### **MEETING MINUTES**

### **Attendees:**

Tony Blair, Quartet Representative Ana Galo, Deputy Anis Nacrour, Rule of Law and Security Sector Advisor +1

Salam Fayyad Hassan Abu Libdeh, Head of Palestinian Investment Conference Nizar Farsakh Hala Rashed

Subject: Regular meeting btw Fayyad and Blair

Date: 11 March 2008, 12:30-1:30

**Location: PMO** 

Topics touched upon:

- Gaza crossings (Speak to Nizar for details);
- The Generals;
- Tarqumiya IZ;
- Security deployment in Hebron;
- Bethlehem Investment Conference;
- Donor funding;
- Housing projects.

Both agreed on the need for a different strategy on Gaza; sitting and waiting for it to be resolved is not a solution.

SF:

The opening of the crossings works both ways. If Hamas is seen as having succeeded in opening them then the message will be that rockets yield results. I told Rice to weigh in

on Israel on this but she didn't get anywhere with them. I heard that what is stopping the deal is that Hamas is asking for unreasonable conditions (checkpoint before the crossing and that they collect duties)

Israel's dealing unilaterally on Gaza is only undermining the PA. I am not sure how many more blows our government can take before we are rendered completely ineffective. Our ability to engage politically is also hampered by settlement activities and other negative Israeli policies.

People are coasting as if they are winning. I am anxious.

### TB:

It seems at least that that feeling has dissipated. I saw Bush and Hadley and they said they were very pleased with your visit. I think it is good that you and I and the American generals (Jones, Fraser) are all saying the same thing (i.e. the need to change strategy on Gaza). I'll be seeing Barak and olmert in this visit. our message should be that the strategy involves doing three things:

- 1. Pacify and stabilize Gaza so that it does not destabilize us: that means ceasefire, opening crossings, engaging Egypt to play a role
- 2. CBMs from Israel in WB: the US and blair team need to work on a series of things to happen on the ground to stabilize and improve the situation in the WB. CBMs like the Bethlehem conference (PIC) where Israel engages constructively by making it a success. in order to have impact, we need radical changes and we need them to be broadcast and announced.
- 3. Proper security plan: We need to get funding for it and start implementing

#### SF:

The path taken by Israel in the last weeks was one of destruction. I am not sure how long my government will last. I am worried that conditions leading to the last intifada are being recreated. Demonstrations after Friday prayer. Shootings. We are gaining strength but we are still very weak. Regional dynamic also influence our internal situation.

## TB:

The fact that you had warned that that would happen and indeed you were correct made people in the US more receptive to you.

### SF:

We need to think of what we want for the spring of next year i.e. the next US administration. We'll use this time to rebuild and ensure that Israel does not do anything that would undermine our efforts. We have some security cooperation with Israel but it is

not significant. As to Berlin conference I told the Germans we need to see deliverables from Israel otherwise it will be a bilateral (Palestinian, German) meeting.

Jones apparently is interested in our issues as well. I was impressed by his knowledge. He knows the situation and the status of the Israeli army and thinks strategically. He will have a good role to play.

I proposed to him that if international presence will be part of the permanent status solution then why not have it now in transition? He seemed interested.

Tactically, I plan to approach Israel on specific issues and use the US generals for that. So, the battalion of 1000 being trained, I will deploy in Hebron as part of the plan for that governorate. Tarqumiya IZ is not on the border we need it on the border to get Israeli investors, otherwise it is just an internal IZ we don't need Israel for it.

#### TB:

Yes, I spoke to jones on this and he agreed that we need a whole package for Hebron. I'm having a long meeting with Barak and am thinking of bringing Jones with me. I understand that if battalion succeeds in Hebron then you can move to another area, but we need to negotiate with Israel to ensure we are all clear on where we are going. Nablus worked but Hebron needs a whole package.

### SF:

Yes, but if we work in stages then Israel can continue with its bad behavior for 3 more months. I know Israel "reserves the right to enter" Palestinian areas if it feels its security is threatened (i.e, "ticking bombs") yet they do things that have nothing to do with security. The other day they beat up the Palestinian police in Beit Jala. I do not believe that these actions originate from local commanders and that GOI is not party to it. There is a pattern.

#### TB:

You are not alone to have that conclusion. The US generals also think so.

### SF:

Of course, hebron is the largest governorate in terms of population and success there will give a great boost but we need to ensure Israel doesn't do any negative things.

### TB:

What about the crossings in Gaza?

SF:

Hamas should not have role at crossings (collecting duties or controlling access). They have rejected our previous proposals. I've heard they have different proposals now.

### TB:

Will know more when I meet Barak.

We see security as critical for progress but only one piece of many and all need to come together. However, are you sure you want to start with Hebron?

### SF:

Yes. We are doing hebron anyway. Just waiting for funding to come through.

Let me know you something (pulls out map of Tarqumiya). We want the IZ to be on the Green Line. Israel has made people believe Area C is disputed territory. It's not; it's occupied.

#### TB:

It is ironic that Israel says it is building in Givat Zeev because it will be part of Israel in the final status, but denies Palestinians to build in Tarqumiya which supposedly is not going to be part of Israel.

#### SF:

If Israel is making such extrapolations we would rather they not allow us to build in Area C and they not build any settlements. We are interested in building in Area C to break the taboo.

### TB:

Yes. Yes. Of course, I see that point.

Hassan Abu Libdeh gives TB list of names PA wants to invite to Bethlehem conference. We need Israeli clearance for them.

### TB:

Yes, it shouldn't take Israel long to do a security check on these people. US consulate in these countries can help doing the security check for Israel.

#### SF:

The Bethlehem conference is more important conceptually than substantively. We want to show that despite immense adversity we are throwing a party. We want to show the other face of Palestine not only to the international community but to our people as well.

#### TB:

The participants need to be able to move around fully while they are here. US generals are working hard not only on securing access to Bethlehem for the event but also for movement around. I will work on having Mike Herzog coordinate with Hassan Abu Libdeh. Also, it would be good to have the list of sponsors.

How is the PDRP going?

#### SF:

Good. Visit to the Gulf was good politically and economically but the results are not immediate. February was difficult. EU saved us in March. We are having difficulty with US money. People on Capitol Hill are displeased with AM's comments in amman and our efforts to explain them did not succeed. Rice and Welch are trying.

#### TB:

Also, bear in mind that the envisaged security projects are going to need supplementary funds. We can get it but we need a plan with a vision; the way the PDRP succeeded in Paris.

Arab and Saudi money particularly will be more forthcoming if they see changes on the ground. If you have problems in funding I can talk to some people.

As to US I think people are changing their views; no longer unconditional support for Israel. Many asked me whether Israel was doing all it can to help; no one asked that last year. Also, bear in mind that, for the American audience, your unequivocal condemnation of violence is what is critical to letting them listen to you

### SF:

It would be helpful if you could raise the AHLC with Israelis in order to ensure that the meeting will be and an action-promoting event.

### TB:

Gordon Brown is thinking of coming out here. If you want me to ask him, to come out in May to Bethlehem, I will.

### SF:

Yes, please do that.

## TB:

What about the housing projects?

# SF:

All projects are not mutually exclusive. The plan is to put the cornerstone of 'the new city' will be put on the eve of the Bethlehem conference. Bashar Masri acquired all the land, has the permits, waiting on MOU with MoP but needs infrastructure help. Donor money is needed even if it usually shies away from private sector projects. The mayor of Reston (a town established 40 years ago in Virginia, USA) is advising the group on town planning.