Security Forces shall commence and the agreed security provisions shall be implemented according to the schedule described in Article II and Annex Two to the Final Status Agreement.

6. Within the "City of Jerusalem" elections for the two sub-municipalities will be held. The two sub-municipalities shall appoint a Joint Parity Committee for the Old City Area (as outlined in Article VI paragraph 12 to this agreement), and a proportional (2:1) Joint Higher Municipal Council which will elect the Mayor of the "City of Jerusalem"

7. The parties agree to continue to work jointly and separately within the framework of the multilateral working groups and other relevant fora towards:

a. The establishment of a Middle East free from hostile coalitions and alliances;

b. The creation of a Middle East free from weapons of mass destruction both conventional and non-conventional within the context of a comprehensive, lasting and stable settlement.

C. The Post-Implementation Period: May 5th 2000 to May 4th 2007

1. Israeli residual forces shall remain on Palestinian territory. The CSC shall continue to

coordinate Israeli and Palestinian security needs.

2. Responsibility for the security of Israeli citizens residents in the State of Palestine, shall remain with the CSC.

D. The Post-November 5th 2007 Period

Remaining Israeli residual forces shall withdraw from the Palestinian State contingent on the attainment of peace treaties and security arrangements between Israel and the relevant Arab parties.

. Geneva Initiative - Draft Permanent Status Agreement

Source: Geneva Initiative

Date: 12 Oct 2003

Preamble

The State of Israel (hereinafter "Israel") and the Palestine Liberation Organization (hereinafter "PLO"), the representative of the Palestinian people (hereinafter the "Parties"):

Reaffirming their determination to put an end to decades of confrontation and conflict, and to live in peaceful coexistence, mutual dignity and security based on a just, lasting, and comprehensive peace and achieving historic reconciliation;

Recognizing that peace requires the transition from the logic of war and confrontation to the logic of peace and cooperation, and that acts and words characteristic of the state of war are neither appropriate nor acceptable in the era of peace;

Affirming their deep belief that the logic of peace requires compromise, and that the only viable solution is a two-state solution based on UNSC Resolution 242 and 338;

Affirming that this agreement marks the recognition of the right of the Jewish people to statehood and the recognition of the right of the Palestinian people to statehood, without prejudice to the equal rights of the Parties' respective citizens;

Recognizing that after years of living in mutual fear and insecurity, both peoples need to enter an era of peace, security and stability, entailing all necessary actions by the parties to guarantee the realization of this era;

Recognizing each other's right to peaceful and secure existence within secure and recognized boundaries free from threats or acts of force;

Determined to establish relations based on cooperation and the commitment to live side by side as good neighbors aiming both separately and jointly to contribute to the well-being of their peoples;

Reaffirming their obligation to conduct themselves in conformity with the norms of international law and the Charter of the United Nations;

Confirming that this Agreement is concluded within the framework of the Middle East peace process initiated in Madrid in October 1991, the Declaration of Principles of September 13, 1993, the subsequent agreements including the Interim Agreement of September 1995, the Wye River Memorandum of October 1998 and the Sharm El-Sheikh Memorandum of September 4, 1999, and the permanent status negotiations including the Camp David Summit of July 2000, the Clinton Ideas of December 2000, and the Taba Negotiations of January 2001;

Reiterating their commitment to United Nations Security Council Resolutions 242, 338 and 1397 and confirming their understanding that this Agreement is based on, will lead to, and -by its fulfillment-- will constitute the full implementation of these resolutions and to the settlement of the Israeli-Palestinian conflict in all its aspects;

Declaring that this Agreement constitutes the realization of the permanent status peace component envisaged in President Bush's speech of June 24, 2002 and in the Quartet Roadmap process.

Declaring that this Agreement marks the historic reconciliation between the Palestinians and Israelis, and paves the way to reconciliation between the Arab World and Israel and the establishment of normal, peaceful relations between the Arab states and Israel in accordance with the relevant clauses of the Beirut Arab League Resolution of March 28, 2002; and

Resolved to pursue the goal of attaining a comprehensive regional peace, thus contributing to stability, security, development and prosperity throughout the region;

Have agreed on the following

Article 1 - Purpose of the Permanent Status Agreement

1. The Permanent Status Agreement (hereinafter "this Agreement") ends the era of conflict and ushers in a new era based on peace, cooperation, and good neighborly relations between the Parties.

2. The implementation of this Agreement will settle all the claims of the Parties arising from events occurring prior to its signature. No further claims related to events prior to this Agreement may be raised by either Party.

Article 2 - Relations between the Parties

1. The state of Israel shall recognize the state of Palestine (hereinafter "Palestine") upon its establishment. The state of Palestine shall immediately recognize the state of Israel.

2. The state of Palestine shall be the successor to the PLO with all its rights and obligations.

3. Israel and Palestine shall immediately establish full diplomatic and consular relations with each other and will exchange resident Ambassadors, within one month of their mutual recognition.

4. The Parties recognize Palestine and Israel as the homelands of their respective peoples. The Parties are committed not to interfere in each other's internal affairs.

5. This Agreement supercedes all prior agreements between the Parties.

6. Without prejudice to the commitments undertaken by them in this Agreement, relations between Israel and Palestine shall be based upon the provisions of the Charter of the United Nations.

7. With a view to the advancement of the relations between the two States and peoples, Palestine and Israel shall cooperate in areas of common interest. These shall include, but are not limited to, dialogue between their legislatures and state institutions, cooperation between their appropriate local authorities, promotion of non-governmental civil society cooperation, and joint programs and exchange in the areas of culture, media, youth, science, education, environment, health, agriculture, tourism, and crime prevention. The Israeli-Palestinian Cooperation Committee will oversee this cooperation in accordance with Article 8.

8. The Parties shall cooperate in areas of joint economic interest, to best realize the human potential of their respective peoples. In this regard, they will work bilaterally, regionally, and with the international community to maximize the benefit of peace to the broadest cross-section of their respective populations. Relevant standing bodies shall be established by the Parties to this effect.

9. The Parties shall establish robust modalities for security cooperation, and engage in a comprehensive and uninterrupted effort to end terrorism and violence directed against each others persons, property, institutions or territory. This effort shall continue at all times, and shall be insulated from any possible crises and other aspects of the Parties' relations.

10. Israel and Palestine shall work together and separately with other parties in the region to enhance and promote regional cooperation and coordination in spheres of common interest.

11. The Parties shall establish a ministerial-level Palestinian-Israeli High Steering Committee to guide, monitor, and facilitate the process of implementation of this Agreement, both bilaterally and in accordance with the mechanisms in Article 3 hereunder.

Article 3: Implementation and Verification Group

1. Establishment and Composition

i. An Implementation and Verification Group (IVG) shall hereby be established to facilitate, assist in, guarantee, monitor, and resolve disputes relating to the implementation of this Agreement.

ii. The IVG shall include the US, the Russian Federation, the EU, the UN, and other parties, both regional and international, to be agreed on by the Parties.

iii. The IVG shall work in coordination with the Palestinian-Israeli High Steering Committee established in Article 2/11 above and subsequent to that with the Israeli-Palestinian Cooperation Committee (IPCC) established in Article 8 hereunder.

iv. The structure, procedures, and modalities of the IVG are set forth below and detailed in Annex X.

2. Structure

i. A senior political-level contact group (Contact Group), composed of all the IVG members, shall be the highest authority in the IVG.

ii. The Contact Group shall appoint, in consultation with the Parties, a Special Representative who will be the principal executive of the IVG on the ground. The Special Representative shall manage the work of the IVG and maintain constant contact with the Parties, the Palestinian-Israeli High Steering Committee, and the Contact Group.

iii. The IVG permanent headquarters and secretariat shall be based in an agreed upon location in Jerusalem.

iv. The IVG shall establish its bodies referred to in this Agreement and additional bodies as it deems necessary. These bodies shall be an integral part of and under the authority of the IVG.

v. The Multinational Force (MF) established under Article 5 shall be an integral part of the IVG. The Special Representative shall, subject to the approval of the Parties, appoint the Commander of the MF who shall be responsible for the daily command of the MF. Details relating to the Special Representative and MF Force Commander are set forth in Annex X.

vi. The IVG shall establish a dispute settlement mechanism, in accordance with Article 16.

3. Coordination with the Parties

A Trilateral Committee composed of the Special Representative and the Palestinian-Israeli High Steering Committee shall be established and shall meet on at least a monthly basis to review the implementation of this Agreement. The Trilateral Committee will convene within 48 hours upon the request of any of the three parties represented.

4. Functions

In addition to the functions specified elsewhere in this Agreement, the IVG shall:

i. Take appropriate measures based on the reports it receives from the MF,

ii. Assist the Parties in implementing the Agreement and preempt and promptly mediate disputes on the ground.

5. Termination

In accordance with the progress in the implementation of this Agreement, and with the fulfillment of the specific mandated functions, the IVG shall terminate its activities in the said spheres. The IVG shall continue to exist unless otherwise agreed by the Parties.

Article 4 - Territory

1. The International Borders between the States of Palestine and Israel

i. In accordance with UNSC Resolution 242 and 338, the border between the states of Palestine and Israel shall be based on the June 4th 1967 lines with reciprocal modifications on a 1:1 basis as set forth in attached Map 1.

ii. The Parties recognize the border, as set out in attached Map 1, as the permanent, secure and recognized international boundary between them.

2. Sovereignty and Inviolability

i. The Parties recognize and respect each other's sovereignty, territorial integrity, and political independence, as well as the inviolability of each others territory, including territorial waters, and airspace. They shall respect this inviolability in accordance with this Agreement, the UN Charter, and other rules of international law.

ii. The Parties recognize each other's rights in their exclusive economic zones in accordance with international law.

3. Israeli Withdrawal

i. Israel shall withdraw in accordance with Article 5.

ii. Palestine shall assume responsibility for the areas from which Israel withdraws.

iii. The transfer of authority from Israel to Palestine shall be in accordance with Annex X.

iv. The IVG shall monitor, verify, and facilitate the implementation of this Article.

4. Demarcation

i. A Joint Technical Border Commission (Commission) composed of the two Parties shall be established to conduct the technical demarcation of the border in accordance with this Article. The procedures governing the work of this Commission are set forth in Annex X.

ii. Any disagreement in the Commission shall be referred to the IVG in accordance with Annex X

iii. The physical demarcation of the international borders shall be completed by the Commission not later than nine months from the date of the entry into force of this Agreement.

5. Settlements

i. The state of Israel shall be responsible for resettling the Israelis residing in Palestinian sovereign territory outside this territory.

ii. The resettlement shall be completed according to the schedule stipulated in Article 5.

iii. Existing arrangements in the West Bank and Gaza Strip regarding Israeli settlers and settlements, including security, shall remain in force in each of the settlements until the date prescribed in the timetable for the completion of the evacuation of the relevant settlement.

iv. Modalities for the assumption of authority over settlements by Palestine are set forth in Annex X. The IVG shall resolve any disputes that may arise during its implementation.

v. Israel shall keep intact the immovable property, infrastructure and facilities in Israeli settlements to be transferred to Palestinian sovereignty. An agreed inventory shall be drawn up by the Parties with the IVG in advance of the completion of the evacuation and in accordance with Annex X.

vi. The state of Palestine shall have exclusive title to all land and any buildings, facilities, infrastructure or other property remaining in any of the settlements on the date prescribed in the timetable for the completion of the evacuation of this settlement.

6. Corridor

i. The states of Palestine and Israel shall establish a corridor linking the West Bank and Gaza Strip. This corridor shall:

a. Be under Israeli sovereignty.

b. Be permanently open.

c. Be under Palestinian administration in accordance with Annex X of this Agreement. Palestinian law shall apply to persons using and procedures appertaining to the corridor.

d. Not disrupt Israeli transportation and other infrastructural networks, or endanger the environment, public safety or public health. Where necessary, engineering solutions will be sought to avoid such disruptions.

e. Allow for the establishment of the necessary infrastructural facilities linking the West Bank and the Gaza Strip. Infrastructural facilities shall be understood to include, inter alia, pipelines, electrical and communications cables, and associated equipment as detailed in Annex X.

f. Not be used in contravention of this Agreement.

ii. Defensive barriers shall be established along the corridor and Palestinians shall not enter Israel from this corridor, nor shall Israelis enter Palestine from the corridor.

iii. The Parties shall seek the assistance of the international community in securing the financing for the corridor.

iv. The IVG shall guarantee the implementation of this Article in accordance with Annex X.

v. Any disputes arising between the Parties from the operation of the corridor shall be resolved in accordance with Article 16.

vi. The arrangements set forth in this clause may only be terminated or revised by agreement of both Parties.

Article 5 - Security

1. General Security Provisions

i. The Parties acknowledge that mutual understanding and co-operation in security-related matters will form a significant part of their bilateral relations and will further enhance regional security. Palestine and Israel shall base their security relations on cooperation, mutual trust, good neighborly relations, and the protection of their joint interests.

ii. Palestine and Israel each shall:

a. Recognize and respect the other's right to live in peace within secure and recognized boundaries free from the threat or acts of war, terrorism and violence;

b. refrain from the threat or use of force against the territorial integrity or political independence of the other and shall settle all disputes between them by peaceful means;

c. refrain from joining, assisting, promoting or co-operating with any coalition, organization or alliance of a military or security character, the objectives or activities of which include launching aggression or other acts of hostility against the other;

d. refrain from organizing, encouraging, or allowing the formation of irregular forces or armed bands, including mercenaries and militias within their respective territory and prevent their establishment. In this respect, any existing irregular forces or armed bands shall be disbanded and prevented from reforming at any future date;

e. refrain from organizing, assisting, allowing, or participating in acts of violence in or against the other or acquiescing in activities directed toward the commission of such acts.

iii. To further security cooperation, the Parties shall establish a high level Joint Security Committee that shall meet on at least a monthly basis. The Joint Security Committee shall have a permanent joint office, and may establish such sub-committees as it deems necessary, including sub-committees to immediately resolve localized tensions.

2. Regional Security

i. Israel and Palestine shall work together with their neighbors and the international community to build a secure and stable Middle East, free from weapons of mass destruction, both conventional and non-conventional, in the context of a comprehensive, lasting, and stable peace, characterized by reconciliation, goodwill, and the renunciation of the use of force.

ii. To this end, the Parties shall work together to establish a regional security regime.

3. Defense Characteristics of the Palestinian State

i. No armed forces, other than as specified in this Agreement, will be deployed or stationed in Palestine.

ii. Palestine shall be a non-militarized state, with a strong security force. Accordingly, the limitations on the weapons that may be purchased, owned, or used by the Palestinian Security Force (PSF) or manufactured in Palestine shall be specified in Annex X. Any proposed changes to Annex X shall be considered by a trilateral committee composed of the two Parties and the MF. If no agreement is reached in the trilateral committee, the IVG may make its own recommendations.

a. No individuals or organizations in Palestine other than the PSF and the organs of the IVG, including the MF, may purchase, possess, carry or use weapons except as provided by law.

iii. The PSF shall:

a. Maintain border control;

b. Maintain law-and-order and perform police functions;

c. Perform intelligence and security functions;

d. Prevent terrorism;

e. Conduct rescue and emergency missions; and

f. Supplement essential community services when necessary.

iv. The MF shall monitor and verify compliance with this clause.

4. Terrorism

i. The Parties reject and condemn terrorism and violence in all its forms and shall pursue public policies accordingly. In addition, the parties shall refrain from actions and policies that are liable to nurture extremism and create conditions conducive to terrorism on either side.

ii. The Parties shall take joint and, in their respective territories, unilateral comprehensive and continuous efforts against all aspects of violence and terrorism. These efforts shall include the prevention and preemption of such acts, and the prosecution of their perpetrators.

iii. To that end, the Parties shall maintain ongoing consultation, cooperation, and exchange of information between their respective security forces.

iv. A Trilateral Security Committee composed of the two Parties and the United States shall be formed to ensure the implementation of this Article. The Trilateral Security Committee shall develop comprehensive policies and guidelines to fight terrorism and violence.

5. Incitement

i. Without prejudice to freedom of expression and other internationally recognized human rights, Israel and Palestine shall promulgate laws to prevent incitement to irredentism, racism, terrorism and violence and vigorously enforce them.

ii. The IVG shall assist the Parties in establishing guidelines for the implementation of this clause, and shall monitor the Parties' adherence thereto.

6. Multinational Force

i. A Multinational Force (MF) shall be established to provide security guarantees to the Parties, act as a deterrent, and oversee the implementation of the relevant provisions of this Agreement.

ii. The composition, structure and size of the MF are set forth in Annex X.

iii. To perform the functions specified in this Agreement, the MF shall be deployed in the state of Palestine. The MF shall enter into the appropriate Status of Forces Agreement (SOFA) with the state of Palestine.

iv. In accordance with this Agreement, and as detailed in Annex X, the MF shall:

a. In light of the non-militarized nature of the Palestinian state, protect the territorial integrity of the state of Palestine.

b. Serve as a deterrent against external attacks that could threaten either of the Parties.

c. Deploy observers to areas adjacent to the lines of the Israeli withdrawal during the phases of this withdrawal, in accordance with Annex X.

d. Deploy observers to monitor the territorial and maritime borders of the state of Palestine, as specified in clause 5/13.

e. Perform the functions on the Palestinian international border crossings specified in clause 5/12.

f. Perform the functions relating to the early warning stations as specified in clause 5/8.

g. Perform the functions specified in clause 5/3.

h. Perform the functions specified in clause 5/7.

i. Perform the functions specified in Article 10.

j. Help in the enforcement of anti-terrorism measures.

k. Help in the training of the PSF.

v. In relation to the above, the MF shall report to and update the IVG in accordance with Annex X.

vi. The MF shall only be withdrawn or have its mandate changed by agreement of the Parties.

7. Evacuation

i. Israel shall withdraw all its military and security personnel and equipment, including landmines, and all persons employed to support them, and all military installations from the territory of the state of Palestine, except as otherwise agreed in Annex X, in stages.

ii. The staged withdrawals shall commence immediately upon entry into force of this Agreement and shall be made in accordance with the timetable and modalities set forth in Annex X.

iii. The stages shall be designed subject to the following principles:

a. The need to create immediate clear contiguity and facilitate the early implementation of Palestinian development plans.

b. Israel's capacity to relocate, house and absorb settlers. While costs and inconveniences are inherent in such a process, these shall not be unduly disruptive.

c. The need to construct and operationalize the border between the two states.

d. The introduction and effective functioning of the MF, in particular on the eastern border of the state of Palestine.

iv. Accordingly, the withdrawal shall be implemented in the following stages:

a. The first stage shall include the areas of the state of Palestine, as defined in Map X, and shall be completed within 9 months.

b. The second and third stages shall include the remainder of the territory of the state of Palestine and shall be completed within 21 months of the end of the first stage.

v. Israel shall complete its withdrawal from the territory of the state of Palestine within 30 months of the entry into force of this Agreement, and in accordance with this Agreement.

vi. Israel will maintain a small military presence in the Jordan Valley under the authority of the MF and subject to the MF SOFA as detailed in Annex X for an additional 36 months. The stipulated period may be reviewed by the Parties in the event of relevant regional developments, and may be altered by the Parties' consent.

vii. In accordance with Annex X, the MF shall monitor and verify compliance with this clause.

8. Early Warning Stations

i. Israel may maintain two EWS in the northern, and central West Bank at the locations set forth in Annex X.

ii. The EWS shall be staffed by the minimal required number of Israeli personnel and shall occupy the minimal amount of land necessary for their operation as set forth in Annex X.

iii. Access to the EWS will be guaranteed and escorted by the MF.

iv. Internal security of the EWS shall be the responsibility of Israel. The perimeter security of the EWS shall be the responsibility of the MF.

v. The MF and the PSF shall maintain a liaison presence in the EWS. The MF shall monitor and verify that the EWS is being used for purposes recognized by this Agreement as detailed in Annex X.

vi. The arrangements set forth in this Article shall be subject to review in ten years, with any changes to be mutually agreed. Thereafter, there will be five-yearly reviews whereby the arrangements set forth in this Article may be extended by mutual consent.

vii. If at any point during the period specified above a regional security regime is established, then the IVG may request that the Parties review whether to continue or revise operational uses for the EWS in light of these developments. Any such change will require the mutual consent of the Parties.

9. Airspace

i. Civil Aviation

a. The Parties recognize as applicable to each other the rights, privileges and obligations provided for by the multilateral aviation agreements to which they are both party, particularly by the 1944 Convention on International Civil Aviation (The Chicago Convention) and the 1944 International Air Services Transit Agreement.

b. In addition, the Parties shall, upon entry into force of this Agreement, establish a trilateral committee composed of the two Parties and the IVG to design the most efficient management system for civil aviation, including those relevant aspects of the air traffic control system. In the absence of consensus the IVG may make its own recommendations.

ii. Training

a. The Israeli Air Force shall be entitled to use the Palestinian sovereign airspace for training purposes in accordance with Annex X, which shall be based on rules pertaining to IAF use of Israeli airspace.

b. The IVG shall monitor and verify compliance with this clause. Either Party may submit a complaint to the IVG whose decision shall be conclusive.

c. The arrangements set forth in this clause shall be subject to review every ten years, and may be altered or terminated by the agreement of both Parties.

10. Electromagnetic Sphere

i. Neither Party's use of the electromagnetic sphere may interfere with the other Party's use.

ii. Annex X shall detail arrangements relating to the use of the electromagnetic sphere.

iii. The IVG shall monitor and verify the implementation of this clause and Annex X.

iv. Any Party may submit a complaint to the IVG whose decision shall be conclusive.

11. Law Enforcement

The Israeli and Palestinian law enforcement agencies shall cooperate in combating illicit drug trafficking, illegal trafficking in archaeological artifacts and objects of arts, cross-border crime, including theft and fraud, organized crime, trafficking in women and minors, counterfeiting, pirate TV and radio stations, and other illegal activity.

12. International Border Crossings

i. The following arrangements shall apply to borders crossing between the state of Palestine and Jordan, the state of Palestine and Egypt, as well as airport and seaport entry points to the state of Palestine.

ii. All border crossings shall be monitored by joint teams composed of members of the PSF and the MF. These teams shall prevent the entry into Palestine of any weapons, materials or equipment that are in contravention of the provisions of this Agreement.

iii. The MF representatives and the PSF will have, jointly and separately, the authority to block the entry into Palestine of any such items. If at any time a disagreement regarding the entrance of goods or materials arises between the PSF and the MF representatives, the PSF may bring the matter to the IVG, whose binding conclusions shall be rendered within 24 hours.

iv. This arrangement shall be reviewed by the IVG after 5 years to determine its continuation, modification or termination. Thereafter, the Palestinian party may request such a review on an annual basis.

v. In passenger terminals, for thirty months, Israel may maintain an unseen presence in a designated on-site facility, to be staffed by members of the MF and Israelis, utilizing appropriate technology. The Israeli side may request that the MF-PSF conduct further inspections and take appropriate action.

vi. For the following two years, these arrangements will continue in a specially designated facility in Israel, utilizing appropriate technology. This shall not cause delays beyond the procedures outlined in this clause.

vii. In cargo terminals, for thirty months, Israel may maintain an unseen presence in a designated on-site facility, to be staffed by members of the MF and Israelis, utilizing appropriate technology. The Israeli side may request that the MF-PSF conduct further inspections and take appropriate action. If the Israeli side is not satisfied by the MF-PSF action, it may demand that the cargo be detained pending a decision by an MF inspector. The MF inspector's decision shall be binding and final, and shall be rendered within 12 hours of the Israeli complaint.

viii. For the following three years, these arrangements will continue from a specially designated facility in Israel, utilizing appropriate technology. This shall not cause delays beyond the timelines outlined in this clause.

ix. A high level trilateral committee composed of representatives of Palestine, Israel, and the IVG shall meet regularly to monitor the application of these procedures and correct any irregularities, and may be convened on request.

x. The details of the above are set forth in Annex X.

13. Border Control

i. The PSF shall maintain border control as detailed in Annex X.

ii. The MF shall monitor and verify the maintenance of border control by the PSF.

Article 6 - Jerusalem

1. Religious and Cultural Significance:

i. The Parties recognize the universal historic, religious, spiritual, and cultural significance of Jerusalem and its holiness enshrined in Judaism, Christianity, and Islam. In recognition of this status, the Parties reaffirm their commitment to safeguard the character, holiness, and freedom of worship in the city and to respect the existing division of administrative functions and traditional practices between different denominations.

ii. The Parties shall establish an inter-faith body consisting of representatives of the three monotheistic faiths, to act as a consultative body to the Parties on matters related to the city's religious significance and to promote inter-religious understanding and dialogue. The composition, procedures, and modalities for this body are set forth in Annex X.

2. Capital of Two States

The Parties shall have their mutually recognized capitals in the areas of Jerusalem under their respective sovereignty.

3. Sovereignty

Sovereignty in Jerusalem shall be in accordance with attached Map 2. This shall not prejudice nor be prejudiced by the arrangements set forth below.

4. Border Regime:

The border regime shall be designed according to the provisions of Article 11, and taking into account the specific needs of Jerusalem (e.g., movement of tourists and intensity of border crossing use including provisions for Jerusalemites) and the provisions of this Article.

5. al-Haram al-Sharif/ Temple Mount (Compound)

i. International Group

a. An International Group, composed of the IVG and other parties to be agreed upon by the Parties, including members of the Organization of the Islamic Conference (OIC), shall hereby be established to monitor, verify, and assist in the implementation of this clause.

b. For this purpose, the International Group shall establish a Multinational Presence on the Compound, the composition, structure, mandate and functions of which are set forth in Annex X.

c. The Multinational Presence shall have specialized detachments dealing with security and conservation. The Multinational Presence shall make periodic conservation and security reports to the International Group. These reports shall be made public.

d. The Multinational Presence shall strive to immediately resolve any problems arising and may refer any unresolved disputes to the International Group that will function in accordance with Article 16.

e. The Parties may at any time request clarifications or submit complaints to the International Group which shall be promptly investigated and acted upon.

f. The International Group shall draw up rules and regulations to maintain security on and conservation of the Compound. These shall include lists of the weapons and equipment permitted on the site.

ii. Regulations Regarding the Compound

a. In view of the sanctity of the Compound, and in light of the unique religious and cultural significance of the site to the Jewish people, there shall be no digging, excavation, or construction on the Compound, unless approved by the two Parties. Procedures for regular maintenance and emergency repairs on the Compound shall be established by the IG after consultation with the Parties.

b. The state of Palestine shall be responsible for maintaining the security of the Compound and for ensuring that it will not be used for any hostile acts against Israelis or Israeli areas. The only arms permitted on the Compound shall be those carried by the Palestinian security personnel and the security detachment of the Multinational Presence.

c. In light of the universal significance of the Compound, and subject to security considerations and to the need not to disrupt religious worship or decorum on the site as determined by the Waqf, visitors shall be allowed access to the site. This shall be without any discrimination and generally be in accordance with past practice.

iii. Transfer of Authority

a. At the end of the withdrawal period stipulated in Article 5/7, the state of Palestine shall assert sovereignty over the Compound.

b. The International Group and its subsidiary organs shall continue to exist and fulfill all the functions stipulated in this Article unless otherwise agreed by the two Parties.

6. The Wailing Wall

The Wailing Wall shall be under Israeli sovereignty.

7. The Old City:

i. Significance of the Old City

a. The Parties view the Old City as one whole enjoying a unique character. The Parties agree that the preservation of this unique character together with safeguarding and promoting the welfare of the inhabitants should guide the administration of the Old City.

b. The Parties shall act in accordance with the UNESCO World Cultural Heritage List regulations, in which the Old City is a registered site.

ii. IVG Role in the Old City

a. Cultural Heritage

1. The IVG shall monitor and verify the preservation of cultural heritage in the Old City in accordance with the UNESCO World Cultural Heritage List rules. For this purpose, the IVG shall have free and unimpeded access to sites, documents, and information related to the performance of this function.

2. The IVG shall work in close coordination with the Old City Committee of the Jerusalem Coordination and Development Committee (JCDC), including in devising a restoration and preservation plan for the Old City.

b. Policing

1. The IVG shall establish an Old City Policing Unit (PU) to liaise with, coordinate between, and assist the Palestinian and Israeli police forces in the Old City, to defuse localized tensions and help resolve disputes, and to perform policing duties in locations specified in and according to operational procedures detailed in Annex X.

2. The PU shall periodically report to the IVG.

c. Either Party may submit complaints in relation to this clause to the IVG, which shall promptly act upon them in accordance with Article 16.

iii. Free Movement within the Old City

Movement within the Old City shall be free and unimpeded subject to the provisions of this article and rules and regulations pertaining to the various holy sites.

iv. Entry into and Exit from the Old City

a. Entry and exit points into and from the Old City will be staffed by the authorities of the state under whose sovereignty the point falls, with the presence of PU members, unless otherwise specified.

b. With a view to facilitating movement into the Old City, each Party shall take such measures at the entry points in its territory as to ensure the preservation of security in the Old City. The PU shall monitor the operation of the entry points.

c. Citizens of either Party may not exit the Old City into the territory of the other Party unless they are in possession of the relevant documentation that entitles them to. Tourists may only exit the Old City into the territory of the Party which they posses valid authorization to enter.

v. Suspension, Termination, and Expansion

a. Either Party may suspend the arrangements set forth in Article 6.7.iii in cases of emergency for one week. The extension of such suspension for longer than a week shall be pursuant to consultation with the other Party and the IVG at the Trilateral Committee established in Article 3/3.

b. This clause shall not apply to the arrangements set forth in Article 6/7/vi.

c. Three years after the transfer of authority over the Old City, the Parties shall review these arrangements. These arrangements may only be terminated by agreement of the Parties.

d. The Parties shall examine the possibility of expanding these arrangements beyond the Old City and may agree to such an expansion.

vi. Special Arrangements

a. Along the way outlined in Map X (from the Jaffa Gate to the Zion Gate) there will be permanent and guaranteed arrangements for Israelis regarding access, freedom of movement, and security, as set forth in Annex X.

1. The IVG shall be responsible for the implementation of these arrangements.

b. Without prejudice to Palestinian sovereignty, Israeli administration of the Citadel will be as outlined in Annex X.

vii. Color-Coding of the Old City

A visible color-coding scheme shall be used in the Old City to denote the sovereign areas of the respective Parties.

viii. Policing

a. An agreed number of Israeli police shall constitute the Israeli Old City police detachment and shall exercise responsibility for maintaining order and day-to-day policing functions in the area under Israeli sovereignty.

b. An agreed number of Palestinian police shall constitute the Palestinian Old City police detachment and shall exercise responsibility for maintaining order and day-to-day policing functions in the area under Palestinian sovereignty.

c. All members of the respective Israeli and Palestinian Old City police detachments shall undergo special training, including joint training exercises, to be administered by the PU.

d. A special Joint Situation Room, under the direction of the PU and incorporating members of the Israeli and Palestinian Old City police detachments, shall facilitate liaison on all relevant matters of policing and security in the Old City.

ix. Arms

No person shall be allowed to carry or possess arms in the Old City, with the exception of the Police Forces provided for in this agreement. In addition, each Party may grant special written permission to carry or possess arms in areas under its sovereignty.

x. Intelligence and Security

a. The Parties shall establish intensive intelligence cooperation regarding the Old City, including the immediate sharing of threat information.

b. A trilateral committee composed of the two Parties and representatives of the United States shall be established to facilitate this cooperation.

8. Mount of Olives Cemetery:

i. The area outlined in Map X (the Jewish Cemetery on the Mount of Olives) shall be under Israeli administration; Israeli law shall apply to persons using and procedures appertaining to this area in accordance with Annex X.

a. There shall be a designated road to provide free, unlimited, and unimpeded access to the Cemetery.

b. The IVG shall monitor the implementation of this clause.

c. This arrangement may only be terminated by the agreement of both Parties.

9. Special Cemetery Arrangements

Arrangements shall be established in the two cemeteries designated in Map X (Mount Zion Cemetery and the German Colony Cemetery), to facilitate and ensure the continuation of the current burial and visitation practices, including the facilitation of access.

10. The Western Wall Tunnel

i. The Western Wall Tunnel designated in Map X shall be under Israeli administration, including:

a. Unrestricted Israeli access and right to worship and conduct religious practices.

b. Responsibility for the preservation and maintenance of the site in accordance with this Agreement and without damaging structures above, under IVG supervision.

c. Israeli policing.

d. IVG monitoring

e. The Northern Exit of the Tunnel shall only be used for exit and may only be closed in case of emergency as stipulated in Article 6/7.

ii. This arrangement may only be terminated by the agreement of both Parties.

11. Municipal Coordination

i. The two Jerusalem municipalities shall form a Jerusalem Co-ordination and Development Committee ("JCDC") to oversee the cooperation and coordination between the Palestinian Jerusalem municipality and the Israeli Jerusalem municipality. The JCDC and its sub-committees shall be composed of an equal number of representatives from Palestine and Israel. Each side will appoint members of the JCDC and its subcommittees in accordance with its own modalities.

ii. The JCDC shall ensure that the coordination of infrastructure and services best serves the residents of Jerusalem, and shall promote the economic development of the city to the benefit of all. The JCDC will act to encourage cross-community dialogue and reconciliation.

iii. The JCDC shall have the following subcommittees:

a. A Planning and Zoning Committee: to ensure agreed planning and zoning regulations in areas designated in Annex X.

b. A Hydro Infrastructure Committee: to handle matters relating to drinking water delivery, drainage, and wastewater collection and treatment.

c. A Transport Committee: to coordinate relevant connectedness and compatibility of the two road systems and other issues pertaining to transport.

d. An Environmental Committee: to deal with environmental issues affecting the quality of life in the city, including solid waste management.

e. An Economic and Development Committee: to formulate plans for economic development in areas of joint interest, including in the areas of transportation, seam line commercial cooperation, and tourism,

f. A Police and Emergency Services Committee: to coordinate measures for the maintenance of public order and crime prevention and the provision of emergency services;

g. An Old City Committee: to plan and closely coordinate the joint provision of the relevant municipal services, and other functions stipulated in Article 6/7.

h. Other Committees as agreed in the JCDC.

12. Israeli Residency of Palestinian Jerusalemites

Palestinian Jerusalemites who currently are permanent residents of Israel shall lose this status upon the transfer of authority to Palestine of those areas in which they reside.

13. Transfer of authority

The Parties will apply in certain socio-economic spheres interim measures to ensure the agreed, expeditious, and orderly transfer of powers and obligations from Israel to Palestine. This shall be done in a manner that preserves the accumulated socio-economic rights of the residents of East Jerusalem.

Article 7 - Refugees

1. Significance of the Refugee Problem

i. The Parties recognize that, in the context of two independent states, Palestine and Israel, living side by side in peace, an agreed resolution of the refugee problem is necessary for achieving a just, comprehensive and lasting peace between them.

ii. Such a resolution will also be central to stability building and development in the region.

2. UNGAR 194, UNSC Resolution 242, and the Arab Peace Initiative

i. The Parties recognize that UNGAR 194, UNSC Resolution 242, and the Arab Peace Initiative (Article 2.ii.) concerning the rights of the Palestinian refugees represent the basis for resolving the refugee issue, and agree that these rights are fulfilled according to Article 7 of this Agreement.

3. Compensation

i. Refugees shall be entitled to compensation for their refugeehood and for loss of property. This shall not prejudice or be prejudiced by the refugee's permanent place of residence.

ii. The Parties recognize the right of states that have hosted Palestinian refugees to remuneration.

4. Choice of Permanent Place of Residence (PPR)

The solution to the PPR aspect of the refugee problem shall entail an act of informed choice on the part of the refugee to be exercised in accordance with the options and

modalities set forth in this agreement. PPR options from which the refugees may choose shall be as follows;

i. The state of Palestine, in accordance with clause a below.

ii. Areas in Israel being transferred to Palestine in the land swap, following assumption of Palestinian sovereignty, in accordance with clause a below.

iii. Third Countries, in accordance with clause b below.

iv. The state of Israel, in accordance with clause c below.

v. Present Host countries, in accordance with clause d below.

a. PPR options i and ii shall be the right of all Palestinian refugees and shall be in accordance with the laws of the State of Palestine.

b. Option iii shall be at the sovereign discretion of third countries and shall be in accordance with numbers that each third country will submit to the International Commission. These numbers shall represent the total number of Palestinian refugees that each third country shall accept.

c. Option iv shall be at the sovereign discretion of Israel and will be in accordance with a number that Israel will submit to the International Commission. This number shall represent the total number of Palestinian refugees that Israel shall accept. As a basis, Israel will consider the average of the total numbers submitted by the different third countries to the International Commission.

d. Option v shall be in accordance with the sovereign discretion of present host countries. Where exercised this shall be in the context of prompt and extensive development and rehabilitation programs for the refugee communities

Priority in all the above shall be accorded to the Palestinian refugee population in Lebanon.

5. Free and Informed Choice

The process by which Palestinian refugees shall express their PPR choice shall be on the basis of a free and informed decision. The Parties themselves are committed and will encourage third parties to facilitate the refugees' free choice in expressing their preferences, and to countering any attempts at interference or organized pressure on the process of choice. This will not prejudice the recognition of Palestine as the realization of Palestinian self-determination and statehood.

6. End of Refugee Status

Palestinian refugee status shall be terminated upon the realization of an individual refugee's permanent place of residence (PPR) as determined by the International Commission.

7. End of Claims

This agreement provides for the permanent and complete resolution of the Palestinian refugee problem. No claims may be raised except for those related to the implementation of this agreement.

8. International Role

The Parties call upon the international community to participate fully in the comprehensive resolution of the refugee problem in accordance with this Agreement, including, inter alia, the establishment of an International Commission and an International Fund.

9. Property Compensation

i. Refugees shall be compensated for the loss of property resulting from their displacement.

ii. The aggregate sum of property compensation shall be calculated as follows:

a. The Parties shall request the International Commission to appoint a Panel of Experts to estimate the value of Palestinians' property at the time of displacement.

b. The Panel of Experts shall base its assessment on the UNCCP records, the records of the Custodian for Absentee Property, and any other records it deems relevant. The Parties shall make these records available to the Panel.

c. The Parties shall appoint experts to advise and assist the Panel in its work.

d. Within 6 months, the Panel shall submit its estimates to the Parties.

e. The Parties shall agree on an economic multiplier, to be applied to the estimates, to reach a fair aggregate value of the property.

iii. The aggregate value agreed to by the Parties shall constitute the Israeli "lump sum" contribution to the International Fund. No other financial claims arising from the Palestinian refugee problem may be raised against Israel.

iv. Israel's contribution shall be made in installments in accordance with Schedule X.

v. The value of the Israeli fixed assets that shall remain intact in former settlements and transferred to the state of Palestine will be deducted from Israel's contribution to the International Fund. An estimation of this value shall be made by the International Fund, taking into account assessment of damage caused by the settlements.

10. Compensation for Refugeehood

i. A "Refugeehood Fund" shall be established in recognition of each individual's refugeehood. The Fund, to which Israel shall be a contributing party, shall be overseen by the International Commission. The structure and financing of the Fund is set forth in Annex X.

ii. Funds will be disbursed to refugee communities in the former areas of UNRWA operation, and will be at their disposal for communal development and commemoration of the refugee experience. Appropriate mechanisms will be devised by the International Commission whereby the beneficiary refugee communities are empowered to determine and administer the use of this Fund.

11. The International Commission (Commission)

i. Mandate and Composition

a. An International Commission shall be established and shall have full and exclusive responsibility for implementing all aspects of this Agreement pertaining to refugees.

b. In addition to themselves, the Parties call upon the United Nations, the United States, UNRWA, the Arab host countries, the EU, Switzerland, Canada, Norway, Japan, the World Bank, the Russian Federation, and others to be the members of the Commission.

c. The Commission shall:

1. Oversee and manage the process whereby the status and PPR of Palestinian refugees is determined and realized.

2. Oversee and manage, in close cooperation with the host states, the rehabilitation and development programs.

3. Raise and disburse funds as appropriate.

d. The Parties shall make available to the Commission all relevant documentary records and archival materials in their possession that it deems necessary for the functioning of the Commission and its organs. The Commission may request such materials from all other relevant parties and bodies, including, inter alia, UNCCP and UNRWA.

ii. Structure

a. The Commission shall be governed by an Executive Board (Board) composed of representatives of its members.

b. The Board shall be the highest authority in the Commission and shall make the relevant policy decisions in accordance with this Agreement.

c. The Board shall draw up the procedures governing the work of the Commission in accordance with this Agreement.

d. The Board shall oversee the conduct of the various Committees of the Commission. The said Committees shall periodically report to the Board in accordance with procedures set forth thereby.

e. The Board shall create a Secretariat and appoint a Chair thereof. The Chair and the Secretariat shall conduct the day-to-day operation of the Commission.

iii. Specific Committees

a. The Commission shall establish the Technical Committees specified below.

b. Unless otherwise specified in this Agreement, the Board shall determine the structure and procedures of the Committees.

c. The Parties may make submissions to the Committees as deemed necessary.

d. The Committees shall establish mechanisms for resolution of disputes arising from the interpretation or implementation of the provisions of this Agreement relating to refugees.

e. The Committees shall function in accordance with this Agreement, and shall render binding decisions accordingly.

f. Refugees shall have the right to appeal decisions affecting them according to mechanisms established by this Agreement and detailed in Annex X.

iv. Status-determination Committee :

a. The Status-determination Committee shall be responsible for verifying refugee status.

b. UNRWA registration shall be considered as rebuttable presumption (prima facie proof) of refugee status.

v. Compensation Committee :

a. The Compensation Committee shall be responsible for administering the implementation of the compensation provisions.

b. The Committee shall disburse compensation for individual property pursuant to the following modalities:

1. Either a fixed per capita award for property claims below a specified value. This will require the claimant to only prove title, and shall be processed according to a fast-track procedure, or

2. A claims-based award for property claims exceeding a specified value for immovables and other assets. This will require the claimant to prove both title and the value of the losses.

c. Annex X shall elaborate the details of the above including, but not limited to, evidentiary issues and the use of UNCCP, "Custodian for Absentees' Property", and UNRWA records, along with any other relevant records.

vi. Host State Remuneration Committee:

There shall be remuneration for host states.

vii. Permanent Place of Residence Committee (PPR Committee):

The PPR Committee shall,

a. Develop with all the relevant parties detailed programs regarding the implementation of the PPR options pursuant to Article 7/4 above.

b. Assist the applicants in making an informed choice regarding PPR options.

c. Receive applications from refugees regarding PPR. The applicants must indicate a number of preferences in accordance with article 7/4 above. The applications shall be received no later than two years after the start of the International Commission's operations. Refugees who do not submit such applications within the two-year period shall lose their refugee status.

d. Determine, in accordance with sub-Article (a) above, the PPR of the applicants, taking into account individual preferences and maintenance of family unity. Applicants who do not avail themselves of the Committee's PPR determination shall lose their refugee status.

e. Provide the applicants with the appropriate technical and legal assistance.

f. The PPR of Palestinian refugees shall be realized within 5 years of the start of the International Commission's operations.

viii. Refugeehood Fund Committee

The Refugeehood Fund Committee shall implement Article 7/10 as detailed in Annex X.

ix. Rehabilitation and Development Committee

In accordance with the aims of this Agreement and noting the above PPR programs, the Rehabilitation and Development Committee shall work closely with Palestine, Host Countries and other relevant third countries and parties in pursuing the goal of refugee rehabilitation and community development. This shall include devising programs and plans to provide the former refugees with opportunities for personal and communal

development, housing, education, healthcare, re-training and other needs. This shall be integrated in the general development plans for the region.

12. The International Fund

i. An International Fund (the Fund) shall be established to receive contributions outlined in this Article and additional contributions from the international community. The Fund shall disburse monies to the Commission to enable it to carry out its functions. The Fund shall audit the Commission's work.

ii. The structure, composition and operation of the Fund are set forth in Annex X.

13. UNRWA

i. UNRWA should be phased out in each country in which it operates, based on the end of refugee status in that country.

ii. UNRWA should cease to exist five years after the start of the Commission's operations. The Commission shall draw up a plan for the phasing out of UNRWA and shall facilitate the transfer of UNRWA functions to host states.

14. Reconciliation Programs

i. The Parties will encourage and promote the development of cooperation between their relevant institutions and civil societies in creating forums for exchanging historical narratives and enhancing mutual understanding regarding the past.

ii. The Parties shall encourage and facilitate exchanges in order to disseminate a richer appreciation of these respective narratives, in the fields of formal and informal education, by providing conditions for direct contacts between schools, educational institutions and civil society.

iii. The Parties may consider cross-community cultural programs in order to promote the goals of conciliation in relation to their respective histories.

iv. These programs may include developing appropriate ways of commemorating those villages and communities that existed prior to 1949.

Article 8 - Israeli-Palestinian Cooperation Committee (IPCC)

1. The Parties shall establish an Israeli-Palestinian Cooperation Committee immediately upon the entry into force of this agreement. The IPCC shall be a ministerial-level body with ministerial-level Co-Chairs.

2. The IPCC shall develop and assist in the implementation of policies for cooperation in areas of common interest including, but not limited to, infrastructure needs, sustainable development and environmental issues, cross-border municipal cooperation, border

area industrial parks, exchange programs, human resource development, sports and youth, science, agriculture and culture.

3. The IPCC shall strive to broaden the spheres and scope of cooperation between the Parties.

Article 9 - Designated Road Use Arrangements:

1. The following arrangements for Israeli civilian use will apply to the designated roads in Palestine as detailed in Map X (Road 443, Jerusalem to Tiberias via Jordan Valley, and Jerusalem -Ein Gedi).

2. These arrangements shall not prejudice Palestinian jurisdiction over these roads, including PSF patrols.

3. The procedures for designated road use arrangements will be further detailed in Annex X.

4. Israelis may be granted permits for use of designated roads. Proof of authorization may be presented at entry points to the designated roads. The sides will review options for establishing a road use system based on smart card technology.

5. The designated roads will be patrolled by the MF at all times. The MF will establish with the states of Israel and Palestine agreed arrangements for cooperation in emergency medical evacuation of Israelis.

6. In the event of any incidents involving Israeli citizens and requiring criminal or legal proceedings, there will be full cooperation between the Israeli and Palestinian authorities according to arrangements to be agreed upon as part of the legal cooperation between the two states. The Parties may call on the IVG to assist in this respect.

7. Israelis shall not use the designated roads as a means of entering Palestine without the relevant documentation and authorization.

8. In the event of regional peace, arrangements for Palestinian civilian use of designated roads in Israel shall be agreed and come into effect.

Article 10 - Sites of Religious Significance

1. The Parties shall establish special arrangements to guarantee access to agreed sites of religious significance, as will be detailed in Annex X. These arrangements will apply, inter alia, to the Tomb of the Patriarchs in Hebron and Rachel's Tomb in Bethlehem, and Nabi Samuel.

2. Access to and from the sites will be by way of designated shuttle facilities from the relevant border crossing to the sites.

3. The Parties shall agree on requirements and procedures for granting licenses to authorized private shuttle operators.

4. The shuttles and passengers will be subject to MF inspection.

5. The shuttles will be escorted on their route between the border crossing and the sites by the MF.

6. The shuttles shall be under the traffic regulations and jurisdiction of the Party in whose territory they are traveling.

7. Arrangements for access to the sites on special days and holidays are detailed in Annex X.

8. The Palestinian Tourist Police and the MF will be present at these sites.

9. The Parties shall establish a joint body for the religious administration of these sites.

10. In the event of any incidents involving Israeli citizens and requiring criminal or legal proceedings, there will be full cooperation between the Israeli and Palestinian authorities according to arrangements to be agreed upon. The Parties may call on the IVG to assist in this respect.

11. Israelis shall not use the shuttles as a means of entering Palestine without the relevant documentation and authorization.

12. The Parties shall protect and preserve the sites of religious significance listed in Annex X and shall facilitate visitation to the cemeteries listed in Annex X.

Article 11 - Border Regime

1. There shall be a border regime between the two states, with movement between them subject to the domestic legal requirements of each and to the provisions of this Agreement as detailed in Annex X.

2. Movement across the border shall only be through designated border crossings.

3. Procedures in border crossings shall be designed to facilitate strong trade and economic ties, including labor movement between the Parties.

4. Each Party shall each, in its respective territory, take the measures it deems necessary to ensure that no persons, vehicles, or goods enter the territory of the other illegally.

5. Special border arrangements in Jerusalem shall be in accordance with Article 6 above.

Article 12 - Water
Article 13 - Economic Relations
Article 14 - Legal Cooperation

Article 15 - Palestinian Prisoners and Detainees

1. In the context of this Permanent Status Agreement between Israel and Palestine, the end of conflict, cessation of all violence, and the robust security arrangements set forth in this Agreement, all the Palestinian and Arab prisoners detained in the framework of the Israeli-Palestinian conflict prior to the date of signature of this Agreement, DD/MM/2003, shall be released in accordance with the categories set forth below and detailed in Annex X.

i. Category A: all persons imprisoned prior to the start of the implementation of the Declaration of Principles on May 4, 1994, administrative detainees, and minors, as well as women, and prisoners in ill health shall be released immediately upon the entry into force of this Agreement.

ii. Category B: all persons imprisoned after May 4, 1994 and prior to the signature of this Agreement shall be released no later than eighteen months from the entry into force of this Agreement, except those specified in Category C.

iii. Category C: Exceptional cases - persons whose names are set forth in Annex X - shall be released in thirty months at the end of the full implementation of the territorial aspects of this Agreement set forth in Article 5/7/v.

Article 16 - Dispute Settlement Mechanism

1. Disputes related to the interpretation or application of this Agreement shall be resolved by negotiations within a bilateral framework to be convened by the High Steering Committee.

2. If a dispute is not settled promptly by the above, either Party may submit it to mediation and conciliation by the IVG mechanism in accordance with Article 3.

3. Disputes which cannot be settled by bilateral negotiation and/or the IVG mechanism shall be settled by a mechanism of conciliation to be agreed upon by the Parties.

4. Disputes which have not been resolved by the above may be submitted by either Party to an arbitration panel. Each Party shall nominate one member of the three-member arbitration panel. The Parties shall select a third arbiter from the agreed list of arbiters set forth in Annex X either by consensus or, in the case of disagreement, by rotation.

Article 17 - Final Clauses

Including a final clause providing for a UNSCR/UNGAR resolution endorsing the agreement and superceding the previous UN resolutions.

The English version of this text will be considered authoritative.

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Ariel Sharon's Disengagement Plan

(and George Bush's letter accepting it) April 14, 2004

Introduction

In late 2003, with the roadmap for peace stalled, Israeli PM Ariel Sharon announced his intention to unilaterally withdraw Israeli forces and to evacuate four Israeli settlements from Gaza and a small section of the northern West Bank (Samaria).. This "strategic retreat" would allow Israel to conserve resources being wasted on the settlements, reduce friction with Palestinians, and reduce pressure on Israel to negotiate a settlement on unfavorable terms. This surprise move by the right-wing "father" of Israeli settlement activity may also have been aimed at ending the Oslo Peace Process, and giving Israel a free hand to operate against terrorists in Gaza.

To ensure legitimize the move to his right-wing Likud party, which was ideologically opposed to withdrawal, Sharon called for a referendum of registered Likud voters. To ensure support for the plan Sharon traveled to the USA in April 2004, and obtained "concessions" from US President George W. Bush, in the form of a letter indicating US agreement with Israel on major issues to be negotiated in any future settlement, and US acquiescence in the Israeli security barrier. The barrier was being built within the boundaries of the occupied territories to keep Palestinian terrorists out of Israel, but also, many said, to shut the Palestinians into a ghetto and to annex lands to Israel.

The main points of the disengagement plan

- Israel withdraws from Gaza and four settlements in the northern West Bank ('Samaria').
- The settlements remain intact for use of the Palestinians if accepted by an appropriated agency.
- Israel retains, for now, temporary control of the Philadelphi road that separates Egypt from Gaza, in order to patrol the border.
- The Palestinian airport and the port in Dahanieh remain closed.
- The Erez joint industrial area which employs about 4,000 Palestinians, will continue to operate. The Erez border crossing will be moved and rebuilt on the Israeli side.
- The borders are not final. Final borders will be negotiated with the Palestinians when they have fulfilled the conditions of the roadmap for peace (controlling terror). The roadmap remains the basis for peace and Israel will not accept it.

The main points of Bush's letter:

- The US gives its blessing to the Israeli disengagement plan
- The roadmap remains the only plan for peace between Israel and the Palestinians

- The US believes that the Palestine refugee problem must be solved by settling the refugees in the territory of the Palestinian state
- The US believes that a final settlement should take into account the 'demographic realities' of Israeli settlement in the West Bank, and that Israel will not withdraw to the 1949 cease fire lines.
- The US recognizes the need for the controversial Israeli security fence, which is a temporary measure and not a border.

The Bush letter did not grant US recognition or legitimacy to any specific Israeli settlements, or guarantee any particular but the Israeli government interpreted this wording to mean that the US would support Israeli annexation of Ma'aleh Edumim, Gush Etzion, the Israeli settlements in the Hebron area and Ariel.

Bush's letter caused a storm especially in the Arab world because the United States did not back the "right of return" of Palestinian refugees to Israeli territory and seemed to be giving tacit recognition to Israeli settlements. U.N. Secretary General Kofi Annan likewise insisted on strict adherence to UN resolutions on the refugee issue, particularly resolution 194, which would mean the end of the Jewish national home in Israel. If all Palestinian refugee claimants were to be settled in Israel, they would outnumber the Jewish population. Therefore, rejection of this interpretation of "right of return" has been a key demand of Israelis. However, with the exception of acquiescence in the Israeli security fence, Bush's letter gave Israel practically nothing that had not been implicit in President Clinton's Taba peace settlement plan and in a speech given by President Clinton. However, politically and tactically, Bush's letter was an important "victory" for Israel and compensated in a small way for the fact that Israel was ceding all of Gaza in return for no Palestinian concessions at all.

The plan was approved February 20, 2005 by the Israeli Cabinet after being approved by the Knesset. 25 settlements of varying sizes will be evacuated. (Click for Map)

The disengagement plan was implemented in August and September of 2005.

Ami Isseroff

More commentary and reactions

Israel Disengagement Map - 2005 - with approximate population of settlements.

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Exchange of letters between George Bush and Ariel Sharon, April 14, 2004

Letter from Prime Minister Ariel Sharon to US President George W. Bush

Dear Mr. President,

The vision that you articulated in your 24 June 2002 address constitutes one of the most significant contributions toward ensuring a bright future for the Middle East. Accordingly, the State of Israel has accepted the Roadmap, as adopted by our government. For the first time, a practical and just formula was presented for the achievement of peace, opening a genuine window of opportunity for progress toward a settlement between Israel and the Palestinians, involving two states living side-by-side in peace and security.

This formula sets forth the correct sequence and principles for the attainment of peace. Its full implementation represents the sole means to make genuine progress. As you have stated, a Palestinian state will never be created by terror, and Palestinians must engage in a sustained fight against the terrorists and dismantle their infrastructure. Moreover, there must be serious efforts to institute true reform and real democracy and liberty, including new leaders not compromised by terror. We are committed to this formula as the only avenue through which an agreement can be reached. We believe that this formula is the only viable one.

The Palestinian Authority under its current leadership has taken no action to meet its responsibilities under the Roadmap. Terror has not ceased, reform of the Palestinian security services has not been undertaken, and real institutional reforms have not taken place. The State of Israel continues to pay the heavy cost of constant terror. Israel must preserve its capability to protect itself and deter its enemies, and we thus retain our right to defend ourselves against terrorism and to take actions against terrorist organizations.

The Honorable George W. Bush President of the United States of America The White House Washington, D.C.

Having reached the conclusion that, for the time being, there exists no Palestinian partner with whom to advance peacefully toward a settlement and since the current impasse is unhelpful to the achievement of our shared goals, I have decided to initiate a process of gradual disengagement with the hope of reducing friction between Israelis and Palestinians. The Disengagement Plan is designed to improve security for Israel and stabilize our political and economic situation. It will enable us to deploy our forces more effectively until such time that conditions in the Palestinian Authority allow for the full implementation of the Roadmap to resume.

I attach, for your review, the main principles of the Disengagement Plan. This initiative, which we are not undertaking under the roadmap, represents an independent Israeli plan, yet is not inconsistent with the roadmap. According to this plan, the State of Israel intends to relocate military installations and all Israeli villages and towns in the Gaza Strip, as well as other military installations and a small number of villages in Samaria.

In this context, we also plan to accelerate construction of the Security Fence, whose completion is essential in order to ensure the security of the citizens of Israel. The fence is a security rather than political barrier, temporary rather than permanent, and therefore will not prejudice any final status issues including final borders. The route of the Fence, as approved by our Government’s decisions, will take into account, consistent with security needs, its impact on Palestinians not engaged in terrorist activities.

Upon my return from Washington, I expect to submit this Plan for the approval of the Cabinet and the Knesset, and I firmly believe that it will win such approval.

The Disengagement Plan will create a new and better reality for the State of Israel, enhance its security and economy, and strengthen the fortitude of its people. In this context, I believe it is important to bring new opportunities to the Negev and the Galilee. Additionally, the Plan will entail a series of measures with the inherent potential to improve the lot of the Palestinian Authority, providing that it demonstrates the wisdom to take advantage of this opportunity. The execution of the Disengagement Plan holds the prospect of stimulating positive changes within the Palestinian Authority that might create the necessary conditions for the resumption of direct negotiations.

We view the achievement of a settlement between Israel and the Palestinians as our central focus and are committed to realizing this objective. Progress toward this goal must be anchored exclusively in the Roadmap and we will oppose any other plan.

In this regard, we are fully aware of the responsibilities facing the State of Israel. These include limitations on the growth of settlements; removal of unauthorized outposts; and steps to increase, to the extent permitted by security needs, freedom of movement for Palestinians not engaged in terrorism. Under separate cover we are sending to you a full description of the steps the State of Israel is taking to meet all its responsibilities.

The government of Israel supports the United States efforts to reform the Palestinian security services to meet their roadmap obligations to fight terror. Israel also supports the American's efforts, working with the International Community, to promote the reform process, build institutions and improve the economy of the Palestinian Authority and to enhance the welfare of its people, in the hope that a new Palestinian leadership will prove able to fulfill its obligations under the roadmap.

I want to again express my appreciation for your courageous leadership in the war against global terror, your important initiative to revitalize the Middle East as a more fitting home for its people and, primarily, your personal friendship and profound support for the State of Israel.

Sincerely,

Ariel Sharon

Letter from US President George W. Bush to Prime Minister Ariel Sharon

His Excellency Ariel Sharon Prime Minister of Israel

Dear Mr. Prime Minister,

Thank you for your letter setting out your disengagement plan.

The United States remains hopeful and determined to find a way forward toward a resolution of the Israeli-Palestinian dispute. I remain committed to my June 24, 2002 vision of two states living side by side in peace and security as the key to peace, and to the roadmap as the route to get there.

We welcome the disengagement plan you have prepared, under which Israel would withdraw certain military installations and all settlements from Gaza, and withdraw certain military installations and settlements in the West Bank. These steps described in the plan will mark real progress toward realizing my June 24, 2002 vision, and make a real contribution towards peace. We also understand that, in this context, Israel believes it is important to bring new opportunities to the Negev and the Galilee. We are hopeful that steps pursuant to this plan, consistent with my vision, will remind all states and parties of their own obligations under the roadmap.

The United States appreciates the risks such an undertaking represents. I therefore want to reassure you on several points.

First, the United States remains committed to my vision and to its implementation as described in the roadmap. The United States will do its utmost to prevent any attempt by anyone to impose any other plan. Under the roadmap, Palestinians must undertake an immediate cessation of armed activity and all acts of violence against Israelis anywhere, and all official Palestinian institutions must end incitement against Israel. The Palestinian leadership must act decisively against terror, including sustained, targeted, and effective operations to stop terrorism and dismantle terrorist capabilities and infrastructure. Palestinians must undertake a comprehensive and fundamental political reform that includes a strong parliamentary democracy and an empowered prime minister.

Second, there will be no security for Israelis or Palestinians until they and all states, in the region and beyond, join together to fight terrorism and dismantle terrorist organizations. The United States reiterates its steadfast commitment to Israel's security, including secure, defensible borders, and to preserve and strengthen Israel's capability to deter and defend itself, by itself, against any threat or possible combination of threats.

Third, Israel will retain its right to defend itself against terrorism, including to take actions against terrorist organizations. The United States will lead efforts, working together with Jordan, Egypt, and others in the international community, to build the

capacity and will of Palestinian institutions to fight terrorism, dismantle terrorist organizations, and prevent the areas from which Israel has withdrawn from posing a threat that would have to be addressed by any other means. The United States understands that after Israel withdraws from Gaza and/or parts of the West Bank, and pending agreements on other arrangements, existing arrangements regarding control of airspace, territorial waters, and land passages of the West Bank and Gaza will continue.

The United States is strongly committed to Israel's security and well-being as a Jewish state. It seems clear that an agreed, just, fair and realistic framework for a solution to the Palestinian refugee issue as part of any final status agreement will need to be found through the establishment of a Palestinian state, and the settling of Palestinian refugees there, rather than in Israel.

As part of a final peace settlement, Israel must have secure and recognized borders, which should emerge from negotiations between the parties in accordance with UNSC Resolutions 242 and 338. In light of new realities on the ground, including already existing major Israeli population centers, it is unrealistic to expect that the outcome of final status negotiations will be a full and complete return to the armistice lines of 1949, and all previous efforts to negotiate a two-state solution have reached the same conclusion. It is realistic to expect that any final status agreement will only be achieved on the basis of mutually agreed changes that reflect these realities.

I know that, as you state in your letter, you are aware that certain responsibilities face the State of Israel. Among these, your government has stated that the barrier being erected by Israel should be a security rather than political barrier, should be temporary rather than permanent, and therefore not prejudice any final status issues including final borders, and its route should take into account, consistent with security needs, its impact on Palestinians not engaged in terrorist activities.

As you know, the United States supports the establishment of a Palestinian state that is viable, contiguous, sovereign, and independent, so that the Palestinian people can build their own future in accordance with my vision set forth in June 2002 and with the path set forth in the roadmap. The United States will join with others in the international community to foster the development of democratic political institutions and new leadership committed to those institutions, the reconstruction of civic institutions, the growth of a free and prosperous economy, and the building of capable security institutions dedicated to maintaining law and order and dismantling terrorist organizations.

A peace settlement negotiated between Israelis and Palestinians would be a great boon not only to those peoples but to the peoples of the entire region. Accordingly, the United States believes that all states in the region have special responsibilities: to support the building of the institutions of a Palestinian state; to fight terrorism, and cut off all forms of assistance to individuals and groups engaged in terrorism; and to begin

now to move toward more normal relations with the State of Israel. These actions would be true contributions to building peace in the region.

Mr. Prime Minister, you have described a bold and historic initiative that can make an important contribution to peace. I commend your efforts and your courageous decision which I support. As a close friend and ally, the United States intends to work closely with you to help make it a success.

Sincerely,

George W. Bush

The Disengagement Proposal of Ariel Sharon

(The current version is a preliminary and informal text of the letter appended to Ariel Sharon's letter to George W. Bush, and leaked to the press and published in Hebrew here.)

1. General Principles

Israel is committed to the peace process and is aiming to reach a negotiated agreement on the basis of two states for two peoples: the State of Israel as a Jewish state and a Palestinian state for the Palestinian people. This is in keeping with President Bush's vision for a two state solution. Israel believes that it must act to improve the current reality. Israel has come to the realization that at present there is no Palestinian partner with whom to proceed along a bilateral peace process. In this light, a unilateral plan of disengagement has been prepared with the following considerations in mind:

A. The current situation is untenable. In order to move beyond the current situation, it is incumbent on Israel to proceed along a path not reliant on Palestinian cooperation.

B. The disengagement plan will lead to an improved security reality, in the long term at least.

C. In any future final status arrangement ,there will be no Israeli settlement activity in the Gaza Strip. On the other hand, it is clear that there will be areas in Judea and Samaria that will be part of the State of Israel, and there will be civilian communities, security zones and other places in which Israel has further interest inside those areas.

D. The withdrawal from the Gaza Strip and from an area in northern Samaria (four settlements and military installations in their vicinity) will diminish the friction with the

Palestinian population and has the potential to improve the living conditions of the Palestinians living there and the Palestinian economy.

E. Israel hopes that the Palestinians will succeed in taking advantage of the disengagement process in order to break out of the cycle of violence and reenter a process of dialogue.

F. The disengagement process will negate the force of the arguments regarding Israel's responsibility for the residents of the Gaza Strip.

G. The disengagement process does not detract from the existing agreements between Israel and the Palestinians. The relevant existing agreements will continue to be in effect. At the time when there is visible evidence of a readiness, ability and implementation on the Palestinian side of fighting terrorism and the implementation of reforms on the basis of the road map peace plan, it will be possible to return to the path of negotiations and dialogue.

2. Main points of the plan

A. The Gaza Strip

1. Israel will withdraw from the Gaza Strip, including all the existing Israeli settlements, and will redeploy in territory outside of the Strip. The withdrawal excludes a military presence in the area along the border area between the Gaza Strip and Egypt called 'The Philadelphia Corridor' as will be detailed later.

2. Once the process is complete, there will be no permanent land-based Israeli military or civilian presence in the Gaza Strip.

3. A fact emanating from this move will be the lack of a basis to the claim that the Gaza Strip is occupied territory.

B. Judea and Samaria

1. Israel will withdraw from an area in northern Samaria (Ganim, Kadim, Homesh and Sanur) and all permanent military installations in this area, and will redeploy outside this area.

2. Once the process is complete, there will be no permanent Israeli military or civilian presence in northern Samaria.

3. The process will allow for a continuous Palestinian territory in the area of northern Samaria.

4. Israel will improve the transportation infrastructure in Judea and Samaria with an eye to allow continuous Palestinian transportation in Judea and Samaria.

5. The process will ease Palestinian economic and commercial activity in Judea and Samaria.

C. The Security Fence

Israel will continue building the Security Fence in accordance with the decisions of the government. The route of the Security Fence will take humanitarian concerns into consideration.

3. The security reality following the withdrawal

A. The Gaza Strip

1. Israel will supervise and secure the outer envelope of the geographical land mass, will exclusively control the airspace of the Gaza Strip, and will continue to carry out military operations in the territorial waters of the Gaza Strip.

2. The Gaza Strip will be demilitarized of weapons whose existence are not in accordance with existing agreements between the two sides.

3.Israel retains the basic right to self defense, including preemptive steps and response, with the use of force, against threats emanating from this area.

B. Judea and Samaria

1. With the removal of the settlements in northern Samaria (Ganim, Kadim, Homesh and Sanur) there will be no permanent Israeli military presence in the area.

2. Israel retains the basic right to self defense, including preemptive steps and response, with the use of force, against threats emanating from this area.

3. The existing security activity will continue in the remaining areas of Judea and Samaria. However, if circumstances allow, Israel will consider reducing its activity in Palestinian cities.

4. Israel will work towards reducing the number of checkpoints in Judea and Samaria as a whole.

. Military installations and infrastructure in the Gaza Strip and northern Samaria

These will be dismantled, except for those that Israel decides to keep for the decision of another body.

The nature of security assistance to the Palestinians

Israel agrees, following coordination, to allow security consultations, assistance and training for the Palestinian security forces, for the purposes of fighting terrorism and maintaining public order, to be given by American, British and Egyptian authorities, or other experts, in accordance with agreements reached with Israel. Israel stands firm on the principle that there will be no foreign military presence in the Gaza Strip and/ or Judea and Samaria, without coordination and without Israeli agreement.

6. The border area between the Gaza Strip and Egypt (The Philadelphia Corridor)

In the first phase, Israel will continue to maintain a military presence along the length of the border line between the Gaza Strip and Egypt (The Philadelphia Corridor). This military presence is an essential security presence. In certain areas, it may be necessary to physically enlarge the area in which military operations are conducted. In the future, Israel will consider the possibility of withdrawing from this area.

Any withdrawal from this area will be conditioned, amongst other things, on the security reality and on the level of cooperation granted by Egypt in the creation of a more trustworthy solution. If and when the conditions for a withdrawal of this area arise, Israel will be ready to consider the possibility of the establishment of a seaport and an airport in the Gaza Strip, in accordance with agreements reached with Israel.

7. Israeli settlements

Israel will aim to maintain the assets of Israeli settlements. The transfer of Israeli economic activities for use by Palestinians includes the possibility of expanding Palestinian commercial activity. Israel suggests the establishment of an international body (along the lines of the AHLC) which will be agreed upon between Israel and the United States, that will take possession of the settlements, take calculations and make assessments of their overall commercial value. Israel retains the right to ask compensation to the value of all the economic assets that remain in areas it withdraws from.

8. Infrastructure and civilian arrangements

The infrastructures of water, electricity, waste management and communications serving the Palestinians will remain in place. Israel will work towards leaving in place the similar infrastructures present in the Israeli settlements it withdraws from. As a rule, Israel will allow the continuation of the supply of water, electricity, gas and petrol to the Palestinians, in accordance with existing agreements. The existing agreements, including water and electro-magnetic fields, will remain in effect.

9. The activities of international civilian organizations

Israel sees positively the continued activities of international humanitarian organizations working towards civil development, and who are assisting the

Palestinian population. Israel will coordinate with these humanitarian organizations to assist their activities.

10. General arrangements

As a rule, the general arrangements currently in place between Israel and the Palestinians will remain in effect. These arrangements include, amongst others:

A. The entrance of Palestinian laborers into Israel in accordance with existing criteria.

B. The flow of goods between the Gaza Strip, Judea and Samaria, Israel and overseas.

C. Monetary policy.

D. Taxation and customs arrangements.

E. Postal and communications arrangements.

In the long term, and in accordance with Israeli interests of increased Palestinian economic independence, Israel aspires to diminish the number of Palestinian laborers entering Israel. Israel will support the development of commercial sources in the Gaza Strip and in Palestinian areas of Judea and Samaria.

11. The Erez Industrial Zone

The Erez Industrial Zone, which exists inside the Gaza Strip, employs about 4, 000 Palestinian laborers. The continuing activity of this industrial zone is first and foremost a clear and significant Palestinian interest. Israel will consider maintaining the status quo of the industrial zone under two conditions:

A. The existence of suitable security arrangements.

B. A clear recognition by the international community that the continuing operation of the industrial zone under its present conditions will not be viewed as a continuation of Israeli control of the area.

Or, the industrial zone will be handed over to the responsibility of agreed upon Palestinian or international authorities. Israel will consider, together with Egypt, the possible of establishing a joint industrial zone on the border of the Gaza Strip, Egypt and Israel.

12. International crossings

A. The international crossing between the Gaza Strip and Egypt:

1. The existing arrangements at the crossing will remain in place.

2. Israel is interested in moving the crossing to a "tri-border" point, about 2 kilometers from its current location. The process will be carried out with Egyptian coordination. This will allow an increase in the hours of operation at the crossing.

B. The international crossings between Judea and Samaria and Jordan; the existing arrangements in place at the crossings will continue to be in place.

13. The Erez crossing The Erez crossing will be moved into the territory of Israel at a timetable agreed upon separately.

14. Timetable.

The process of withdrawal is planned to end at the end of 2005. Stages of withdrawal and the detailed timetable will be brought to auspices of the United States.

15. Conclusion

Israel expects wide international support for the disengagement process. This support is crucial in order to bring the Palestinians to implement their responsibilities in the areas of fighting terrorism and carrying out reforms according to the road map peace plan. Only then can both sides return to the path of negotiations.

Israeli Settlements in Gaza and West Bank Evacuated under the Disengagement Plan 2005 with approximate population of settlements

The Disengagement Plan

Note - Population figures are estimates based on figures given by Foundation for Middle East Peace, Ha'aretz and Jerusalem Post. However, the population does not add up to the figure of 8,500 settlers announced by the Israel government. The disengagement plan was implemented in August and September of 2005.

Map Showing Gaza Settlements Evacuated

Settlement	Founded	Population**
Atzmona (Bnei Atzmona)	1982**	650
Bedola'h	1986	220
Dugit	1982	80
Elei Sinai	1983	350
Gdid	1982	310
Ganei Tal	1979	400
Gan Or	1983	350
Katif	1985	405
Kerem Atzmona	2001	70
Kfar Darom***	1989	365
Kfar Yam	1983	20
Morag	1972	220
Netzarim	1972	390
Netzer Hazani	1973	410
Neveh Dekalim	1983	2,500
Nissanit	1980	1050
Pe'at Sadeh	1989	105
Rafiah Yam	1984	150
Shirat Hayam	2000	50
Slav	1980	50
Tel Katifa	1992	75

* Founded 1979 in Sinai. Moved to Gaza, 1982.

**Kfar Darom was founded about 1935; destroyed 1939; re-founded 1946; destroyed 1948

*** Estimates are about 15% below published total of 8,500

Map of West Bank settlements evacuated:

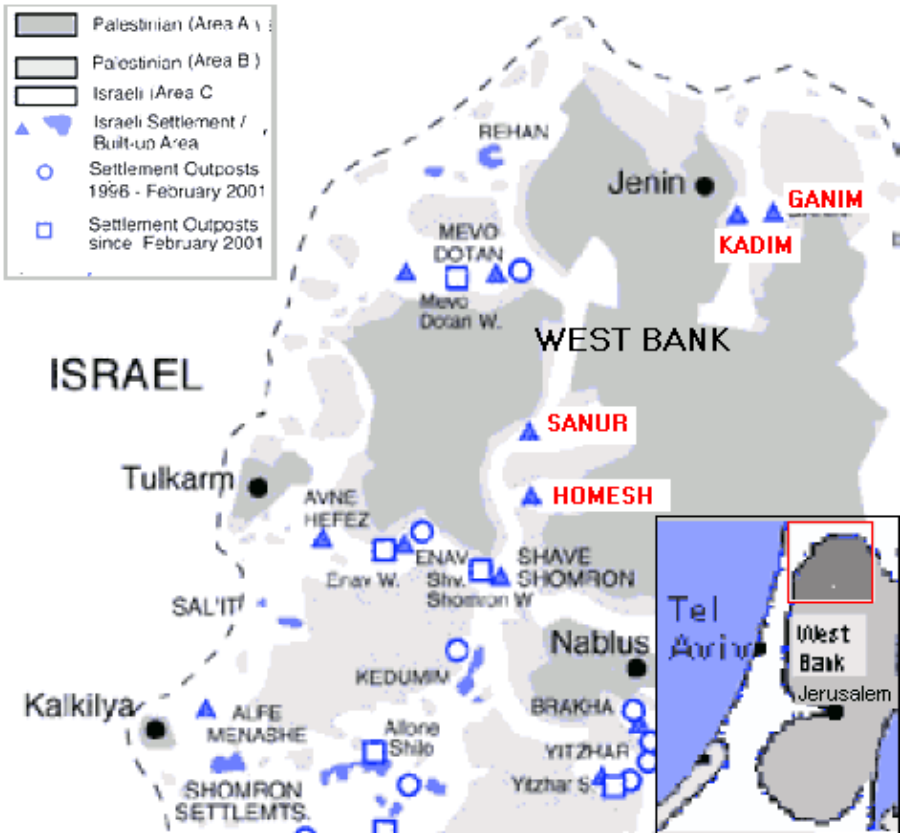
Settlements to be evacuated are marked in Red

Ganim - Population about 175. Founded: 1983.

Homesh - Population about 220. Founded 1980.

Kadim - Population: about 170.

Sa Nur - Population about 110. (about 80 settlers joined Sa Nur since January 1, 2004).



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