My Comments:

The overall/big picture concerns:

- We discussed with Ronald the precondition of implementing AMA. There is no mention of this in the blueprint and I will not belabour the point since Shaddad and Rami have already raised it (along with the concerns of state with provisional borders)
- There should be a clear indication that all the projects should be carried out in compliance with existing agreements (i.e. Oslo, AMA) and donor guidelines.
- The Blair team missed out on some genuine quick impact projects such as electricity, fuel and gas in Gaza, liberalizing the telecom sector, solar power in the Jordan Valley, etc.
- In addition to Shaddad's concerns about language, the tone really is offensive. At the very least they should be using "occupied Palestinian territory"

A. Agro-Business

- We are opposed to the JICA project because it is not in compliance with Oslo, Paris and AMA. (e.g. the back-to-back bullshit and tunnel aspect of the project, as well as the customs issue, Damya bridge, permits, etc.)
- Pt #4 (Security): "alternative arrangements for the existing security measures" is dimissive of the fact that the existing arrangements are illegal and it is not clear to me what "alternative" actually means = more illegal arrangements? Nothing less than AMA should be implemented.
- Pt #5 (Actions Required by Palestinians) at 3rd bullet (capacity to control borders): So long as this is done in compliance with existing agreements (Bader can spell out).
- (Israeli Actions Bullet 3): Again, must be in compliance with existing agreements. Bullet 5: Must be clear that reclassification is to Area A in accordance with Oslo/Donor guidelines.

B. Bethlehem

- Rami highlighted the main one but at Pt #3 (Political analysis) the language must be changed "cannot open up to new influences" and "develop positive self-image"
- At pt #5 (Actions required by Israelis): Delete the first two bullets. The third bullet should allow for the increase to 200 permits immediately (not gradually)
- Under OQR: "facilitate negotiations on political issues" this is a precondition to the project.

C. Industrial Parks

- Turkish Developer (TEPAV) is completely foreign owned and does not have any Palestinian partners. How will this help build Palestinian capacity, especially when we have Palestinian companies ready to engage?

- Regarding The Northern Company they have been working on this since 1995 it is not a serious option Blair's team has not done their due diligence.
- Pt #2: Bullet 1: "politically motivated" line should be deleted who are they to judge?
- Fourth Bullet DELETE! The project requires AMA implementation for success
- The "crossings" must meet Palestinian interests and guidelines
- Pt #5 (Israelis): Fourth Bullet must be FIRST (this is AMA). First Bullet: "Israel must assure it will spare site military action" Are they serious? We will implicitly condone criminal acts against civilian targets but please make sure you don't harm investor interest.
- Under OQR: The Second Bullet (facilitate negotiations) is a precondition to the project.

D. Housing

- Re: Location although it is a sensitive issue it must be in Area A or an area reclassified as A.
- Pt #3 (Political Analysis) delete the line about refugees returning. This project is not linked to refugees and it is not part of Blair or Fayyad's mandates.
- Re: Pt. 4: Who will be responsible for security? IDF or Palestinian police? Will we have assurances that IDF will not enter housing area and assassinate people?
- Pt. #5 (Israel) Area C must be reclassified as Area A without payment of any kind by the developer or donors to Israel.

E. Sewage

Pt. 4: Security – Israel has classified Gaza as a hostile entity. This classification must be rescinded otherwise donors will be considered by Israel to facilitate a hostile or enemy entity. Also, the project needs electricity and fuel to operate – we don't have enough to go around. Perhaps they can press Israel to provide us with all of our fuel and electricity needs, which means that Gaza cannot be a hostile entity.

F. Municipal Services

- Pt #2: Installing prepaid meters is a donor funded project through the Palestinian Energy Authority. This is part of a larger scheme to transfer electricity to the PEA. We do not want to support a project that will undermine a national plan by allowing municipalities to better collect electricity bills and then not remit them to the PEA. Currently the PA pays for electricity in Gaza and subsidizes the municipalities. This project must be done through the PEA or in coordination with the PEA (and I suspect they didn't speak to them).
- Pt #3: Precisely why this should be at a national level and not as part of municipal projects especially when it comes to Gaza. And in any case if you install meters in Gaza they can't afford to pay for electricity (that is, of course, if they receive any). This is not a priority project for Gaza

nor a quick impact one! They have little electricity – work on that issue first.

G. Education

- Pt. #3: first sentence: "civic identities and loyalties" must be deleted. This is a political issue for the PA and does not require judgment of the international community.
- Pt. #4 (Security) This part is racist. "attract youth from the streets" "promote moderation in the classroom" (as if international law doesn't explicitly say that you can resist an occupation and which I hope they are teaching in class)
- Pt. #5 (Isaelis): This is AMA. Again, it is inappropriate to allow selective acess and movement for a specific donor-funded project.

H. Small Exports

- Why is this a Blair project? It is practically in the final stage.
- Pt. 3: "Possible Benefits to Israel" The wording in this paragraph is a distortion of reality it ignores the occupation and the fact that Israel killed 700 Palestinians this year alone (mostly civilians) and virtually no Israeli was killed this year.

I. Women's Projects

- One Comment: More working moms means less children and results in less of a "demographic threat" to Israel. I am sure Israel will be supportive of this project. (Hence "no direct security implications for Israel")

J. Youth Projects

- Pt. #2: "Employment creation will target ages 15 – 29". This must be in compliance with Palestinian Child Protection Laws