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A PROPOSAL FOR GOVERNANCE OF THE GAZA STRIP IN THE CONTEXT OF THE ANNOUNCED ISRAELI WITHDRAWAL

NOVEMBER 1, 2004

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SUMMARY OF RECOMMENDATIONS

This document is the product of a series of workshops dedicated to governance of the Gaza Strip in the context of the announced Israeli withdrawal. It focuses on practicalities and on how the interests and the expectations of the parties directly involved should be addressed. It also addresses the role that the international community should play in order for the Gaza disengagement to be successful and become a first step towards resolving the Israeli-Palestinian conflict. The fundamental objective, as it emerged from the workshops, is the need to facilitate the development of a reliable Palestinian structure of governance that would create the conditions for a peaceful and successful execution of the withdrawal plan. It is of the utmost urgency to begin preparatory work for the formation of a transitional governing administration in the Gaza Strip, referred to in this document as the Palestinian Transitional Administration (PTA).

Against this background, the Working Group, composed of Israelis, Palestinians, and representatives of the international community, agreed on a number of recommendations. These recommendations have been elaborated in the light of an increased willingness by the Quartet members and the international community to extend its recognition to an alternative, capable Palestinian authority for the Gaza Strip, should the current Palestinian Authority (PA) deny its consent to the establishment of such a Gaza authority.

1. The Palestinian Transitional Administration (PTA)

- The Israeli participants of the Working Group recommend that an international security task force should be deployed and that the significant role that Egypt should play in facilitating the disengagement should be carried out under the umbrella and the mandate of such an international third party.

- If successful, a broad and widely supported Palestinian initiative to manage the transition to a post-disengagement would serve to validate and enhance the claim for the continuation of Israel's evacuation of the West Bank as well as to enable the creation of a Palestinian state within the widely recognized territory along the 1967 borders.

- Israel cannot maintain the existing interim arrangements that were tailored, in the first place, to accommodate an administration under occupation while, at the same time, benefit from an international recognition that the occupation of a part of the Palestinian territories has ended.

- A reliable governing body in Gaza should be endorsed by a special United Nations Security Council resolution; in the same resolution the Security Council should also reiterate its recognition of the two-sovereign state principle.

- Since past experiences show that PA reform programmes were at best only cosmetically implemented, the current Palestinian leadership should no longer be left to implement substantive reforms when such reforms run counter to the personal interests of the 'reformers' themselves.

- Should the formation of a PTA in Gaza not be successfully implemented through the PA or the PLO, the Working Group suggests that, given the imperative of

having a functioning governing and administrative structure in place in Gaza in advance of the evacuation, the international community, with Egypt as a key player, should immediately call for, and organize, a Gazan Convention. Such a Convention would be designed to include representatives from all political factions, including those inside and outside the PLO as well as Palestinians from academic and non-governmental organizations, and other representatives from civil society. The condition for participation in the Convention should be the pledge to act against any kind of violence, and express a commitment to a two-state solution as a permanent status. The Convention would then agree on the appointment of an individual and a cabinet to exercise executive authority over the evacuated territories of Palestine. The cabinet and its head would also invite the PLO to endorse them. In this scenario, the PTA in its entirety would be entirely legally separate from the PA; it would constitute a transitional administration that would remain in office until Palestine becomes fully independent.

- The Palestinian governmental structure that would be formed to administer Gaza would invite international recognition for its authority to exercise Palestinian sovereignty over the evacuated territory through a special United Nations Security Council Resolution.

- Whether alone or with the assistance from the international community as outlined above, the PTA should be responsible for controlling Palestinian crossing points and the flow of persons and commercial goods. The Palestinians will be able to assume this responsibility once a robust international security presence will help to ensure the long-term prevention of infiltration into Israel and keep Gaza demilitarized by preventing smuggling from outside, and the manufacturing of weapons and explosives inside the Strip. Israel has the sovereign right to prevent Palestinians in Gaza from entering Israeli territory, but after evacuation the movement of Palestinian citizens to and from any other country should not be controlled by Israel.

- A new Palestinian leadership in Gaza should not declare statehood until the borders of the state of Palestine (to include the Gaza Strip and the West Bank) have been recognized by the international community through its legitimate institutions.

- An Israeli evacuation of a contiguous area of the Northern West Bank, or from any other contiguous area of currently occupied Palestinian territory should follow the same procedure as that outlined for the establishment of a PTA and would therefore no longer be considered occupied or subject to the interim agreement legal regime.

- The international community's physical presence in the evacuated Palestinian territories should not serve to replace the local Palestinian leadership, but rather reinforces its authority through expert consultation and coordination on civil and security matters.

- There is a need for an international security presence that includes countries additional to those mentioned in Prime Minister Sharon's letter to President Bush on 14 April 2004 (the United States, the United Kingdom, Egypt and Jordan) as being acceptable to Israel.

- The PTA should request the international community to provide economic and development aid to Gaza which may be channeled through a new Palestinian financial body that should be created in the Gaza Strip based on the successful model created by the Ministry of Finance of the Palestinian Authority.

- The PTA should request assistance from the international community to organize and monitor a transparent electoral process. In this process, the Palestinian people

living in Gaza would have the right to choose their local representatives to govern and administer Gaza. Elections should take place no later than one year after the establishment of the PTA in Gaza.

2. Security

- The integration of all the security forces now operating in Gaza, and the prohibition of the operational activities of separate militia groups or battalions, are critical measures for a successful reform of the security forces in Gaza. Moreover, the existence of a clear and unified Palestinian "chain of command" and of a clear contact person or persons responsible for each security force, and for the whole of Gaza, on the Palestinian side, is of the utmost importance from the Israeli point of view.

- The Palestinians believe that the deployment of international personnel along Philadelphi will help to bring stability and security in an evacuated Gaza. Moreover, the Palestinians note that the likelihood that opposition groups, and other Islamic factions, would join the PTA diminishes considerably if the Israeli forces remain in Philadelphi.

- The Palestinians hope and expect that the presence of the international community will prevent the Israeli military from returning to Gaza.

- The international community would not support and assist a Palestinian security apparatus unless it had been previously established and legitimized by a legitimate Palestinian political authority. Nor would the international community engage actively in Gaza unless it had received the approval (via an official and explicit request to the international community) from both a recognized PTA in Gaza and the Government of Israel.

- Prior to any engagement of the international community in security matters, both sides should offer a clear definition of its mandate, as well as an outline of the results that are expected from its engagement. Another precondition will be the existence of clear and well-defined rules of engagement for such involvement.

- The international community will seek guarantees from Israel and from the Palestinian security forces, as well as from major armed factions that international community security personnel will not be subject to attacks.) In the absence of such guarantees, it is unlikely that the international community would consider deploying large numbers of security forces in Gaza.

- The international community will prefer to limit the scope and the duration of any security enforcement mission it agrees to undertake, and will seek to hand over security responsibilities to the forces of one or more concerned parties as soon as the latter are ready to assume them. But, should security responsibilities be shared with local forces for a period of time, the international community participants will likely insist on retaining overall command of, and responsibility for, their own security forces and those of the concerned party or parties.

- A tailor-made model to ensure the security of the international task force is needed that would integrate the lessons learned by international security missions in general, with the specific experience accumulated by the international organizations currently operating in Gaza. Where possible, existing models of international presence in the context of the Arab-Palestinian and the Israeli-Palestinian conflicts (e.g., MFO,

UNDOF, TIPH) may also be used and adjusted to meet the special conditions prevailing in Gaza.

- With respect to reform of the Palestinian security sector, the support of the international community should comprise assistance in providing guidelines for a reform plan, for the reconstruction and the consolidation of the security services, the bolstering of security equipment and technological standards, the monitoring of performance, training, and advising.

- After the Israeli withdrawal, the priorities of the Palestinian security forces in Gaza should include overall unification; structuring and recruitment; assignment of responsibilities; and the establishment of the legal framework and the relation to the justice system (including the correctional system).

- As international peacekeeping/enforcing missions in the Balkans and elsewhere have indicated, the creation of new policing mechanisms, and the preclusion of politicized police forces, are highly desirable. Should police forces be formed along groupings similar or identical to previous militia formations, then the control of the action of individuals by superiors other than their former leaders will be extremely tenuous.

- If an attack on Israel or Israeli citizens occurs, if perpetrators have managed to seep past the special security forces and border police, the international community force and the PTA should be given the chance to locate such perpetrators within a pre-agreed period of time – without the immediate threat of an IDF response.

- The stability of the Palestinian security forces and their orderly deployment is a necessary condition for economic rehabilitation, as it would encourage the business environment to flourish and would provide attractive possibilities for foreign investment.

Cross Border Security

- Gaza and Israel: It is a Palestinian interest to have guarantees for the viability of a Palestinian state. Such guarantees include control over the movement of goods and people within and across the Palestinian territories, as well as between the West Bank or Gaza and other countries. However, it is necessary that such secure crossing arrangements would be devised and implemented without much delay in order not to hinder economic development, and to ensure the territorial contiguity between Gaza and the West Bank. To alleviate Israel's security concerns, high performance detection systems for the crossing points will have to be sought.

- Gaza and Egypt: The international task force should assume the ultimate security responsibility at the crossing points and replace the Israeli forces that now control these points. The presence of an international task force along the border with Egypt will require, as a condition for its deployment, an explicit invitation on behalf of all parties as well as a clearly defined role in security matters. Though the international task force will be deployed primarily to strengthen and complement the Palestinian capabilities, it nevertheless requires a formal legitimate mandate for its mission. It is therefore necessary to identify long-term incentives that would encourage Egypt to monitor its border with Gaza and prevent smuggling from its side of the border. In its peace agreement with Israel, Egypt has already stipulated specific requirements as a condition for her to assist in security matters on her side of the border. However, the Egyptian-Israeli peace agreement

may need to be amended to reflect the new conditions emanating from the Gaza to pull out.

- Rafah crossing: At the border with Egypt, it is envisioned that there would be Palestinian-manned immigration positions and custom offices where international personnel would also assist in the tasks of searching for weapons and denying entry to blacklisted individuals. A transfer of full and exclusive responsibility to Palestinian forces to take over complete border control activities in a phased timetable could be agreed upon in advance among the parties.

- Philadelphi corridor: One solution could be the establishment of a '"free trade zone" on the border between Gaza and Egypt, which would obviously necessitate the abolishment of taxes and duties on items that are currently smuggled in large quantities.

Air and Sea

- Security concerns must be addressed before Israel is to permit air and sea traffic to and from Gaza. The international security task force would have to be given the mandate to prevent the movement of items, material, and people into (and perhaps also out of) Gaza that is deemed prejudicial to the Israeli, and also to the Palestinian, security requirements.

- With regard to air control, a corridor would be granted by Israel to the Gaza Strip for economic and civil air traffic.

- It is of utmost interest for the Palestinian people that the ground control of a functioning airport in Gaza be transferred to full Palestinian control as soon as possible.

- By decreasing the dependency on Israeli air and seaports for the Palestinians' daily economic and civil activities, the airport should serve as an essential step for the genuine independence and self-determination of the Palestinian people.

- Israel might wish to consider the transfer of control of the access to the Gaza coastal waters to an international coast guard authority subject to the implementation of mutually acceptable security arrangements.

- Options to be explored include complete control over the airport by the international task force (possibly using Pristina airport in Kosovo as a model). A possible initial phase may be decided upon during which only Palestinian airplanes and certain designated companies would be permitted to use the airport provided that they are staffed with international aircrews.

- Erez Industrial Zone (EIZ): The EIZ model should be explored and not discarded. There is a possibility that Israel could transfer management over the EIZ to the Palestinian leadership in Gaza, which could then lease the facilities to Israeli companies who wish to operate there.

Coordination Mechanisms

- Coordination mechanisms are crucial for the security situation in the Gaza Strip leading up to the Israeli withdrawal and thereafter. Liaison mechanisms are needed between the IDF and the international task force that will be playing a security role in Gaza. Likewise, coordination and communication channels between the Palestinian security forces and the international task force should also be planned ahead

and agreed upon in advance.

3. The Settlements

- The international security task force should ensure the handover of assets and territory to a legitimate Palestinian authority that in turn could ensure its distribution and allocation in what can be perceived as a "fair" manner.

- An appropriate mechanism for asset management will obtain legitimacy with the Palestinian population if all groups of civil society are adequately represented in the process and if the process is sufficiently transparent.

- A joint committee of Palestinians and members of the international task force should be formed to make transparent and fair decisions about the assets until complete ownership and control have been transferred to the PTA in Gaza.

- The evacuation of the settlements should be carefully spread over time as part of the overall withdrawal timeline and related processes

- The responsibility for the protection of assets currently in the hands of the IDF or private Israelis should be clearly transferred to a reliable force

4. Economic Situation and Challenges

- There is an inherent tension between the political and the economic realities. While on the political level, both Israel and the Palestinians are encouraging disengagement and the end of occupation, the economic logic requires continuing reliance of the Palestinian Gazan economy on Israeli infrastructures and on Israel's markets as well as on Israel's permission to the movement of goods and services through its sovereign territory. Israel objects, for political reasons, to this logic and all its strategic political planning is aimed at reducing such a Palestinian reliance.[1] In our opinion, this strategic goal of Israel can only be achieved by opening up Gaza to other markets in the region, which in turn requires securing the freedom of movement of goods and people. We also believe that it is for the benefit of the Palestinian national economy in general, and that of Gaza in particular, to integrate with the economy of the West Bank.

[1] See article 10 of Israel's Disengagement Plan.

- In order to overcome the tension between the political "separation" rationale and the logic of economic "integration", and to promote the economic development of the Gaza strip, our recommendation is to establish a long-term planning process that integrates these elements—political constraints and economic logic—in a flexible and realistic manner.

- Track II meetings, (such as the work currently being undertaken by regional NGOs) involving the relevant stakeholders, which would address the economic issues from a non-traditional point of view, should be established.

5. Overarching Principles for International Involvement

- All interested parties, but particularly the international community stakeholders, should call on the Quartet to establish working groups that would plan and exercise operational involvement in the following areas: governance and reform; security; crossing points and the Philadelphi corridor; civilian infrastructure and economic investment; and, coordination mechanisms and oversight.

1. INTRODUCTION: THE WORKING GROUP AND THE PURPOSE OF THE DOCUMENT

This document is the product of a series of workshops focusing on the role of the international community in the Gaza Strip following the planned Israeli withdrawal. It will be circulated further to assist those planning for developments on the ground, for the aim of this document is to bring matters of importance to the attention of the relevant interested parties. It focuses on the practicalities and on how the interests and the expectations of the parties directly involved should be addressed in the context of the announced Israeli disengagement in Gaza. It also considers the role that the international community should play in order for the Gaza disengagement to be successful and become a first step towards resolving the Israeli-Palestinian conflict.

In the light of the absence of direct and open dialogue between the Government of Israel and the Palestinian National Authority ("PA"), the workshops provided an opportunity to meet and openly discuss ideas that could not be explored in official discourse. The individuals who took part in these discussions (the "Working Group") formed a unique and balanced team consisting of primarily Israelis and Palestinians with relevant experience in the security forces, and in governmental agencies as well as notable individuals representing a broad spectrum of civil society. The international community was represented by governments that are actively engaged in the Middle East as well as by relevant international organizations. The team was compact and diverse, and thanks to the expertise of its members, it could develop ideas and proposals on most of the issues relevant to the disengagement.

The workshops have been sponsored and hosted by the Toledo International Center for Peace, Madrid, the Fundación para las Relaciones Internacionales y el Diálogo Exterior ("FRIDE"), Madrid, as well as by the Portland Trust, London. The first workshop took place from the 17th to 18th of April 2004 in Madrid, immediately following the exchange of letters between President Bush and Prime Minister Sharon. That first meeting was able to elaborate recommendations, which were agreed between both Israeli and Palestinian participants, on key issues that are deemed vital for the successful implementation of the Israeli withdrawal. These recommendations were submitted to the Quartet in a letter sent to Mr. Javier Solana on 3rd of May 2004. Two subsequent workshops were held thereafter from 15th to 16th of May 2004 in London, UK, and from 25th to 27th of June 2004 in Toledo, Spain.

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It is widely recognized among the Palestinian population that if a sustainable process of nation-building and economic development is to be secured, the reform of the Palestinian civil and security administration is a vital condition that urgently needs to be addressed. It is likewise indispensable that the international community play a role in supporting the embattled Palestinian society to assume responsibility for managing its own affairs and moving forward in the creation of a new era of prosperity and stability for the Palestinian people.

In the light of the Israeli government's decision to unilaterally withdraw from the Gaza Strip and other areas in the West Bank, the participants of the workshops subscribed to a recommendation they deemed to be vital. ***It is of the utmost urgency to begin preparatory work for the formation of a transitional governing administration in the Gaza Strip, referred to in this document as the Palestinian Transitional Administration ("PTA")***. Such a body should be put together in a way that would allow it to acquire the necessary legitimacy from a broad

spectrum of the Palestinian population as well as from the international community. Such a widely legitimized leadership would then be able to manage and govern the Gaza Strip as the first liberated Palestinian region, which would eventually form part of the future independent state of Palestine.

The Quartet is rightly sensitive to the need to give a wide legal context to the Israeli disengagement as well as to the nature and the performance of the Palestinian leadership in the event of an Israeli withdrawal. The Quartet statement on 4th of May 2004[2] reiterated its strong support for the implementation of the Roadmap by placing the Israeli unilateral withdrawal within its wider framework and thereby retaining the current interim legal regime as it relates to the Palestinian leadership. The Quartet also stated that it is "prepared to engage with a responsible and accountable Palestinian leadership, committed to reform and security performance." The Quartet further envisaged a transfer of Israeli infrastructure and land "to a reorganized Palestinian Authority in coordination with representatives of Palestinian civil society, the Quartet, and other representatives of the international community to determine equitable and transparent arrangements for the ultimate disposition of these areas as quickly as possible."

The presentations made by US officials in the course of informal meetings on the role of the international community held at the Brookings Institution Saban Center in mid-May 2004 made clear that the United States supports a unilateral Israeli withdrawal from the Gaza Strip that is complete, embraces the Quartet's position as reflected in its 4th of May 2004 statement, and considers therefore the Gaza disengagement as the first step towards the implementation of the two-state solution. The US officials also stressed that a successful withdrawal would require international participation. As indicated in the 22nd of June 2004 Quartet statement, and in the report by the United Nations Secretary General's special envoy to the Middle East, Mr. Roed-Larsen, before the Security Council on 13th of July 2004, ***there is an increased willingness by the Quartet members and the international community to extend their recognition to an alternative and capable Palestinian authority for the Gaza Strip, should the current Palestinian Authority ("PA") deny its consent to the establishment of such a Gaza authority***.[3] In its statement on the 23rd of September 2004, the Quartet reiterated, in no ambiguous terms, "its continued readiness to engage with an accountable and reformed Palestinian leadership."

The fundamental objective, as it emerged from the series of workshops, is the need to facilitate the development of a reliable Palestinian structure of governance that would create the conditions for a peaceful and successful execution of the withdrawal plan—as a way-station for the establishment of an independent Palestinian state within the context of a 'two-state' resolution of the Israeli-Palestinian conflict. In order to develop such a political structure for Gaza, three major steps were delineated by the participants:

A. the establishment of a reliable Palestinian governing body which would administer the evacuated territories;

B. the empowerment of a restructured and reformed security apparatus that would assume full security responsibilities; and,

C. the establishment of a long-term economic rehabilitation plan.

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[2] See Annex 1.

[3] See Annex 2.

The three elements are closely linked and intertwined; hence, stable and sustainable development of the evacuated territories will not be achieved unless the international community systematically addresses all of them.

Against this background, the participants in the workshops have devised two channels of planning for the proposed unilateral evacuation so as to enable an accountable and responsible leadership in evacuated Gaza—the PTA—to emerge. The channels are detailed in section 2.4 of this document.

The present document is the culmination of all three workshops, and it addresses the shape that the urgently needed assistance of the international community should take in securing a successful implementation of the withdrawal plan primarily with respect to political and security issues. Should this proposed detailed model be adopted and implemented, the necessary groundwork will have to be done to develop an equally detailed programme for economic reconstruction.

2. THE PALESTINIAN TRANSITIONAL ADMINISTRATION ("PTA")

2.1. Governance and Civil Society in Gaza

Despite the inherent risks in the plan for an Israeli withdrawal, as seen from the perspective of the Palestinians, their interest is to capitalize on the opportunity afforded by the withdrawal plan in order to promote the long-term Palestinian goal of creating an independent Palestinian state in accordance with the 1967 borders. In addition, the establishment of a legitimate governing body in Gaza which is capable of providing basic services to the Palestinian population following an evacuation would also serve to promote the short-term Palestinian interest to address the currently disastrous humanitarian, economic, and political situation.

The Israeli interest in a reliable functioning governing body for the evacuated territory is first and foremost related to security concerns. As stated in the Disengagement Plan,[4] Israel views very favorably the continued activity of the international humanitarian organizations as well as those that assist in the development of Palestinian civil society. This is a new attitude that is being assumed by Israel which, traditionally, had always been skeptical towards international presence in the Israel-Palestinian imbroglio. Now it is ready to allow for greater international community support for, and monitoring of, the governance structures in Gaza after it has disengaged from the strip. So far, however, Israel is not willing to consider the presence of an international security task force in Gaza. ***The Israeli participants of the Working Group recommend that such a task force be deployed and that the significant role that Egypt should play in facilitating the disengagement should be carried out under the umbrella and the mandate of such an international third party.***

A broad and widely supported Palestinian initiative to manage, in a constructive way, the transition to a post-disengagement situation is crucial. The evacuation of the Gaza Strip should also serve as a pilot project that would show and strengthen the resolve of the Palestinian population to take steps to rally behind a broadly representative leadership that would work to guarantee the human rights and liberties of its citizens. ***If successful, this initiative would serve to validate and enhance the claim for the continuation of Israel's evacuation of the West Bank as well as to enable the creation of a Palestinian state within the widely recognized territory along***

[4] See the June 6, 2004 revised plan (See Annex 3).

the 1967 borders. As envisioned, the PTA in Gaza would carry on its shoulders the main responsibility for making possible the realization of this vision.

2.2. Legitimacy

Preparatory work to form a transitional governing administration in the Gaza Strip—the PTA--should begin as soon as possible. This governing body should be formed in such a way so as to obtain the necessary legitimacy in the eyes of the international community as well as the popular support of the Palestinian people. A number of requisites need to be met for such a legitimacy to be secured. They include, among others, that the political forces represented in the governing body be as diverse as possible, that a link be established with the currently existing political structures, and that the actions of the new body be transparent.

2.3. Legal Framework

The current legal status of the Palestinian territories, as defined by the Interim Agreement,[5] makes it necessary to create a new legal framework for the formation of a PTA. Given that currently Israel is the occupying power in Gaza, and that the PA was established as a result of an agreement between the Government of Israel and the Palestinian Liberation Organization (the "PLO") to administer the territories under the Interim Agreement, Israel's objective as stated in the withdrawal plan for Gaza to cease to be considered "occupied territory" will inevitably entail a fundamental change in the legal status of the Gaza Strip. According to Israel's withdrawal plan:

> Israel will withdraw from the Gaza Strip, including all the existing Israeli settlements, and will redeploy in territory outside of the Strip. The withdrawal excludes a military presence in the area along the border area between the Gaza Strip and Egypt called 'The Philadelphia Corridor' as will be detailed later. […]. 2. Once the process is complete, there will be no permanent land-based Israeli military or civilian presence in the Gaza Strip. 3. A fact emanating from this move will be the lack of a basis to the claim that the Gaza Strip is occupied territory.

However, while declaring that the Gaza Strip will cease to be "occupied territory", the current withdrawal plan simultaneously calls for Israel to maintain in tact the existing interim framework it had agreed with the PLO, which restricts the faculties of the current Palestinian governing authority, once Israel has completed its withdrawal. These two positions may be read as contradictory, and create legal inconsistencies. ***Israel cannot maintain the existing interim arrangements that were tailored, in the first place, to accommodate an administration under occupation while, at the same time, benefit from an international recognition that the occupation of a part of the Palestinian territories has ended.*** The disengagement plan promoted by the current Israeli government can be a prelude to stability only if it goes beyond its actual short-term vision and allows for the realization of Palestinian sovereignty. Unilateral steps by Israel which do not indicate a substantial progress towards the realization of Palestinian sovereignty are in danger of being perceived by the Palestinian people as aimed at installing a "puppet" administration acting on behalf of the Government of Israel.

From a Palestinian perspective, another problematic aspect of the withdrawal plan is that the clause from the official withdrawal plan quoted above is not extended to those areas in the

[5] The Israeli-Palestinian Interim Agreement on the West Bank and the Gaza Strip, Washington, 28 September, 1995 (also known as Taba Agreement or Oslo II Agreement). See Annex 4.

northern West Bank from which Israel also has stated it will withdraw, and does hence not seem to apply to them.

In the light of these considerations, it is necessary to solve the contradictions, legal and otherwise, emanating from the unilaterality of the Israeli plan by a step to be taken by the international community. ***A reliable governing body in Gaza should be endorsed by a special United Nations Security Council resolution; in the same resolution the Security Council should also reiterate its recognition of the two-sovereign state principle.***

2.4. Political Framework: the Formation of the PTA in Gaza

If the Gaza Strip is to cease being occupied territory, as stated in the Israeli withdrawal plan, its legal status must change. In response to such a change, new political and legal structures will need to be established to administer the territory effectively. However, a process of planning for an operational political and administrative structure in Gaza should in no way hamper the final status negotiations for a two-state solution.

The formation of a governing body in Gaza would be most easily realized with the official concurrence of Chairman Arafat, either 1) via the PA or 2) through the PLO (and, thus, outside the PA structures). In either scenario, an individual or a committee approved or appointed by either the PA or PLO would call for a Gaza Convention to include representatives of all factions, including those outside the PLO, and Palestinians from civil society. The Convention would then approve the Head Executive or the Chief of the PTA as well as a cabinet to assist the appointee in running the affairs of the evacuated territory of Gaza.

The appointee and the cabinet would exercise executive authority over the evacuated portions of the future state of Palestine while the Convention would be a standing body giving advice and prepare the way for national elections. The call for a reinvigorated and reformed PA governing Gaza is supported by many international figures. It was explicitly upheld in recent statements by the UN Secretary-General's special envoy to the Middle East, Mr. Roed-Larsen.[6] Following the announcement of the Israeli disengagement plan, Egypt has put pressure to bear upon the PA and Chairman Arafat as well as the international community to appoint an individual Palestinian or a committee to be responsible for the governance and administration of Gaza after its evacuation. So far, however, this pressure has yielded no results.

The choice of channel for the formation of a PTA—whether through the PA or the PLO—has important legal consequences. If its 'blessing' or mandate originates from within the PA structure, then the PTA would be part of the PA and not legally independent. If, on the other hand, the PLO functions as a channel for the establishment of a PTA, the legal regime in Gaza would change more clearly.

The mechanisms currently endorsed by the international community for governance in the evacuated territories rely on the need to conduct reforms within the PA rather than replacing or marginalizing it. ***Both Israelis and Palestinians in the Working Group agree that past experiences show that PA reform programmes were only at best cosmetically implemented. Therefore, the current Palestinian leadership should no longer be left to implement substantive reforms when such reforms run counter to the personal interests of the 'reformers' themselves.***

[6] See the 4 May 2004 Quartet statement (Annex 1).

Should the formation of a PTA in Gaza not be successfully implemented through the PA or the PLO, the Working Group suggests that, given the imperative of having a functioning governing and administrative structure in place in Gaza in advance of the evacuation, the international community, with Egypt as a key player, should immediately call for, and organize, a Gazan Convention. Such a Convention would be designed to include representatives from all political factions, including those inside and outside the PLO as well as Palestinians from academic and non-governmental organizations, and other representatives from civil society. The condition for participation in the Convention should be the pledge to act against any kind of violence, and express a commitment to a two-state solution as a permanent status. The Convention would then agree on the appointment of an individual and a cabinet to exercise executive authority over the evacuated territories of Palestine. The cabinet and its head would also invite the PLO to endorse them.

It is also advised that broad participation and wide political support in the process leading to the formation of the PTA, whose members should also include delegates from Islamic associations, may be obtained by establishing a Representative Transitional Committee. The committee would serve as a legislative and advisory body, responsible in part for managing the safe transition to the PTA in Gaza so as to avoid chaos and civil unrest. It would also serve as the check and balance component of the new government.

In the latter scenario, the PTA in its entirety would be entirely legally separate from the PA; it would constitute a transitional administration that would remain in office until Palestine becomes fully independent. The governing body would also have the task to put in place mechanisms that would allow secure a true division of power between the executive, the judicial and the legislative authorities. It would also ensure that all actions taken are consistent with international law and best practices. With the assistance of the international community, the governing body would prepare and conduct elections within a year from its formation.

2.5. Independence

The Palestinian governmental structure that would thus be formed to administer Gaza would invite international recognition for its authority to exercise Palestinian sovereignty over the evacuated territory through a special United Nations Security Council Resolution. Such a formal international recognition would be particularly vital should it be necessary to convene a Convention under the auspices of Egypt and the international community as described above rather than through a direct endorsement of the PTA either by the PA or the PLO.

If the Gaza Strip is to cease being occupied territory its legal status must change so as to obtain the legitimacy to exercise sovereignty over Palestinian affairs from the first day after a complete withdrawal. ***Whether alone or with the assistance from the international community as outlined above, the PTA should be responsible for controlling Palestinian crossing points and the flow of persons and commercial goods. The Palestinians will be able to assume this responsibility once a robust international security presence will help to ensure the long-term prevention of infiltration into Israel and keep Gaza demilitarized by preventing smuggling from outside, and the manufacturing of weapons and explosives inside the Strip. Israel has the sovereign right to prevent Palestinians in Gaza from entering Israeli territory, but after evacuation the movement of Palestinian citizens to and from any other country should not be controlled by Israel.***[7]

[7] Please note that transit between Gaza and the West Bank is an additional area in need of planning and attention, but is not addressed in this document.

2.6. Relationship between the PTA, the PA and the Remaining Occupied Territories

Regardless of the form that the governing body in Gaza may take, or the mechanism chosen for its creation, it is clearly in the Palestinian interest to maintain a relationship with the PA either in a direct manner or through the PLO. Such a relationship should serve to promote the unity of the Palestinian people across Gaza and the West Bank.

2.7. Statehood

It is the belief of the participants in the Working Group that a new Palestinian leadership in Gaza should not declare statehood until the borders of the state of Palestine (to include the Gaza Strip and the West Bank) have been recognized by the international community through its legitimate institutions.

2.8. Relationship with Representatives from the Northern West Bank

If Israel withdraws from a contiguous area of the Northern West Bank, or from any other contiguous area of currently occupied Palestinian territory, it is the view of the participants in the Working Group that ***this evacuated area should follow the same procedure with regard to the establishment of a reliable Palestinian governance structure as described above in section 2.4, and would therefore no longer be considered occupied or subject to the interim agreement legal regime.*** Similarly, that particular area in the West Bank should elect representatives of its own to act in cooperation with the governance structure created in the Gaza Strip. However, an Israeli withdrawal that would only affect Palestinian population centers would not constitute a contiguous territory. Therefore, the vacated areas would continue to be an area under occupation and consequently subject to the interim legal regime.

2.9. International Community Assistance to the PTA

International community funding in the targeted areas outlined below will be critical for the set-up and functioning of a governing body in the evacuated territories. The Israelis and the Palestinians of the Working Group share the view that the international assistance that would be required include outside legitimacy for the process of Palestinian state-building, political support for the difficult transition processes, fund-raising as well as the building of institutions and the promotion of human development.

It is recommended that the international community provides assistance in the following sectors and for the following activities:

- drafting of an internationally endorsed legal framework for the governance of Gaza;
- channeling resources to build transparent institutions;
- training staff;
- organizing local services;
- harmonizing and building competitive educational and healthcare standards;

- coordinating large scale employment programmes; and
- organizing transparent democratic elections.

These measures need to commence immediately considering the international community's experiences in recent years, in such diverse locations as East Timor and the Balkans, where the withdrawal of the power structures of the occupying power and the lack of preparation of new ones led to serious problems.

2.10. Legitimacy for International Community Involvement

A new United Nations Security Council Resolution would provide the required mandate for, and would officially endorse, the role of the international community in assisting in the establishment and the effective governance of the PTA in the evacuated Palestinian territories, particularly in Gaza. ***It is important that the international community's physical presence in the evacuated Palestinian territories does not serve to replace the local Palestinian leadership, but rather reinforces its authority through expert consultation and coordination on civil and security matters.***

The group of international actors that would participate directly on the ground, and in other ways, will need to satisfy the requirements of both the Palestinians and the Israelis. The latter, mainly due to security concerns, would most likely not accept an international presence from countries other than those mentioned in Prime Minister Sharon's letter to President Bush on 14 April 2004 (the United States, the United Kingdom, Egypt and Jordan are mentioned by name). Furthermore, Israel still "insists that there will be no foreign security presence in the Gaza Strip and/or Judea and Samaria that is not in coordination with Israel and with Israel's government". On the other hand, the potential international players have their own reservations. Their position is that the presence of the international community on the ground to support the establishment of governance structures in Gaza needs to be conditional upon the existence of a secure environment that is free from military incursions by Israel and violent civil unrest on the Palestinian side. ***The participants in the Working Group also envisage the need for an international security presence that includes countries additional to those mentioned above, as being acceptable to Israel.***

2.11. The Egyptian Role

The support of Egypt will be vital for ensuring a stable and prosperous Palestinian self-rule in the evacuated areas. Egypt is well positioned to lead the Arab world in this endeavour, and to work with the international community putting together a coordinated mechanism of assistance to the PTA. Once formed, a Gaza-based governing body should thereafter formally and publicly invite foreign nationals and governments into the Gaza Strip to assist in the maintenance of order as well as in the other tasks mentioned in section 2.9 above. Security will be crucial to the functioning of any governing body in Gaza (see section III of this document). The Egyptian government should play a major role in this regard.

2.12. Capacity-Building

In addition to assisting in ensuring security, the international community may establish a number of either direct or indirect local capacity-building programmes. As outlined in detail in section 2.9 of this document, these programmes should range from empowering civil society organizations, training staff and building effective, transparent institutions, to drafting an

internationally endorsed legal framework, and organizing general and local elections.

2.13. Economic Reconstruction

As indicated below (section 5), The PTA should request the international community to provide, as part of the same overarching mechanisms for security assistance, economic and development aid to Gaza. ***This aid may be channeled through a new Palestinian financial body that should be created in the Gaza Strip based on the successful model created by the Ministry of Finance of the Palestinian Authority***. Equivalent oversight and review mechanisms of the economic and financial activities by international parties are to be encouraged. Such oversight should be designed to increase transparency and minimize the risk of corruption, which is in the stated interest of both Palestinians and the international community.

2.14. Civil Administration

The PTA should also make formal requests to the international community to provide assistance in institution building with a particular emphasis on the establishment of departments or ministries of education and health. Institutions providing basic services are particularly important, and are in need of institutional reform, regulation and funding.

2.15. The Judiciary

Of paramount importance is the development of an independent and empowered judiciary. A system based on democratic principles and the protection of human rights, and which has the ability to impartially enforce the rule of law is of the utmost importance for the credibility of the new Palestinian institutions. This objective will entail, among other things, the building of a court system that allows for at least one instance of appeal at the Gaza level in accordance with the principles and the mechanisms to be agreed-upon between the PTA and the representatives of the international community involved. Members of the judiciary should be funded at an adequate level to remove incentives for corruption. Given the current state of affairs in Gaza, the creation of a functioning independent and empowered judiciary to which all civil servants, citizens and leadership will be accountable, will require international community assistance and expertise.

2.16. Elections

The PTA should request assistance from the international community to organize and monitor a transparent electoral process in Gaza in which all the different Palestinian factions as well as independent figures and members of civil society may participate. Significant preparatory work for elections has already been done by different international organizations and international non-governmental organizations ("NGOs"), as well as by donor governments. Upon the formation of a legitimate transitional administration in Gaza, all these actors from the international community should be presented with an official request to continue to assist with elections. The expertise of the United Nations and the European Union would be of particular importance since they have successfully accomplished similar missions in different parts of the world. ***As envisioned in this plan, the Palestinian people living in Gaza would have the right to choose their local representatives to govern and administer Gaza.*** In order to ensure the legitimate and democratic representation of Palestinians, ***it is recommended that elections should take place no later than one year after the establishment of the PTA in Gaza.***

2.17. Governance Conclusion/Caveat

Given the current volatile political climate in Israel, emanating essentially from the dysfunctionality of the political system, and which affects particularly the Likud Government, its leadership and the coalition, it is possible that the plan for withdrawal will face multiple setbacks and delays and, in a worst case scenario, may not be realized at all. Nevertheless, it is a common understanding amongst the Israeli participants in the Working Group that Prime Minister Sharon is determined to do his utmost to implement the withdrawal plan. However, the aim of this document is not to predict the various political scenarios relevant to the Israeli evacuation from Gaza (although these factors are vital to implementation). It rather attempts to outline the manner in which evacuation, and the subsequent role played by the international actors, may be strategically planned in advance to support the establishment of a functioning democratic and transparent governing structure in Gaza, which, in turn could facilitate the peaceful and prosperous rehabilitation of the Strip.

3. SECURITY

This section covers primarily issues pertaining to the crossing points and access to the Gaza strip. Security plays a vital role in determining the appropriate policy to be enforced at crossing points. The participants in the Working Group consider the current "no-trust" environment between the official, political authorities of the Palestinians and the Israelis as being the overarching factor highlighting the need for a robust international involvement in matters of security after the Israeli withdrawal.

3.1. Israeli Security Interests and Israel's Expectations from both the Palestinian and the International Security Forces

As expressed by the Government of Israel in its withdrawal plan, the "demilitarization" of the Palestinians, including the effective prevention of the smuggling and the manufacturing of weapons, as well as the effective functioning of a counter-terrorism agency, are prerequisites for Israel to withdraw from the "Philadelphi" area. An Israeli pull out from "Philadelphi" is, on the other hand, a condition for the Palestinians and the international community to consider the unilateral withdrawal a *bona fide* end of occupation of Gaza. [8]

Israeli demands and expectations from any new Palestinian security apparatus to be established in Gaza include the prevention of all violent activities, harsh and visible disciplinary measures to be taken against the perpetrators of, and those associated with, any violent acts, the disarmament of all militias, the continuous enforcement of a cease-fire/truce and the prevention of any threat to Israel and its citizens. In addition, Israel is adamant about maintaining control over the movement of certain individuals whom she sees as representing a threat. Israel also insists that the Islamic organizations adhere to the new reform plan. As part of its insistence on the creation of

[8] In the withdrawal plan's description of the security reality following the withdrawal, it is noted that Israel "will supervise and secure the outer envelope of the geographical land mass, will exclusively control the airspace of the Gaza Strip, and will continue to carry out military operations in the territorial waters of the Gaza Strip." As also stated in the withdrawal plan, any withdrawal from the Philadelphi area "will be conditioned, amongst other things, on the security reality and on the level of cooperation granted by Egypt in the creation of a more trustworthy solution. If and when the conditions for a withdrawal of this area arise, Israel will be ready to consider the possibility of the establishment of a seaport and an airport in the Gaza Strip, in accordance with agreements reached with Israel." (See Annex 3)

a demilitarized territory following the disengagement, Israel will not allow the deployment of heavy ammunition and long-range weapon systems in the evacuated territories. Nor will she accept that such weapons be manufactured in Gaza. Furthermore, it is an Israeli interest that the interim agreements continue to serve as a reference for the limitations on the size of armed forces in the evacuated territories.

The integration of all the security forces now operating in Gaza, and the prohibition of the operational activities of separate militia groups or battalions, are critical measures for a successful reform of the security forces in Gaza. Finally, the existence of a clear and unified Palestinian "chain of command" and of a clear contact person or persons responsible for each security force, and for the whole of Gaza, on the Palestinian side, is of the utmost importance from the Israeli point of view.

3.2. Palestinian Requirements from the International Community

The Palestinians assert that the replacement of Israeli soldiers with an alternative, non-oppressive presence at all crossing points and borders, including the Philadelphi route, will gradually dissolve the high tensions prevailing in the neighbouring villages, towns, and roads, and will obliterate any justification that the different armed factions may have to launch attacks and violently engage with the Israeli forces along the border.

The Palestinians believe that the deployment of international personnel along Philadelphi will help to bring stability and security in an evacuated Gaza. The Palestinian border police and intelligence services would cooperate fully with the international security task force. Moreover, ***the Palestinians note that the likelihood that opposition groups, and other Islamic factions, would join the PTA diminishes considerably if the Israeli forces remain in Philadelphi.*** The task of dismantling such revolutionary factions will be much more difficult should Israeli forces remain. A continuous Israeli presence in Philadelphi would only allow militant factions to continue to enjoy the support of a large portion of the Palestinian population. Such a support will be inevitably enhanced by the persistence of the daily manifestations of the Israeli occupation, and by the constant hardships suffered by the civil population.

The Palestinians hope and expect that the presence of the international community will prevent the Israeli military from returning to Gaza. They also trust that better coordination between the Palestinians and the Israelis will be achieved through the international mechanisms that would be put into place.

3.3. The Prerequisites of the International Community for its Involvement in Security Matters

Given the lessons of recent events in Iraq and elsewhere, it is likely that an international presence after the evacuation in Gaza will be conditioned with a number of requirements from both the Palestinian and the Israeli sides. ***The international community would not support and assist a Palestinian security apparatus unless it had been previously established and legitimized by a legitimate Palestinian political authority*.** **Relative stability will also, most likely, be a pre-condition to an international presence on the ground.** ***Nor would the international community engage actively in Gaza unless it had received the approval (via an official and explicit request to the international community) from both a recognized PTA in Gaza and the Government of Israel*.** Only then will a wide-scale training programme for the Palestinian security forces or any other international institutional engagement begin in the Gaza Strip. ***Prior to any engagement of the international community in security matters, both sides should offer a clear definition of its mandate, as well as an outline of the results that are expected from***

its engagement. Another precondition for international involvement on the ground will be the existence of clear and well-defined rules of engagement for such involvement.

3.4. Models of International Community Involvement: Indirect and Direct Security Missions

A consideration of components of other security missions operating elsewhere may offer insights to an appropriate international involvement in conflicts in general and in Gaza in particular. For the purposes of this document, security missions are divided into two categories: *indirect* and *direct*. Whether a mission is direct or indirect depends on the degree of responsibility that the international community assumes, and the extent of the power it is granted. Both types of missions are employed in areas such as peace-keeping, peace-making or state-building and can involve varying degrees of responsibilities depending on the nature and the scope of the mandate.

In the case of *indirect* security missions, the parties have granted only limited authority to the international security personnel. Thus, while the international security force has some degree of influence in resolving the conflict, the parties bear the principal responsibility for its resolution. Activities of indirect security missions include: presence/observation/monitoring (POM), investigation, verification, advising, equipping, logistical support, training, funding, operational support, and intelligence/information gathering/sharing support. The assignment of *direct* security missions, in contrast, may include activities, such as intervention, dispute resolution, authoritative command imposition, and security enforcement.

3.5. The Security of the International Task Force

The international community will seek guarantees from Israel and from the Palestinian security forces, as well as from major armed factions that international community security personnel will not be subject to attacks. ***In the absence of such guarantees, it is unlikely that the international community would consider deploying large numbers of security forces in Gaza***. The international community will insist on the right to conduct independent reconnaissance ahead of deployment of a main force, not solely for operational reasons, but also to gauge the attitudes of the predominant local elements, of their security forces, and of civilians that might be affected by the international presence.

The deployment of international security enforcing missions has advantages and disadvantages. The international community will normally have a higher degree of confidence in its own security personnel than in the security forces of the host country or territory. But, the perception of the local forces and community tends to be a mirror image of that of the international force. Foreign troops and police might not enjoy a high degree of trust on the part of the officials and citizens of the parties; they might not trust the international community personnel to undertake the operations they feel must be carried out, and they might always question the 'staying power' of the international community. Indeed, over time, international community security personnel might come to be actively distrusted by one or more parties, leading to a lack of cooperation. And, such personnel may, therefore, come under armed attack as they carry out security enforcement operations in the course of which they might suffer casualties.

For these reasons, the international community will prefer to limit the scope and the duration of any security enforcement mission it agrees to undertake, and will seek to hand over security responsibilities to the forces of one or more concerned parties as soon as the latter are ready to assume them. But, should security responsibilities be shared with local forces for a period of time, the international community participants will likely insist on retaining overall command of, and responsibility for, their own security forces and those of the

concerned party or parties. Assuming that the political leaders of the parties to the conflict have legitimacy, and possess at least some functioning capacity (i.e., the situation on the ground has not descended into chaos), their explicit agreement will be a prerequisite to the international community assuming any security enforcing mission and carrying out direct security action. The scope of the international community mission must be clearly understood and agreed upon beforehand, and the full cooperation of the parties will be an essential requisite for the success of any mission of security enforcement by the international community.

Against the background of the above-mentioned principles, as well as previous international experience with similar missions, a tailor-made model is needed that would integrate the lessons learned by international security missions in general, with the specific experience accumulated by the international organizations currently operating in Gaza. Where possible, existing models of international presence in the context of the Arab-Palestinian and the Israeli-Palestinian conflicts (e.g., MFO, UNDOF, TIPH) may also be used and adjusted to meet the special conditions prevailing in Gaza.

3.6. Specific Areas of Involvement for the International Community in the Security Sector

The security aspects of the mandate of the international community will encompass all the areas relevant to both internal and cross-border security. The following specific areas need urgent attention by the international community:

1. the reform of the security services; and

2. cross-border security (specifically between Gaza and Israel on the Palestinian side, the Land Corridor between the West Bank and Gaza, and between Gaza and Egypt, including Rafah and the Philadelphi corridor, as well as the airport and seaport).

3.6.1. The Reform of the Palestinian Security Services

The establishment of a unified and structured Palestinian security apparatus will be an integral part of the PTA in Gaza, and a vital prerequisite for stability and for a peaceful implementation of the Israeli withdrawal. ***The support of the international community should comprise assistance in providing guidelines for a reform plan, for the reconstruction and the consolidation of the security services, the bolstering of security equipment and technological standards, the monitoring of performance, training, and advising.***

Within what is to become the unified and integrated Palestinian security apparatus, three distinct departments should be formed out of the currently chaotic plethora of military formations in Gaza. These three departments may be defined as:

1. civil police (to enforce domestic law and order);

2. special security forces (counter-militia and intelligence); and,

3. border police.

Guidelines for a reform plan for the security services in Gaza after the Israeli withdrawal should include, in order of priority, the disarming of the current militias as well as the demobilization, and reintegration of former militia members, including a programme of individual screening and admission into the new security forces.

There is an urgent need for the Palestinians and the relevant players in the international community to draft a Security Sector Reconstruction Plan along the following guidelines:

1. an assessment of Palestinian needs (quantities, equipment, personnel, etc.);

2. a phased deployment of the new security structures; and,

3. a precise strategy for the de-escalation of violence.

After the Israeli withdrawal, the priorities of the Palestinian security forces in Gaza should include overall unification; structuring and recruitment; assignment of responsibilities; and the establishment of the legal framework and the relation to the justice system (including the correctional system). The judicial system should be independent and separate from the political leadership as explained above in section 2.15 of this document.

Although subject to debate, the degree of direct international participation in the three departments of the security apparatus will be highly relevant to a successful unilateral withdrawal. For example, until a sustained, secure national environment prevails, it is most likely that the border control functions will only be entrusted to members of the international security task force. The special security forces will benefit if composed by members of both the international community and the Palestinian element, subject to enhanced screening procedures.

Finally, the civilian police may perhaps be entirely made up of Palestinian personnel who have received intensive, high quality training from the international task force. It is important that the Palestinian population experiences a sense of clear shift from occupation to self-rule. Therefore, it would not suffice to merely replace Israeli troops with international armed officials. A strict arms control policy should be enforced, and specific, legal restrictions on the possession of weapons by either members of the security forces or by citizens in general should be established. ***As international peacekeeping/enforcing missions in the Balkans and elsewhere have indicated, the creation of new policing mechanisms, and the preclusion of politicized police forces, are highly desirable. Should police forces be formed along groupings similar or identical to previous militia formations, then the control of the action of individuals by superiors other than their former leaders will be extremely tenuous.***

It is envisioned that the international personnel will provide advice, capacity-building, training, and equipment. Liaison services between the several stakeholders may be provided in coordination with Israel and other countries if and when necessary.

One of the most important and potentially volatile issues regarding security are the 'rules of engagement', that is the required response in case of an armed attack, to be formalized between Israel, the international task force and the PTA in Gaza. For example, ***if an attack on Israel or Israeli citizens occurs, if perpetrators have managed to seep past the special security forces and border police, the international community force and the PTA should be given the chance to locate such perpetrators within a pre-agreed period of time – without the immediate threat of an IDF response.***

Effective implementation of the reforms of the Palestinian security system in Gaza greatly depends on active international assistance in each stage of the process, which would include thorough evaluations of the state of the Palestinian forces, their strategic alignment, training and the supply of their equipment. ***The stability of the Palestinian security forces and their orderly deployment is a necessary condition for economic rehabilitation, as it would encourage the business environment to flourish and would provide attractive possibilities for foreign***

investment. Moreover, the security forces will serve as a source of "job creation" which will dramatically decrease the recruitment power of unlawful militant factions.

3.6.2. Monitoring and Guaranteeing Cross Border Security

3.6.2.1. Between Gaza and Israel

It is a Palestinian interest to have guarantees for the viability of a Palestinian state. Such guarantees entail (but are not limited to) eventual ***Palestinian control over the movement of goods and people within and across the Palestinian territories, as well as between the West Bank or Gaza and other countries***. In this light, territorial contiguity of the Palestinian state is vital. Any link from Gaza to the West Bank, however, would cut through Israel's sovereign territory and, as a result, raise critical security concerns for Israel. Therefore, Israel would like to apply the same procedures restricting Palestinian movement to Israel and to the Palestinians traveling between Gaza and the West Bank. But this would only be the case until a secure crossing arrangement is agreed between the sides and is put in place. ***However, it is necessary that such secure crossing arrangements would be devised and implemented without much delay in order not to hinder economic development, and to ensure the territorial contiguity between Gaza and the West Bank.*** Israel shares the Palestinian interest in enhancing economic activity in the Gaza Strip through the use of the crossing points (trade, infrastructure, etc.), as it is widely understood that increased economic activity would provide stability for Gaza after the Israelis pull out. ***To alleviate Israel's security concerns, high performance detection systems for the crossing points will have to be sought.***

3.6.2.2. Between Gaza and Egypt

The Rafah crossing is currently managed by Israeli security forces and it is they who control what enters and leaves Gaza through this point. The interest of the Palestinians with regard to the crossing point between Gaza and Egypt requires that they exercise control over the terminal, and the crossing of people and goods. They would likewise expect to have control over immigration (identification control, visas, etc.) from Egypt into Gaza. It is also a Palestinian interest that the international community assists in the elaboration of the security procedures in the crossing points in a way that would address the Israeli-security related requirements. These inevitably include the prevention of the smuggling of weapons and would require the restriction of movement of certain individuals. ***It is therefore recommended that the international task force assumes the ultimate security responsibility at the crossing points and replaces the Israeli forces that now control these points.***

The presence of an international task force along the border with Egypt will require, as a condition for its deployment, an explicit invitation on behalf of all parties as well as a clearly defined role in security matters. Though the international task force will be deployed primarily to strengthen and complement the Palestinian capabilities, it nevertheless requires a formal legitimate mandate for its mission. The contribution of Egypt to security in conjunction with the international task force is crucial. ***It is therefore necessary to identify long-term incentives that would encourage Egypt to monitor its border with Gaza and prevent smuggling from its side of the border.*** In its peace agreement with Israel, Egypt has already stipulated specific requirements as a condition for her to assist in security matters on her side of the border. ***However, the Egyptian-Israeli peace agreement may need to be amended to reflect the new conditions emanating from the Gaza to pull out.***

3.6.2.3. Rafah Crossing

At the border with Egypt, it is envisioned that there would be Palestinian-manned immigration positions and custom offices where international personnel would also assist in the tasks of searching for weapons and denying entry to blacklisted individuals. An international terminal would stand immediately adjacent to the Palestinian terminal, with the authority given to the international personnel to use force to prevent (whether by turning back or seizing) the transfer of weapons or "banned" persons. ***A transfer of full and exclusive responsibility to Palestinian forces to take over complete border control activities in a phased timetable could be agreed upon in advance among the parties.***

3.6.2.4. Philadelphi corridor

Israeli forces are currently deployed in the Philadelphi corridor primarily to prevent the smuggling of weapons and people from Egypt into Gaza; presumably, this would also be the primary mission of any international task force. The principal manner of smuggling is through tunnels. As far as is known, little if any overland weapons smuggling occurs although some may occur at the Rafah crossing. It is worth noting, however, that most of the material that has been regularly smuggled into Gaza through tunnels are commercial goods, such as cigarettes, etc.

Security issues in the Philadelphi corridor have an enormous impact on the general economic situation in Gaza. In order to reduce the smuggling activities into Gaza, it is pivotal to create positive economic incentives that would eliminate the interests of persons on both sides to continue smuggling. Creative solutions need to be found. ***One solution could be the establishment of a '"free trade zone" on the border between Gaza and Egypt, which would obviously necessitate the abolishment of taxes and duties on items that are currently smuggled in large quantities.***

3.6.2.5. Estimated Security Forces Required

At present, the IDF has a battalion-sized force (approximately four to five hundred troops strong) deployed in the Philadelphi corridor. While an international presence might be somewhat smaller and configured somewhat differently, it is anticipated that the third party security force would need to be roughly the same size. Since the deployment of an international force would presumably be at the invitation of the Palestinian authorities, there should be comparatively less need for force protection.

The international security task force may also be involved in monitoring and prohibiting the movement of non-arms contraband into Gaza, which, although not necessarily a security related concern, will require additional man power. Moreover, the force may be unwilling to use some of the methods employed by the Israeli authorities and, thus, will need to adopt other, perhaps more costly methods. In short, the greater the effectiveness of the Egyptian efforts on the Egyptian side of the border (before traffic reaches the international security task force at the Rafah crossing), and that of the newly-trained Palestinian officials (on their side of the Rafah crossing) in preventing the movement of prohibited people and material into Gaza, the higher would be the level of overall stability and security that would be enjoyed by all.

3.6.2.6. Performance Measurement

On the assumption that the current motivation for the smuggling of weapons will persist throughout the early stages in the creation of the PTA in Gaza and the deployment of the international forces (to address political, economic or other issues), the Israeli

authorities will insist that the international security task force maintain at least the same degree of security enforcement with regard to the smuggling of weapons as they do in preventing entry to (or exit from) Gaza of those people and materials deemed unacceptable to Israel. The degree of security may be measured by the number of people who are prohibited from entering Gaza and by the amount of prohibited material that is seized. However, these measurements may prove to be imperfect. In order for the international community and the parties to judge accurately the effectiveness of the security mission of the international task force it will be necessary to employ reliable intelligence as well. If, later on, the motivation for the smuggling of weapons is reduced, a different set of measurements could be introduced.

3.6.3. Air and Sea

A functioning seaport and airport are crucial components in the economic reconstruction of Gaza, and as such, their development is of interest to all the parties involved. An airport entails both ground control and air control with differing security devises applied in each case. An international and domestic seaport would require security arrangements for the patrol of the Gaza coastal waters, as well as the facilitation and the regulation of sea transport commercial activity.

Prime Minister Sharon's withdrawal plan stipulated that: "If and when conditions emerge for the evacuation of this area, Israel will be prepared to examine the possibility of establishing a seaport and an airport in the Gaza Strip, subject to arrangements that will be determined with Israel." ***Put in simple terms, security concerns must be addressed before Israel is to permit air and sea traffic to and from Gaza. The international security task force would have to be given the mandate to prevent the movement of items, material, and people into (and perhaps also out of) Gaza that is deemed prejudicial to the Israeli, and also to the Palestinian, security requirements.*** In this respect, Israel's strong interest is to prevent the import of heavy/sophisticated weapons by sea or air into Gaza, and to prevent aircraft en route to or from Gaza being used for attacks on Israel.

With regard to air control, a corridor would be granted by Israel to the Gaza Strip for economic and civil air traffic. A small number of flights and some air activity over the Gaza Strip could be introduced as confidence building measures after which a wider volume of activity could be allowed.

Given their drive to establish an independent and viable state, ***it is of utmost interest for the Palestinian people that the ground control of a functioning airport in Gaza be transferred to full Palestinian control as soon as possible.*** This would enhance the economic development of the strip and would advance the creation of sovereign capabilities. Effective ground control of the airport in Gaza will ensure a monitored freedom of movement—both for people and for goods. ***By decreasing the dependency on Israeli air and seaports for the Palestinians' daily economic and civil activities, the airport should serve as an essential step for the genuine independence and self-determination of the Palestinian people.***

With regard to air traffic control, an international third party should introduce arrangements that satisfy the interests of both the PTA and Israel.

The primary Israeli interest regarding the seaport and Gaza's coastal waters is to maintain control over the maritime perimeter during the first stage of its withdrawal as a way to deal with the security concerns related to the prevention of smuggling of weaponry and the infiltration of blacklisted persons. ***Israel might wish to consider the transfer of control of the access to the Gaza coastal waters to an international coast guard authority subject to the implementation of mutually acceptable security arrangements.***

With regard to the seaport and the Gaza coast, Palestinian interests include the exercise of sovereign control over their maritime space, the resumption of the construction of a seaport that would enable fluid trade, a Palestinian control of the issuance of fishing licenses, and the deployment of the Palestinian border police to protect the coastline.

At this early stage it is difficult to estimate the size and the capabilities of the international forces that would be required to enforce air and sea security. The size, structure, and equipment of an international security force will depend on a variety of factors, such as the specific security mission and consequent tasks, the balance between international and Palestinian responsibilities, the expected level of air and sea traffic, the quantities and types of items, material, and numbers of people moving into and out of Gaza, the hours of operation of the ports, the security measures taken at points of embarkation for ships and aircraft destined for Gaza; and, whether the ships and aircraft are crewed by Palestinians, international personnel, or by privately hired foreign contractors. ***Options to be explored include complete control over the airport by the international task force (possibly using Pristina airport in Kosovo as a model). A possible initial phase may be decided upon during which only Palestinian airplanes and certain designated companies would be permitted to use the airport provided that they are staffed with international aircrews.***

3.6.3.1. Performance Measurement

Given security concerns, the minimum performance measurements that Israel will insist on are no attacks on Israel by aircraft en route to and from Gaza; and no movement of heavy/sophisticated weapons into Gaza by air or sea, or movement of anti-Israeli militants into Gaza. Palestinians will insist that no undue delays occur in the security processing of legitimate people, items, or materials.

3.6.3.2. Erez Industrial Estate

The Erez Industrial Zone (the "EIZ") is an Israeli-controlled industrial area in the border region within Gaza. Although recently closed due to security concerns, the EIZ provided a model of potential joint Israeli-Palestinian economic activity, which benefited the Israelis in terms of a cheap labour force and the Palestinians by providing vital employment opportunities throughout the last decade. ***The EIZ model should therefore be explored and not discarded. There is a possibility that Israel could transfer management over the EIZ to the Palestinian leadership in Gaza, which could then lease the facilities to Israeli companies who wish to operate there.*** One condition for such an eventuality may be created if an Israeli requirement is met for the international task force to assume direct security responsibility for the EIZ for a period of time.

3.6.3.3. Estimated Security Forces Required

It is difficult to estimate at this time the strength of the international security forces that would be required to secure the EIZ. Many questions will need to be answered for this estimation to be accurate. A very rough preliminary estimation is the equivalent of several battalions of troops and security personnel, possibly between 2,000 and 3,000 personnel. The number of forces required to be deployed in the EIZ will depend on a number of factors, such as whether Israelis and Palestinians will enter the EIZ for work purposes only and then return to Israel and Gaza at the end of their work day. A round-the-clock operation would also increase the number of international security personnel needed to secure the EIZ. In addition, should goods produced in the EIZ be exported to Israel, additional personnel could be needed in order to screen the goods prior to their export; even if Israeli authorities would still conduct their own screening, screening by international personnel would still be necessary in order to enhance Israel's confidence in the

international security task force.

3.6.3.4. Performance Measurement

Considering that it is still unclear as to what specific security tasks will be carried out by the international task force, it is premature to detail how its performance would be measured. In general, however, Israel will insist that no attacks against Israel and Israelis originate from the EIZ, that no Gazans or other employees in the EIZ are permitted to have weapons of any sort, and that no weapons or prohibited lethal materials are produced in the EIZ. Israel will also insist that the international task force provides security for Israelis who work in, or travel to, the EIZ.

3.6.3.5. Considerations about the Role of the International Task Force

Consideration must also be given to the role that the international task force would (or would not) play in relation to criminal activities that are not directly related to security or weaponry, for example, drug trafficking and the smuggling of goods and people. While the international task force would not be likely to assume responsibility for policing such criminal activities, and would rather leave these tasks to the Palestinian security forces, it is unlikely that the international task force would be able simply to ignore them, if only because of the possible implications that these activities are likely to have on security and on the public image of the international task force.

3.7. Coordination Mechanisms

The international security task force will insist on an effective intelligence and information sharing arrangement to ensure the existence of an adequate and reliable warning mechanism of security related problems. ***Coordination mechanisms are crucial for the security situation in the Gaza Strip leading up to the Israeli withdrawal and thereafter. Liaison mechanisms are needed between the IDF and the international task force that will be playing a security role in Gaza. Likewise, coordination and communication channels between the Palestinian security forces and the international task force should also be planned ahead and agreed upon in advance.*** These mechanisms—for example, how to communicate in order to confirm testing and training activities so that neither side perceives such activities as a threat—should be in place prior to the physical evacuation of Gaza. It is through these mechanisms that communication between the Palestinian and the Israeli forces will be made possible.

4. THE SETTLEMENTS IN THE GAZA STRIP AFTER THE ISRAELI WITHDRAWAL[9]

4.1. Management of Evacuated Assets

The future of the Israeli settlements, both the houses and the economic assets, is a paramount issue in a successful implementation of the withdrawal plan. As it states: "Israel will aspire to leave standing the real estate assets of the Israeli settlements." In a meeting with the World Bank representatives, the Government of Israel has also stressed that it is in the interest of Israel to ensure a smooth and peaceful evacuation process and an orderly transfer of responsibility for evacuated assets to the Palestinian through a third party.[10] This statement resonates with the Israeli need to avoid a perception of rewarding "terror".

[9] See Annexes 5 and 6.

[10] See *Haaretz*, 30 August 2004.

A swift, smooth and peaceful evacuation process is also in the overall interest of the Palestinians in Gaza, who also seek international assistance in securing the evacuated sites. Egypt has expressed its commitment to assist in this area. ***The international security task force should ensure the handover of assets and territory to a legitimate Palestinian authority that in turn could ensure its distribution and allocation in what can be perceived as a "fair" manner.***

An appropriate mechanism for asset management will obtain legitimacy with the Palestinian population if all groups of civil society are adequately represented in the process and if the process is sufficiently transparent. The mechanism for handling the take-over of the settlements could be managed by a special committee that is entrusted by the different Palestinian factions with this task. The launching of an extensive public information campaign will also be necessary to secure the orderly take over of the settlements. ***A joint committee of Palestinians and members of the international task force should be formed to make transparent and fair decisions about the assets until complete ownership and control have been transferred to the PTA in Gaza.*** This committee should also draw up a plan for the transfer of land and assets, and use the resources and expertise of the World Bank, as suggested by the Quartet statement on 4 May 2004.[11]

The plan should address the following issues:

1. the need for an appropriate mechanism, which will be legitimate in the eyes of the Palestinian population;

2. the legal status of the land and assets;

3. the security arrangements for the evacuated settlements and assets;

4. an assessment of the economic potential of the property and the assets;

5. an inventory of assets, based on a distinction among the different types of assets (houses, factories, greenhouses, land, etc.), which also requires the creation of a database that includes the Palestinian needs and their capabilities of assessing evacuated settlements; and,

6. operational questions, primarily related to infrastructure facilities, to be considered and compiled for the ultimate use of the Palestinians once the control is transferred to them from the international caretaker.

Regarding the actual handover, it is recommended that two planning processes (macro and micro) should operate simultaneously in a sequential, and semi-sequential manner: 1) Israel with the international task force; and 2) the international task force with a re-organized Palestinian authority in Gaza.

The evacuation of the settlements should be carefully spread over time as part of the overall withdrawal timeline and related processes. An option for the timing of the physical handover can include a phased "one-by-one" process meaning that each settlement will move, over a period of time, from Israeli control to the international party and then on to Palestinian control. An alternate option is for the settlement assets and properties to be transferred together, all at once, first from the Israeli civilian possessors to an IDF controlling presence, and then from the IDF to an agency of the international community. The latter option may diminish the security risks. There can also

[11] See Annex 1.

be combined options, such as "packages" or groupings of assets, which are defined by geographic or functional criteria, to be transferred together, one after the other.

4.2. Physical Control/Protection of the Settlement Assets

A distinction may be made between the legal possession through an international custodian and the physical Palestinian control of the assets. For example, it is likely that the international task force would be hesitant to take on responsibility for physically guarding the settlement properties as the IDF withdraws from the territory. ***The responsibility for the protection of assets currently in the hands of the IDF or private Israelis should be clearly transferred to a reliable force.***

4.3. Public Information Campaign

The cooperation of the public, and hence an information campaign will be critical if a smooth evacuation and transfer of the settlement assets will be carried out. International organizations and NGOs already on the ground in Gaza could assist in such a campaign.

4.4. Crisis planning and Troubleshooting

Crisis scenario planning should also begin so that an adequate preparation would exist to deal with adverse externalities. The planning process should include the establishment of communication channels and agreed coordination procedures (as discussed in more detail under section 3.7 above related to security) in order to avoid misunderstandings with regard to any given situation that might develop on the ground during the evacuation process.

5. ECONOMIC SITUATION[12] AND CHALLENGES

The Working Group has focused its main efforts on the political and security arrangements in post-evacuated Gaza. However, in order to present a comprehensive and systemic model for the involvement of the international community, the economic realities ought not to be left out. Therefore, part of the group's last meeting in Toledo was dedicated to identifying the economic elements that need to be considered and addressed by the relevant stakeholders.

The economic reality in Gaza has deteriorated significantly since the start of the El-Aqsa Intifada in September 2000. According to World Bank figures, the size of the economy of the Gaza Strip—under the responsibility of the PA since the Cairo Agreement of May 1994—shrunk by about one-third between 1992 and 1996. The downturn was largely the result of Israeli policies—the imposition of generalized border closures in response to security incidents in Israel—that disrupted previously-established labor and commodity market relationships between Israel and Gaza.

The most serious negative effect of this downturn was the emergence of high unemployment. According to international sources, between 2000 and 2002 GNI declined 40%; 60% of the

[12] For general economic information of the Gaza Strip, see Annex 7. Note that a rigorous socio-economic assessment of the Gaza Strip has to consider that a great majority of the people in this area are refugees. For general information about the refugees in the Gaza Strip, see: Annex 8.

population is now below the poverty line. [13] The situation in Gaza is approaching the definition of a humanitarian disaster. Gaza strip industries are generally small family businesses. Electricity as well as other elements of the basic infrastructure are supplied by Israel. It was only thanks to an international aid of $2 billion in 2001-02 that the economy of the Gaza Strip and the West Bank did not collapse completely.

The following major points of the World Bank special report, "*Disengagement, the Palestinian Economy and the Settlements*,"[14] published on the 23rd of June 2004, served as working assumptions for the group's discussion:

- "The sealing of Gaza's borders to labor and trade or by terminating supplies of water and electricity to Gaza, disengagement would create worse hardship than is seen today. This could forfeit the international goodwill that Israel's initiative has created. Under such circumstances, the Plan's assertion that Israel is no longer responsible for the population of Gaza will not resonate. Nor would donors appreciate the implication that they must bear the humanitarian consequences of this style of disengagement."

- "Removing restrictions on the movement of cargo across borders is relatively simpler – technologies and administrative methods exist that permit the orderly flow of cargo and the maintenance of security. Introducing a new, efficient border cargo regime would make a major difference to Palestinian welfare and commercial prospects. The international community should focus on this key economic issue in its diplomatic dialogue with GOI."

- "An easing of closures alone, though, will not attract investors back to the Palestinian economy. A reinvigorated program of Palestinian reform, designed around measures that will create an investor-friendly business environment, is essential. There is no reason for the PA to delay implementation of such a program."

- "It is important to understand that additional donor money alone can not solve today's economic problems. Donor disbursements of US$1 billion per annum (or US$310 per person) are already very high. Additional aid in today's economy would help alleviate day-to-day hardship, but would have little lasting impact."

Furthermore, the World Bank report indicates several potential plans of action for the reactivation of the Palestinian economy:

> With a freeing-up of the constraints on economic activity and committed Palestinian reform, an additional major donor effort would make a difference – it would enable the Palestinian economy to turn the corner. An additional US$500 million per annum, on top of existing disbursements, could by 2006 spur a growth in

[13] According to a World's Bank Report of 2003, "Gross National Income (GNI)1 in 2002 mounted to 40 percent less than in 2000. With a 9 percent growth in the population of the West Bank and Gaza over the past two years, real per capita incomes are now only half of their September 2000 level". It also states: "using a poverty line of US$2 per day, the World Bank estimated that 21 percent of the Palestinian population were poor on the eve of the intifada, a number that increased to about 60 percent by December 2002. Accounting for population growth, the numbers of the poor have tripled, from 637,000 to just under 2 million." The World Bank, "Two Years of Intifada, Closures and Palestinian Economic Crisis", March 5, 2003, pg. 3 (http://siteresources.worldbank.org/NEWS/Resources/pr030503-report.pdf). Due to the fact that organizations such as the World Bank and UNDP usually address jointly the West Bank and Gaza, the statements above refer to the situation in both territories. See also: Annex 7. For specific data on Gaza, see the CIA World Factbook (http://www.cia.gov/cia/publications/factbook/geos/gz.html)

[14] For the full text of the report see:
http://lnweb18.worldbank.org/mna/mena.nsf/Attachments/Disengagement+Paper/$File/Disengagement+Paper.pdf

real personal incomes of about 12% (and 20% in nominal terms), and could reduce unemployment to levels only slightly higher than prior to the intifada…

The Bank warns of the dire consequences of a failure to take action. According to the Report:

> The alternative to this is stark. At the wrong end of the spectrum of possible outcomes is a Palestinian economy with unemployment levels of over 35% by 2006, and with poverty afflicting upwards of 55%, and 70% in Gaza. With the PA weakened as it is, the time to get things right is running out.

The Working Group's discussion identified the basic tension between political and economic realities, which is implicit in the World Bank report:

> Of itself, Israel's Disengagement Plan of June 6 will have very little impact on the Palestinian economy and Palestinian livelihoods, since it only proposes a limited easing of closure.

This is the inherent tension between the political and the economic realities. While at the political level, both Israel and the Palestinians are encouraging disengagement and the end of occupation, the economic logic requires continuing reliance of the Palestinian Gazan economy on Israeli infrastructures and on Israel's markets as well as on Israel's permission for the movement of goods and services through its sovereign territory. Israel objects, for political reasons, to this logic and all its strategic political planning is aimed at reducing such a Palestinian reliance.[15] In our opinion, this strategic goal of Israel can only be achieved by opening up Gaza to other markets in the region, which in turn requires securing the freedom of movement of goods and people. We also believe that it is for the benefit of the Palestinian national economy in general, and that of Gaza in particular, to integrate with the economy of the West Bank.

During the group's discussions, the following topics were identified as the essential economic components of any comprehensive third-party involvement:

- employment for Palestinians in Israel;
- movements of goods;
- infrastructure projects in the Gaza Strip (airport, seaport, environment, medical facilities, etc.);
- housing;
- job creation, including on the industrial estates; and,
- settlement assets[16].

[15] See article 10 of Israel's Disengagement Plan (Annex 3)

[16] The World Bank recommendation (that "the PA should seize this opportunity to demonstrate transparency, equity and efficiency in receiving and disposing of the assets. The PA is advised to create a special agency for this purpose. The donors, through the Ad Hoc Liaison Committee, should provide the advice and assistance needed to ensure that the asset transfer process goes well and is acceptable to all parties") should be read and implemented in the overall context of the establishment of the PTA.

In order to overcome the tension between the political "separation" rationale and the logic of economic "integration", and to promote the economic development of the Gaza strip, our recommendation is to establish a long-term planning process that integrates these elements—political constraints and economic logic—in a flexible and realistic manner.

Since the conclusion of the group's work, the World Bank has engaged in negotiations with both the Government of Israel and Palestinian officials. However, these negotiations are still conducted utilizing unclear political and security assumptions, a fact that makes any understanding that might be reached subject to fluctuation in the political and security situation. ***We strongly recommend the establishment of track II meetings, (such as the work currently being undertaken by regional NGOs) involving the relevant stakeholders, which would address the economic issues from a non-traditional point of view.***

6. Overarching Principles for International Involvement

6.1. Synchronizing Timetables

The different timetables of Israelis, Palestinians and the international community must be synchronized to adequately prepare for the unilateral evacuation of Gaza.

Several processes (internal Israeli, internal Palestinian, and the timetables of different stakeholders in the international community) should also be coordinated. The international community should organize its efforts in building and assisting this process (process management) and should particularly focus its efforts to assisting in the formation of a legitimate governing body in Gaza (PTA).

> Much practical work by the international community is then needed in order to assist the Palestinians in preparing for assuming security responsibility (complete or partial depending on the branch of security), and to train all security forces, to arrange donor funding for the establishment of Palestinian institutions, and to provide much needed support for civil society initiatives.

6.2. Urgent Next Steps

It is suggested that all interested parties, but particularly the international community stakeholders, call on the Quartet to establish working groups that would plan and exercise operational involvement in the following areas:

- ***governance and reform;***
- ***security;***
- ***crossing points and the Philadelphi corridor;***
- ***civilian infrastructure and economic investment; and,***
- ***coordination mechanisms and oversight.***

It is recommended that the above mentioned working groups proceed with fact-finding and information gathering. Their fact-finding should include economic assessments to provide baseline information on current development expenditures by the international community.

In addition, the envisioned Quartet-sponsored working groups should develop coordination mechanisms and establish rules for an operational framework. Subsequently, detailed scenario planning and site visits should be conducted in conjunction with the relevant Israeli, Palestinian and other international community actors.

NOVEMBER 1, 2004

The working group was put together at the initiative of Prof. Shlomo Ben-Ami, Israel's former Foreign Minister and presently TIC's Vice-President.

This document was prepared by Moty Cristal and Basil Jebril, with the input of the participants, and was revised and edited by Jessica Almqvist, Sherry Holbrook and Claudia Medina.

Chair Person

José Luis Herrero

Participants

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The sessions counted with the active participation of a number of international experts from Canada, Ireland and Spain.

ABOUT THE TOLEDO INTERNATIONAL CENTRE FOR PEACE

The Toledo International Centre for Peace - TIC is an independent, non-profit organization seeking to contribute to the prevention and resolution of violent or potentially violent conflicts and to the consolidation of peace between and within states, in a framework of respect for human rights and democratic values.

The TIC seeks to benefit from Spain´s special location and links to the Mediterranean and Latin American regions to foster peace and assist in preventing and solving conflicts. In addition to the Middle East and Africa Programme, that has served as the framework for the workshops about Gaza, the Centre will develop a regional Programme in Latin America and another Programme on Conflict Prevention and Resolution that will dedicate specific attention to peacekeeping-related issues.

The Centre applies an innovative approach of combining different activities on an ad hoc basis, according to the characteristics of the situation it addresses, available resources and competitive advantages of the Centre. Within those activities, the TIC undertakes Second Track Diplomacy aimed at complementing the governmental track. It carries out Research and Policy Development to enhance the capacity for conflict prevention and resolution of stake holders, and contributes to Professional Development in conflict prevention and management and post-conflict development. The TIC also seeks to contribute to increase general awareness of peace-related issues through participation in the public debate and undertaking advocacy of specific policy options.

The Centre was founded this year 2004 by: the Spanish Ministry of Foreign Affairs and Cooperation, the Regional Government of Castilla-La Mancha, the City Council of Toledo, the Fundación para las Relaciones Internacionales y el Diálogo Exterior (FRIDE), the Fundación José Ortega y Gasset, Shlomo Ben-Ami, Israeli former Minister Foreign Affairs, Diego Hidalgo, President of FRIDE and Gregorio Marañón, President of the Fundación Real de Toledo.

Before its foundation, the TIC, known as the *Toledo Peace Project*, developed a number of activities under the auspices of FRIDE. The first phase of the Project on Gaza including two workshops, one in Madrid and one in London, were part of this work supported by FRIDE.

ABOUT FRIDE

(www.fride.org)

FRIDE (La Fundación para las Relaciones Internacionales y el Diálogo Exterior) is a private, independent, non-profit foundation based in Madrid, Spain. Its objective is to contribute to the consolidation of democracy, peace, respect for human rights, and human development. Through the implementation of projects, studies, analysis, publications, debates and public information, FRIDE promotes both reflection and action on these issues, and contributes to the development of public policy towards the realization of its goals.

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- Democratisation and Rule of Law
- Global Governance
- Development Cooperation

Since its establishment in 1999, FRIDE has organised or participated in the creation and development of various projects that reinforce not only FRIDE's commitment to debate and analysis, but also to progressive action, including through the establishment of the Club of Madrid (www.clubmadrid.org) and the Toledo International Centre for Peace (www.toledopeace.org).