

**Meeting Minutes  
Security Working Group  
January 10 2007**

Attendance:

US	USSC LTG Keith Dayton (KD) COL Paul Rupp (PR) Norman Olsen (Embassy) Stephen O'Dowd COL Paul Evans Denis Lefebvre (DL) Dov Schwartz Nisha Singh MAJ Fadi Piero (Embassy)
Palestinians	Dr. Saeb Erekat (SE) Nazmi Muhanna COL Hazem Atallah BG Misbah Buheisi (w/ assistant) LTC Jamal Abul-Fahem NSU advisors
Israel	MG (ret.) Amos Gilad (AG) Oded Hermann Yochai Guiski (YG)
Egypt	Gen. Burhan Hammud (BH) Two others
EU	LTG Pietro Pistolese (PP) COL Patrick Delval Pieter Pieters

PR introduced the agenda and said that the procedures established in the last meeting continue to apply. The Chair, KD, started the meeting by stating that the November SWG has been well-received in Washington and Brussels. He stressed the importance of this forum and the need to hold regular meetings in the future.

KD discussed the distinction between the roles of the SWG and the CEC. Essentially, the CEC oversees technical implementation issues, while the SWG deals with policy matters, hence the expanded membership of the SWG. The two forums co-ordinate with one another with the pragmatic objective being to resolve issues, and should pass issues from one to the other based on the technical / policy distinction.

KD reviewed developments since the last meeting: there were some positive issues, e.g. increase in days when Rafah was open, the movement of pilgrims. On the negative side, he said there was still no normalisation of operations. He said the Haniye incident was a problem and signalled the need for crisis management procedures at the crossing. He said Gaza is increasingly chaotic and dangerous.

KD asked each head of delegation to deliver opening remarks.

AG said Israel is looking forward to discuss Rafah in this forum, and is ready to implement and "upgrade" the agreements.

PP agreed with KD's account of the complementary roles of the CEC and SWG and gave an overview of the work of the CEC, including the extraordinary meeting of Jan 2, 2007. He assessed progress and said there has been advance on some issues but not on others. He stressed the need to address the issue of exceptional categories, saying that a meeting should be scheduled soon on this matter.

Regarding the mandate of the EUBAM, PP said it was decided to take a pragmatic approach – essentially to continue to apply existing arrangements until the end of the mandate.

PP stressed the need for normalisation, urging Israel to sign the Customs Annex. Even though Kerem Shalom is not within the mandate of the EUBAM, it has a great impact on normalisation at Rafah, he said, since that would resolve the problem of large quantities of goods being brought through Rafah. It would also help ease the economic crisis in Gaza. PP then raised the issue of exports through Rafah, stating that EC funding is available. He discussed capacity building plans, some of which are being done in conjunction with EU COPPS.

PP pointed out the urgent need to get the donated equipment across from Egypt.

BH spoke on behalf of the Egyptian delegation and thanked the Israelis for efforts to open Rafah. He thanked the US and EU for their support of the process. He commended the Palestinians on their efforts, stating that they are doing all they can given the situation (siege on Gaza etc) and their resources. [NB. The English translation diverged on substantive points from the Arabic remarks].

SE thanked the USSC for hosting the meeting and thanked the US and EU for their efforts. He emphasised that Rafah is a Palestinian-Egyptian crossing, reviewing the developments over the last 14 months. He pointed out that from June 24 2006 to Jan 7 2007, the crossing was closed 165 out of 200 days. It is impossible to have stability or security given this scenario, therefore the need to focus on normalisation. That is the only way to restore law and order.

### **Customs Protocol**

KD confirmed that he sent letters to Israeli MoD and MoF formally requesting the signing of the Customs Protocol. Since then, he said there has been some activity between Palestinians and Israelis on this issue. He asked the parties for an update.

AG said both sides are interested in solving the problem, but the new reality after the formation of a Hamas government made it difficult. "We are in the middle of finding a new mechanism" he said, pointing out that he was optimistic it could be done in "a few days". KD asked whether the MoF is the appropriate signatory. AG replied that the MoF does not usually deal with customs, but is involved given the security dimension in this case.

SE explained that the crossing are under the authority of the President. He said the Israeli concern that customs money would go to the PA MoF has been resolved by a presidential decision placing all customs revenues in a special account under the President's Office ("Crossings Administration" #232223/10 at Bank of Palestine on Irsal Str., Ramallah). SE further explained that both Nasser Sarraj and Hatem Yousef are now under the authority of NAD. He said given these steps there are no longer any obstacles or excuses to signing the Customs Protocol, and asked the Israelis to nominate someone from their side to deal with the issue. He said he will write a letter to Gen. Mishlev explaining the arrangement.

KD asked SE for a copy of the decree/ decision. SE replied that it was an administrative decision, and not a decree. He said he will write a letter to KD confirming the above.

### **RCP Scanners & Equipment**

KD asked the parties for an assessment. PP said that only parts of the equipment have passed through Kerem Shalom. He was informed by the Egyptians that there are outstanding customs issues and that certain papers need to be finalised before the rest of the equipment can pass. PP reiterated the urgency of the situation, stating that the scanners are urgently needed since there is currently only one old and outdated x-ray scanner for checking luggage at the crossing. After the damage caused in the Dec 14 events, this equipment is indeed even more urgent.

BH replied that the Egyptian government is working on resolving the issue, that it was an internal matter that will take a few weeks. KD asked if there is anything any of the parties can help to speed things up. BH replied in the negative. KD asked if the issue will be solved by next meeting. BH said he hoped but could not promise. SE urged the Egyptians to deal with the issue as soon as possible.

### **Large sums of cash**

KD introduced this item as a serious and politically charged issue. At the last SWG meeting he had undertaken to send a letter to US Sec. of State to address the issue at the high political level. He confirmed that the letter was delivered to Sec. Rice on Dec 5 2007. The result is a demarche by the US Government with the GoI and the PA, and the parties are privy to a proposed solution prepared by lawyers of the US Government. KD

said the two parties showed a favourable initial assessment of the proposal; if they respond favourably then the US will share the proposed solution with Egypt and the EU. KD noted that the Customs Protocol is important for the solution to work, so signing will be needed.

SE expressed his gratitude to Egypt for its help with the travel arrangements of PM Haniye through Al-Arish, particularly during his return. He noted that reports in Al-Ahram and Haaretz (that PM Haniye was carrying \$20 Million) were false. SE said this is a sensitive issue for Palestinians, stressing the commitment to apply international standards. He asked the parties to help the Palestinians apply these standards.

SE asked AG: if Palestinians operate the crossing according to international standards, and the Egyptians prevent bags of cash coming in, do you commit to not interfere with normal operation at Rafah? AG replied that he hoped so. SE said this was not enough, and demanded a commitment that once issues are resolved Rafah will open normally. AG replied that he commits to do his best. KD interjected that such a direct commitment was unlikely, but noted that the SWG has got the Sec. of State to help solve this obstacle to normalisation. As such, KD gave a commitment to "knock down all barriers to normalisation."

AG said the key to the problem was in the hands of Egypt, and stressed the need to prevent money going to fund terror.

BH discussed Egyptian law on bringing in cash, noting that Egypt is studying changing the law to be able to solve the problem without affecting the economy. At present, in cases of transit through Egypt, there are no other requirements than making a declaration.

#### **Persons of Concern**

KD asked the Palestinians and the Israelis where this issues stands. AG said that an "appropriate mechanism" is needed to solve the problem, and the plenary SWG forum may not be the place for this discussion. In response, KD asked the two parties if they agreed to forming a sub-working group to deal with the issue. SE and AG agreed. KD said he will nominate one of his colonels as chair. PP noted that whatever gets agreed needs to be implemented at the Liaison Office, so it is important to have clear process that officials at the crossing can follow.

#### **LNO from Egypt**

BH said he had spoken to PP, and will speak to Omar Suleiman in order to relay the EU BAM view of the importance of having an officer from Egypt at the Liaison Office. He said the Egyptians did not think this officer would have any work, and that there were already 2 officers in Rafah, only 3.5 km away. He expressed doubt on the need for a third one. KD asked BH if PP had convinced him of the need for the officer. At this point, PP suggested moving one of the 2 existing officers to the Liaison Office, explaining the importance of Egyptian presence there since it is where things are decided, and where technical problems are discussed. PP said there is an official request presented from

Brussels, and that the issue is being raised with Omar Suleiman. KD noted that the SWG will stay out of this issue for now.

### **Sub-Working Group on Goods of Concern (S-WGGC)**

KD introduced this item as an emotional issue that was not well laid-out in the agreement. He informed the parties that the S-WGGC had met twice, and was being chaired by DL. DL then gave a summary of the work of the S-WGGC. He noted that the Palestinians and Israelis disagree about the scope of the S-WGGC.

YG interjected that lists and procedures being developed by the S-WGGC included weapons and explosives, as well as other substances – all being within the scope of the Security Protocol. He further asserted that the SWG had the mandate to deal with all security issues relating to the Rafah crossing.

KD replied that his reading of the Security Protocol enables the SWG to take decisions as required on these issues. He said the approach should not be legalistic, but common sense.

### **New Issues**

#### **1. Crisis Management Process**

KD acknowledged that Rafah is a Palestinian-Egyptian crossing and asked the Palestinians to take the lead on developing detailed procedures for crisis management. He recommended the formation of a sub-working group including the Palestinians, Egyptians and the EU to draft the procedures.

SE discussed the events of Dec. 14, noting the Palestinian commitment to honour the agreements. He agreed to the formation of the sub-working group with the membership proposed by KD. KD reaffirmed that the US and Israel will not be involved in the actual development and drafting of the procedures, as the matter is a Palestinian-Egyptian-EU concern. SE will take the lead on this and report back to the SWG. KD said the expectation is to have a checklist of procedures ready by next SWG meeting.

#### **2. EU BAM mandate beyond May 2007**

KD stated that the position of the US Government is that it is important for the EU BAM to determine its status after May, and to continue in their role at Rafah because they are a positive force. He acknowledged that the decision belongs to the EU, offering to raise the issue with Marc Otte and to tell him that all SWG members are in favour of extending the mandate of the EU BAM.

PP said that the EU member states did not give any other mandate post May yet. He said he had no decision-making power with respect to the extension. The first extension (up to May 07) was possible due to the provisions on normalisation. PP took note of the comments of the US delegation and will send them back to Brussels.

KD noted that the sooner this issue is off the table the more likely it will be to achieve normalisation. He told the parties that if they agree that EU BAM is a positive stabilising force, the prospect of it leaving Rafah will make the parties nervous about normalisation, If they stay, the avenues for normalisation can be boosted.

SE said he has already asked President Abbas to write the EU requesting the renewal of the mandate of the EU BAM. The letter will be addressed to Solana, copied to the EU Presidency and PP, and will be sent in the next few days. He asked all the parties to support the renewal.

SE further noted the importance of continuing the mandate as it was agreed in the Agreed Arrangements. The EU BAM role should continue to be monitoring and capacity building – training, education, upgrading, evaluation. He urged the EU not to change the mandate or the agreements, particularly not to broaden the role to an executory function.

KD concluded the discussion by reiterating that he will request the extension when he meets with Otte or Solana.

### **3. EU BAM equipment**

KD asked the parties to explain the problem.

PP said that the EC has already sent the equipment. Part of it is still at the port of Ashdod. Part is at Karni Crossing. He said the equipment includes scanners, digital cameras, fax machines, photocopiers.

KD requested that AG solve this problem and report on the issue in the next SWG.

AG said the issue was “not simple”.

KD closed the meeting and announced that the next meeting will be held on February 22 2007.

## 1 **Workstream 1: Ensuring full implementation of November 2005 agreements reached with Israel following its withdrawal from the Gaza Strip**

As outlined in the last progress report the NSU provides direct support to both Dr. Saeb Erekat, Head of the NAD, and the President's Office on all issues requiring negotiation and coordination with Israel and the international community related to the implementation of the Agreement on Movement and Access (AMA), agreed in November 2005.

During this reporting period, the key NSU activities in support of the implementation of the AMA were:

1. Ongoing work on the improvement of the current Palestinian General Administration of Crossings and Borders (GACB) including active participation in the Crossings Steering Committee (CSC) to coordinate Palestinian actions and strategy with respect to the crossings.
2. Facilitation of implementation of the US-led security plan for the Palestinian side of Karni Crossing, including the deployment of the Presidential Guard at the crossing as well as lobbying for a possible EU role as monitors at Karni.
3. Follow-up on all issues concerning the implementation of the Agreed Principles on Rafah Crossing (APRC). This entails of such activities as developing Palestinian procedures for the movement of money through Rafah Crossing, developing security procedures, and working with the US, EU, Egypt and the World Bank on ways to facilitate the movement of exports through Rafah to or through Egypt. This work requires preparation and participation in the Security Working Group (SWG), its sub-working groups and the Coordination and Evaluation Committee (CEC) meetings. It also requires meeting with US, European, and Israeli counterparts in preparation for those meetings.
4. Participation in Palestinian working group for the development of West Bank crossings.
5. Assistance to Palestinian negotiators in discussion forums with Israel and the international community on all matters relating to the rest of the AMA

1. The NSU is advising on the improvement of the GACB. The purpose is to contribute to institutional strengthening of this important agency to ensure Palestinians have the capacity to fully implement their obligations under the AMA. The NSU supported the establishment of, and provides support to the CSC, whose membership includes the Head of NAD, the Chief of Staff of the President's Office, the Chief Economic Advisor the President, the Presidential Guard, the GACB, members of the private sector, and other stakeholders in the crossings seconded to NAD. The NSU is an observer to the CSC. The work is currently being aided by various international actors, primarily the US Security Coordinator (USSC) Lt.-General Keith Dayton. The NSU holds frequent technical joint workshops with border management experts seconded to the USSC to ensure international best practice standards are met. NSU legal and policy advisers with expertise in borders, economics and security work extensively with the USSC to ensure that all proposals comply with Palestinian needs and interests, including helping shape a capacity-building proposal by the Canadian government. This work has contributed to building Palestinian institutional and practical capacity to deal with all issues relating to the border crossings through the work of the CSC, and has been a concrete step towards the modernisation of the GACB. This work has also led to more focused assistance by the international community.

2. The NSU is facilitating the implementation of the US-led security plan for the Palestinian side of the Karni Crossing, including the deployment of Presidential Guard at the crossing and lobbying for an EU monitoring role there. The purpose is to secure the full opening and normal operation of Karni in accordance with the AMA, towards the goal of the free movement of goods according to market demand. Operating Karni at low capacity has contributed significantly to the declining humanitarian situation in Gaza, including the relocation of businesses outside of Gaza in order to be able to export their goods to Israel. In order to move the process forward, the NSU