

GAZA TEAM BRIEFING ON MEETINGS AND WORK FOR THE WEEK OF APRIL 17

1. WORKSHOP OF TECHNICAL COMMITTEE IN GAZA

Sunday and Monday April 17 and 18.

On Sunday and Monday, the Technical Committee had its third and final meeting in Gaza, before breaking up into working groups. Nisreen, Lamia, and Dr. Samhouri were present for the first day, while Enas joined them for the second. The NSU team and Dr. Samhouri briefed the Technical Committee on meetings in the West Bank and made final conclusions on the subjects which had been identified for development by the Technical Team. The group focused on five areas of work: 1) the Scope of the Evacuation in Gaza and the West Bank, 2) Land, Assets, and Infrastructure, 3) International Gateways, Crossing Points and the Safe Passage/Territorial Link, 4) Process of Withdrawal and Evacuation and 5) a work plan. For each issue, the Technical Team identified – in a preliminary manner – the issues on which the Ministerial Committee on Coordination of the Evacuation must make decisions, as well as the issues that need to be coordinated with Israel. In the last session, the Technical Team developed a work plan and working groups.

Six working groups were proposed, but because of time constraints, only three met the following day, on Monday 18 April. The six working groups proposed and the projects they were charged with developed are set out below:

1. Working Group on Land-Use and Assets
 - Inventory Project
 - Future Use Project
 - Asset Feasibility Project
 - Environmental Audit Project
 - Industrial Estates Project.

2. Working Group on Infrastructure and Public Utilities
 - Integration project
 - Provision project
 - Revising Oslo

3. Working Group on Crossing Points, International Gateways
 - Paris Protocol Project
 - Securing Gateways Project
 - Crossing Points Project

4. Working Group on Territorial Link/Safe Passage

- Rail link project
 - Transit project
 - Third party role project
5. Working Group on Transfer and Management
 - Transfer process project
 - Management project
 - Security project
 6. Working Group on Legal Issues
 - Legislation project
 - Support the legal needs of all other working groups

Only the working group on land-use and assets, the working group on infrastructure and public utilities, and the working group on transfer and management met the following day. The first working groups agreed to develop a list of needed information for the inventory, organize a two-day workshop for the following week on future-use of the assets, and create a sub-group on industrial estates.

The infrastructure and public utilities working group agreed that by the end of the month, both the water and energy authorities would submit an integration plan for the infrastructure in both the West Bank and the Gaza Strip.

The transfer and management working groups agreed to prepare two papers, one on the functions of the body that would handle the transfer and management of the assets, and the other on the institutional options for that body.

2. MEETING WITH WORLD BANK TO SET THE AGENDA FOR THE WORKSHOP

Tuesday April 19 at 11:00 am.

It was agreed that the pilot project workshop agenda would cover the following six issues: Trade Transport (how to move a more efficient and competitive trucking service); Karni (how to have more efficient movement of cargo through this particular crossing point), Customs (how to strengthen and build the Palestinian Customs), Secure Supply chain (how to have efficient trade in a secure environment), Safe passage, and pilot projects.

3. MEETING WITH KHALIL NIJEM OF THE MINISTRY OF PLANNING

Wednesday April 20 at 9:00 am.

Lamia met with Khalil Nijem to discuss ideas for how to structure the work and the working groups in the days and months ahead. There was a general consensus that the large Technical Committee and the equally large working groups would not effectively get the work done in the amount of time needed. Both agreed that a small unit of

technical and administrative people would need to be created in order to move the work along. Because the ministerial representatives on the working groups are high level ministerial employees, their ministers will not likely be willing to second them to work in the unit. Accordingly, Khalil suggested that the unit be composed of technical people who can attend weekly meetings of each working group, synthesize the information emerging from the discussions, and create a work plan for the following week. Where experts would be needed to develop papers, the technical people would work with the World Bank to commission the paper and the consultant.

Khalil and Lamia also discussed the need for a body to handle the transfer and the management of the productive assets. The idea is that the body would run the productive assets for a period of time, until such time as the assets are either privatized or disposed of in some other way. Both agreed to set up a meeting next week with ministerial stakeholders for further discussion.

4. BRIEFING TO AMERICANS AND MINISTERIAL COMMITTEE ON GAZA EVACUATION

Wednesday April 20 at 11:00 am.

Nisreen delivered the presentation which was sent around by email last week. The American delegation included David Welch from the State Department; Elliott Abrams from the NSC; David Pearce, the U.S. Consul General in Jerusalem; and U.S. Security Coordinator General "Kip" Ward. On the Palestinian side, many of the members of the Ministerial Committee on the Gaza Evacuation were present, including Abu Ala', Mohammad Dahlan, Saeb Erakat, Mohammad Shtayyeh, Naser Yousef, Samir Huleileh, and Salam Fayyad.

Nisreen's presentation was very effective by all accounts, and the Americans appeared to have been impressed with the work accomplished thus far. David Welch gave a brief presentation, thanking Abu Ala' for the briefing and congratulating the Palestinians on the work done to date.

He noted that James Wolfensohn, who has been appointed the Quartet envoy on disengagement, would be a powerful advocate for the Palestinians, and he urged Abu Alaa' and the ministerial committee to work with him. He added that Wolfensohn would be in the region on April 30, after which he would travel to Moscow on May 8 or 9 to attend the Quartet meeting and brief Quartet members on the work done to date.

Welch explained to Abu Ala' that, from the American perspective, "Gaza Disengagement would result in Gaza First, but not Gaza last." He added that a successful withdrawal would garner the full support of the Americans to move ahead on the peace agenda. Until then, he urged the Palestinians to concentrate on their internal preparations for the Israeli withdrawal and to make progress on the reform initiatives to which they had committed.

Welch also noted that the Israeli withdrawal presented a perfect opportunity for Arab states to provide financial assistance and further added that Wolfensohn should be enlisted to work with the Arab states on this issue.

Both Welch and Ward emphasized the importance of security reform and added that while plans appear to be in place, the Americans want to see action. The plan for consolidating the security services has been well received, but it still remains to be implemented. In addition, Welch noted that reform on the rule of law will be taken by the US and the international community as evidence of the PA's seriousness on reform. Welch touched on the importance of post-withdrawal economics and noted that the US, through Wolfensohn, was committed to working with Israel and the PA to create economic development initiatives in Gaza.

Welch ended with a reference to the upcoming elections and the importance of an open and transparent process. No mention was made by the Palestinians regarding changing the date of the elections.

Abu Ala' thanked Welch for his comments and stressed that the PA was committed to coordinating the Gaza withdrawal with Israel. He added that the PA was also committed to its reform initiatives and pointed to the judicial reform law and the creation of a higher judicial council as evidence of its commitment. He also noted that a new health law had been proposed and that the security services would soon be restructured.

The Americans left soon thereafter for a meeting with Abu Mazen.

5. BRIEFING TO AMERICANS AND THE U.S. CONSULATE STAFF

Wednesday April 20 at 3:30 pm

Later that same day, the same US delegation came to Dahlan's office for a briefing, preceded by an advance team of U.S. consulate employees. Prior to the arrival of the American delegation, Lamia briefed the consular staff on the work done to date, focusing in particular on the legal initiatives that have been taken by the Ministry of Justice, which has begun work on the laws that would need to be drafted as they relate to custodianship, private claims, and the management of productive assets.

When the American delegation arrived, Welch explained to Dahlan that the team was very pleased by the morning's meeting because it showed unity and discipline within the PA. He added that the same unity and discipline had to be shown in the security area.

Welch noted that the appointment of Wolfensohn was a very important move and he emphasized again the importance of working closely with him.

Both Elliott Abrams and General Ward asked Dahlan to explain the command structure for developing the security plan for the Gaza Withdrawal. They both expressed concern that the lines of authority were still not clear, and that while Dahlan claimed to have

relinquished all security responsibility, he still appeared to be engaged on security issues. Dahlan assured them that he was only involved in the security aspects of the withdrawal insofar as it was his role to coordinate between the Technical Team and the Ministry of Interior, whose mandate it is to develop the security plan. Dahlan noted that the work would begin in earnest once the Israelis and the Palestinians finally met, and he assured the Americans that he was not interested in taking over the security functions. He did say, however, that his job as coordinator would not succeed if the security functions failed, and that conversely, the technical plans would fail if the security functions are not successful. Accordingly, he explained that he has a vested interest in making sure the plans work, but he noted that he was equally invested in the institutional structures and command structures. Dahlan noted that he had recommended to Naser Yusuf that one person – who would answer to the Minister of Interior – be put in charge of the security plan. Welch asked if it was possible to agree with the Israelis to a gradual takeover, which would then permit for an interim Palestinian presence to manage the takeover. Dahlan said that the issue would be raised in the meetings with the Israelis.

Dahlan then asked the Americans to push the Israelis on the safe passage, the airport, the seaport, and third party involvement.

Welch said that Abu Mazen is to visit Washington in mid-May and that the Americans are ready to help in making the trip a success – meaning they are ready to provide assurances.

Welch also noted that Bush's statements regarding sovereignty in Gaza were misstated and he assured Dahlan that there are no American aspirations to make Gaza a sovereign entity, disconnected from the West Bank. Dahlan asked the State Department to make a statement regarding this issue when Abu Mazen visits the US.

6. MEETING WITH LORD LEVY, UK SPECIAL ENVOY TO THE MIDDLE EAST

Wednesday April 20 at 5pm

Lord Levy asked if Abu Mazen and Abu Alaa' had given the true green light for coordination and Dahlan indicated that they had. There is an urgent need for visible action on security, said Lord Levy, and Dahlan said that he would see action soon.

Dahlan then stressed the importance of supporting Abu Mazen by pushing for a political horizon after the disengagement and making changes to the situation on the ground. Lord Levy said that the British had been explicit with both the Israelis and the Americans that they only way forward is to put a hand out to Abu Mazen. Lord Levy said that Blair's government, if reelected, would be prepared to be very engaged after the elections on May 5. He also added that the PM would be happy to pass messages along to the US administration in the lead-up to Abu Mazen's visit.

Lord Levy asked about elections and whether they would be postponed. Dahlan said that no decision had yet been made on that issue.

7. WORLD BANK WORKSHOP ON CROSSING POINTS AND PILOT PROJECT

Wednesday and Thursday, April 20 and 21. Nisreen to brief.

8. MEETING WITH GIORA EILAND AND TEAM

Wednesday April 20 at 8:00 pm.

Israeli Team: Giora Eiland, Gabi Blum, Einat Wilf, Itzik Gurovich, one other NSC adviser.

Palestinian Team: Minister Dahlan, Dr. Mohammad Samhuri, Nisreen Haj Ahamad, Lamia Matta

Dahlan announced that the Palestinians are ready to coordinate and that they have identified in detail the areas that they believe should be the subject of coordination. He noted that if Israel wants Gaza to work, it must create a political horizon, provide for freedom of movement, and permit control over Palestinian territorial waters, airspace, and borders. He also asked Israel to ease the situation on the ground including the removal of checkpoints, the issuing of family reunification permits, and the permission of movement between Gaza and the West Bank.

With that, he opened the discussion by asking questions as to the scope of the evacuation, the situation as to crossing points, the port and the airport; the possibility of a safe passage, and the positions on assets and land.

Eiland said in very general terms that Israel intends to withdraw to the lines agreed to with Egypt in 1949. No decision has been made as to the Rafah border, but discussions are under way with the Egyptians. If the Israelis evacuate from Rafah, Eiland noted that the questions of the customs envelope would become an issue.

He confirmed that, pursuant to the formal understanding between Sharon and Abu Mazen, the two sides can begin practical discussions regarding the construction of the seaport. Discussion regarding the airport will be more difficult, as Israel considers the airport to be a security concern.

As for the northern West Bank, Eiland confirmed that Israel would evacuate the 4 settlements and the surrounding military installations, resulting in no permanent military installations between Jenin, Nablus, and Tulkarem. Officially the area is area C and no decision has been made as to its legal status.

The Safe Passage will be a very sensitive issue, although Israel is interested in pursuing its rail link proposals.

Israel is happy to hand over as much information regarding the assets that it can (1) obtain and (2) release. No decision has been taken as to the houses, although the government is considering leaving those behind.

A meeting was then scheduled for April 24 to set the agenda for coming meetings and decide on priorities and a schedule.

9. BRIEFING TO EU HEADS OF MISSION

Thursday April 21 at 10:00 am

Lamia delivered the same presentation that was distributed to the office, and Dr. Samhouri fielded questions. Questions dealt mostly with the political situation and whether the PA had reached consensus about coordinating with Israel. Many wanted to know what we thought would be the internal political obstacles to further coordination. There were many specific questions about what the PA intended to do with the houses and the productive assets, and several representatives asked whether the PA had considered resettling refugees in the houses, or coordinating their management with UNRWA. We replied that the issue had not been explored in the technical committee but added that we would pass it on. [My thinking since then is that the best way to deal with such questions is to point out that the houses do not suit Palestinian housing policy, which is based on a vertical, rather than horizontal, growth model.]

The EU representatives asked for further briefings in the coming weeks, and we suggested that such matters be coordinated with Dahan's office.

10. MEETING WITH SHIMON PERES, ABU ALAA', DR. SAEB ERAKAT, AND MINISTER DAHLAN

Thursday April 21, 1:00 pm.

Israeli Team: Shimon Peres, Gabi Blum, Itzik Gurovich, Yosef Mishleb, Einat Wilf

Palestinian Team: Abu Ala', Dr. Saeb Erakat, Minister Dahlan, Salah Alayan, Lamia Matta

Peres announced Sharon's position that Gaza is the "pre-Road Map." If Palestinians handle issues of terror, Sharon will continue negotiations. In the meantime, Peres believes that Palestinians need an economic plan. Israel is the perfect partner to develop such a plan because it offers a free trade zone and it has an association agreement with Europe from which Palestinian goods can benefit. Israel is ready to share its quotas, not because it is generous but because logic dictates that such measures are good for Israel.

Peres announced that Jacques Chirac had expressed interest in helping develop the Palestinian economy, including a funding package for the social safety net as well as investments in a Club Med facility in Gaza. Peres also pushed for the PA to find a way to ensure that the agribusinesses currently in the Gaza Strip are transferred intact to the

Palestinians. He noted that the Peres Center is prepared to commit money to ensure the greenhouses are left intact upon evacuation. For Gaza, Peres proposed building branches of several high tech companies that have expressed an interest in investing there.

Abu Ala' welcomed Peres's comments and said that the PA is not only ready to coordinate, it wants to cooperate in matters related to economic development. The PA wants to develop the industrial zones but its top priorities are building an airport, a seaport, and electricity stations. Abu Alaa' noted that Palestinians are in favor of shifting to a high-tech economy and noted that doing so might alleviate the high unemployment rate in the Gaza Strip. Abu Alaa's noted that the PA is ready to take over the assets in Erez and that discussions are ongoing with regard to the greenhouses. He asked for Peres' help in constructing the airport, the seaport, and the safe passage.

Mishleb than gave a briefing of the facts on the ground, noting, significantly, that checkpoints have been removed and that only 13 checkpoints are currently operating in the West Bank. Dr. Saeb objected vehemently but Mishleb stood his ground.

11. MEETING WITH SHAUL MOFAZ

Thursday April 21, 9:30 pm

Mofaz opened by saying that the fugitives issue had not been solved and that it needed attention from the PA. He added that the military could only implement the Sharm el Sheikh agreements if the PA showed willingness to ensure security.

As for the security plan for the withdrawal from Gaza, Mofaz noted that he believed that the Palestinians should deploy more security people in designated areas, such as Khan Yunis, and should control those areas from which Palestinians have been shooting gassams and mortars. He added that Israel will to withdraw under fire and that one attack would be enough to stop the whole process.

The withdrawal should take no more than 5 weeks to complete. After that, the Israeli military will have to withdraw, but the specifics of that remain unclear.

Israelis are ready to devise a joint security plan and invited Palestinians to suggest a timeline and a structure.

Mofaz noted that Giora Eiland's job is to coordinate between all the ministries whereas Peres is in charge of civil affairs and Mofaz is in charge of security.

12. SCHEDULE FOR THE UPCOMING WEEK

- Sunday April 24, 2005:
 - 10:30 am: Wrap-up meeting with the World Bank on pilot project (Nisreen, Lamia and Samhouri)

- 12:00 pm: First meeting with Israeli coordinating teams to agree on agenda (Nisreen, Lamia, and Samhour)
- 7:30 pm: Presentation to faction leaders in Gaza (Lamia and Samhour)
- Monday April 25, 2005
 - 10:00 am: Briefing with Dahlan in Gaza (Lamia)
 - 2:00 pm: planning meeting with Samhour (Lamia)
 - 6:00 pm: Presentation to NGOs and private Sector in Gaza (Lamia and Samhour)
- Tuesday April 26, 2005
 - Meetings to be confirmed
- Wednesday and Thursday, April 27 and 28
 - Workshop in Gaza with MoP on future use of the assets (Lamia and Samhour)