Minutes from Bilateral and Trilateral US-PAL-ISR Sessions Post Annapolis

Tuesday, 29th July 2008 Washington, DC

1PM – STATE DEPARTMENT Office of David Welch

Attendees:

Palestinian

- Ahmed Querei (AA)
- Dr. Saeb Erekat (SE)
- Zeinah Salahi (ZS)

United States

- David Welch (DW)
- Jonathan Shwartz (JS)
- Peyton

Meeting Summary (not verbatim):

DW:

• How have you prepared for this discussion based on our discussions last time?

AA:

• Last time we met with her we discussed drafting a whole draft, because that will help to clarify the positions, etc. It is easier to do this if you write it down. She didn't say yes, she didn't say no.

[DW jokes about Olmert's position – he is ready to agree if the Palestinians make all the decisions.]

• It was a surprise what he said yesterday about Jerusalem. Barak also said it is a big surprise how they are able to impose security.

[AA notes internal Israeli politics and facts on the ground don't show that they want an agreement. Notes specifically, demolishing homes in East Jerusalem, Beit Hanina, and the process of demolition, denying the occupants even the ability to take their id's or heirlooms.]

- Why do you do this? It motivates the people against us. They also ask what are we doing here?
- If they are serious they would stop. [AA notes the 6000 housing units in the newly proposed plan to connect Maale Adumim and Qedar.]

DW:

• Did you give them the agreement you drafted?

SE:

- To go back to your question, Abu Ala notes the whole package. We have you, the Secretary, Frazier, but all to no avail. 45 homes demolished in East Jerusalem since the beginning of the year.
- Abu Ala offered to write out a matrix of positions she's refused. We understand that this is because she doesn't want everything on the table before the elections.
- We've come all the way in the process towards them. [Notes examples in the process, like the committee structure.]
- The internal Palestinian situation we look like we cannot deliver. When you add Hizbollah and Hamas... it's bad.
- Tomorrow we will say:
 - Put the structure on the table.
 - o No partial agreements. Any agreement must include Jerusalem.
 - No bridging proposals, surprises, etc.
- General Frazier did not even publish their report. You could not even publish the report!

DW:

• What is your goal now?

SE:

• To reach an agreement. But it's impossible given internal Israeli politics.

DW:

- I'm not sure that they don't want to put something on paper.
- Can you separate the holy sites from the other issues of Jerusalem?

AA/SE:

• NO!

AA:

• [Notes the distinction between sovereignty and modalities. Modalities include a lot of room for flexibility. Sovereignty must be divided.]

DW:

- Have you discussed with them, if you don't have a full agreement... but you want to open the issues, did you talk about the form it would take?
- You can't leave Jerusalem out, but how do you include it given the political realities? It doesn't help anyone if their coalition falls.

AA:

• They are not ready to meet during August and September. Time is short.

SE:

• When she raised the issue of responsibility, I told you I can't. These are my trading cards. It's not fair.

DW:

• Even if there is protection? What about nothing is agreed until everything is agreed?

PAL:

• NO!

AA:

• They are demolishing areas that they said are going to be part of a Palestinian state.

DW:

• This is a good question. If you have the protection of nothing is agreed until everything is agreed, is there something that is not plan A, but is much more than plan B – is that ok?

AA/SE:

• No way.

SE:

- They are killing us what do they want?
- I think he closed doors in front of TL with respect to any kind of deal [referring to Olmert's statements on Jerusalem].

[JS asks questions on internal politics and the primaries etc. in Israel. Discussion on that topic.]

DW:

• We need to think how to use this next period profitably.

AA/SE:

• We are ready.

AA:

- I don't have experience with Olmert. [Referring to whether he is good or bad re negotiations.] He speaks a lot about Jerusalem.
- We are ready to hear about any proposals.

SE:

• Except excluding the Holy Basin from discussions on Jerusalem.

- [Shows DW map of Maale Adumim with expansion plans marked.]
- In my mind this is an obstacle. It means they don't want an agreement.

DW:

• But then if you've only agreed structure, nothing is agreed until everything is agreed, no bridging proposals, how do you defend the process?

AA:

• It is not just us!

[Debate ensues on why you cannot postpone Jerusalem, politically, practically, from the perspective of the people and public support, etc.]

DW:

• Is there a way that the US can help protect [you on this issue]?

ZS:

• Well, you also guaranteed the settlement freeze, and where did that leave us?

DW:

• Because you saw the new negotiation team and you want that? [Referring to the next US administration.]

SE:

- You did not protect us with the settlements.
- [Notes that even Yaser Abd Rabbo is arguing to withdraw.]
- You cannot fragment Jerusalem.

DW:

- The Secretary wants to see how you see the trilateral.
- She is expecting you to raise Jerusalem.
- Barak is here.

2h15PM – STATE DEPARTMENT Office of Secretary of State Rice

Attendees:

Palestinian

- Ahmed Querei (AA)
- Dr. Saeb Erekat (SE)
- Zeinah Salahi (ZS)

United States

- Secretary of State Condoleezza Rice (CR)
- David Welsh (DW)
- Jonathan Shwartz (JS)

Meeting Summary (not verbatim):

CR:

• I want to address up from the Prime Minister's statement about Jerusalem. I spoke to him and he doesn't think he's changed anything. We've always known that Jerusalem is difficult. We've looked for ways to address issues. In the press conference we said that Jerusalem is difficult but it is a final status issue and it needs a resolution.

AA:

• You want to maintain the process, you say this.

CR:

• But I don't want to be hung up about Jerusalem. Territory, Security, Borders – I know, we know Jerusalem has to be solved.

AA:

- Last meeting we met. Then Saeb met with her assistants. And we have much not enough to satisfy our needs.
- Thank you very much and President Bush for all of your efforts. We will do from our side all of our best efforts.
- I am afraid that the Israelis during August and September will be busy. Therefore I want a meeting that will come with results.
- We accommodate ourselves according to her program. [Discussion continues on timing over the next three months.]
- We are really disappointed over what happened in the last week or ten days.
- Olmert threw it in our face [by saying] the gap is not big but Jerusalem is not included.

CR:

• That is not what he said. It will be hard to solve it and there needs to be a mechanism – and he's talking about the holy places.

AA:

- I will continue to talk about whatever he is <u>doing</u>.
- First [notes the demolition of the house in Beit Hanina] Why?
- Second [notes the plans for 6,000 more units south of Maale Adumim].

CR:

- I understand. They keep writing that they are tired of me fussing over every little thing, but I will keep on fussing.
- But in an agreement there will have to be an agreement on Maale Adumim.

AA:

• You need to know –

SE:

• It's not LA, it's all of California!

CR:

• I follow these things closely. The house demolition they didn't have to do. But announcing something on Maale Adumim that may never be built is part of their politics! Keep focused!

AA:

• Even Yaser Abd Rabbo – our friend – is critical [of maintaining this process with everything happening in terms of facts on the ground].

CR:

- I will say this to TL tomorrow. You are right about the timing. We need to be far by UNGA or it will be chaos.
- We need to narrow the gaps and see where we are.

AA:

• I told her that we should draft the agreement. Start drafting. We proposed an agreement, the structure, the articles, everything. [AA hands her the P draft of agreement.]

CR:

• This is great. I think that tomorrow we need to nail down the places you agree.

AA:

• We have to write it.

CR:

- Or we will write it. No one can tell me not to write down what I think we've agreed.
- One of the questions I'm going to ask tomorrow is where do you want to be in September.
- Security...

• SE convinced me of something...

CR:

• Let me look at the security position.

[CR reads it. SE and ZS notes that there are many issues that Israel characterizes as security but that are actually civil, and are addressed in other parts of the agreement, such as the electromagnetic spectrum.]

CR:

- It's a good start.
- I'd like to start going through the 9 issues.

AA:

• If we agree tomorrow to two on two drafting...

CR:

- Let me suggest something slightly different. Why don't we start going through where we agree.
- The security functions and equipment will be agreed by the parties. So tomorrow we can start writing the ToR for the functions and the weapons. I can offer one of General Jones' people to go and sit with you to write this part.
- The Palestinian security forces, agreed roles and responsibilities, agreed certain arms. Let's write it down.
- You agree on law and order, fighting terrorism, no militias, close bilateral security, there will be EWS and monitoring to be manned by people to be agreed.

AA:

• I don't think that they need this.

CR:

- I don't think that they agree. We can write the ToR.
- If there is a third party. They will help with crossings etc. The mandate.

AA:

• We need it because they don't trust us. They don't need to agree a third party now. Just the ToR.

SE:

• If they want EWS, it must be manned by third parties.

CR:

• It needs to be ready on the 19th.

AA:

• Not just this, but Jerusalem.

CR:

- Bilateral work and then on regional security threats.
- On territory, I think that you agree that the base is all the territory occupied in 1967. We said this many times in all of our presence. We need to write it down. Even if it is not public. This means, of course, about Jerusalem, the NML, the Jordan Valley.
- They will continue to say that they need special security arrangements in the Jordan valley.
- We agreed that the final border will reflect swaps that take into account the West Bank Gaza Strip corridor. It is not agreed if they will be one to one.
- Look at creative solutions about settlements to stay with Israel without hurting Palestinian viability.
- The Palestinian state will have international borders with Israel, Egypt, and Jordan, and sovereignty over its territory.
- If that is agreed, what does that leave to worry about?
- If that is the base, what percentage will Israel annex, and what will they give in return? And where? They want 7.3%, for 5%. The major settlement blocs. You have problems. One because of the aquifer. And one because it bisects the West Bank in half. You need to dissect these bilaterally.

[Discussion of base percentage issue. AA hands CR the field report analysis on territory, and points out the maps.]

CR:

- [Looking at the Jerusalem map.] It's ugly. We're going to have to find a solution for Maale Adumim and Ariel.
- You terrify her when you say two things you want an army. Second when you say no Maale Adumim and Ariel. No Israeli leader can accept without including them in an Israeli state. You don't want them living in a Palestinian state. If you can stop saying that. If she stops saying without Jerusalem. Don't say it inside this room you can say whatever you want outside.
- On refugees.
- Agreement will bring a solution that will end all claims. The obligations of the parties will be defined in the agreement. There will be an international mechanism that will assist in refugee issues. One goal is to help them find a permanent home, to end refugee status, and eventually end UNRWA. Palestine, third states, brackets around Israel.

SE:

• Israel is first!

CR:

• It is important for the solution on compensation. The possible criteria for distribution, etc. A fixed Israeli contribution to the fund.

AA:

• The absentee property fund.

CR:

• The fund is probably empty.

ZS:

• It is more about the records.

CR:

• I understand that.

[Discussion of the fund. CR doesn't think it is a significant source of funds.]

CR:

- The international mechanism will provide assistance to host states for their contributions to solving the refugee issues.
- I have to insist not for the past. I've raised it with a few colleagues internationally. There can't be a claim for the past saying that they are owed compensation.

AA:

• Have you spoken to Jordan?

DW:

• One way, when you transition UNRWA out of existence, someone will have to provide the services.

CR:

- [Notes concern with setting a precedent by compensating host states for the past.]
- There will be an international fund to finance the activities of the mechanism.
- The international mechanism is the exclusive mechanism for addressing the refugee issue.
- I want to talk for a minute on territory issues.
- I will not, in the trilateral, advocate a position against you or against TL.
- On territory -

- On security, I think we will be fine. We can come up with arrangements that meet the needs of both sides. On refugees it will come down to the Israel issue.
- On territory, if we take as the base, everything that is occupied in 1967 you will find that their position on 7.3% is close. It may not be enough, but it is close. 7.3 5 = 2.3%. Plus the corridor. If the goal is that Palestine should not lose territory, then you are a couple of percentage points away. I understand that Maale Adumim and Ariel –
- Maybe it can get a little closer. I will advocate to them that it can get a little closer. But I hope that you won't lose the chance at a Palestinian state by sticking to 1.9%.
- The President is committed to a Palestinian state viable, contiguous but also thinks that Israeli population centers must be taken into account.
- [You should] take seriously Olmert's proposal. It is not ideal. It's not what you would have gotten in 1948, etc.

- I appreciate your attention to detail and efforts.
- It is not a matter of what percentage. It is a matter of what destruction or damage it does to a Palestinian state. A state without Jerusalem no Palestinian will accept. Palestinians will say we [i.e. all Palestinians] don't want a state.
- [Notes the settlement blocs around Jerusalem, and that Jerusalem is the petrol of a Palestinian state, it must be open to the pilgrims from the east, etc.] If it is closed by Maale Adumim, no one will come!
- The road to Jerusalem is not a tunnel or a bridge. It is territory.
- We are not trying to make problems, but to prevent them in the future.

CR:

- Right now you have the worst friction. The occupation. [Demolitions, searches, checkpoints...]
- I can barely visualize the problem. [Notes DW, JS and JW help her to understand it better.]
- I'd like very quietly to have someone look at this problem with you. JS and his team.

AA:

• I want them to look at this.

CR:

• Maybe the perfect answer is an open Jerusalem. I don't want Palestinians to wait forever for an answer that will not come.

SE:

- I have some questions relating to trying to understand where you are going to take me.
- Some are full, some are partial, some are almost everything.

- First, where are you planning to take us?
- Second, which station will be satisfactory to reach [for you]?
- Third, negotiations is a matter of both parties to agree not to compromise my position to them.
- On refugees we started drafting. It didn't stop me. The mere fact of trying to draft territory without include the I's and P's [i.e. noting also the areas where we disagree] hurts me in the future. This insinuates a plan B without calling it that! [I.e. not helpful to draft a partial agreement.]

- This is just a stop. This is just a means, a method to get where we want to go.
- I just want to be in the room when you say what is agreed [i.e. so people do not backtrack].

[SE and CR argue over what Israel means when it says it will have "special arrangements" in the Jordan Valley.]

CR:

• The Jordan Valley has to be part of Palestinian state.

SE:

• I don't feel protected by this approach.

CR:

• What don't you feel protected by?

SE:

• Where is Jerusalem? If this document is leaked...

CR:

• You think that they will leak that the basis is 1967? Or that they are thinking about a third party?

DW:

• Or that this is our understanding of where you are? That is a vulnerability for both.

CR:

- We need to have trust in this process.
- [Notes that work should continue on the security forces, arms, and that there should be a mechanism to continue work on this.]
- Let's see if we can come up with creative solutions.

SE:

• Do I take your protection that this approach will not lead to a partial approach?

- [In assent reads the "general principles" as evidence.]
- The General Principles
 - Nothing is agreed until all is agreed
 - It must be a comprehensive agreement, not a partial agreement or a partial state
 - The Roadmap implementation must continue in parallel
 - The Roadmap must be fulfilled before implementation of the agreement.
 - Neither party will announce an agreement in part
 - The agreement and implementation protocols is the goal
 - It is an irreversible process
 - If there is not an agreement the process will continue.
- Anything has to be done in parts. [The work should continue. I want to be able to speak frankly in the bilaterals.]

SE:

• If we do this, and there is nothing on Jerusalem, no one will come to us and announce this?

CR:

- I understand that there is no agreement without Jerusalem.
- 1967 as a baseline. But if we wait until you decide sovereignty over the Haram or the Temple Mount... Your children's children will not have an agreement!
- Sometimes in international politics you need to have a device to solve the problem later.
- When it comes to holy sites, no one will argue the sovereignty of the other leave it unresolved [i.e. both Palestine and Israel could simultaneously claim sovereignty over the Haram].

SE:

• And actually in life?

CR:

• There are two other issues – who will administer? Make sure that the sewer system, the municipal issues are resolved [notes that this was a problem in Berlin], safe access to all the holy sites for all. I understand that this worked well before 2000. Some kind of custodians appointed by the world, possibly religious figures, non-governmental people... One problem is that under the Dome is crumbling. Every time Israel tries to fix it, you call it excavations!

SE:

- I understand last time I heard all the holy basin. [Notes that Palestinians are looking at modalities for access etc.]
- Last time I heard that they had to come closer on Ariel, and that we disagreed on Maale Adumim.

• No – I've never said that they had to give up Ariel. [Notes a recognition that Ariel has a big impact, we need to find a way to incorporate Maale Adumim.]

SE:

• We'll write.

CR:

- But you haven't! On refugees, on the plane I [read the I and P paper] and I marked easy, hard [next to each clause].
- We have bilateral issues to work on.
- The hardest thing to do is for them to write down 1967 with swaps.

AA:

• Why isn't it hard for them to do this with the Syrians? We're more important!

CR:

• It is different with you – particularly about Jerusalem.

SE:

• You need to create the support system for it. The house demolitions... My wife asks me what the hell we are doing here?!

CR:

• If we can work on this basis...

AA:

• Do you think that they coordinate with each other?

CR:

• I think that I may have to be their interagency liaison.

[Discussion about Hamas and Gaza.]

AA:

• We asked the Israelis many times to re-open the Jerusalem institutions. Their reply is to close another institution! The council of houses.

CR:

- I'll talk to Olmert about it.
- [Discussion about what to do with the Israelis. Discussion continues on writing it down. CR notes that she told Barak that we can't afford to stall the agreement because of the internal politics. AA gave CR two news articles about the process and the internal politics.]

5h15PM – WHITE HOUSE Office of the National Security Advisor Stephen Hadley

Attendees:

Palestinian

- Ahmed Querei (AA)
- Dr. Saeb Erekat (SE)
- Zeinah Salahi (ZS)

United States

- National Security Advisor Stephen Hadley (SH)
- Elliott Abrams (EA)

Meeting Summary (not verbatim):

SH:

• How are we doing?

AA:

- We are trying. [Notes facts on the ground, and the Beit Hanina housing demolitions in detail.] In all the talks it will be part of a Palestinian state.
- Also, they published 6000 housing units between Kedar and Maale Adumim.
- It is not encouraging but when we come here we feel like there is some support.
- We are just describing in an honest way what it is like.
- We say open the civil institutions in Jerusalem, instead they closed the [institution for housing].
- [Notes Barak's comments on Hamas' security performance.]

SH:

• Condi told me about it. It is unbelievable. Condi said it's because they have to defend their decision to keep the quiet. I don't see why they had to.

AA:

- Maybe in the short term they will see that the Hamas strategy is easier, but in the long term they will pay the price.
- We are dealing very realistically with all of the issues. I am afraid that they see Hamas as having less cost than us.

SH:

- Two questions, that I think the President will ask me.
- 1 Do AA and SE think that they can get an acceptable deal in the negotiations with Israel?
- 2 Do they have the political strength to accept the deal even if they get an acceptable deal?

- First, if we are able to reach a deal we are working to reach this by the end of the year. Yes we can. The question is what deal? If it is fair they will accept it. The people will support it.
- [Notes the personal priorities of the leaders in Israel are all self-interest.]
- I am worried [that the next few months they will not be able to work because of politics and their holy days. SH asks about Ramadan. Pals respond that they work during Ramadan.]

AA:

• Tomorrow, we will try. We'll see how we can work. Dr. Rice proposed a practical step to take before the 19th. We are ready to work day and night. If there are small gaps, we can solve. The big gaps – it will be difficult.

SE:

• Agreements – we need an agreement. It is a matter of political survival for us [with respect to Hamas]. We have a virus – the internal political situation in Israeli politics. There is a war between them. Do they even talk to each other? [Referring to TL and OLM.]

EA:

• [Yesterday they sat next to each other in the Knesset and just yelled at each other.]

SE:

• Our weakness is that people doubt our ability to reach an agreement because of the facts on the ground.

AA:

• No one can reach an agreement without Jerusalem.

SH:

- Last time you had an interesting debate on the Palestinian side if you could reach an agreement with Jerusalem. You took the position yes...
- End if claims, end of conflict? That's how you see it?

AA/SE:

• Yes.

EA:

• What kind of things do you need on Jerusalem?

AA:

• We need Jerusalem.

EA:

• Borders is easier.

AA:

- There are two faces on Jerusalem. East Jerusalem is part of 1967. We will talk about territory, including Jerusalem as part of territory. Second, the modalities, holy places, security, municipal works, economy, tourism...
- We are not against Jerusalem being an open city. [Any Palestinian or Israeli can drive around the whole and feel like it is their city.]
- The modes of cooperation we can discuss.
- We cannot discuss without Jerusalem as the capital. Without it we do not need a state.
- The belt of settlements around Jerusalem will close completely Jerusalem. [Notes that Jerusalem is the petrol of Palestine, and it must remain open to the East.]
- If Israel is realistic and they want peace if they think Syria is less costly, then they are wrong. [Palestine is the key to the rest of the Arab world.] It is through the Palestinian state, and not Syria. And the key is here.

SH:

• Your view is that an undivided Jerusalem open to both sides...

ZS:

• Sovereignty is divided, the modalities could be open.

SE:

- You see the complexities on both sides. What do you think? What do we do?
- [Asks about the hypothesis that sometime between November and January, Israel will take action against Iran.]

SH:

- I've heard that but it doesn't make any sense to me. It would be very ill advised for them to do that then because it will make it impossible for the Bush administration to support it, and it would poison relations with the new administration because they don't want to come into a crisis. So if they ask me, I'll tell them.
- The best people to answer are Bush, Condi, Elliott and then maybe me.
- We need to manage this so that it isn't the pulling of the plug, but just that we haven't gotten an agreement *yet*. This is more real and more in the hands of the parties themselves than it has ever been.
- It is more auspicious an opportunity than we've ever had before.
- [One advantage of the low expectations now is that at least it won't end up in another intifada.]
- You guys can continue to work through the hiatus here, and pick it up on the other side.
- I wouldn't rule out that you can get an agreement by the end of the year.

- I get the sense from Condi that you are close. With a shove on both sides you can get closer.
- The key [wiggle room] is with the modalities for Jerusalem. With leaving some things until later.

EA:

• There is no plan B. This can't fail. The only option is to keep working until you get to the agreement.

SH:

• Bush won't recommend to close this file.

AA:

• Let's work to try to bridge the gaps and work together.

SH:

- How do you defeat Hamas? You get an agreement on the contours of a Palestinian sate, which empowers them [i.e. the people] and is supported by the Palestinian people. You deal with Hamas through the elected leadership of the Palestinian people.
- That is the President's vision and we say that each time to our Israeli friends.

AA:

- [Notes what it takes to get the people's support.]
- The second day after the agreement is different than these days under occupation. The security performance will be different, etc.

SH:

• I would say press on. There is an opportunity to be grabbed. [It is just a question of when. Keep it up!]

AA:

It is very important that Israel will freeze the settlements, the house demolitions, etc.

Wednesday, 30th July 2008 Washington, DC

10H15AM – RITZ CARLTON HOTEL 22ND STREET

Attendees:

Palestinian

- Ahmed Querei (AA)
- Dr. Saeb Erekat (SE)
- Zeinah Salahi (ZS)

Israeli

- FM Tzipi Livni (TL)
- Tal Becker (TB)
- Udi Dekel (UD)
- Alon Bar (AB)

Meeting Summary (not verbatim):

TL:

• So where do we stand on all the issues we discussed?

AA:

• She wants to continue – start drafting.

TL:

• Before we left we said that we need the Americans to understand that we want to continue the process, that –

SE:

• Yes – no partial agreements. Either everything is agreed or nothing is agreed. AA said the only plan B is plan A.

TL:

• They were talking about plan B?

AA/SE:

• No.

[Discussion continues. It seems that Hadley understands this issue. The implication is that Rice may not have the same perspective. There is agreement in the group that no one wants to do a post-Barak and close the file. AA notes the time left to discuss the issues.]

TL:

• In Annapolis, when we talked about the timeline, we said we would make all the efforts, and we will continue to make all the efforts.

AA:

• Not to reach a paper at the end of the year that will reach more disputes. On this, and only this, we have an agreement.

SE:

- We need to start acting like real partners. What we need to do secretly is to continue what we started on the refugees, etc. To make every effort to put things on paper.
- I will not let time be the sword in my neck.
- [We won't agree to anything unless it is good for both of our people. But we should not let petty politics stop us. This track is much further than any of the tracks before.]

AA:

• We agreed together that we would present the structure.

SE:

• I want to know AA, are you in agreement that we put the structure and start beefing it up with words?

TL:

- We were all in the same room. I discovered that during these negotiations, we know the positions/interests better than anyone else. If you put where we've actually reached on paper, you'll have internal trouble. If you put only where you've agreed, it will be a partial agreement.
- [Uses the example of security if you put it on paper it is going to get the sides in trouble.]
- I think we know where everybody stands. I think that it doesn't help.

AA:

• What is the problem?

TL:

• Let's say we put our positions on refugees...

TB:

• On Jerusalem.

SE (simultaneously with TB):

• We did.

TL:

• On Jerusalem we didn't start.

SE:

• You know our position.

TL:

• If you say 1967... ok – let's put it [i.e. on paper] if you want an explosion. [On refugees, US attempts to bridge the gap will be more what I like, on borders it will be more what you like.]

AA:

• Let me say it frankly. First – we don't want to affect your campaign – for you or for others.

TL:

• This is a disappointment.

AA:

• What we hear and see from the Israelis convince us more and more that they don't want peace. Olmert's statements about Jerusalem [creates a problem for us internally].

TL:

• And I can imagine the next day is an announcement about the need to address Jerusalem.

AA:

• I don't see that Israel is in a position to stop the expansion of settlements.

TL:

• I said something at the beginning that you guys take for granted. No natural growth. Not [asking for the] municipal borders. We are just trying to create an answer for the facts on the ground.

[Long discussion of plan in Maale Adumim and Jerusalem. On seeing the map of Jerusalem, TL responds – this is not my intention, and hopefully I will be the one to make the decisions. This is not the intention of anyone who will lead Israel in the future.]

AA:

• Mofaz today [put his plan on the table]. No agreement now, economic improvements, some CBM's.

SE:

• The Abu Ayesh house...

AA:

• This is what we fear. Second -- the Wall. Why do we keep talking? Third – the house they demolished in Beit Hanina. [Notes the details of the process.] Add the incursions in Nablus, Jenin... Barak's statements about Hamas in Gaza, on security...

TL:

• He said that because of me. Because I sad that when they target Israel we have to fight back.

AA:

- The institutions of Jerusalem. [Notes the closing of the council of housing.]
- All these things convince the Palestinians that nothing is going well.
- Therefore to start drafting in a discrete way [is the best way forward].

TL:

• This is what you are doing anyway!

AA:

• [We want the next US president to have something to continue based on...]

TL:

• Are you in a position to want this US administration to try to bridge the gaps?

AA:

• They can help!

TB:

- How? You said no bridging proposals.
- Last time you said that. If you start to draft now, you'll draft extreme positions. We had many conversations on refugees before we started drafting. If we start on water now, it will be a disaster because we are too far apart.

[Side discussion on what Olmert will say in his speech in two hours' time.]

SE:

• I think that the trend we are seeing with [the expansions, the Wall, Beit Hanina, Masciot in the Jordan Valley...] Why are you doing this? Barak's statement sends a message to [the Palestinian people – regardless of your internal politics].

AA:

• Can I say what she proposed? She is coming on the 20th. On security, refugees, borders – she thinks we should start working seriously on it.

TL:

• This is already what we are doing. We need to address water to. Let's focus on today [i.e. the trilateral] – we don't want to have deadlines.

- Let's keep it as a target.
- If we say no deadline, then the Americans will not be happy.

TL:

• No partial agreements. Only comprehensive. No bridging proposals.

AA:

• If we like it together – if they say that this is a jug of coffee, and no it is water – we'll say it is water.

[Discussion making clear that bridging proposals are not welcomed.]

TB:

• They cannot produce anything.

AA:

• We don't want them to come to the table and say take it or leave it. If they say think about it.

TL:

• No bridging proposals...

SE:

• But this comes with a price. Some of your politicians killed us in 2000.

[Continuation of the discussion. Also the first phase of the Roadmap. TL notes that Barak and Salaam Fayyad had a good meeting last week. SE notes that he heard differently.]

TL:

• Nabil Aburdeineh says Israel is not serious.

SE:

• This is our answer to Jerusalem [your actions therein].

AA:

• I say the same thing!

TL:

• But say that Israel is not serious about the first phase of the Roadmap – not the negotiations.

TB:

• I've heard four areas where you agree:

- 1. continue efforts to reach a comprehensive agreement
- 2. both of us don't want bridging proposals
- 3. we want a comprehensive agreement
- 4. we will continue

[Debate over bridging proposals.]

TL:

• We can agree on no US paper.

SE:

• No blame game. Nothing is agreed until everything is agreed [i.e. no reference now to Jerusalem in 2020.]

AA:

• What can you do on the settlements?

TL:

- Nothing now. [i.e. her personally.]
- Can I ask you about your relationship with Hamas?

[Discussion re the list of the two sides's issues. AA shows the Palestinian draft of the agreement without handing it over.]

TL:

• You are making the same mistake again. Putting the positions on paper makes them harder.

[Discussion turns to prisoners. AA and SE list the names of prisoners that should be released before the Shalit deal goes through. Said al Attabah, 32 yrs in prison, pre-Oslo, Abu Ali Yatta, pre-Oslo, Marwan Barghouti, Ahmed Saadat, Fuad Showbaki, Husam Shaheen.]

SE:

• On Marwan Barghouti, we want him out now. We need him to get our act together for Fatah.

TL:

• Before Shalit?

AA/SE:

• Yes. This is much bigger than our petty politics. [Notes the importance of being able to challenge Hamas politically.]

TL:

• What will happen with the Rafah passage?

SE:

• I met with Pistolese... the question is where do you put the Presidential Guard? [No one will operate except under the 2005 agreements.]

AA:

• Salim il Hous [Lebanese] is now in charge of an Arab international committee for the opening of Rafah.

SE:

• We are not going to humiliate our troops by putting them under you or Hamas. Open Kerem Shalom, Erez, Nitzana – [if you announce these as open for people to go to Egypt it will be key. Don't let Gaza turn into a pressure cooker.]

SE:

• Can we create a point of contact in your office for [incidents like the demolitions etc.]

[TL agrees but notes that in many cases it is unlikely she will be able to stop it. The agreement is that UD will be the point of contact.]

AA:

• When TB and UD discuss territory, they need to discuss Jerusalem.

TL:

• We agreed to delay the issue. I understand that you won't [conclude an agreement on territory without Jerusalem.]

SE:

• Can we put our positions at least?

TL:

• You can put your positions.

1H00PM – STATE DEPARTMENT Secretary's conference room

Attendees:

Palestinian

- Ahmed Querei (AA)
- Dr. Saeb Erekat (SE)
- Zeinah Salahi (ZS)

United States

- Secretary of State Condoleezza Rice (CR)
- David Welsh (DW)
- Jonathan Shwartz (JS)

Israeli

- FM Tzipi Livni (TL)
- Tal Becker (TB)
- Udi Dekel (UD)

Meeting Summary (not verbatim):

[Discussion opens with Olmert's statement to resign after Kadima primaries and not to run. Discussion of next steps in the Israeli political system.]

CR:

- Thanks for coming. I really appreciate your efforts in coming out here. I want to discuss:
 - Where you are
 - The work that has been concluded
 - The process you've put in place [for those areas that you have not yet reached an agreement.]
 - A little on the international mechanism. [Thanks NSU for contribution to the work.]
- I want to hear any opening remarks from the sides. Abu Ala first?

AA:

- Thanks. [Thanks the US for their ongoing contributions and efforts. Notes that all sides are doing their best to engage and participate actively and fully.]
- We hope to reach an agreement by the end of the year. And as we said yesterday, and this morning, we will try, however busy TL is.
- We hope that the experts will continue talks in the committees, Saeb Tal, and they [the technical teams] will continue on security, refugees, borders, so when you come next time we can show some progress. But I want to raise in front of both of you, the real difficulties we face as Palestinians. If this [process] is just a

cover for settlement expansion... [Notes protest of YAR and other traditional supporters of negotiations in continuing these discussions.]

- There needs to be a real effort to freeze the settlements, as we agreed in the first part of Annapolis, and as it says in the first phase of the Roadmap.
- First, [Notes the ongoing facts on the ground, the plans south of Maale Adumim, the housing demolitions, etc.]
- Second, is the situation in Jerusalem. I understand that they can't have a decision now, but at least not to escalate the situation! [Notes the closing of another Jerusalem institution, despite the obligation to open them all.]
- Also, we raised this morning an issue we discussed and agreed with Olmert in Paris of the prisoners. He agreed to release 120 prisoners. [He notes the specific importance of this given the decision regarding Shalit. Notes the names of several prisoners to be released, including Marwan Barghouti.] If this will be dealt with, this will help us to continue negotiations with trust, and will help us with [those who protest the negotiations. Continues to describe the importance of releasing prisoners.]
- We agreed this morning:
- No partial agreements,
- No postponement of any issues, everything is agreed or nothing is agreed,
- We will continue negotiating in an honest and serious way,
- And we will rely on US support,
- And we will do it bilaterally.

TL:

- I'd like to start where AA stopped. We started to discuss, what do we expect from an agreement?
 - That it is comprehensive,
 - No partial agreements,
 - Nothing is agreed until everything is agreed,
 - o The simultaneous implementation of the Roadmap,
 - That implementation of the agreement is subject to the Roadmap.
- We asked ourselves what do we need that is concrete enough to satisfy both sides. On some issues we will need more detail, on some issues they will need more detail.
- The idea is a peace agreement and then to continue to implementation agreements. We also agreed that comprehensiveness is needed to avoid a post-Camp David situation. [You can't leave issues that are sensitive to either side open.] [She notes that the timeline is this agreement, then the implementation agreements.]
- In our last meeting we tried to discuss what each needs to see in an agreement.
- On borders.
- Both sides see this as critical. We need final and agreed borders. Palestinians need to know the borders of their state. And Israel needs to know because the borders of the Palestinian state are Israel's legitimate borders.
- Idea is the attachment of an agreed map.

- The process of delimitation, arrangements for access to some places, holy places, etc.
- Part of borders can be addressed after too.
- Settlements.
- On settlements, it is critical to both sides. We need to have in the agreement property and the dismantling of the infrastructure. [As AA says, he wants a furnished state.] [TB notes that initial drafts have been exchanged on this.]
- On Jerusalem.
- I know it is crucial for the Palestinians. [Notes that it is important to resolve, the status quo is not sustainable.] We need to see what will be addressed borders, access.
- Water.
- My understanding is that this for you must be in.

• Yes for both.

TL:

- [Notes that the status quo is in their favor so not for them. Also notes that there have been meetings on the issue but they have not been good. There is a discussion on the understanding in Berlin, but without details or noting the subject of the disagreement, only that there is one.]
- For us it is critical to have a reference to **two states for two nations**. For the Palestinians, of course, no.
- Passages.
- Israel with the Palestinian state not critical for Israel, but I think for the Palestinians, especially in the transitional period.
- Palestinians need a reference to passages do you need it?

SE:

• You need it.

TL:

• I'm trying to say what is critical.

[Side discussion on if passages are economic, and on how much detail you need on economics in the agreement.]

TL:

• Passages of Palestine with third parties – for us it is crucial. You need security arrangements.

AA:

• Also economy.

TL:

- We need to know how it is going to work.
- The Airport and Seaport.
- The Gaza West Bank link. The type of passage, for example a tunnel like was discussed in the past, operating arrangements, security...
- The airport and seaport

CR;

• Again your airspace is so small – put it in Jordan.

[Discussion on whether this is a joke or a real option. TL and CR clearly think it is realistic as an option.]

TL:

- Seaport is the same.
- Security.
- It is crucial for Israel. I think it is critical for Palestinians to know that there will be no Israeli presence post agreement.
- Demilitarization
- Palestinian responsibility to prevent terror and dismantle the terrorist infrastructure
- To address terror in Israel
- Operationalization
- Airspace
- Electromagnetic Sphere
- External borders
- Early warning stations
- Emergency deployment
- Supervision and verification mechanism on the Palestinian side I think that this refers to something for third parties.

AA:

• On the first one too.

TB:

• Maritime security.

TL:

- **Refugees** it is critical for Palestinians. For us, it is critical for the end of claims.
- Issues to be agreed Palestinian citizenship. We raised.
- Recognition of responsibility (they say) of suffering (we say)
- Compensation
- Rehabilitation
- Return I think that the answer is the Palestinian state.

• End of conflict end of claims. This is critical for us. The moment it kicks in is still not agreed.

AA:

• It can be agreed, but it needs to be tied to implementation.

CR:

• [Notes that she wants to hear the update and get a sense of where there are mechanisms in place to solve the issues.]

TL:

- **Economy** is critical for both sides. For the Palestinians for independence. We want the idea of separating in a way. The idea is to determine the economic relations. It is agreed.
- **Infrastructure.** It is critical to address it because it is integrated now. I think that the best thing is to separate.
- **Implementation.** [We agreed gradual implementation.] Security, evacuation, the foundations of a Palestinian state how to build.

CR:

• So you have a complete catalogue of what needs to be in, and what should be left out [i.e. at this stage]. On some it's just a paragraph [like economy].

SE:

- Just to note, we still have a difference on the issue of access to holy places in Jerusalem.
- Also, you said steps towards a Palestinian state...
- Reparations as a "P".

CR:

• Can you turn these into chapters?

TL:

• [Explains we have chapters but this is what needs to be filled.]

SE:

• Also cooperation, coordination and dispute resolution mechanism.

CR:

- I'm going to assume that you have mechanisms to deal with [some of the issues]. I'm going to concentrate on four or five.
- At some point, Jerusalem will have to be dealt with. The US for the record is noting that everyone understands that. The people, the capitals, the political issues, the municipal issues, how you will address the sewer systems, etc., the holy places... I'm just making sure that everyone understands.

- I've said I'm going to be a repository for what I've heard from both of you.
- On security I think you can make a lot of progress if you have a mechanism to deal with it. I'm going to put that aside for now.
- You need to have a way to deal with borders, refugees, security, Jerusalem.
- On refugees, Saeb and Tal have a reference paper. You've asked us to do some work on the international mechanism. I want to tell you what I think that the international community should do.
- We are proceeding on the basis that the agreement will include a comprehensive solution to the refugee issue.
- The solution will include an end of claims.
- The obligations of the parties [are wholly in the agreement].
- There will be a mechanism
- One task of the mechanism will be to help find a permanent home for the refugees
- That a goal is to end the refugee status
- And to end the need for UNRWA.

• That they go to Israel.

CR:

- I said third countries there is a dispute if Israel is one of those third countries.
- The mechanism is a way to find homes, to find compensation for refugees. The criteria and timing [for awarding compensation], the international mechanism expects contributions from Israel. It will furnish resettlement, integration and rehabilitation, it is not just compensation for land but also to find housing, etc.
- We might provide support to states that have hosted refugees, so that states [can fund programs going forward, etc.].
- When UNRWA goes away, someone will have to provide services.

[ZS notes that UNRWA would likely be an implementing partner because of its special role, access, etc. CR clarifies her comment.]

CR:

• Yes, UNRWA has certain specialized capabilities and we may be able to use those. But we agree that the international mechanism is the sole mechanism, but they may farm out their work [to other institutions to assist, etc.].

TB:

• I think [that you've mostly reflected our understanding. Our point is not to overload too much the bilateral agreement with issues that can be resolved in the mechanism].

CR:

• Palestinians need to agree that all Palestinians will have citizenship.

• The international mechanism will decide where they go?

CR:

• No – but the mechanism will [talk to potential host states, try to maximize the options available to refugees].

TB:

• There are a few points of disagreement in the draft. If we start to outline the mechanism now, we will fight over the details.

CR:

- At some point you need to stop deferring issues.
- I went through the I's and P's. Most are easy. There are two big issues.
- First will Palestinians return/go (as most of them won't be returning at this point) to Israel. Is Israel an option?
- Second the issue of responsibility.
- Everything else in that paper you should decide tomorrow. Or let the mechanism decide on those which seem the least controversial.
- Let's get writing down what the international mechanism is to do.
- Because at some point you are going to need to motivate the international community to support this.

TB:

• [Too much detail now will prevent us from getting a bilateral agreement because both sides will be disappointed with the mandate of the mechanism.]

CR:

• Disappointment is part of negotiations. You need to stop deferring.

SE:

• You specified two issues that need decisions. [SE adds restitution as a decision. SE and ZS also note that it is the refugee that chooses, and not the mechanism. CR agrees and notes that the mechanism is just about the creation of choices.]

SE:

• [Notes that the resolution of the refugee issue needs to be matched with another – the issue of Jerusalem. If we make progress on security and refugees, the balance has to be Jerusalem and 1967.]

CR:

• [Clearly getting annoyed.] We are not going to get anywhere like this. You (to Isr) don't want to move on anything because you don't want a fight. You (to Pal) want them to move on issues that are important to you or to stop discussing the others.

• [On Jerusalem I am not asking you to solve the historic problem that the Haram and the Temple are in the same place. No one will decide on this until they are absolutely sure that the outcome of negotiations and the resulting states are acceptable to all.] The refugee mechanism cannot possibly be so sensitive!

SE:

• There is restitution too!

CR:

• There are things that you are not going to get people to pay for.

AA:

• I am in favor of the international mechanism. But is this like putting the cart in front of the horse? There is a critical issue – unless we solve it, for what will the mechanism be responsible? [Unless the mechanism is going to do it all and take responsibility away from us.]

CR:

• You all think that everything is the cart before the horse. You need to start with some issues!

AA:

• [Notes that that does not translate into putting secondary issues before the principle ones.]

CR:

• The international mechanism... the international community – we all KNOW that there will be one.

TL:

- Even according to your understanding [i.e. all the sensitive issues are addressed in the way you want them to be addressed] the international mechanism is still there! Even according to your ideas [about responsibility and return].
- Without it... [it is important to resolve the issue for the refugees].
- You feel that this is instead of something more important. But you can say that this is NOT instead of.

SE:

• How can I do this if I don't know if there is an option of Israel?

[SE/ZS make the point that the mechanism cannot resolve the political issues, and those must be resolved by the parties. CR and TL agree.]

AA:

• [Asks why put the mechanism first? Why not the substance of the issue first?]

- [Notes that work can be done on it while the parties are debating the political issues.]
- You can work with the US on the technical aspects of the mechanism while you resolve the politics.

AA:

• [Notes that the mechanism should come from outside because it will help to secure contributions, etc.]

CR:

• We need to start to get a sense of what the international community will be asked to do. [I.e. find money, find third parties who will help with implementation...]

[Discussion of internal Palestinian sensitivities.]

TL:

• [Notes some of the politically sensitive issues.] Tradeoffs between issues are <u>not</u> about the whole issues. On refugees, responsibility and the right of return (as Palestinians call it, or the claim of return as I call it)...

AA:

• Anything that we agree, the international community will implement.

CR:

• Don't take it for granted.

TL:

• The international mechanism is not a tradeoff issue. It helps the refugees, it helps us to know that there will be a resolution...

AA:

• It is sensitive to start with it.

TL:

• But we didn't start with it!

[Discussion regarding the secrecy of the discussions.]

SE:

• If we discussed Jerusalem, that would be secret too.

CR:

• Are you saying that we should stop work on the international mechanism?

AA:

• No.

CR:

• So we'll keep working on it. [She notes that if someone asks, she will make a general statement about helping the parties on some issues.]

AA:

• Work on it in a different place than the [bilateral] negotiations.

CR:

• We'll work on it from Jonathan's office. The US will do it on our own. JS may on behalf of the US, consult the parties. I'll say it carefully now - the US has undertaken – we can bring it back to the negotiations later – to design an international mechanism that could support an agreement on the refugees, on its own behalf, and can consult the parties. And later, it will come back to the negotiations. We can move it offshore.

SE:

• I don't want any bridging proposal [looking at TL].

CR:

• [Agitated.] If you are talking to me – talk to me!

[Long discussion where the proposals are repeated and debated many times. Resolution is that JS, in consultation with the parties, will work on the issue of the mechanism.]

[The beginning of security discussion missing.]

UD:

• Security – law and order, fighting crime, and anti-terrorism. [Referring to the responsibilities of the future Palestinian security forces.]

TB:

• We're establishing a working group to start working out the mandate.

CR:

• It's an important issue. It will be impossible to do an exhaustive list of what is allowed. It is much easier/more reasonable to say what is not allowed. Also, equipping the Palestinian security forces is not Israel's responsibility. It is the responsibility of the international community. You can benefit from the help of the international community...

TL:

• This is the beginning of the bilateral talks on security [for various reasons]. Let's continue bilaterally and see where we get.

SE:

- I need some help. I'm asking in front of everyone.
- You don't need the experts. But some of your people have complained about our capabilities. We've advertised for experts on EMS, and airspace, etc. [They are hard to find.] [TL notes that Hazem is great.]

CR:

- The bilateral process to establish the roles and responsibilities, and the capabilities that are needed. It is difficult to say only these will be permitted. It is easier to say those that will be prohibited. You need to continue the bilateral track.
- Roles and responsibilities...
- Training and equipment...
- We can have a bilateral track with the Palestinians to help, and continue our discussions with each side. We are doing the training and equipping.

UD:

• General Dayton is already doing this.

CR:

• General Dayton is looking at the situation today. We need someone who can look prospectively at the future Palestinian state. [Whether it be Dayton or someone I appoint.

SE:

• Can I help?

CR:

• Yes.

SE:

• What Dr. Rice suggests will in no way undermine what we will write, or the bilateral track. [SE notes that it is just to help. Already there are the three US generals, the EUBAM... DW clarifies that she is unlikely to be thinking about appointing another US general.]

[Side discussion on the topic.]

CR:

• I'm only trying to be transparent about the fact that we are trying to help!

UD:

• I don't see any real problems. I feel like after the past two weeks – I am sure that they will say I am wrong – that the Palestinians stopped because they were waiting for the outcome of General Jones. We'd like to proceed. The experts, between us, to continue.

SE:

• I shared with my Israeli colleagues to General Jones' questions. We are not waiting for anybody. It will be bilateral. Asking Dr. Rice to help us on this [doesn't change that].

CR:

- We are coming on August 20th, whether you want us to or not. I'd like to ask you to have the following things done:
- I really hope that the security people will have met intensely, and multiple times, to get a real sense of where [things stand] so we can have a second discussion on the 20th.
- Keep working on the refugee issue. Try to get rid of all the I's and P's, except for responsibility and right of return.
- I want to hear from you on territory. On Jerusalem, I want to hear from you that Jerusalem is critical to an agreement. There are practical, people, political, and extremely sensitive issues [about the religious places] that need to be resolved.

TL:

• We agreed in Annapolis...

SE:

• We agreed this morning – security, territory, refugees, water – drafting.

TL:

• Not on drafting. To continue the discussion.

CR:

- We agreed to intensify on security, and to start to write it down. On refugees, to continue. It is understood what issues on Jerusalem need to be agreed.
- A question on water? [Where do things stand?]

UD:

• We agreed to have an expert committee on water. They are waiting for instructions from me and Saeb. Next week we will give the order for them to start.

SE:

• Next week, yes.

CR:

• Can we talk about territory?

AA:

• First, I don't think that the Israelis have to worry about any leaks. Anything that is drafted will not be leaked.

• I agree. [Expands.] Can we talk about territory?

AA:

• From now until the 20th we will try to advance.

CR:

• On security – one more thing. I know that Israel has not agreed on a third party, but you must recognize that there are roles [that a third party will play]. The US will undertake to develop ideas on what would be necessary from third parties.

TL:

• Please don't put something on the table on this.

CR:

- Ok but I can think! [We will continue on the international mechanism. You'll try to advance security. We'll think about the third party.]
- On territory like we've done on Jerusalem. I want to tell you the basis on which the US is proceeding. For land to be annexed to Israel (as the Palestinians say) or which will remain part of Israel (as the Israelis say) that the base is the entire territory that was occupied in 1967. I understand that there is a dispute on the NML if it is occupied or not.

UD:

• That is accurate.

CR:

• Do you have a way to resolve it?

AA:

• Swaps.

SE:

• We offered splitting.

[Long discussion over whether NML is occupied or is part of Israel, and whether it is disputed. It includes dispute over the land area it takes up. Arguments ranged from 50-66km]

CR:

• At least you agree that there is a dispute over it! Since there is an agreement that it is disputed, the only difference is 55km? Of the NML?

TL:

• There are two questions – what was there before 1967? And two – what will be the border? We want blocks of settlements, they want 1967 until the last meter.

• I've said that the base that we are all working from is all the land that was occupied in 1967. In the NML, there is a dispute. The Palestinians say it includes NML as occupied, Israel doesn't.

TL:

• We are talking about the same piece of land. The question is the borders of the Palestinian state.

CR:

• I can store this away? I don't have to think about it again? Borders – without prejudice to what the borders will be, the land that is being considered is the land that was occupied in 1967, and the only dispute is in the 52km2 that is the NML.

TL:

• In talking about the future borders, we want to take into consideration the civil population centers.

JS:

• So if one side makes a percentage, we can apply this to the same territory – without the NML.

CR:

• There is also from Israel a proposition that whatever percentage of the land – that there will be swaps – territorial compensation to the Palestinians. But you don't agree that it is one to one.

AA:

• And the swaps to be in the same area.

SE:

• One to one in size and value.