Agreement on Movement and Access (AMA) BACKGROUND & UPDATE April 2007

The AMA consists of six provisions:

- 1. Rafah
- 2. Crossing Points
- 3. Link between Gaza and the West Bank
- 4. Movement within the West Bank
- 5. Gaza Seaport
- 6. Airport

The following is a detailed background note and update on the current status of each of these six elements.

RAFAH

The Rafah agreement is one section of the AMA that has been elaborated on with a set of principles and protocols. It comes in the form of an additional statement of principles (the Agreed Principles for Rafah Crossing, or "APRC"), attached to the AMA and an integral part thereof, and its three operational protocols. The three protocols are in various stages of agreement: (1) the Agreed Arrangement on the European Union Border Assistance Mission ("EUBAM" – this was signed and agreed by the Government of Israel ("GoI"), the European Union, and the Palestinian side); (2) The Protocol on Security Implementation Procedures ("Security Protocol" – a US draft is the operational draft that both sides have agreed to use, despite significant comments and divergent interpretations by each); and (3) the Protocol on Customs Arrangements ("Customs Annex" – negotiated bilaterally and agreed in substance by both sides, although Israel continues to refuse to sign.). Collectively, these four documents are referred to as the "Rafah Agreement".

There are several key elements of the Rafah Agreement:

➤ Movement of people:

1. All Palestinian ID holders can move.

All Palestinian ID holders can move through Rafah.

- <u>Background</u>: The agreement allows for all Palestinian ID holders to move freely through Rafah. This category explicitly includes those ID holders currently outside the country. The definition of a Palestinian ID holder has been a contentious issue, as Israel often revokes or does not acknowledge IDs of some Palestinian ID holders, such as those who have been abroad for a significant period of time.
- <u>Process</u>: Although rarely problematic at the border, this issue has arisen through a provision in the agreement requiring Israel to give to the Palestinians sufficient

information to update the Palestinian population registry (which is used at Rafah), including information on Palestinian ID holders who are currently outside the country. Israel, thus far, has given incomplete population registries to the Palestinian side on two occasions (once to Mohammed Dahlan and once to Dr. Saeb Erekat). Although rarely an issue in practice, in principle this issue has security implications because absent a complete registry, Palestinians are forced to rely only on the physical ID shown at the crossing, without sufficient additional information to verify the ID of the person carrying the documentation.

"Persons of concern"

- <u>Background</u>: Israel does not have the ability to prohibit any Palestinian moving through the crossing. Israel does, however, have the ability to submit written information on "persons of concern". Upon receipt of such information the PA shall consult with the GoI and the 3rd party prior to making a decision. This process shall not exceed 6 hours. This is, under no circumstances, to be a "negative list" (i.e. an agreed list of people whom both parties decide to prohibit from movement this was adamantly refused by the Palestinian side throughout the negotiations). Israel may relay its concerns about a particular person, but Palestinians always have the final word and are under no obligation to prohibit travel based on Israeli concerns. Israel has *never* used this objection procedure, despite complaints that such "persons of concern" pose a serious problem to their security (i.e. their claim that "Rafah allows terrorists to move freely").
- Process: Practically, this file was recently referred to M. Dahlan. There is meant to be a working group to discuss the handover of relevant information about those "persons of concern" from Israel to the Palestinians. Israel was concerned that the information would fall into the "wrong hands" which may compromise its security. To our knowledge, there has been no movement on this issue on the Israeli side whatsoever.
- 2. *Exceptional Categories*: The agreement allows for four exceptional categories of non-ID holders to move through the crossing.
 - Background: These categories are: diplomats, foreign investors, foreign representatives of recognized international organizations and humanitarian cases. The process for such movement is that the person wishing to travel must submit a request 48 hours in advance to the PA, who will in turn notify the GoI. The GoI then has 24 hours to respond with any objections. The PA then makes the final decision regarding movement, after evaluating any objections and completing their own checks. This process has been suspended by Israel following the Shalit incident in June 2006 since that time the Israeli side has refused to respond to any notifications from the Palestinian side. This, when combined with the lack of normalization of the operation of the crossing, has functionally halted movement of exceptional categories.
 - <u>Process</u>: In the negotiations, Palestinians were able (with *much* difficulty) to include only the general categories to be included as "exceptional categories" without any further definition. In implementation, Israel has again attempted to open the issue of defining these "exceptional categories". As a good will gesture, the Palestinian side agreed to hear Israeli and European concerns, and to take

them into account in drafting a Palestinian definition of each category to be used at the crossing. The EUBAM has created a working group through which this information was to be exchanged. Palestinians, in December 2006, submitted their own definition of each category based on international law and best practice. The GoI has consistently failed to meet to discuss their concerns or the Palestinian draft, despite repeated efforts by the EUBAM to convene a meeting. Palestinians maintain that defining these categories is at their sole discretion. Currently, it is expected that Palestinians will demand that these definitions be considered final in the next Coordination and Evaluation Committee ("CEC") meeting, scheduled for April 16th, as no party has offered any comment, objection or concern in the three months since the Palestinian draft was submitted to the group.

3. "Goods of Concern"/Weapons and Explosives

- Background: The agreement calls for the Palestinians to prevent the movement of weapons and explosives through the crossing. Israel is trying to expand this definition to include all "goods of concern", which could be interpreted to include dual use materials (i.e. substances or equipment that has both civilian and potentially military uses), and other substances it deems a threat. Palestinians disagree with this broad interpretation, and consider "goods of concern" to mean only weapons and explosives. The Security Protocol calls for a working group to elaborate detailed procedures consistent with international standards to prevent the movement of weapons and explosives. [NOTE: this provision was one Palestinians objected to in the US draft of the Security Protocol. Despite this, all parties have agreed to use the US draft, having noted their own objections and interpretations.]
- Process: Under the Security Working Group ("SWG" described in more detail below), a sub-working group has been created to address definition of and procedures for "goods of concern". This sub-working group is chaired by the United States Security Coordinator ("USSC"), and attended by the Palestinians, GoI, and EUBAM. This sub-working group has met two. In these meetings, the Palestinian side focused on ensuring that any item included as a weapon or explosive can be detected using the technology and expertise available at the crossing (i.e. Palestinians will not agree to prohibit an item if they do not have the necessary capacity to detect or dispose of it). Currently, all parties are waiting for Israel to provide a list of their specific concerns, which they have yet to provide although they had been requested to do so in the first sub-working group meeting several months ago. The Palestinian position is not to engage in detailed discussions regarding potential procedures until there is an agreed list of substances that includes only weapons and explosives, is reasonable, and conforms to international practice. The rationale behind this approach is that specific procedures and needed equipment cannot be confirmed before a complete understanding of which weapons and explosives they are meant to detect can be achieved.

4. Procedures for Hazardous Materials

- <u>Background</u>: The Security Protocol also calls for the PA to work with the EUBAM to establish and implement procedures for dealing with unidentifiable or potentially hazardous materials consistent with international standards and practices.
- <u>Process</u>: Palestinians have worked with EUBAM to develop general procedures, reporting back to the "Goods of Concern" sub-working group. The procedures will remain generic, however, until the definitions of prohibited items are established and sufficient capacity (technology and training) are procured, as noted above.

5. Crisis Management

- <u>Background</u>: The EU has expressed concern with respect to what happens in times of crisis (most often caused by the continual Israeli closure of the crossing i.e. the lack of normalization, but also caused by the minimal coordination of the Egyptians with the Palestinian side at the crossing). The EU member states have expressed concern about such crises, and would like to ensure that the European head of mission is able to withdraw EUBAM monitors should their safety be compromised. The Palestinians, however, are the only party under the agreement with the authority to close or suspend operations at the crossing (except in the event of a technical malfunction for which special procedures are outlined in the agreement).
- Process: As a result of the above, Palestinians have agreed to develop a crisis management mechanism. Israel is NOT included in the development of this mechanism. Palestinians have agreed to head a working group on "Crisis Management" to address this issue, and has called for a working group meeting with the Egyptians. Currently, the Egyptian interlocutor is waiting for a response from Cairo on whether or not they have permission to engage with Palestinians on this issue, their preferred approach, and to what extent they will become involved. The progress of the working group is suspended until a response from Cairo has been received. Once clarity is reached, Palestinians will include the EU in the discussions.

Exports through Rafah:

- 1. <u>Background</u>: The agreement allows for exports to or through Egypt to pass through Rafah. For exports to leave Gaza through Rafah little to no infrastructure is needed on the Palestinian side of the crossing. Although there has been political agreement by Omar Suleiman and President Mubarak on allowing exports through, this agreement has never been translated into operational reality -- despite continual efforts by the Palestinians and the US. Practically, exports have been allowed through by Egypt only once, last year. At that time three trucks destined for a trade fair in Cairo (that was to occur very near the time President Abbas was to visit) were allowed to pass using the back-to-back system on the Palestinian side of the crossing. The process went very smoothly.
- 2. <u>Process</u>: The World Bank has recently completed a comprehensive report looking at the economic aspects of trade through Rafah, which they are now marketing heavily. The EU

has also expressed willingness to press the issue with Egypt, and is planning a trip (for which they have suggested Palestinians join efforts) to Egypt in early April to pursue the issue. The Palestinian side and the USSC have also continually raised the issue at a political level. In short, this issue has gotten a great deal of increased attention in the last three months.

> Imports through Kerem Shalom from/through Egypt (only):

1. Background: Palestinians agreed, as a temporary measure, to allow for imports coming from or through Egypt to use Kerem Shalom. This was agreed for two reasons: (1) Israel was concerned that Palestinians would not properly implement the Paris Protocol and maintain the quasi-customs union at Rafah, and insisted on monitoring the movement of trade coming in (exports do not implicate the customs union). If Palestinians did not agree, Israel threatened to abrogate the customs union with respect to the Gaza Strip, which would have resulted in a different economic policy being applied to the Gaza Strip as is applied to the West Bank (e.g. all goods coming into or out of Gaza would be subject to import taxes and quotas), which would have a devastating effect on the Gazan economy, and further separate the two parts of the occupied Palestinian territory. (2) Palestinians wanted to explicitly limit Israeli ability to interfere at Rafah, in order to preserve the ability to fully exercise sovereignty over the crossing in the future. As a result, an arrangement was reached where imports from Egypt would come in through Kerem Shalom, cleared by Palestinian customs agents, and supervised by Israeli customs officials. Israel would perform the security checks. After 12 months (Nov 2006) the 3rd party was to review the PA's customs capacity. If the EUBAM (the 3rd party) issued a positive report, it was expected that imports would be moved to Rafah, which would graduate into a fully functional independently operated international crossing.

It should be noted that Kerem Shalom is not, and under no circumstances will be, agreed as a commercial crossing between Gaza and Israel, or as an alternative passenger crossing to Rafah. Israel has consistently tried to impose this, but the Palestinian political decision-makers have constantly refused. The primary concern is that Israel is attempting to slowly transform Kerem Shalom into a permanent crossing, in the anticipation that it will control the Gaza-Egypt border in the future (eventually replacing Rafah). In addition, it should also be noted that the import capacity of Kerem Shalom is very small (8-15 trucks per day), even for imports coming from or through Egypt.

2. Process: The APRC (Agreed Principles on Rafah Crossing) calls for an implementation protocol on customs to have been signed prior to the opening of Rafah. This protocol has been bilaterally negotiated and technically agreed by the Palestinians and the Israelis, but Israel has thus far refused to sign it, despite repeated promises. Each of the Israeli concerns, although irrelevant and outside the scope of the agreement, has been addressed in turn, including the transfer of custom revenues to a designated bank account under the President's Office, the secondment of the head of the customs department to the NAD, and the unofficial imposition of limitations on the transfer of money on the Egyptian side of Rafah. The Israeli obligation to sign the Customs Annex is raised in almost every meeting with Israelis in the forums noted below, as well as in any other forums available.

> Additional issues:

1. EU BAM monitors

- *Mandate*: The current mandate of EUBAM includes monitoring, capacity building, and evaluation of Palestinian performance at the crossing. It does not include the authority to implement law or regulations nor to suspend or shut down the crossing.
- Extension: The current term of the EUBAM mandate ends on 25 May 2007. Discussions are currently underway regarding extension of the mandate. The EU has taken a position that unless the crossing is normalized (with the goal of opening the crossing to full operation i.e. 7 days a week), the member states will not extend its mandate.
- Location: Currently, Israel forces the crossing to close by refusing to allow the EU monitors access to Rafah through Kerem Shalom (in contravention of the agreement). EUBAM is currently housed in Ashkelon. As part of the renewal discussions, the EU is evaluating the option of relocating the monitors to Gaza, but is seeking assurances from the Palestinian side as to the safety of the monitors, evacuation procedures, etc.

2. Border Security

- Perimeter security: All parts of the Egypt-Gaza border except the actual Rafah and Kerem Shalom crossings are excluded from the AMA. That being said, the EU (and the Palestinians) is seeking the National Security Force (or other Palestinian security) presence along the Philadelphi corridor to secure their movement, as well as to ensure that the equipment installed between the Liaison Office and Rafah is not stolen or damaged again.
- *Smuggling*: Smuggling and tunnels, except as the issue pertains to the Rafah crossing itself, are also excluded from the AMA.

3. Liaison Office

- Function: The purpose of the Liaison Office is to deal with day-to-day operational problems as they arise at the crossing. It is also the centralized location where all communication between the parties is meant to pass. It is the only venue at which Israel can observe what is happening at Rafah, through the provision of real time camera feed and data on crossing passengers.
- *Personnel*: The EU, GoI and the General Administration for Crossings and Borders (GACB) each have a representative at the crossing. Currently, representatives from the Presidential Guard and Egypt have both been invited, but these invitations have not yet been accepted by the Palestinian side and the Egyptian side, respectively.

> Implementation mechanisms:

1. Crossing Steering Committee ("CSC") (Palestinian):

• <u>Purpose</u>: The purpose of this committee is to create a centralized body for all parties with any responsibility for the operation or use of the crossings. By

creating one address, the CSC is meant to ensure that all actions and positions are coordinated, and to create a system of oversight. The mandate of the CSC extends to *all* crossings, and not only Rafah. The CSC is led by NAD, and includes the GACB, the Presidential Guard, Customs (Hatem Yusef, seconded to NAD), Trade (Naser Sarraj, also seconded to NAD), the President's Office (Dr. Mohamed Mustafa and Dr. Rafiq Husseini), and representatives of the private sector from both the West Bank and Gaza Strip. The NSU is an observer to the CSC. In the last meeting, held on 20th of March, a Fatah legislator (and member of the Economic Committee of the PLC) was invited to observe the CSC and report back to the PLC.

• <u>Status</u>: This group meets regularly and has been key to dividing work, providing oversight over all involved parties, and providing a body for decision making and coordination on all crossings issues.

2. Coordination and Evaluation Committee ("CEC"):

- <u>Purpose</u>: The CEC is led by Gen Pistolese on behalf of EUBAM (with the EU observing), and includes the GoI (usually represented by Haggai Alon and Oded Hermann), the Palestinians (represented by Dr. Erekat, supported by the NSU) and the US (represented by Gen. Dayton with observers from the Embassy and the Consulate). The purpose of the CEC is to deal with technical and operational issues that cannot be dealt with at the Liaison Office, and need to be addressed at a more senior level. Meetings are held monthly.
- <u>Status</u>: The last meeting of the CEC was 7th March; next meeting is proposed for 16th April. The CEC has provided a good platform where Palestinian concerns are frequently discussed. However, very little has been accomplished due to Israeli refusal to engage meaningfully on the majority of the issues.

3. Security Working Group ("SWG"):

- Purpose: The SWG is led by the USSC (Gen Dayton with the Embassy and the Consulate observing), and includes the EUBAM (Gen Pistolese leading with EU observing), the Palestinians (Dr. Erekat) and the Egyptians. The SWG is meant to deal only with unresolved issues pertaining to security but has de facto taken a larger role to deal with any difficult or unresolved "policy" issues. The USSC is attempting to give the SWG a dispute resolution function, but this effort is based on another provision of the Security Protocol that Palestinians protested, which states that the US (in consultation with the EUBAM and the other members of the SWG) is to resolve any disputes which cannot be resolved in the Liaison Office or by the EUBAM. Palestinians maintain that Israel, who is a member of the SWG, should have no say over the resolution of disputes at Rafah. The SWG meets fairly regularly, approximately once every two months.
- <u>Status</u>: The last meeting of the SWG was 10th January; next meeting is proposed for 11th April. The SWG has been useful in pushing forward difficult issues, and in formally including the Egyptians in the process.

4. Sub working groups on Rafah (all described above):

• Goods of Concern

- Procedures for hazardous materials
- Exceptional Categories
- Crisis Management
- Persons of Concern
- 5. Liaison Office (at Kerem Shalom) (described above).
- 6. United States Security Coordinator ("USSC"):
 - The US government has taken responsibility for implementation of all AMA provisions. That being said, in general very little has been done by the US in terms of pushing forward implementation of most provisions of the AMA.
 - The USSC understands their mandate to extend to any aspect of the AMA with security implications. This has come to fruition with respect to Rafah, as noted above, and with the Karni crossing, as noted below. The USSC role has accounted for the majority of US involvement on the AMA in recent months.

CROSSING POINTS

Proper implementation of the AMA provisions relating to crossings is key to the economic survival of the Gaza Strip. To demonstrate their importance, economic losses due to Israeli closure of the external crossings and reduction of Palestinian employment in Israel was estimated to be \$750 million for 2005, or 58% of the total aid of \$1.3 billion provided to the Palestinian Authority that year. Despite their obvious importance, the agreed provisions regarding crossing points have not been implemented by Israel.

Key elements of the agreement:

- 1. The AMA pertains to all crossings; Karni is a model:
 - a. Background: The AMA is meant to deal with all crossings between Israel and Palestine. Karni was chosen as a model for two reasons: (1) it is currently the most inefficient crossing and serves as a huge barrier to the economic well-being of the Gaza Strip, and (2) it is one of the few currently operational crossings that is on the 1967 border and is agreed. Israel has attempted to unilaterally create an international border regime along the Wall. Part of this attempt has included the construction of checkpoints in a manner which mimics international border crossings, although most of these terminals are constructed without Palestinian input or approval, and are often deep inside the West Bank (OCHA estimates that eighty percent of the Wall falls inside the West Bank, at some places over twenty kilometers inside the 1967 border. The Wall de facto (and illegally) annexes 9% of the West Bank, amounting to approximately 500sq.km). Several examples of these checkpoints (with their estimated distance from the 1967 border in parentheses) are the Qalandia Checkpoint Terminal (6.5km), the Betuniya Checkpoint Terminal (7km), the Bethlehem checkpoint Terminal (1.5km) and the Tarkumiya Checkpoint Terminal (1.5km – it should be noted that throughout the AMA discussions Israel repeatedly assured the Palestinians and the international

- community that this crossing specifically would be constructed on the 1967 border).
- b. <u>Status</u>: Israel continues to unilaterally build "crossings" without Palestinian cooperation or agreement. There is currently some level of discussion with respect to the Tulkarem crossing in the West Bank, which is built *straddling* the 1967 border, although the discussions have yet to bear any fruit. Internally, this work was delegated to a working group headed by Dr. Mohamed Mustafa. Three major projects are being discussed in the working group:
 - i. Creating a petroleum transfer facility near Tulkarem. This is substantially agreed, except for a technical issue which is still being resolved within the Palestinian team regarding the necessary storage capacity. There is preliminary discussion among members of the CSC over the issuance of a bid on engineering plans for the petroleum storage facility. An agreement on the transfer of petroleum with the Israeli side was easier to conclude than the other issues related to the crossings because there is no border dispute regarding the location of the facility -- Israeli part is to be constructed beyond the 1967 borders. (Note: The Palestinian side also received confirmation from the Israeli side that the planned petroleum transfer facility in Tarqumia is also to be built beyond the 1967 borders, despite the current location of the commercial crossing well within the West Bank. Because both of the planned petroleum transfer facilities respect the 1967 border, Palestinians are prepared to fully engage on the petroleum transfer issues. This is particularly the case because the facilities are not part of the crossing themselves (agreement on which is more difficult and contentious), but happen to be constructed close to the planned crossings.
 - ii. Constructing a Palestinian side of the Tulkarem crossing. Currently the NSU has put together a paper outlining the common management principles to be applied at the crossing at Dr. Mustafa's request, based on previous Palestinian positions and World Bank papers. Discussions are ongoing on the Palestinian side regarding the development of engineering plans, as this is contingent on the agreed management regime. In addition, there is some preliminary discussion in the CSC over whether to issue a competitive bid for the development of the plan, or whether there is sufficient capacity to complete it internally.
 - iii. Working with the international community to complete a needs assessment determining the best locations for future crossings between the West Bank and Israel. It is expect that this work would also help to prioritize crossings on which to engage in discussions with Israel.

2. Continuous operation:

a. <u>Background</u>: The AMA calls for continuous operation of the crossings. This is understood to encompass two major principles: (1) any crossing should not be closed unless there is a specific, material, threat to that crossing that cannot otherwise be mitigated or contained; and (2) in such a rare case (or in the case of technical malfunction or other such emergency) both lane and terminal

redundancy should be implemented, as appropriate. This is meant to ensure that there is never a drop in available capacity, even if part or all of the crossing must be closed for a short period of time until the threat or emergency can be contained or remedied.

b. Status: This has not been implemented.

3. Common Management System:

- a. <u>Background</u>: A large part of the problem at the crossings, particularly at Karni, is caused by the lack of an efficient and transparent management system that is cooperative between both sides of the crossing. As a result, much of the negotiations on the AMA focused on this issue.
- b. Status: This has not been implemented.

4. Service Standards:

- a. <u>Background</u>: The AMA calls *unconditionally* for at least 150 export truck loads per day to be allowed through Karni by December of 2005, and 400 export trucks by the end of 2006, *in addition to agricultural produce*. This was meant to lead to a time per truck service standard that would ensure that each crossing functioned to full capacity and to meet market demand. Currently, the economy of Gaza has shrunk to reflect the amount of trade allowed through the borders.
- b. <u>Status</u>: This has not been implemented. Current movement is estimated at approximately 45 truckloads per day, comparable to the pre-AMA period, and well below the 400 truckload per day minimum in the AMA.

5. Agriculture:

- a. <u>Background</u>: Agriculture was one sector expected to flourish after the Israeli evacuation from the Gaza Strip. As a result, agriculture was given special consideration in the AMA, but to little avail. The economic loss due to the unjustifiable closure of Karni alone during the 2005 agricultural season was estimated by the World Bank at over \$600,000 loss *per day*, almost half of which was attributable to lost agricultural exports. The agriculture sector has suffered considerably from the closure.
- b. <u>Status</u>: Currently, there is a renewed focus on the movement of agriculture, particularly through the Karni crossing due to the need to enforce the EUROGAP standards during this coming agriculture season. As a result, there is preliminary discussion with the Dutch (who are interested in funding the project) and the USSC about instituting a system of segregated, covered, and cooled lanes at the Karni crossing dedicated to the movement of agriculture.

6. Technology:

a. <u>Background</u>: Originally, the Palestinian side agreed to the integration of new technology in order to work towards the eventual goal of door-to-door movement of Palestinian trucks, with the scanning of full containers as a first step. Despite the procurement of several scanners by USAID to facilitate movement at the crossings, much of the new technology has not been used effectively or for the purposes intended for in the agreement. In fact, one of the scanners procured by

the US to clear imports from Egypt at Kerem Shalom as part of the assistance package to the Palestinians has been relocated to Nitzana, a bilateral crossing between Israel and Egypt. Regardless, the Palestinian position, as well as that of the World Bank, has been and remains that any improvements in technology at the crossings will not suffice if there is not a significant improvement in the management of the crossings.

b. <u>Status</u>: Israel is, however, beginning to use technology to scan entire containers, although most of these are subsequently unloaded and subject to the back-to-back system. In general, technology at the crossings are not used to full capacity or for their designated purposes.

7. Palestinian side of the crossing:

- a. <u>Background</u>: The AMA calls for the PA to:
 - i. Establish a unified system of border management,
 - ii. Ensure that the passages will be protected on the Palestinian side of the border, and
 - iii. Train and upgrade the management of all crossings to ensure efficiency and effectiveness.
- b. <u>Status</u>: The PA is making efforts on each of these fronts.
 - i. In the CSC, the PA has advanced a great deal in creating one centralized source of authority for all crossings. In addition, there are specific projects currently underway to outline job descriptions and division of authority within the GACB and among the various institutions involved in the operations of the crossings.
 - ii. The USSC and the Palestinian side have developed a security plan for the improvement of security on the Palestinian side of the Karni crossing. This project has yet to receive sufficient funding to proceed fully. However, Palestinians have themselves funded several immediate improvements to increase security in the meantime. In addition, Palestinians have expropriated a large olive grove located in the center of the crossing essential to the new design.
 - iii. The USSC (and others) has provided a significant amount of assistance in training and upgrading the Presidential Guard's ability to secure the crossings, and is in the early stages of contributing to a project for the institutionalization of the GACB. A Canadian team charged with doing a needs assessment of the current structure is expected to arrive in the next few months. This is expected to lead to a bigger project towards complete institutionalization of the GACB.

> Tracks of current work with examples (all described above):

- 1. Crossings Steering Committee:
 - a. Job descriptions
 - b. West Bank crossings
 - c. Immediate improvements at Karni

2. *Dayton/USSC*:

- a. Karni Project
- b. Upgrade of the GACB
- c. Support for Presidential Guard

LINK BETWEEN GAZA AND THE WEST BANK

> Convoys

- 1. <u>Background</u>: Despite diligent efforts by the PA and led by the US to find a solution and implement the agreement, the December 15th deadline for the commencement of the bus convoys and the January 15th deadline for the truck convoys between the West Bank and the Gaza Strip have long since passed. Even with PA willingness to take a phased approach, and flexibility in accepting various implementation configurations, Israel has refused to cooperate or to implement the agreement. It is important to note here that the AMA agreement on convoys is already significantly less extensive than the Safe Passage Protocol agreed by the parties as part of the Oslo process, nor would it be sufficient to address Palestinian needs with respect to linking the West Bank and the Gaza Strip. It is also important to note that a convoy system for goods was operational for many years without problem in the past.
- 2. Status: There has no progress on this issue in well over a year.

> Territorial Link

1. <u>Background</u>: There has been no progress on the permanent territorial link between the West Bank and the Gaza Strip. The permanent link was omitted from the AMA initially as it was thought that the momentum generated by implementation of the AMA and the completion and release of a technical needs assessment would encourage the conclusion of an agreement on the permanent link. In anticipation of such, USAID and the World Bank commissioned an extensive study evaluating the various options available. The study has been completed, although the US has thus far refused to share it. It is expected that the study supports the Palestinian position, which is that a road link is the most efficient and secure option available. The Palestinians have repeatedly called on Israel to begin discussions related to the construction of an agreed long-term road and infrastructure link in parallel with short-term safe passage and convoy arrangements. Israel itself has recognized the importance of a road link between the two parts of the occupied Palestinian territory, as is evidenced by a 2001 Israeli inter-ministerial committee study showing that a road link is the best way to connect the West Bank and the Gaza Strip, and that a rail link or a tunnel would be inadequate¹.

See, *The Ministry of Regional Cooperation, Report of the Committee for Examining Safe Passage Options between Gaza and Hebron*, Submitted to the Minister of Regional Cooperation, February 2001. The recommendations of the Israeli report state:

[&]quot;The passage will be a combined surface road, with sunken sections and overhead or underground sections, according to site conditions, land use and existing traffic routes along the alignments through which the road will pass." (p. 7)

2. Status: There has no progress on this issue.

INTERNAL CLOSURE

- 1. <u>Background</u>: The issue of the internal closure regime in the West Bank remains extremely problematic, with the number of permanent and temporary checkpoints and obstacles increasing markedly since the conclusion of the AMA. This directly contradicts Israel's obligation to work towards reducing the closure regime in the West Bank by December 31, 2005. (This is in addition to the general illegality of the closure regime as a form of collective punishment.) As the World Bank has repeatedly made clear, the internal closure regime is one of Israel's most detrimental policies to the Palestinian economy, and without its removal, Palestinian economic recovery is unlikely. OCHA and other UN bodies have cited the closure regime as a primary cause of the humanitarian crisis in the West Bank. The Palestinian position remains that Israel must end the internal closure regime in its entirety (including the associated permit system), while opening-up to Palestinian traffic all existing roads in the West Bank currently designated for Israeli use only.
- 2. <u>Status</u>: There has been no positive progress on this issue. Instead, Israel has steadily tightened the closure, further suffocating the economic and social life of Palestinians. As of the 6th of March 2007, the number of obstacles reported by OCHA had reached 549, an increase of 46% from the 376 obstacles reported as of August 2005 (the last OCHA tally before the conclusion of the AMA). In addition, scores of flying (or temporary) checkpoints were introduced thereby restricting movement even further.

AIRPORT/SEAPORT

- 1. <u>Background</u>: The AMA calls for the continuation of discussions on the airport. The AMA also calls on Israel to provide a guarantee to the donor community agreeing not to interfere with the construction or operation of the seaport.
- 2. <u>Status</u>: There have been no discussions or any movement on the issue of the airport. Israel has yet to provide a guarantee regarding the seaport.

[&]quot;The committee believes that the railway solution is not a suitable alternative to the road. A solution of this type may be examined within the overall framework of the transportation network of the Palestinian Authority in the long term, when the traffic of passengers, vehicles and cargo will reach a volume that justifies the establishment of a railway." (p. 9)