

16 July 2000, 3:30 pm

Attendees: Palestinian: Maher al-Masri (MM), Imad Abyad (IA),
Omar Dajani (OD)
American: Jake Wallace(JW), Nicole Rothstein (NR)
Israeli: Avi Ben-Bassat (ABB), Daniel Reisner (DR),
Bari Bar Zion (BBZ)

Drafts were exchanged, in electronic and paper form.

DR: If I may begin the discussion, it seems that our draft is more general and yours is more specific.

MM: No. Your draft is focused on the transitional period.

[Some extended discussion, not transcribed.]

JW: The Palestinian draft is more substantive; the Israeli draft appears more . . . legal. I have notes from the morning session. They should be typed soon, and we can maybe start from there.

ABB: (To Masri) You misunderstand our draft. We're looking forward. Regarding labor – there can be no “preferential access”; we're prohibited from discriminating. We didn't discuss free access this morning; we agree that each party will set its own quotas.

MM: Regarding labor access, each side can set quantitative limitations based on absorptive capacity. But your starting point is completely different than what we discussed. There is no point in trying to reconcile these drafts. Let's wait for the U.S. notes.

ABB: I've talked at length about the need for an effective customs border.

MM: What is an “effective border”? Our clearing houses for 3rd country imports will be inside the borders.

[Agreement to convene a meeting of technical people in the evening.]

17 July 2000, 9:30 am

Attendees: Palestinian: Imad Abyad (IA), Omar Dajani (OD)
Israeli: Bari Bar Zion (BBZ), Ehud Keinan (EK)

BBZ: Our people are looking at your draft. They'd prefer not to do it over the phone. I touched base with Avi. He might change a few words here or there. But maybe we shouldn't start with our papers.

OD: Minister Masri made 3 key points when I spoke to him: (1) No "empty" FTA would be concluded that is vague and ambiguous; (2) No FTA will be concluded without preferential access for our labor; (3) There must be a binding and effective dispute settlement mechanism.

EK: We're not going to decide the labor issue in this forum, though we think it's a dead end. For dispute resolution, there's room to maneuver. It will be decided at Camp David. *what about CD*

BBZ: Our labor policy is to reduce the total number of foreign workers but to increase the proportion of Palestinian workers. Our vision is to confine 3rd party workers to specific fields and to have Palestinians and Israelis fill other jobs.