## PLO NEGOTIATIONS AFFAIRS DEPARTMENT

# THE AGREEMENT ON MOVEMENT AND ACCESS: THE COSTS OF NON-IMPLEMENTATION

### OCTOBER 2006

"[Insert Rice Quote on increasing economic opportunities being best way to increase security for both Palestinians and Israelis]"

"The idea is to put the Palestinians on a diet, but not to make them die of hunger" – Dov Weissglas, Advisor to Israeli Prime Minister Ehud Olmert

"Quote from UN Official on Gaza having become a prison without a key"

### **FACT SHEET:**

Nearly one year ago, the international community mobilized a high-powered effort aimed at (1) easing the humanitarian crisis in the occupied Palestinian territory (oPt); and (2) creating conditions to revitalize the Israeli-Palestinian peace process. Nearly one year later, however, nearly two-thirds of Palestinians live in poverty—up from 50% in 2005—and the political climate continues to deteriorate.

In November 2005, United States Secretary of State Condoleezza Rice and the Quartet for Middle East Peace Special Envoy James Wolfensohn brought Israelis and Palestinians together in a twenty-four hour negotiations marathon. Based on the principle that **the best way to improve security for Israelis and Palestinians alike is to create economic opportunity for Palestinians**, Secretary Rice and Envoy Wolfensohn brokered the muchheralded Agreement on Movement and Access (AMA).

The AMA primarily seeks to facilitate the movement of Palestinian people and goods. Both the United Nations and the World Bank identify Israeli restrictions on Palestinian movement and trade as the direct cause of the humanitarian crisis Palestinians continue to endure today. These restrictions include hundreds of roadblocks and military checkpoints, ultimate control over all Palestinian crossing points to Israel and the outside world, and an elaborate permit system designed to enable the free movement of 430,000 illegal Israeli settlers at the expense of the livelihoods of millions of Palestinians. So while the AMA sought to alleviate the consequences of those restrictions, it did not address the source of those restrictions: Israel's continued occupation and colonization of Palestinian land.

Israel, however, continues to refuse to implement the AMA. And it continues to tighten its restrictions on the movement of Palestinian people and goods. Israel contends that its failure to implement the AMA is due to security threats. Yet recently leaked Israeli

military documents suggest that Israel has been regulating access for political reasons, and not security.1

The AMA could have only been negotiated with a strong and steadfast international broker. Full implementation is necessary to alleviate the deteriorating humanitarian situation, improve security for Palestinians and Israelis, and pave the way for a renewed peace process. The record of non-implementation of the AMA, however, demonstrates that an engaged and firm international community too is necessary to ensure full implementation.

#### NEGOTIATIONS BACKGROUND ON THE AGREEMENT OF MOVEMENT AND ACCESS

The AMA was negotiated on the heels of Israel's controversial Gaza "Disengagement" Plan. "Disengagement" was a unilateral Israeli initiative that included the evacuation of all of Israel's settlements from the occupied Gaza Strip and four isolated settlements from the northern West Bank. Despite the proclamation of former Israeli Prime Minister Ariel Sharon's chief advisor Dov Weissglas that "Disengagement was [designed to be] formaldehyde on the peace process [check quote]," Israel sold "Disengagement" as a step towards peace.

The international community eventually welcomed "Disengagement," believing that although the Plan was unilateral, it could nonetheless generate momentum to help revive the peace process. The Quartet for Middle East Peace—composed of the United States, the United Nations, the European Union, and Russia—still identified six conditions for "Disengagement's" success.<sup>2</sup> All the conditions focused on improving economic conditions for ordinary Palestinians.

Palestinians were more skeptical. Palestinians welcomed any Israeli move towards compliance with international law; all of Israel's settlements (colonies) are illegal under international law, as reaffirmed by the International Court of Justice in July, 2004; evacuation of some Israeli settlements was therefore welcomed.

However, the "Disengagement" Plan did not simply call for evacuation of settlements: It explicitly called for continued construction of Israel's Wall—not on Israel's boundary with the occupied Palestinian territory, but deep inside Palestinian land. The Wall—a meandering regime of concrete slabs, barbed wire, fences, trenches, remote-controlled infantry, and sniper towers—helps facilitate the expansion of key Israeli settlements in the West Bank, settlements Palestinians view as detrimental to a viable twostate solution. Palestinians feared that "Disengagement" thus had less to do with what Israel was supposedly "giving up" in Gaza and more to do with what it was taking in the West Bank—arable lands, water resources, room for development, and occupied East Jerusalem.

Palestinians also feared that "Disengagement" would leave Gaza an unmanageable open air prison. Under the Plan, Israel promised to retain ultimate control over all persons, goods, and resources entering or leaving Gaza. Israel would even maintain its population registry of

Gaza's residents, which means that Israel can still decide such basic matters as whether a Gazan can marry a foreign national or obtain travel documents.

Finally, Palestinians saw "Disengagement" as less than ideal because it was unilateral, and not bilateral. Eight months before Israel began implementing "Disengagement," Mahmoud Abbas was elected with nearly two-thirds of the popular vote as president of the Palestinian Nation Authority. Having run on a platform of more jobs, more internal security, and negotiations with Israel, the new government deemed it critical to deliver on the mandate for which they were elected.

Israel, however, refused to negotiate on permanent status issues. Nevertheless, Palestinians agreed to coordinate with Israel on technical matters solely related to the component of the Plan that called for settler and military installation withdrawal. It was hoped that with the help of a committed and engaged international community, the day after "Disengagement" could be used to both create a better for reality for Palestinians and jumpstart peace negotiations. The AMA was the crowning achievement of the months-long coordination process, and promised to fulfill four of the six Quartet conditions for "Disengagement's" success.

Today, however, Israel continues to occupy the Gaza Strip<sup>3</sup> and there are more settlers on Palestinian land after "Disengagement" than there were before.<sup>4</sup>

# OVERVIEW OF THE AGREEMENT ON MOVEMENT AND ACCESS: PROMOTING PEACE THROUGH ECONOMIC OPPORTUNITIES

The AMA was reached between the Government of Israel and the Palestinian Authority with the help of the Quartet Special Envoy, the European Union, and the United States' Secretary of State. It was designed to promote "peaceful economic development and improve the humanitarian situation on the ground."<sup>5</sup>

The international community also hoped the AMA would create conditions to renew the Isareli-Palestinian peace process. Based on the premise that creating economic opportunities for Palestinians would promote security for Israelis and Palestinians alike. Accordingly, the AMA was not conceived to simply be a means to relieve a humanitarian crisis and to help revive the Palestinian economy; it was also meant to pave the way for Palestinian-Israeli peace.

The AMA outlined measures that the Palestinian Authority and the Government of Israel would take to facilitate the movement of people and goods between:

(i) Gaza and Israel (through crossing points between the two areas)

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<sup>&</sup>lt;sup>5</sup> Agreement on Movement and Access, available at: <a href="http://www.nad-plo.org/nego/siAgreem/agreraf/Agreement%20Access.pdf">http://www.nad-plo.org/nego/siAgreem/agreraf/Agreement%20Access.pdf</a>

- (ii) **Gaza and the West Bank** (through bus and truck convoys running between the two parts of the occupied Palestinian territory)
- (iii) Palestinian communities in the West Bank, including East Jerusalem (by working to dismantle the internal closure regime, which consists of hundreds checkpoints and fixed obstacles to movement between Palestinian communities in the West Bank)
- **(iv)** Gaza and the West Bank, and third countries (by opening the Rafah Crossing Point between Gaza and Egypt, by building a seaport in Gaza, and by re-opening Gaza's airport)

#### IMPLEMENTATION STATUS OF THE AGREEMENT ON MOVEMENT AND ACCESS

Despite significant international pressure, Israel refuses to implement the AMA. This section charts specific provisions of the AMA and details Israel's failure to properly implement those provisions.

[Gaza's crossing points remain entirely under the control of the President's Office. Nonetheless, none of the AMA's provisions have been implemented by Israel, even though, as a recent World Bank report noted, 'growth prospects for the West Bank and Gaza depend critically on its openness to trade.'6]

PROVISION	IMPLEMENTATION STATUS
1. Rafah Crossing Point Between Gaza and Egypt  "Rafah will be opened as soon as it is ready to operate at an international standardand as soon as the 3 <sup>rd</sup> party is on site"	<ul> <li>Israel has forced the closure of Rafah for two months now, opening it only 4 and a half days during this period.</li> <li>The Rafah crossing point is Gaza's only access point to Egypt.</li> <li>The Palestinian Authority under the leadership of President Abbas, in coordination with the Quartet Special Envoy and the United States, took measures to train personnel and establish infrastructure to ensure that the operation of the Rafah crossing point meets international standards.</li> <li>An arrangement was reached with the European Union, whereby European observers (the European Union Borders Assistance Mission – EU-BAM) would monitor the operation of the crossing point.</li> <li>Since June 25th, Israel has prevented 3rd party</li> </ul>

<sup>&</sup>lt;sup>6</sup> World Bank, An Update on Palestinian Movement, Access and Trade in the West Bank and Gaza, August 15, 2006. See.

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<sup>&</sup>lt;a href="http://siteresources.worldbank.org/INTWESTBANKGAZA/Resources/M&ASummary+Main+MapAugust31.pdf">http://siteresources.worldbank.org/INTWESTBANKGAZA/Resources/M&ASummary+Main+MapAugust31.pdf</a>>, last checked September 3, 2006.

**Rafah's closure**. In doing so, Israel had stranded over 5,000 Palestinians on the Egyptian side of the border. Only after 7 Palestinians died waiting by the border as a result of heat and the absence of shelter did Israel open the crossing point for four and a half days to let the thousands return home.

# 2. Crossing Points Between Gaza and Israel

"The passages will operate continuously. On an urgent basis, Israel will permit the export of *all* agricultural products from Gaza during the 2005 harvest season" (emphasis added)

"[T]he number of trucks per day to be processed [for export] through Karni will reach 150 [by December 31 2005], and 400 by end-2006"

- In 2005, 90% of all Palestinian trade was with Israel or through Israel to markets in third countries.<sup>7</sup>
- Karni is the primary crossing point through which goods can be exported to Israel under existing arrangements. Since the signing of the AMA, Karni has been closed for export for more than 130 working days.
- Agricultural products from Gaza during the 2005 harvest season (sold in winter 2006) rotted in Gaza as they were stuck on the border. The losses resulting from Karni's closure during the 2005 harvest season were estimated at \$600,000 per day, of which agricultural losses stood at \$400,000 per day.
- In December 2005, on average, 56 trucks were processed per day through Karni for export, while the highest number of trucks to be processed for export through Karni that month was 100, far below the AMA's December 31st target of 150.
- Since the signing of the AMA on average, 18 trucks per day were processed through Karni for export.
- Israel has argued that security concerns have prevented it from keeping the crossing point open. However, even when the crossing point is operating, it is not run efficiently, and its operating hours are unpredictable. The largest number of trucks to be processed for export through Karni in a day since the signing of the AMA was 100, on December 15, 2005.
- The number of trucks to be processed through Karni established in the AMA is *only a minimum* based on immediate needs; that base-line does not meet the demands of an expanding economy. To be sure, between 1997 and 1999, prior to the eruption of the second Intifada, an average of 5,000-6,000 trucks were processed through Karni per month, corresponding to a daily average of approximately 250. Despite the higher number of exported trucks, Gaza's economy at the time was also depressed. Demand for exports would still be higher if the economy was healthy.

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<sup>7</sup> Ibid.

# 3. Link between Gaza and West Bank

"Israel will allow the passage of convoys to facilitate the movements of goods and persons"

Specifically, there will be established "bus convoys by December 15" and "truck convoys by January 15"

- Israel called off discussions regarding implementation of the convoy provision shortly after the AMA was concluded, and refused to recommence discussions. As a result, and in direct violation of the AMA, no truck or bus convoys between the West Bank and the Gaza Strip have operated. Israel also refuses to discuss the establishment of a permanent road link between the West Bank and Gaza.
- 4. Movement within the West Bank (the removal of checkpoints and barriers between Palestinian communities)

"[O]ngoing work between Israel and the U.S. to establish an agreed list of obstacles to movement [within the West Bank] 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."

- The number of checkpoints and obstacles to movement in the West Bank has *significantly increased* since last year. According to an August 2006 World Bank report, "there are now more than 540 checkpoints and fixed impediments compared to 376 in August 2005."8
- According to the United Nations, the internal closure regime is the primary cause of the humanitarian crisis in the oPt. The World Bank estimates that "the internal closures [in the West Bank] accounted for approximately half of the decline in real GDP (perhaps some 15 percent) observed between 2000 and 2002."9

# Gaza's Airport and Seaport: Gaza's Access to the Outside World

"The parties agree on the importance of the airport. Discussions will continue on the issues of security arrangements, construction, and operation"

"Construction of a seaport can commence. The [Government of Israel] will undertake to assure donors that it will not interfere with [the] operation of the port"

- Israel has refused to discuss the re-opening of Gaza's airport since the signing of the Agreement.
- The Israeli government has not assured donors that it will not interfere with the operation of the port, thereby preventing the construction of the seaport
- Gaza's airport and seaport could provide Gazans with the means to independently export produce to third countries.

<sup>9</sup> Ibid.

<sup>8</sup> Ibid.

### **COSTS OF NON-IMPLEMENTATION**

The AMA's non-implementation has various costs, including:

# • An intensified humanitarian crisis in the West Bank and Gaza Strip

In 2005, 45.7% of households in the West Bank lived below the poverty line. In the second quarter of 2006, that figure rose to 54.6%, while 43.2% of households there lived in deep poverty, which means that they could not, or could barely, afford the minimum amount of calories to remain healthy.

In Gaza, the effects of the closure have been much more severe. In 2005, 63.1% of households in Gaza lived below the poverty line. In the second quarter of 2006, that figure increased to 87.7%, while 79.8% of households there lived in deep poverty.

A recent report by the United Nations noted that around 70% of Gaza's population is unable to cover its basic food needs without assistance, and that the cost of basic consumer goods, such flour and sugar has, increased (by 15% and 33%, respectively) since January as a result of Gaza's closure, and the resulting scarcity of those basic goods.<sup>11</sup>

## • A missed opportunity to generate a constructive political process

The signing and implementation of the AMA not only offered an opportunity to relieve the humanitarian crisis in the oPt; it also could have helped bring Palestinians and Israelis closer to peace by jump-starting a constructive political process.

Unless the humanitarian crisis in the oPt improves, conflict between Palestinians and Israelis cannot de-escalate. De-escalation is required to generate, and ensure the success of, any constructive political process between the two sides. As such, the AMA's non-implementation destroyed an opportunity to transform Palestinian-Israeli relations, from relations characterized by mistrust and conflict, to a more cooperative relationship.

Instead of implementing the AMA, and seizing an opportunity to reach a comprehensive peace agreement between Israelis and Palestinians, the Israeli government continued to expand its settlements in the West Bank, and building its Wall there. Since September 2005, the West Bank settler population has increased by 12,000, undermining the prospects of a comprehensive peace based on the two-state solution in the near future.

According to the World Bank, the Wall alone costs the Palestinian economy between 2 and 3 percentage points of the GDP per year.

<sup>&</sup>lt;sup>10</sup> The deep poverty level is calculated to only account for food, clothing and housing, and does not account for educational costs, health care, transportation or housekeeping supplies. It corresponds to approximately \$1.5 US per day.

<sup>11</sup> http://www.humanitarianinfo.org/opt/docs/UN/OCHA/GazaStripOCHA%20sitrep 8August06.pdf