Table of Contents
I. Introduction

II. Background

Palestinian - Israeli Negotiations: A Look Back, Oslo to Camp David
Graph: Growth in Israeli Settler Population, 1993 – 1999
The Second Intifada - Present
Signed Agreements and Other Key Dates
What Palestinians Need from Permanent Status Negotiations
International Law: The Framework for Negotiations

III. Permanent Status Issues

Refugees
Graph: Where Palestinian Refugees Live Now
Jerusalem
Graph: Discriminatory Land Use in Occupied East Jerusalem
Map: Israeli Wall and Settlements Around Occupied East Jerusalem
Settlements
Graph: Fast-Growing Israeli Settlements in the West Bank, 1994-2007
Map: Israel’s Wall and Settlements (Colonies)
Map: The Allon Plan
Borders and Related Issues
Water
Graph: Water Production in Per Capita Terms (Liters/average person/average day)
Map: Water Basins
State-to-State Issues
Economic and Trade Relations
Compensation for Occupation
Annex: Frequently Asked Questions on Camp David Negotiations
Introduction
In the 20th century, Palestinians became dispossessed, exiled, and occupied as the result of the policies of colonial powers and the creation of the state of Israel in 1948. In the 21st century, they are struggling to end the military occupation of their land that began in 1967, and to build their independent, sovereign and viable state. The Palestine Liberation Organization, PLO, which was founded in 1964 is leading this struggle for statehood and freedom. The PLO believes in direct negotiations as the only path to achieve a just, lasting and comprehensive peace between Palestinians and Israelis.

Between 1947 and 1949, over 80% of the Palestinian population became refugees and 78% of historic Palestine came under the control of the newly created State of Israel. Over 400 Palestinian villages and towns located in what became Israel were destroyed.

A short two decades later in June 1967, over 200,000 Palestinians were displaced from their homes in the West Bank and Gaza Strip when Israel occupied those areas. Soon after, Israel began colonizing the occupied Palestinian territory (oPt), in violation of international law. During the 41 years of its occupation, Israel has continuously confiscated Palestinian land to build illegal settlements, in an attempt to prevent the eventual return of territory. Settlement construction has been accompanied by numerous measures designed to ensure Israeli control, including the illegal exploitation of Palestinian natural resources and the prevention of the development of the Palestinian economy. A defining characteristic of Israel's occupation has been the systematic human rights violations it employs in order to maintain control of the Palestinian population and their territory.

Despite Israeli measures, the Palestinian people have maintained a strong national identity and connection to their homeland. They have resisted Israel's attempts to erase their history and destroy the political, social and cultural ties that bind Palestinians as a nation. They have worked consistently to realize their right to self-determination and have exerted concerted efforts to achieve a sustainable peace with Israel.

The PLO made a historic compromise in 1988: it relinquished its claim to all of historic Palestine and accepted to establish an independent, Palestinian state, with East Jerusalem as its capital, on only 22% of its homeland. It recognized UN resolutions 242 and 338 which acknowledged Israel's right to exist and accepted Israel on the remaining 78% of historic Palestine. In
1993, the PLO took a further step and decided to engage in direct negotiations with Israel and to abandon military struggle.

In pursuing the path of negotiations, the PLO seeks to realize Palestinian national rights of self-determination and statehood. A paramount goal is ending the Israeli military occupation and providing Palestinians with the opportunity to rebuild their country and economy without interference by Israel as well as achieving a just resolution to the refugee issue. The PLO envisions a wider Middle East peace that will also end conflict between Israel and its Arab neighbors. For that reason, the PLO supports the Arab Peace Initiative (API), proposed by Saudi Arabia and endorsed in 2002 and reconfirmed in 2007 by the Arab League. The PLO continues to believe that a two-state solution is still viable, but also stresses the need to move fast in order to end the Israeli occupation and reverse the Israeli policies of blockades, closures, walls and settlements before the situation reaches a point where it is irreversible.

During the years of direct negotiations since 1993, much success was achieved in reaching consensus on what the parameters of a permanent status agreement would generally look like. The issues to be negotiated – Jerusalem, refugees, settlements, water, security, borders, compensation and state to state relations can be resolved if good faith and genuine desire to end the conflict are present. Creative solutions abound and the
PLO is committed to exploring a variety of proposals, as long as they meet Palestinian national rights and interests and are in line with the international laws which constitute the cornerstone of Palestinian positions.

However, the PLO fears that ongoing unilateral Israeli activities, such as settlement activities and Wall construction, will soon foreclose the possibility of a viable two-state solution. Israel has to choose between the land or peace. It simply cannot have both. Reaching a fair agreement is as much an Israeli need as it is a Palestinian need. Stability will only arrive to the region when the Palestinians are free and can live in dignity and honor with their neighbors.

While the PLO welcomed the actual withdrawal of Israeli troops and settlers from the Gaza Strip in 2005, it identified Israel’s “disengagement” plan as part of a growing trend of Israeli unilateralism—actions that are decided upon by Israel without consultation or agreement with the Palestinians with the goal of imposing their vision of permanent status on the ground. Israel’s continued control over the Gaza Strip, in particular, coupled with its control over the Palestinian economy, highlight the very pitfalls of unilateralism about which the PLO was concerned. The PLO believes that unilateral actions will not produce the desired results and, as we have seen in Gaza, can easily make things even more difficult.

Today, Palestinians and Israelis are at a critical juncture. The choices made now will impact the region for decades to come. The continued Israeli occupation is a recipe for continued violence, insecurity and loss of life. Ultimately, a negotiated peace is the only way to move beyond the current impasse and towards a better future where both countries can focus their energies on building and improving the lives of their citizens. Peace is possible. A viable two-state solution can be realized. But the time to act is now.

“In the interests of achieving peace, in 1988 the PLO made a historic compromise: it relinquished its claim to all of historic Palestine and agreed to establish an independent, Palestinian state, with East Jerusalem as its capital, on only 22% of its homeland. It recognized Israel on the remaining 78%. In 1993, the PLO took a further step and decided to engage in direct negotiations with Israel.”

Demonstration against the Wall. Um Salamuna, Bethlehem, 2007
Between 1993 and 1999, the PLO and Israel signed a number of agreements that are known collectively as the “Oslo Agreements,” creating a transitional period during which the permanent status issues would be negotiated and resolved. The Oslo Agreements were premised on the idea that the parties would gradually develop a relationship of trust that would allow them to resolve the larger, more difficult permanent status issues, such as Jerusalem, refugees, settlements, borders, water, and security arrangements, among others.

Under the Oslo Agreements, certain core principles were agreed upon: (i) that the interim period would be of a limited duration; (ii) that nothing would be done to prejudice the outcome of permanent status negotiations; and (iii) that the final settlement “will lead to the implementation of Security Council Resolutions 242 and 338,” which reaffirm the principle that territory cannot be acquired by force.1

While positive achievements were reached, direct Palestinian – Israeli negotiations during the 1990s failed to bring about peace. Throughout this period, Israel violated the spirit and the letter of the Agreements and continued its violations of Palestinian rights as embodied in international law; it repeatedly delayed the process while simultaneously creating “facts on the ground” that enabled it to consolidate its control of the oPt in the West Bank, including East Jerusalem, and the Gaza Strip.2 For example:

- The Oslo Agreements called for the phased withdrawal of Israeli troops from Palestinian territory. However, Israel repeatedly missed deadlines agreed upon for its withdrawal and the majority of the oPt remained under Israel’s full control.

- As various Israeli Prime Ministers came to power, each “reassessed” his predecessor’s commitments, resulting in further delays.

- Agreements were repeatedly “re-negotiated”. The Declaration of Principles provided that the interim period of negotiations was not to exceed five years (Article 1), from May 4, 1994. After missing the May 1999 deadline, Israel renegotiated a new deadline with the PLO – September 13, 2000. This, too, was missed.

- Israel expanded and continues to expand its settlement enterprise, building new illegal settlements and supporting infrastructure throughout the oPt. In particular, Israel constructed a network of settler-only by-pass roads that divided the West Bank and Gaza Strip into isolated cantons; Israel maintains control of the movement of persons and goods between these areas through a system of checkpoints established within the West Bank and Gaza Strip and between those areas and Israel. Palestinians are, in effect, made to live in Bantustans, surrounded and controlled by Israel.

In spite of this activity, the PLO remains committed to continued negotiations in its pursuit of a lasting peace. It endeavoured to fulfill the obligations to which it had committed itself in the Oslo process, while simultaneously supporting the massive project of Palestinian state-building. With the generous support of the international community, the newly created Palestinian National Authority (PNA) assumed a wide range of civil and security responsibilities. New civilian ministries were established to meet the needs of the Palestinian population. Thousands of Palestinian men and women were recruited, trained and employed by PNA ministries and security forces. In a few short years, the Palestinian National Authority became the single largest employer in the oPt. At the same time, elections for the Palestinian Legislative Council (PLC) were held in January 1996. The PLC set about establishing the legal framework that would govern in areas from which Israeli forces were re-deploying.

At the security level, while there were occasional setbacks, Palestinian security forces achieved considerable success and this translated into increased security for Palestinian

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1 Article 1, Declaration of Principles on Interim Self-Government Arrangements.
and Israeli civilians: for a three year period, from September 5, 1997 until November 1, 2000, not a single Israeli civilian died as a result of Palestinian attacks in Israel. This was a remarkable achievement given the context of newly-created security forces and ongoing Israeli obstacles.

Irrespective of Palestinian efforts during this period, they were insufficient to counter the effects of ongoing Israeli occupation activities. By the summer of 2000, Palestinians had grown increasingly frustrated. There was no indication of an end to Israel’s control over Palestinian lives and their land. Though the release of Palestinian political prisoners had repeatedly been negotiated, some 1,650 remained in Israeli jails. In July 2000, Israel failed to meet even the minimum of Palestinian needs at the Camp David Summit. The hopes for a better future that had been engendered by the initiation of the negotiations process had dissolved and have been replaced by disappointment and bitterness.

JEOPARDIZING PEACE: ISRAELI “FACTS ON THE GROUND” FROM 1993-2000

- Israel’s settler population increased by 33%. In 1993, the settler population, including Occupied East Jerusalem, was 268,000. In 1999, the population had reached 357,000.5

- Between 1993 and 1999, the average annual growth of the population in the settlements varied between 2%-7%. By comparison, the average annual growth rate of the Jewish population in Israel was 2-3%.6

- The Israeli government confiscated some 215,700 dunums (~54,000 acres) of Palestinian land between 1993 and 2000, allowing settlements such as Bitar ‘Illit, Mitzpe Rahel, and Giv’at Ze’ev to more than triple in size.7

- The Israeli authorities demolished some 740 homes between 1993 and 2000. The Jerusalem municipality and the Ministry of Interior demolished almost 300 Palestinian homes in East Jerusalem. Additionally, Israel began building a massive system of 480 kilometers of Israel-only “by-pass” roads.8

- Israel revoked 3,380 Jerusalem ID cards between 1993 and 2000.9

- In March 1993, Israel imposed a total “closure,” prohibiting Palestinians holding West Bank or Gaza identity card from entering Jerusalem or Israel, unless they obtain an Israeli-issued entry permit. These permits are difficult to obtain and do not guarantee passage.10

- From 1993 – 1997 alone, Israel “closed” the oPt for 445 days (311 in the Gaza Strip, 134 in the West Bank). By comparison, from 1988 – 1993, there was a total of 175 days of closure.11

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1 Figure according to the Israeli Ministry of Foreign Affairs timeline of Israeli casualties, available at http://www.mfa.gov.il, last viewed May 12, 2007.
5 NSU-NAD, based on FMEP and ICBS data.
6 NSU-NAD, based on data from the Palestinian Ministry of Planning and International Cooperation, GIS and Mapping Unit Data Base (2000).
The Israeli human rights organization B’Tselem declared Israel’s policy of closure as “undoubtedly the most extensive human rights violation in the Occupied Territories since the signing of the Declaration of Principles.” Noting the closure policy’s adverse impact on the Palestinian economy, the organization noted: “Between the end of 1992 and the end of 1996, the real gross domestic product in the Occupied Territories fell by 18.4 percent. If population growth is taken into account during the same period, the decline amounted to 36.2 percent per person. The principal reason for the decline was the great dependence of the Palestinian economy on income from Palestinians employed in Israel.”

### Growth in Israeli Settler Population, 1993 – 1999

**Includes EJ**


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13 Id. at 21.
14 Id. at 19.
THE SECOND INTIFADA – PRESENT

On September 28, 2000, Ariel Sharon, the then-Israeli opposition leader, made a provocative visit to the third holiest site in Islam – al-Haram al-Sharif in the Old City of Jerusalem. His visit, and the presence of thousands of Israeli security forces in and around the Old City, ignited Palestinian frustrations that had built up over seven years of negotiations.

Those frustrations were further enflamed by Israel’s brutal response to non-violent Palestinian protestors in the days that followed: in the seven days from 29 September – 5 October alone, Israeli military forces killed over 50 Palestinian civilians and wounded over 2,500.16 During the same period, one Israeli civilian was killed by a Palestinian gunman.17 By the end of October 2000, the Palestinian death toll had reached 141 and over 5,900 had been injured.18 In effect, the second Intifada, or Uprising, against occupation was a direct result of the failure of the negotiations process to realize peace and to end the Israeli occupation.

In January 2001, a Palestinian delegation participated in negotiations in Taba, Egypt. Though Israeli and Palestinian negotiators bridged a number of gaps at Taba, Israel still failed to agree to an offer that reasonably reflected Palestinian rights and needs. It was apparent, however, that an agreement between the two parties was within close reach. Israel’s election of Ariel Sharon as Prime Minister in February 2001, however, signalled the end of direct Israeli-Palestinian negotiations for many years.

In the years 2001-2005, Israel used excessive force to quell Palestinian resistance and the Palestinians retaliated by carrying out attacks against Israeli targets. Israel continued to ignore the PLO’s demand to return to negotiations, and international and regional efforts failed, due to Israeli intransigence, to end the escalating violence.

In the fall of 2001, US Senator George Mitchell led the Sharm El-Sheikh Fact-Finding Mission to the area in order to evaluate the situation and recommend steps necessary to restart the political process. The PLO cooperated fully with the Mitchell team and accepted the Mitchell report released in April 2001. Likewise, the PLO cooperated fully with all the initiatives taken by the international community and the American administration to bring an end to the mounting violence and resume the stalled negotiations process. In this regard the PLO cooperated with the team led in 2001 by then Director of the US Central Intelligence Agency (CIA), George Tenet, as well with other US-appointed envoys, including General Anthony Zinni.

In the context of a deteriorating political situation, the Arab League has also exerted remarkable efforts to push forward the Israeli-Palestinian political process. At its Summit in Beirut in March 2002, the Arab League adopted a ground-breaking peace initiative that offered Israel comprehensive peace and normalized relations with the Arab world in exchange for its complete withdrawal from the Arab lands and agreement to a comprehensive peace in what was later known as the Arab Peace Initiative (API). The Arab League reiterated its support for the API in its March 2007 Riyadh summit.

Also of particular significance was the Road Map (RM) launched by the Quartet (the US, UN, EU and Russia) on April 30, 2003. The PLO accepted the RM fully while Israel accepted the RM only after making 14 reservations that radically altered the nature of the document.

The PLO has cooperated in all ways possible with these various international initiatives to jump start the stalled peace process. On the other side, the Israeli military has continued to engage in ongoing violence against Palestinian civilians, including extra-judicial executions of Palestinians, and has launched repeated attacks on Palestinian private and public properties. From December 2001 until his death in November 2004, the Israeli military kept Palestinian President Yasser Arafat virtual prisoner in his headquarters in Ramallah. Of particular concern has been the Israeli military’s repeated use of sophisticated military weaponry, including F16 war planes, in densely populated civilian areas.

Additionally, the Government of Israel has continued to carry out occupation activities in violation of international law, such as settlement construction and expansion, settler-only bypass road construction, land confiscations, home demolitions, and political arrests. The restrictions on Palestinian freedom of movement that Israel has imposed via its closure regime have devastated the Palestinian economy and, at times, left Palestinian civilians prisoners in their own homes and towns.

Particularly violent and destructive was the Israeli military’s invasion of major West Bank cities in the spring of 2002, which resulted in a high Palestinian civilian death toll, the mass, arbitrary arrest of thousands of Palestinians and massive destruction of Palestinian infrastructure. Israel’s repeated attacks on, and destruction of PNA ministries and

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18 Palestine Red Crescent Society figures.
Palestinian institutions, particularly the security establishments, have crippled Palestinian security performance. Israel, paradoxically, was now destroying the very same security forces that it expected to help in providing safety to its citizens.

Though the past seven years have witnessed some extremely difficult events, the PLO remains committed to the concept of a negotiations process. It believes fully that the only means of achieving its goal of a permanent end to the conflict is through a negotiated solution that addresses the national and legitimate rights and concerns of both parties.

The PLO is concerned, however, that Israel’s shift towards unilateralism has created an unfeasible and unsustainable paradigm. Israel’s unilateral “disengagement” from the Gaza Strip in 2005 highlights clearly the pitfalls of unilateral activity that is driven by the interests of only one party to the conflict.

In contrast to Israel’s push towards unilateralism, the PLO has thrown its support behind the Arab Peace Initiative (API), which offers tangible benefits to all parties to the conflict. As Palestinians marked the 60th anniversary of the Nakba (Catastrophe) in May 2008, and the 41st anniversary of the Israeli military occupation in June, the PLO believes that the international community is obliged to make more far reaching efforts to put an end to the Palestinian–Israeli conflict by demanding Israeli implementation of international law and UN resolutions pertinent to the conflict. The vision of a two-state solution is still alive, but Israeli actions on the ground, if continued, will soon render that vision obsolete. Palestinians have a right for freedom and dignified life and are definitely qualified to govern themselves and to build their future state. The choice of peace is a strategic one for the PLO, which requires a sincere Israeli engagement to end the conflict once and for all.

Signed Agreements and Other Key Dates

**September 9, 1993:**
Declaration of Principles ("DOP") on Interim Self-Government Arrangements and Exchange of Letters of recognition between the PLO and the Government of the State of Israel

**April 29, 1994:**

**May 4, 1994:**
Agreement on the Gaza Strip and the Jericho Area and Exchange of Letters of recognition between the PLO and the Government of the State of Israel

**September 28, 1995:**
Palestinian-Israeli Interim Agreement on the West Bank and the Gaza Strip

**January 17, 1997:**
Protocol Concerning the Redeployment in Hebron

**October 23, 1998:**
The Wye River Memorandum

**September 4, 1999:**
Sharm El-Sheikh Memorandum

**July 2000:**
Camp David Negotiations

**September 28, 2000:**
Ariel Sharon visited the Haram al Sharif, provoking widespread Palestinian protests that marked the beginning of the second Intifada against Israeli occupation

**December 2000:**
Clinton Parameters Released

**January 2001:**
Taba Negotiations

**April 30, 2001:**
Report of the Sharm El-Sheikh Fact-Finding Committee (The Mitchell Committee Report)

**June 13, 2001:**
The Tenet Plan: Israeli-Palestinian Ceasefire and Security Plan, Proposed by CIA Director George Tenet

**March 28, 2002:**
The Arab League endorses the Arab Peace Initiative (a.k.a. The Saudi Initiative) in its Beirut Declaration

**April 30, 2003:**
A Performance-Based Road Map to a Permanent Two-State Solution to the Israeli-Palestinian Conflict, developed by the Quartet (US, UN, EU & Russia)

**November 15, 2005:**
Agreement on Movement and Access concluded following Israel’s "disengagement" from the Gaza Strip

**March 29, 2007:**
Arab League reiterates support for the Arab Peace Initiative in its Riyadh Declaration

**November 27, 2007:**
Representatives of more than 56 countries attended the Annapolis conference which relaunched the permanent status negotiations between the Palestinians & the Israelis
WHAT PALESTINIANS NEED FROM PERMANENT STATUS NEGOTIATIONS

The PLO’s primary goals in engaging in direct negotiations with Israel are to ensure the fulfilment of Palestinian national rights enshrined in international law, to secure an end to the Israeli-Palestinian conflict, and to reach a just, lasting, and comprehensive peace. This will necessitate an end to Israeli occupation and colonization, fulfilment of the Palestinian right to self-determination through the establishment of an independent and sovereign Palestinian state in the West Bank and Gaza Strip with East Jerusalem as its capital, and the achievement of a just resolution of the refugee issue. The Palestinian state must be politically, economically and territorially viable. This is in the interests of both Israelis and Palestinians.

- **Independence and Sovereignty:** For Palestinians, the end of the Israeli occupation and the establishment of a sovereign and independent Palestinian state along with a just resolution to the refugee issue is the most appropriate manifestation of the realization of their national rights to self-determination and freedom. Sovereignty over territory will guarantee Palestinians maximum control over their land enabling them to pursue their state-building without outside interference.


The only legitimate basis for the borders of the fully independent state of Palestine with Israel is the 1967 line that divides Israel from the West Bank and the Gaza Strip. Like Israel, Palestine will have complete control over its borders and Palestinians will determine who enters and exits their country. They will also have complete control over, and use of, their land and all natural resources, including water resources.

As the political, economic and spiritual heart of the Palestinian people, there can be no Palestinian state without East Jerusalem as its capital, in particular the Old City and the surrounding areas. East Jerusalem will have adequate land resources to provide for its growth and development. Additionally, it will be fully integrated with the rest of the West Bank – territorially and economically – in order to ensure the viability of the city.

As citizens of a recognized, sovereign state, Palestinians will finally be able to fully realize their economic potential, particularly in the areas of tourism and agriculture. They will be able to become participants in the economic and commercial activities of the region and the world at large. The future Palestinian state will have good trade and neighbourly relations with surrounding countries, including Israel.

- **Just Resolution to the Refugee Issue:** After decades of dispossession and statelessness, a primary interest of the PLO is negotiating a fair and just resolution of the refugee issue that honors the rights of refugees, provides them with maximum choices, including return to their homes, and repairs them for their losses, in a manner consistent with international law.

- **Compensation for Occupation:** The PLO seeks fair and just reparations for acts committed by Israel during its occupation, which violated accepted standards of international law (e.g. settlement activity, exploitation of natural resources, unlawful land confiscation, among other things).
Negotiations Primer

INTERNATIONAL LAW: THE FRAMEWORK FOR NEGOTIATIONS

The PLO believes that the best means of achieving a lasting peace is by reaching a mutually agreed accord with Israel. It recognizes that in order for such lasting peace to be reached and sustained, both parties need to feel that their rights were preserved; their pain addressed; and their needs recognized.

For the PLO, this means reaching an agreement that recognizes, acknowledges and fulfills Palestinians’ national rights. Only by securing Palestinians’ fundamental rights, as guaranteed by international law, will there be an agreement that can be viewed by Palestinians as just. A just agreement is a prerequisite for peace between Palestinians and Israelis.

Accordingly, PLO positions on the various permanent status issues are based on relevant international law. While the PLO endeavors to be flexible and reasonable in the course of negotiations and, in many cases, is open to a wide variety of creative solutions, its bottom line is that these solutions must be in line with international law standards and state practice, and must meet Palestinian national interests.

A sample of the key sources of international law that shape the PLO’s positions include:


- **End to Occupation:** UN Security Council Resolution 242 (1967) emphasizes “the inadmissibility of the acquisition of territory by war” and calls for the “(w)withdrawal of Israel armed forces from territories occupied in the recent conflict.”

- **Illegality of Efforts to Change Jerusalem’s Status:** UN Security Council Resolution 476 (1980): “Reconfirms that all...actions taken by Israel, the occupying Power, which purport to alter the character and status of...Jerusalem have no legal validity...”

- **Refugee Rights:** UN General Assembly Resolution 194: “…the [Palestinian] refugees wishing to return to their homes and live at peace with their neighbors should be permitted to do so at the earliest practicable date, and that compensation should be paid for the property of those choosing not to return and for loss of or damage to property which, under principles of international law or in equity, should be made good by the Governments or authorities responsible.” Resolution 194, which endorsed the right of Palestinian refugees to choose whether to repatriate to what is now Israel, has been affirmed by the General Assembly every year since its adoption.

- **Prohibition on Settlement Activity:** Article 49(6) of the Fourth Geneva Convention, ratified by Israel in 1951, states: “The Occupying Power shall not deport or transfer parts of its own civilian population into the territory it occupies.”

- **Right to Water:** The UN Committee on Economic, Social and Cultural Rights has noted: “The human right to water is indispensable for leading a life in human dignity. It is a prerequisite for the realization of other human rights.” Customary international water law calls for the “equitable and reasonable” allocation of water among the two or more parties who possess a claim to shared watercourses.

- **Right to Compensation:** A State responsible for a wrongful act is under an obligation to cease the wrongful act and to make full reparation for the injury caused, including the provision of either compensation or restitution.

- **Illegality of Wall Construction:** In its Advisory Opinion of 9 July 2004, the International Court of Justice (ICJ) held that the Wall, along with Israeli settlements, violates international law in so far as it is inside occupied territory. It called upon Israel to halt its construction, dismantle portions already built, and provide reparations to Palestinians for damages it has caused.

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19 The PLO understands UNSC Resolution 242 to require the withdrawal of Israeli armed forces from all territories it occupied in the 1967 war, as is explicit in the official French version of the resolution. The international prohibition on the acquisition of territory by force supports this interpretation.


1. Summary

Perhaps no issue is more emblematic of the 20th century experience of Palestinians than the plight of the approximately 7 million Palestinian refugees. Around 70% of all Palestinians worldwide are refugees. These refugees constitute the world’s largest refugee population; one out of three refugees around the world is Palestinian. Around half of all Palestinian refugees and displaced persons are stateless. For decades, Israel has denied these refugees their basic right to choose to return to their homeland.

Palestinian refugees suffer from a lack of basic human rights, inadequate international protection and assistance, and the ongoing conflict with Israel. Hundreds have been displaced more than once, especially in the occupied Palestinian territory (oPt) and most recently in Iraq. A just resolution of the refugee issue – one that provides maximum choices to Palestinian refugees – is key to successfully negotiating an end to the Israeli-Palestinian conflict.

A Brief History of the Refugee Problem

From 1947 to 1949, over 726,000 Palestinian Christians and Muslims (amounting to 82% of the Arab population of what became Israel) became refugees when they were expelled or fled from the fighting prior to and following the declaration of the State of Israel. Like all refugees, they left their homes out of fear for their safety due to the military conflict. Many fled due to direct military assaults on their towns and villages; others were forcibly expelled by Jewish militias; and others left out of fear of assault.

During the 1967 war, over 200,000 additional Palestinians fled their homes in the West Bank and the Gaza Strip. Subsequent to the war, Palestinians have continued to be displaced from the oPt. Neither the 1948 refugees nor the 1967 displaced persons have been allowed by Israel to return to their homes in what are now Israel and the oPt.

The Palestinians who were expelled or fled violence around 1948 were effectively denationalized by the Israeli parliament in 1952. Their property was seized and ultimately transferred to the State of Israel for the nearly exclusive benefit of the Jewish people. Following the 1948 war, more than 400 Palestinian villages were depopulated and destroyed. Israel built over some of the village areas; however, by some estimates, 90% of the sites of former Palestinian villages remain open or vacant. The vast majority of Palestinian refugee homes located in urban centers were left standing in 1948 and were occupied by Israelis.

2. Key Facts

- Today, of the 7 million Palestinian refugees, most live within 100 kilometers (approximately 62 miles) of Israel’s border.
- Approximately 1.3 million Palestinian refugees live in nearly 60 United Nations (UN) administered refugee camps in the oPt, Jordan, Syria and Lebanon (“the host countries”).
- The largest Palestinian refugee camp population resides in the Gaza Strip. Lebanon hosts the highest number of refugees living in camps out of the total refugee population in a host country.
- Stateless Palestinian refugees in Lebanon are prohibited from working in nearly 70 skilled and semi-skilled professions in Lebanon, including pharmacy, journalism, medicine, and law and from owning immovable property. Building in and around Palestinian refugee camps in Lebanon is severely restricted.
- The Israeli Law of Return allows any Jew anywhere to live in Israel and the oPt, irrespective of direct lineage in the country, while Palestinians with keys to their home are denied from even visiting their families and lands.

3. International Law

- In response to the mass displacement of Palestinian refugees, the United Nations (UN) General Assembly passed Resolution 194: “…the [Palestinian] refugees...
wishing to return to their homes and live at peace with their neighbors should be permitted to do so at the earliest practicable date, and that compensation should be paid for the property of those choosing not to return and for loss of or damage to property which, under principles of international law or in equity, should be made good by the Governments or authorities responsible.” Resolution 194, which endorsed the right of Palestinian refugees to choose whether to repatriate to what is now Israel, has been affirmed by the General Assembly every year since its adoption.

Universal Declaration of Human Rights (adopted in 1948): “Everyone has the right to leave any country, including his own, and to return to his country.” (Article 13(2)).

International Covenant on Civil and Political Rights: “No one shall be arbitrarily deprived of the right to enter his own country.” (Article 12(4)).

The UN Sub-Commission on Human Rights Principles on Housing and Property Restitution for Refugees and Displaced Persons: “All Refugees and displaced persons have the right to voluntarily return to their former homes, lands or places of habitual residence, in safety and dignity” (Art. 10.1)... “Refugees and displaced persons should be able to effectively pursue durable solutions to displacement other than return, if they so wish, without prejudicing their right to the restitution of their housing, land and property” (Art. 10.3).

The UN Committee on the Elimination of Racial Discrimination: “The Committee is concerned about the denial of the right of many Palestinians to return and repossess their land in Israel. (Article 5 (d) (ii) and (vi)) The Committee reiterates its view expressed in its previous concluding observations on this issue and urges the State party to assure equality in the right to return to one’s country and in the possession of property.” (Art. 18).

4. The PLO Position

There can be no comprehensive solution to the Palestinian-Israeli conflict without honoring the rights of Palestinian refugees. Key to the resolution of the refugee issue is Israel’s acknowledgment of responsibility for the creation of the refugee problem, and Israel’s recognition of the applicable principles and rights of the refugees including the refugees’ right to return to their homes and lands. The recognition of these rights, as a matter of principle will then open the way to negotiating their implementation between the two parties.

A negotiated solution on the implementation of the refugee rights has to include the following basic principles: voluntary repatriation, or resettlement, restitution and compensation for material and non-material losses. A successful resolution to the refugee issue will be one that is agreed upon by Israel and the PLO and one that will provide Palestinian refugees with the ability to choose from a number of options, ways for normalizing their status, including the option to exercise their right of return to Israel. Some refugees may prefer other options, such as: (i) resettlement in third countries, (ii) resettlement in a newly independent Palestine (even though they originate from that part of Palestine which became Israel) or (iii) normalization of their legal status in the host country where they currently reside.

Palestinian refugees are also entitled to reparations, including property restitution and compensation for the material and non-material damages that they have incurred as a result of their expulsion and displacement, in a manner that is consistent with international law and practice. Within the parameters outlined by international law, the PLO is confident that there are a number of creative options that could meet the interest of providing choice to refugees while simultaneously meeting concerns of all parties.

Where Palestinian Refugees Live Now

<table>
<thead>
<tr>
<th>Country</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Jordan</td>
<td>50%</td>
</tr>
<tr>
<td>oPt</td>
<td>25%</td>
</tr>
<tr>
<td>Syria &amp; Lebanon</td>
<td>15%</td>
</tr>
<tr>
<td>Other Countries</td>
<td>10%</td>
</tr>
</tbody>
</table>

1. Summary

For centuries, Jerusalem has been the political, administrative, cultural, and religious centre of Palestine. Metropolitan East Jerusalem – an area extending from Ramallah to Bethlehem – has for long been the driving force of the Palestinian economy. Without East Jerusalem, there can be no economically and politically viable Palestinian state, and without a viable Palestinian state, there can be no viable peace.

Though central to three faiths, Israel has since 1967 systematically pursued policies aimed at ensuring exclusive control over the city at the expense of the indigenous Christian and Muslim Palestinian population. In so doing, Israel undermines the possibility of a viable two-state solution.

Modern History of the Holy City: A Brief Overview

- When the UN General Assembly recommended in 1947 to partition Palestine, Jerusalem and its environs (including the city of Bethlehem to the south) were to be administered internationally as a separate entity (corpus separatum). However, during the 1948 war, Israel invaded and occupied 85% of Jerusalem.

- In June 1967, Israel occupied the remainder of Jerusalem, or “East Jerusalem”, including the Old City. Only few weeks later, on June 28th, Israel unilaterally expanded the municipal borders of Jerusalem, enlarging East Jerusalem from 6 to 72 square kilometres- almost 1.3 percent of the area of the Occupied West Bank. The new borders were drawn in a manner that incorporated undeveloped Palestinian lands while excluding Palestinian population centers. During the 1970’s those undeveloped lands were illegally confiscated by Israel to build Israeli settlements in violation of international law.

- With the expansion of the borders, Israel applied its laws, administration and jurisdiction over the expanded area of municipal Jerusalem in a clear attempt to de facto annex East Jerusalem and parts of the West Bank. This annexation violated the prohibition against acquiring territory by force and was declared of “no legal validity” by UN Security Council Resolution 252 (1968) and has consistently been rejected by the international community until today.

Changing Demographics:

Since 1967, the Israeli government has attempted to consolidate its control over Jerusalem by systematically pursuing a number of policies including:

Establishing Settlements (Colonies): Israel has attempted to integrate occupied East Jerusalem into Israel through constructing illegal settlements within and along the unilaterally expanded borders. These settlements now form a ring around the Palestinian population at the heart of the city, sealing it off from the rest of the West Bank. Today, more than 185,000 of the approximately 470,000 settlers in the oPt live in occupied East Jerusalem, almost 40% of the total settler population.

Revoking Residency Rights and Denying Family Reunification: In 1973, the Israeli government decided to maintain the demographic balance between Jews and Palestinians living within the expanded municipal boundaries of Jerusalem at 73.5% Jews and 25.5% Palestinians. In an effort to maintain this advantageous “demographic balance,” Israel has prohibited thousands of Palestinians from residing in the city of their birth by revoking their residency rights.
Negotiations Affairs Department

As “Permanent Residents” of Israel, Palestinian East Jerusalemites have fewer rights than Israeli citizens and Israel can easily strip them of their residency rights. If they choose to reside in a foreign territory outside East Jerusalem (which is defined by Israel as part of its territory), then they run the risk of losing their residency rights, even if that “foreign territory” is, in fact, the reminder of the oPt, i.e. the West Bank and the Gaza Strip. Furthermore, Israel has also repeatedly refused to allow non-Jerusalemite Palestinians to reside in the city, even if only for the purpose of family unification.

According to B’Tselem, an Israeli human rights organization, 8,269 ID cards have been confiscated since 1967 affecting well over 18% of the Palestinian families in Occupied East Jerusalem. In 2006 alone, 1,363 ID cards were confiscated, an increase of 500% compared to 2005 ID card confiscations. This is the highest number of revoked permanent residency permits since the “center of life” policy was introduced in 1995 by the Israeli Interior Ministry.

Despite of Israel’s restrictive measures on the Palestinian population, the higher birth rate among the Palestinian population, relative to that of the Israeli Jewish population, has increased the percentage of Palestinians residing within the municipal borders of the city. The breakdown now stands at approximately 66% Israeli Jews and 34% Palestinian Muslims and Christians.

Building Restrictions and Land Confiscation: In addition to suffocating Palestinian urban growth by confiscating Palestinian lands and constructing settlements, Israel has adopted a series of discriminatory zoning policies intended to make it hard for Palestinians to build on their land or to expand existing structures. As a result, the few remaining Palestinian lands in East Jerusalem often stay empty until Israel confiscates them for “public purposes,” usually the construction of illegal Israeli settlements. These discriminatory policies have also resulted in severe overcrowding in East Jerusalem with the expectation that the situation will only grow worse as the population expands. Since 1967, the Palestinian population of Israeli-defined municipal Jerusalem has grown from 68,600 to 255,000 - an increase of 272%. By 2020, the number of Palestinians who hold Jerusalem ID cards is projected to be over 400,000 (based on a 3.4% average population growth rate). Palestinians are frequently forced to build without building permits, which are extremely difficult and expensive for Palestinians to obtain, only to have their homes later demolished by Israel.

Imposing Closure: Since March 1993, Israel has prohibited non-Jerusalemite Palestinians from entering the city unless they obtain an Israeli-issued permit, which is rarely issued. As such, over 3 million Palestinians are denied access to the city and all of its services including being denied access to their holy places in Jerusalem and are prohibited from studying in East Jerusalem or receiving certain medical treatments that are only available in East Jerusalem hospitals. The impact of this closure has been rather devastating on the economic, cultural, and social life in East Jerusalem.

Constructing the Wall: The route of the Wall in and around Occupied East Jerusalem splits the West Bank into two cantons, and completely isolates Occupied East Jerusalem from the rest of the West Bank. It also incorporates the last available space for much needed Palestinian growth, while facilitating the construction and expansion of settlements such as the E-1 settlement plan, designed to house some 15,000 new Israeli settlers. Furthermore, the Wall severs the national transportation axis that connects the West Bank with Jerusalem and has resulted in an influx of Palestinian Jerusalemites towards the center of the city.

2. Key Facts

- Approximately 35% of the Palestinian economy is
dependent on Metropolitan East Jerusalem, which extends from Bethlehem to Ramallah.

- The international community, including the UN, the US and the EU do not recognize Israel's illegal annexation of and claim of sovereignty over Jerusalem (East and West).
- Due to discriminatory Israeli restrictions on land use, Palestinians in East Jerusalem can live and build on only 13% of their land. Those who, lacking any other alternatives, build without permits are subject to forced evictions and home demolitions. Over 2,000 Palestinian homes in Occupied East Jerusalem have been destroyed by Israeli occupation forces since 1967.36
- Palestinian Jerusalemites, who constitute over 30% of the Jerusalem (East and West) population, receive less than 10% of Jerusalem's municipal budget.37

3. International Law

- UN Security Council Resolution 242 (1967) emphasizes “the inadmissibility of the acquisition of territory by war” and calls for the “(w)ithdrawal of Israel armed forces from territories occupied in the recent conflict.”
- UN Security Council Resolution 252 (1968) states that the Security Council “[c]onsiders that all…actions taken by Israel…which tend to change the legal status of Jerusalem are invalid and cannot change that status.”
- UN Security Council Resolution 476 (1980) states that the Security Council “[r]econfirms that all…actions taken by Israel, the occupying Power, which purport to alter the character and status of…Jerusalem have no legal validity … and also constitute a serious obstruction to achieving a comprehensive, just and lasting peace in the Middle East.”

4. The PLO Position

In conformity with international law and as stated in the Declaration of Principles agreed between the PLO and Israel in 1993, all of Jerusalem (and not merely East Jerusalem) is the subject of permanent status negotiations. Since East Jerusalem is occupied and an integral part of the West Bank, Israel has no legal claims in the city and all its actions aimed at changing its status are illegal.

Palestinians will not accept a state without East Jerusalem as its capital. Of particular importance is the Old City and the surrounding areas. The PLO is committed to respecting the freedom of worship at, and access to, religious sites within Jerusalem for all faiths. All possible measures will be taken to protect such sites and preserve their dignity.

The PLO is willing to consider a number of creative solutions with respect to the administration of the city, as long as they are in Palestinian interests and in line with international law. For example, Jerusalem could become a city opened to both Palestinians and Israelis – the capital of two states.

Whatever the specific solution, East Jerusalem is essential to the economic, political and cultural viability of a future Palestinian state. There can be no integrated Palestinian national economy and, thus no sustainable resolution of the conflict, without a negotiated solution on Jerusalem that guarantees Palestinian historical rights in the city.

Discriminatory Land Use in Occupied East Jerusalem

![Diagram showing land use percentages]

- For Palestinian Use 13%
- “Green Areas” 40%
- For Israeli Settlements (inc. bypass roads, settlement infrastructure & areas slated for expropriation) 47%
Negotiations Affairs Department

Israeli Wall & Settlements Around Occupied East Jerusalem - August 2008
SETTLEMENTS

1. Summary

Since 1967, Israel has embarked on a campaign to colonize the oPt by systematically transferring parts of its Jewish civilian population into the West Bank and Gaza Strip, in violation of the Fourth Geneva Convention of 1949. Today, more than 470,000 Israeli settlers, including over 185,000 in and around occupied East Jerusalem, live in settlements established on land illegally seized from Palestinians in the oPt. These settlements range in size from nascent settlements or “outposts”, consisting of a few trailers, to entire towns of tens of thousands of settlers.

The aim of Israel’s settlement enterprise has been to unilaterally and de-facto change the status of the oPt, both physically and demographically, so as to prevent its return, as well as to pre-judge and prejudice any negotiations between the PLO and Israel. Israeli settlements provide the impetus for Israel to illegally confiscate Palestinian lands and natural resources while confining the indigenous Palestinian population in enclaves and severing East Jerusalem from the rest of the West Bank. By impeding the territorial contiguity and economic viability of the oPt, Israeli settlements pose the single greatest threat to the establishment of an independent, viable Palestinian state, and hence, to a just and lasting peace between Israelis and Palestinians.

Colonizing the Occupied Palestinian Territory:

The Israeli government has adopted a number of discriminatory measures aimed at bolstering its settlement enterprise at the expense of the indigenous population. Israelis are lured to the settlements through a variety of Israeli government incentives, including housing subsidies, income tax reductions, disproportionate budget allocations, business grants and other means. Contrary to Israel’s claim of “natural growth,” these incentives have led to an artificially accelerated growth rate in the settler population – in some cases reaching 3-4 times that of towns in Israel.

The negative impact of the settlement enterprise on Palestinians extends far beyond the settlements themselves. Whereas the total built-up areas of Israeli settlements comprise just 1.2% of the West Bank, areas of direct and indirect settlement control extend to about 40% of the West Bank territory. Israeli settlements also benefit from massive Israeli investment in road networks and other infrastructure projects. Settler roads, including so-called “bypass” roads connect settlements together and to Israel. For Palestinians, who are generally restricted and in some cases prohibited from using them, these roads create a grid of physical barriers that dissect the entire West Bank. In addition, Israel has imposed an elaborate regime of internal closures through an extensive network of Israeli military checkpoints and other physical barriers, along with the closure of connecting Palestinian roads, that severely restricts Palestinian movement within the West Bank. Along with providing freedom of movement for Israeli settlers, these physical restrictions succeed in isolating Palestinian communities, preventing their expansion, restricting access to farm land and natural resources, and destroying Palestinian territorial contiguity.

The presence of Israeli settlements and settlers is also a primary source of instability, resentment and violence. In addition to the socioeconomic and humanitarian damage caused by the settlements, Palestinians are routinely subjected to attacks and humiliation by armed Israeli settlers, and by the soldiers charged with protecting them.

The Wall - Another Land Grab:

In the summer of 2002, Israel began constructing its Wall in the oPt. Though Israel has claimed that the Wall is for security purposes, in actuality it forms an integral component of Israel’s settlement infrastructure. The Wall snakes through the West Bank incorporating a majority of Israeli settlements and settlers on the “Israeli” side of the Wall while seizing large portions of West Bank territory for the settlements’ future expansion. In so doing, the Wall separates Palestinians from Palestinians, from their lands, their sources of livelihood and social services. If completed as planned, the Wall, combined with settlement-controlled areas east of the Wall and in the Jordan Valley, would leave Palestinians with only 54.5% of the West Bank.

Given that the Wall has been routed around existing illegal settlements and their planned areas for expansion, and as
the Wall actually separates Palestinian neighbourhoods from other Palestinian neighbourhoods in many places it seems clear that the Wall is primarily a land grab and not a security measure. If the Wall were truly a security measure, Israel would: (i) abide by international law and withdraw completely from the oPt and/or (ii) build the Wall on its side of the 1967 boundary, rather than in the oPt.

Moreover, according to the Israeli State Comptroller’s report of July 2002, most Palestinians who perpetrated acts of violence in Israel entered the country through checkpoints situated along the 1967 boundary, and not through the open areas between the checkpoints. Despite the report’s findings, Israel decided to erect the Wall before it had addressed the problems that were found in the operation of these checkpoints.

Ultimately, the Wall serves neither Israeli nor Palestinian interests; by taking Palestine’s most valuable land and resources, fragmenting the West Bank, restricting development of Palestinian communities, and depriving the future Palestinian state of its capital and economic engine, East Jerusalem, there can be no viable Palestinian state. Without a viable Palestinian state, there can be no lasting and viable peace.

Israel’s Territorial Ambitions: Then and Now

In 1967, Yigal Allon, Israel’s then Deputy Prime Minister and later its Foreign Minister, proposed maintaining Israeli control over the Jordan Valley and an expanded east-west corridor running through Jerusalem to the Jordan River. The remaining areas of the West Bank were to be “returned” to Jordan. The “Allon Plan” – as it became known – had a significant impact on Israeli settlement policy. A comparison between the map of the Allon Plan and the current situation on the ground demonstrates the continuity of Israel’s territorial ambitions in the West Bank.

2. Key Facts

- Over 40% of the Occupied West Bank is under the control of Israeli settlements.39

- Though Israel evacuated its 8,200 settlers from the Gaza Strip in 2005, the settler population in the West Bank (including East Jerusalem) increased by some 12,000 during the same year.

- Incentives offered by the Israeli government have succeeded in luring thousands of Israeli settlers to the oPt. According to a poll conducted by the Israeli organization, Peace Now, 77% of surveyed settlers live in the oPt for “quality of life” reasons and not for religious or national security reasons.40 Accordingly, with similar counter-incentives, these settlers could be persuaded to evacuate the oPt.41

- Israeli settlers use 7 times the amount of water provided to Palestinian residents of the oPt per capita.

- Though Israel claims that the Wall is being built for security reasons, it is actually making guarding its border more difficult: the total length of the Wall (as approved on 30 April 2006) is 663 km. This is more than twice the length of the 1967 boundary; which is 320 km.

3. International Law

- Article 49(6) of the Fourth Geneva Convention, ratified by Israel in 1951, states: “The Occupying Power shall not deport or transfer parts of its own civilian population into the territory it occupies.”

- In its Advisory Opinion of 9 July 2004, the International Court of Justice (ICJ) held that the Wall, along with settlements, violate international law. It called upon Israel to halt its construction, dismantle portions already built, and provide reparations to Palestinians for damages it has caused.

- The Rome Statute of the International Criminal Court of 1998 (Article 8(b)(viii)) defines “the transfer directly or indirectly by the Occupying Power of parts of its own civilian population into the territory it occupies” as a War Crime indictable by the International Criminal Court.

- United Nations (UN) Security Council Resolution 465 (1980) states: “Israel’s policy and practices of settling parts of its population and new immigrants in [the Palestinian and other Arab territories occupied since 1967, including Jerusalem] constitute a flagrant violation of the Fourth Geneva Convention... and a serious obstruction to achieving a comprehensive, just and lasting peace in the Middle East.” The resolution calls on Israel to “dismantle the existing settlements.”

4. The PLO Position

In addition to being illegal, Israeli settlements in the oPt pose the single greatest threat to a viable two-state solution, and hence, to a just and lasting peace. Settlements, their infrastructure and areas of control grossly reduce the amount and quality of land remaining for a future Palestinian state, and seriously undermine

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39 Id, at 116.
41 East Jerusalem settlers were not polled.
The Palestinians’ Historic Compromise

Shrinking Palestine
The Palestinians’ Historic Compromise...

- 100% of Historic Palestine 1947 UN Partition Plan
- 44% of Historic Palestine 1967 de facto Line (Endorsed by PLO in 1988)
- 22% of Historic Palestine 1937 Peel Commission Partition Plan
- 12% of Historic Palestine 2008 Israeli Unilateralism (Settlements & Wall)

...What Israel is Imposing Unilaterally

Maps are for illustrative purposes only. Boundary representations are not necessarily authoritative.
the contiguity of a future Palestinian state. Under the “land for peace” formula embodied in UN Security Council Resolutions 242 and 338, on which the peace process is based, Israel is to withdraw from the territories it occupied in 1967 in exchange for full peace and recognition from its neighbors.

The evacuation of Israeli settlements would be the most appropriate first step towards satisfying Palestinian rights and allowing for the complete exercise of sovereignty over all territory within their future state. The Gaza “disengagement” of 2005 demonstrated that Israeli “facts on the ground” are not permanent and, with sufficient political will, can be removed even faster than they were established. One way of evacuating settlements peacefully would be for Israel to eliminate all economic and other incentives, and start a process of disincentives and counter incentives to encourage settlers to return to Israel.

Until a final agreement is reached, however, a genuine and comprehensive settlement freeze is the only way to minimize further prejudice to the current negotiations. The requirement for a settlement freeze is spelled out clearly in Phase I of the Roadmap, which calls on the Government of Israel to “freeze all settlement activity (including natural growth of settlements)” and immediately dismantle settlement outposts erected since March 2001. The basic elements of such a freeze are: 1) Ending all settlement-related construction; 2) Eliminating all subsidies and economic incentives for settlements and settlers; 3) Ending all planning for settlements; and 4) Ceasing all land confiscations, home demolitions and other property destruction.

Fast-Growing Israeli Settlements in the West Bank, 1994 – 2007*

* Based on population data obtained from the Israeli Central Bureau of Statics (http://www.cbs.gov.il) and the Jerusalem Institute for Jerusalem Studies (http://www.jiis.org.il)

** The 2007 figures are projections which are based on the average growth rate for the previous three years.
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The village of Wadi Fukin is surrounded by the settlement of Bettar Illit. The settlers’ sewage goes directly to the agricultural lands of Wadi Fukin, 2007.
BORDERS & RELATED ISSUES

1. Summary

A major component of a viable two-state solution is the delineation of agreed upon borders and related issues. The Palestinian position on borders has undergone a significant transformation since 1948. The Palestinian national movement once laid claim to its right over all of historic Palestine. However since 1988, in the interests of achieving peace and ending the conflict, the PLO has accepted to establish the Palestinian state over 22% of historic Palestine, with East Jerusalem as its capital, on the territory occupied by Israel after the 1967 war. It has recognized Israel on the remaining 78%. In spite of this historic compromise, Israel continues to unilaterally attempt to re-draw the boundary between Israel and the oPt, through “facts on the ground” which violate international law and UN resolutions like the Wall and settlement enterprise.

The Borders of Palestine- A Brief Background:

- When granted to Great Britain in 1922, the Palestine Mandate encompassed all of what is presently referred to as the State of Israel, the West Bank, including East Jerusalem, and the Gaza Strip.

- In 1947, the United Nations (UN) General Assembly recommended partitioning Palestine against the wishes of the majority of its inhabitants. Its Partition Plan allocated 55% of Palestine to a Jewish state. At the time, however, Jews, most of whom were recent immigrants, represented only a third of the population and owned less than 7% of the land.

- Almost immediately after the Partition Plan vote, organized Jewish militias began military campaigns to take control of more territory. On May 14, 1948, after months of military expansion, the State of Israel was declared. The next day, six Arab armies invaded in an attempt to block Israel’s expansion into those parts of Palestine allocated to the Arab state. By the end of the war in 1949, Israel controlled 78% of historic Palestine.

- In the June 1967 war, Israel occupied the remaining 22% of historic Palestine, comprised of the West Bank, including East Jerusalem, and the Gaza Strip. Only two weeks after the war’s end, Israel unilaterally expanded the municipal border of East Jerusalem and declared the application of Israeli law in that expanded area, thereby effectively annexing it. The international community rejected Israel’s illegal attempt at annexation. Furthermore, within a year, it began building Israeli settlements in the oPt in violation of international law.

Unilaterally Redrawing Borders, Again:

In 2002, Israel began constructing a Wall in the oPt. One of Israel’s intention for building the Wall is to unilaterally redraw the political border of the future Palestinian state. Israel is defacto annexing land that falls on the western side of the Wall and restricting Palestinian access to that area. At the same time Israel facilitates Israeli access to the illegally annexed Palestinian areas, putting them under Israeli military control. In October 2003, Israel declared land that fell between the 1967 boundary and the Wall in the northern West Bank a closed military zone. It began requiring that Palestinians obtain Israeli-issued permits to continue to live, access, and to cultivate their land. In January 2005, the Israeli military issued an order identifying 11 crossing points through which West Bank Palestinians holding valid Israeli-issued access permits would be allowed to enter Israel. All of these crossing points fall along the route of the Wall. The majority of them are located within the oPt and at a considerable distance from the 1967 border. If the Wall is completed as planned, combined with restricted access to the Jordan Valley and areas of settlement control east of the Wall, Palestinians will be left with only 54% of the West Bank, or 12% of historic Palestine.

2. Key Facts

- The 1967 boundary is the 1949 Armistice Line plus all mutually agreed legal modifications up until the 1967 conflict.

- The 1967 line is the only internationally recognized boundary between Israel and the oPt.

- The 1967 line has the support of the international community and international law.

- The international community does not recognize Israeli sovereignty over any part of the oPt.

3. International Law

- Article 2 of the Charter of the United Nations (1945), requires that “(a)ll Members shall refrain in their international relations from the threat or use of force against the territorial integrity or political independence of any state, or in any other manner inconsistent with the Purposes of the United Nations.”

- UN Security Council Resolution 242 (1967) emphasizes “the inadmissibility of the acquisition of territory by war” and calls for the “(w)ithdrawal of Israel armed
forces from territories occupied in the recent conflict.”

The International Court of Justice in its July 9, 2004 Advisory Opinion recognized the 1949 armistice line as the legitimate boundary of the West Bank and Gaza Strip, holding that all Israeli construction policies in the oPt— including settlement activities and Wall construction— is contrary to its obligations as an occupying power and is illegal.

4. The PLO Position

Successful resolution of borders-related issues is a pre-requisite for a viable, two-state solution.

In order to have a viable Palestinian state, Palestinians need: sufficient land and access to its resources to support the population and a sustainable economy, a territorial link connecting the West Bank and the Gaza Strip, full control over the borders of Palestine, so as to allow the free movement of persons and goods and access to international markets. More importantly, it has to be a state that lives up to the expectations and aspirations of the Palestinian people; a two state solution that deviates considerably from the 1967 boundary and which does not include East Jerusalem as its capital would not meet Palestinian national rights to self-determination and freedom.

There are a number of borders-related issues that will need to be negotiated during final status talks. Among others, these include:

**Borders:** The PLO position is that the border of the Palestinian state will be the armistice line as it stood on the eve of the 4th of June, 1967. This position is consistent with international law, which forbids Israel from acquiring territory by force. Though Israel has no legal claim to any of the territory it occupied in 1967, in the interest of peace the PLO is willing to discuss minor, reciprocal, and mutually agreed changes to the 1967 boundary, should it be in the Palestinian interest to do so. For example, during the Camp David Summit in July 2000, the Palestinian delegation considered the idea of a 1:1 land swap. Israel, however, proposed a nine-to-one land swap (in Israel’s favor), in a clear indication that Israel’s appetite for expansion has not receded.

**Territorial Link:** A corridor, or territorial link, connecting the West Bank and the Gaza Strip is crucial for the preservation of the geographic unity of the two flanks of the future Palestinian state. The link should allow for free and unrestricted movement for people, goods, vehicles and services between the two geographic areas. It should also be able to accommodate the transfer of various resources throughout Palestine (for example, gas, water, electricity, etc.). Furthermore, a safe passage arrangement allowing such movement under an agreed regime would be necessary both until a permanent territorial link is fully operational and after the link is constructed as an alternative to the link.

**Maritime Boundary Issues:** Maritime issues pertain both to the coastal areas off of the Gaza Strip as well to the Dead Sea. They include negotiating an equitable delimitation of the maritime area, not only with Israel, but also with Palestine’s other maritime neighbors (Egypt, Cyprus and Jordan). Also to be addressed are some matters related to the rights of Palestinians within these boundaries, including the right to natural resources found in such areas. Palestinians must have their full rights recognized as guaranteed by international law, which entitles a coastal state to several maritime zones, each with differing rights and responsibilities. Finally, Palestinians will also need to agree how to manage those resources that are shared with neighboring countries.
WATER

1. Summary

The Middle East is one of the world’s most water-stressed regions. It is therefore essential that water be shared equitably by all in the area. Since its 1967 occupation of the oPt, Israel has almost completely controlled Palestinian water resources and deprived Palestinians of access to its rightful share of water, in violation of international law. Instead, Israel has overwhelmingly used these shared waters for the benefit of its civilian population and illegal settlements. Israel’s practice of preventing development of Palestinian water resources has forced Palestinian communities in the West Bank to purchase water from Israeli companies despite the fact that the water required to meet Palestinian demand is present in the ground beneath Palestinian lands.

Water Consumption:

The main sources of water shared by Israelis and Palestinians are (i) surface water, including the Jordan River and Wadi Gaza both of which have been largely intercepted before reaching the occupied Palestinian territory, and (ii) groundwater sources, or aquifers, lying under the West Bank and the Gaza Strip. Practically, only groundwater has been available for Palestinian use since the occupation.

Despite having additional sources of water available to it, Israel allocates approximately 89% of available shared water resources to itself, leaving the Palestinian population less than 11%.

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Despite having additional sources of water available to it, Israel allocates approximately 89% of available shared water resources to itself, leaving the Palestinian population less than 11%.

At present, the overall available water resource in Israel and the oPt combined is between 2,200 and 2,800 million cubic meters/year (M.C.M./year) on a sustainable basis, and varies each year according to rainfall and other factors.

The Interim Agreement provides for the establishment of a “Joint Water Committee” (JWC) that would be composed of an equal number of representatives from both parties and would deal with all water and sewage related issues in the West Bank (not on the shared water resources). All decisions taken by the JWC are to be reached by consensus, if they concern an issue in Areas A or B. If related to Area C (around 60% of the West Bank), the decision has to be approved by the Israeli Civil Administration. Palestinian-Israeli Interim Agreement on the West Bank and Gaza Strip (1995), Appendix I, Annex III, at Article 40.

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2. Key Facts

- Israel withdraws water from Lake Tiberias and transports it out of the Jordan River Basin to coastal cities and to the Negev Desert via the national water carrier. The amount of water diverted is such that very little water flows naturally out of Lake Tiberias. This is believed to be the main reason for the decrease in the size of the Dead Sea.

- The availability of fresh water to Palestinians has decreased markedly on a per capita basis since the 1995 Interim Agreement.

- The per capita total consumption of water in Israel is more than 4 times greater than that in the oPt.

- The groundwater in Gaza is in a state of crisis due to over-pumping coupled with contamination. As a result, almost 40% of the Palestinian population living in Gaza do not have access to safe drinking water. Around 60% of diseases in the Gaza Strip are a result of poor water quality. The Palestinian Water Authority (PWA) has reported that 85% of drinking-water wells in Gaza are not suitable for drinking.

3. International Law


- Customary international water law calls for the “equitable and reasonable” allocation of water among the two or more parties who possess a claim to shared watercourses.

- The right to water is a human right. The UN Committee on Economic, Social and Cultural Rights has noted: “The human right to water is indispensable for leading a life in human dignity. It is a prerequisite for the realization of other human rights.”

4. The PLO Position

The attainment of water rights and the fair allocation of water are essential for a viable two-state solution and future political stability in the region. Water issues are linked to, and impact on, numerous other issues to be negotiated, including settlements, economic relations, borders and refugees, among others.

Palestinians must have control of and access to their water resources. However, the PLO accepts the principle of international water law stipulating that both Israel and Palestine are entitled to an equitable and reasonable allocation of shared freshwater resources, including those in the four main aquifers and the Jordan River.

Additionally, Israel must pay compensation for the past and ongoing illegal use of Palestinian water resources, as called for by international law.

Water Production in Per Capita Terms (Liters/average person/average day)*

Water Production: the total volume of fresh water produced from all sources. It does not equate to water utilization, as the unaccounted for water (mainly losses in the systems transporting water) reduces the volume that is actually utilized.

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STATE-TO-STATE ISSUES

Israel’s 41-year occupation has had far-ranging effects on all aspects of Palestinian life. For decades, the occupation has created a high level of Palestinian dependency on Israel in a number of sectors and has prevented Palestinians from fully realizing their economic potential. A Palestinian state must overcome this forced dependency to fully realize an independent and viable sovereign state.

To make the transition to a viable Palestinian state possible, a number of issues related to how the State of Israel and the future state of Palestine will carry on state-to-state relations must be addressed.

1. The Issues

The State-to-State files include a range of topics that directly impact the daily life of the Palestinian people living under Israeli occupation. These issues include the administration of justice, economics, energy, environment, monetary affairs, transportation, as well as the following:

- **Agriculture:** Israeli restrictions, especially those on Palestinian freedom of movement, have limited Palestinians’ ability to make full use of their agricultural resources – one of the few natural resources available in Palestine. Until the 1990s, the agricultural sector was responsible for over 30% of the Gross Domestic Product (GDP) of Palestine. Although this has declined to below 10%, along with a significant reduction to the Palestinian workforce, the sector remains important to building a future state with strong rural communities. It is therefore important that Palestinians are able to make maximum use of their agricultural resources.

- **Energy:** Israel’s continued control over the oPt has left Palestinians heavily dependent on Israel for the supply of fuel and electricity, resulting in some of the most expensive electricity and fuel prices in the world with no means of addressing frequent disruptions in supply and service.

- **Health:** Budget constraints and restrictions imposed by Israel on the Palestinian National Authority have left Palestinians dependent on Israeli health care institutions for a range of treatments, including those related to cancer and heart disease.

- **Telecommunications:** The restrictions on movement and access have made telecommunications the lifeblood of social, familial and commercial interactions. The sector amounts to more than 17% of the Palestinian GDP. Israel has failed to meet its obligations under the Oslo Accords and continues to deny the entry of equipment and refuses to release Palestinian frequencies to expand the sector and open it to competition. Moreover, Israel has facilitated illegal competition of Israeli mobile operators in Palestinian areas contrary to the Oslo Accords and international law.

- **Tourism and Archaeology:** Given the significance of the Holy Land to people of faith worldwide, tourism and religious pilgrimages will be a primary source of revenues for Palestine. To date, Palestinians have been unable to fully realize the economic potential of this sector due to Israeli restrictions and political instability stemming from the occupation. The interrelated nature of tourist sites in Israel and Palestine create a need for coordination on a tourism trade regime and tourism movement that will govern tourism relations between Palestine and Israel.

2. Key Facts

- Israel prohibits Palestinians from developing other sources of energy thereby creating dependency of the Palestinian energy economy on Israel for 93% of its electricity supply.

- While the oPt has only 1/34 of Israel’s GDP, Palestinians pay some of the highest electricity rates in the world.

- Since 2001, Israel has continued to deny entry of a variety of vaccines for infectious diseases to the Gaza Strip claiming that they constitute a biological threat to Israel.

- The Israeli government restricts the import of radiation therapy equipment to the PNA, claiming that such equipment could be used in manufacturing explosives.

3. International Law

Israel’s obligations are covered under international law, including the 1949 Fourth Geneva Convention and the 1907 Hague Regulations which requires the occupying power to “ensure, as far as possible, public order and safety, while respecting, unless absolutely prevented, the laws in force in the country.” Even Israel’s High Court of Justice considers that in a long-term occupation, such as its own, the obligation to ensure ‘public order and safety’ must necessarily involve promoting the growth and development of the economy and welfare of the territory occupied. Additionally, Israel’s obligations are spelled out in the standards and practices of a variety of international organizations, including the World Trade Organization.
(WTO), the World Health Organization (WHO), the U.N. Food and Agriculture Organization (FAO) and the International Telecommunications Union (ITU).

4. The PLO Position

The PLO’s positions are shaped by international law and are in accordance with accepted practices of international organizations, such as the WTO, WHO, FAO, and the ITU.

The PLO aspires to establish a viable and sovereign state of Palestine that will include the following elements for strong state-to-state relations:

- the exercise of sovereignty over its resources, including the electromagnetic sphere;
- access to all competitive, reliable and cost-effective supplies of electricity;
- unhindered delivery of healthcare services using all available equipment and medicines in compliance with WHO guidelines;
- protection and control of archaeological and cultural heritage sites in accordance with the UN World Heritage Convention (1972) and the Hague Regulations (1907); and
- implementation of monetary policies that promote the Palestinian national interest.

For Palestinians, one major goal of negotiations is the creation of a fully independent and sovereign Palestinian state.

Israel’s continued control over the majority of the oPt has left Palestinians heavily dependent on Israel for their supply of electricity.
ECONOMIC & TRADE RELATIONS

1. Summary

Following its occupation of the West Bank and Gaza Strip in 1967, Israel instituted economic policies designed to eliminate Palestinian economic independence. In particular, Israel’s ability to control the flow of goods within the oPt and between it and the outside world (through enforcing Israeli import and export policies) has had a devastating impact on the Palestinian economy.

After decades of occupation, Palestinians want to have a sound economy founded on the presence of good jobs, active investment, a stable environment and the unimpeded flow of trade (internally and with other countries). In particular, the PLO wants Palestinians to be able to fully realize the great economic potential that exists in Palestine, in an environment free of occupation and exploitation by Israel. A strong Palestinian economy is a mutual interest for both Palestinians and Israelis, and will add to the stability and security of the region. Economic hardships fuel despair and extremism, while prosperity creates economic opportunities that lead to improvements in daily conditions.

The 1994 Paris Protocol:

In April 1994, the PLO and the government of Israel signed the Protocol on Economic Relations (the “Paris Protocol”). The Paris Protocol created a semi-customs union between Israel and the oPt. The common external tariff and other elements of commercial policy were those of Israel, though the PNA was given some autonomy in the setting of policy. The PNA was allowed to set its own tariff and standards for a limited quantity of goods, consisting mainly of consumer goods traded with Jordan and Egypt and from the Arab, Islamic and other countries. The quantity was set according to the domestic needs of the Palestinians, so as to avoid leakage into Israel. For a third group, consisting mainly of machinery and unfinished goods, the PNA was allowed to set its own custom duties and no limit was set on the quantity imported or that could be re-exported to Israel.

Though Palestinians had high hopes for economic growth when the Paris Protocol was signed, Israeli restrictions, particularly its closure policy, has adversely affected Palestinian economic growth. The Israeli human rights organization, B’Tselem, noted in 1999 that “(a)s a result of the closure, economic conditions are significantly worse than they were during the Intifada, prior to the Oslo Accords.” Citing data from the World Bank and others, B’Tselem noted that the total loss from the closure from 1993 to 1996 was an estimated $2.8 billion.

Transfer of PNA Funds:

The Paris Protocol established a system of tax and revenue collection whereby Israel collects on behalf of the PNA customs and other taxes on Palestinian imports as well as income taxes, social security and health insurance, paid by Palestinians working in Israel, and Value Added Tax (VAT) paid by Palestinians during transactions in Israel. Israel is then supposed to transfer the funds back to the PNA on a monthly basis. These funds cover the majority of the PNA’s budget. If Israel fails to transfer them – as it has done multiple times – the PNA faces a financial crisis. Given that more than 25% of Palestinian households depend on PNA salaries for their livelihoods, Israel’s failure to transfer the funds creates serious economic crisis. These funds belong to the Palestinian people and Israel’s failure to transfer them is a fundamental breach of the Interim Agreement, and, thus, of international law.

Israeli Economic Restrictions since September 2000:

Following the beginning of the second uprising against occupation in September 2000, Israel has imposed progressively harsher military closures and movement restrictions. These have decimated the Palestinian economy.

Israel completely controls the flow of goods. All imports and exports, and many domestic products, must pass through Israeli security checks. Israeli restrictions and discriminatory practices hamper Palestinian trade, undermine the viability of investment projects, and leave Israel in control of the Palestinian economy. Not only do these policies violate the Paris Protocol’s requirement that

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50 The Protocol later became part of the 1995 Palestinian-Israeli Interim Agreement on the West Bank and the Gaza Strip, as Annex V.
52 Id.
the parties accord respect to each other’s economic policies and goals, reciprocity and fairness, but they also damage the long-term economic interests of the Palestinians.

Since September 2000, Israel has significantly tightened its policy of issuing work permits to Palestinians in Israel, contributing to higher levels of already high unemployment and depriving a significant portion of the Palestinian population of income. External closures, including as a result of the Wall, have reduced the number of days worked in Israel and prevented employment opportunities in Israel, further suppressing Palestinian workers’ incomes.

The economic market of the oPt is carved up into small pieces because of Israel’s system of internal fixed and flying checkpoints. Increased transportation costs clearly contribute to fragmentation of markets. Israel’s security regime makes it very difficult, if not impossible, for many oPt firms to participate effectively in the global market or to compete with Israeli firms. Because of extra costs imposed on local businesses and differential treatment of firms in the West Bank (excluding East Jerusalem) and Gaza Strip in accessing foreign markets, the security regime puts Israeli firms as well as other competitors in a far more advantageous position vis-à-vis their Palestinian counterparts.

While Israeli imports face a “risk” of security checks, amounting to 15–20 percent, Palestinian importers from the West Bank and Gaza Strip face the “certainty” of security checks: all shipments destined for the West Bank or Gaza Strip are subject to security procedures, resulting in delays and increased costs. At Ben Gurion airport, importers and exporters from the West Bank and Gaza Strip must use dedicated cargo planes, as they are banned from using passenger planes (with some space dedicated to cargo).

Combined, Israel’s discriminatory security arrangements provide incentive to import goods through Israeli intermediaries, which adds to the extra costs and results in the loss of import taxes to the PNA treasury.

2. Key Facts

- According to the World Bank, Israel’s closure is directly responsible for the “sharp reduction in economic activity, greater unemployment and increased poverty” since September 2000.

- The back-to-back system that Israel requires at certain crossing points with the oPt increases the cost of transportation for both finished products and raw materials. For example, the transfer of products for raw materials from one trailer to another costs about US$75–US$86.

3. International Law

Internationally recognized legal principles and standards applicable to economic relations include multilaterally and bilaterally established standards, such as those set out in:


- International agreements including the General Agreement on Tariffs and Trade of the World Trade Organization (WTO), the General Agreement on Trade in Services, the Agreement on Technical Barriers to Trade, the Agreement on Trade-Related Aspects of Intellectual Property Rights, and the Agreement on Trade-Related Investment Measures.

- Rules and procedures applied and respected by international institutions including the WTO, World Customs Organization and World Intellectual Property Organization.

- Generally accepted structures, rules and procedures adopted by countries in support of mutually beneficial trade and commercial relations.

4. The PLO Position

The PLO seeks to ensure that Palestinians have every possible means at their disposal for economic growth and prosperity and in order to realize their full economic potential. To achieve this end, the PLO desires to apply internationally recognized legal principles and standards in determining what is a fair and just solution to economic and trade issues.

The PLO is dedicated to establishing Palestine as an open, progressive economy capable of attracting foreign investment. Accordingly, the PLO seeks to assume full

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control over its economic borders and policies, including import and export policies. Additionally, it seeks stable, fair and efficient trade relations with Israel, as a natural trading partner with Palestine, based on a preferential trade regime in accordance with internationally accepted standards.

Until a final agreement is reached, however, it is imperative that the Paris Protocol be fully implemented.
COMPENSATION FOR OCCUPATION

1. Summary

Over the course of its 41-year occupation, Israel has implemented policies which have violated international law and have caused significant harm to Palestinians. As the occupying power, Israel must compensate Palestinians for acts which violated accepted standards of international law. Such unlawful acts include, inter alia, settlement activity; the unlawful exploitation of water and other natural resources; the pollution of the environment; the confiscation of cultural property; the collection of taxes which were not reinvested into the oPt; and the use of excessive force against the civilian population.55

Although not expressly stated as one of the six permanent status issues of the Oslo Process, Compensation for Occupation is a subject that touches upon most of the permanent status issues. Palestinians regard the issue as essential not only to achieving justice and fairness in any final status arrangement, but also as the cornerstone ending all claims.

2. International Law

- As the occupying power, Israel is bound by the laws of occupation and other relevant international law.

- Under international law, states must provide remedy for acts that violate international norms and obligations and cause injury. Accordingly, Israel is liable for any direct loss, damage and injury resulting from actions which violated accepted norms set out by international law and which were conducted during Israel’s occupation of the West Bank, including East Jerusalem, and the Gaza Strip.

- The International Law Commission’s (ILC) Draft Articles on State Responsibility56 provide that a state responsible for a wrongful act is under an obligation to cease the wrongful act and to make full reparation for the injury caused, including by providing either compensation or restitution.57

- The 2004 Advisory Opinion of the International Court of Justice (ICJ) on the Legal Consequences of a Wall in the Occupied Palestinian Territory confirms the Palestinian position with regard to compensation. In its first legal ruling on Israel’s activities since 1967, the ICJ found that “the construction of the [W]all, and its associated regime, are contrary to international law”58 and that, as a result of its illegal action, “it follows that the responsibility of [Israel] is engaged under international law.” The Court then ruled that because of its violation, Israel must “cease forthwith the works of construction of the Wall being built in the Occupied Palestinian Territory, including in and around East Jerusalem,” return the land to its rightful owners and “compensate, in accordance with the applicable rules of international law, all natural or legal persons having suffered any form of material damage as a result of the Wall’s construction.”59

3. The PLO Position

During permanent status negotiations and in the lead-up to such negotiations, the PLO will seek compensation for a variety of damages, including:60

- Property-related damages caused by settlement activity, including Wall and bypass road construction;

“Whatever the agreed upon method, there needs to be public recognition that justice is being done.”

Uprooting of trees by Israeli army in order to confiscate the land to build the Wall. Artas, Bethlehem, 2007

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55 For more information regarding illegal Israeli actions related to each of these issues, please see relevant sections of this publication.
58 ICJ, Advisory Opinion, Legal Consequences of the Construction of a Wall in the Occupied Palestinian Territory (2004), at ¶ 142.
59 Id. at ¶¶ 147 - 152.
60 For compensation claims related to Palestinian refugees, please see “Refugees” section herein.
Negotiations Primer

- Damages resulting from Israel's illegal use and depletion of Palestinian water resources;
- Damage to the environment due to Israeli policies or Israel's failure to implement sufficient protections;
- Damage resulting from Israel's use of Palestinian financial resources, including taxes and custom duties, in a manner not benefiting the local population;
- Damage resulting from confiscation and loss of, or damage to, Palestinian cultural property.

The PLO believes that failure to address the issue of compensation will seriously undermine efforts to put an end to the conflict and all claims resulting from that conflict.

Israel also stands to benefit: resolving claims for losses and compensation collectively, in the course of negotiations, is preferable to their piecemeal resolution through the Israeli and other legal systems. In addition, rather than resolving claims one at a time, using inconsistent accounting standards, the Palestinian side can offer a comprehensive accounting system that covers all the areas of contention.

The two sides can even negotiate an agreeable accounting mechanism and may agree to appoint a joint accountant/actuarial team which can carry out the technical work on behalf of the two sides.

Whatever the agreed upon method, there needs to be public recognition that justice is being served. This will ultimately be the only path that will lead to reconciliation between Palestinians and Israelis.

“As the occupying power, Israel is bound by the laws of occupation and other relevant international law.”
Annex: Frequently Asked Questions on Camp David Negotiations

1. Why did the Palestinians reject the Peace Proposal?

For a true and lasting peace between the Israeli and Palestinian peoples, there must be two viable and independent states living as equal neighbors. Israel’s Camp David proposal, which was never put forth in writing, denied the Palestinian state viability and independence by dividing Palestinian territory into four separate cantons entirely surrounded, and therefore controlled, by Israel. The Camp David proposal also denied Palestinians control over their own borders, airspace and water resources while legitimizing and expanding illegal Israeli settlements (colonies) in Palestinian territory. Israel’s Camp David proposal presented a ‘re-packaging’ of military occupation, not an end to military occupation.

2. Didn’t Israel’s proposal give the Palestinians almost all of the territory occupied by Israel in 1967?

No. Israel sought to annex almost 9% of the occupied Palestinian territory (oPt) and in exchange offered from Israel’s own territory only the equivalent of 1% of the oPt. In addition, Israel sought control over an additional 10% of the oPt in the form of a “long-term lease”. However, the issue is not one of percentages – the issue is one of viability and independence. In a prison for example, 95% of the prison compound is ostensibly for the prisoners – cells, cafeterias, gym and medical facilities – but the remaining 5% is all that is needed for the prison guards to maintain control over the prisoner population. Similarly, the Camp David proposal, while admittedly making Palestinian prison cells larger, failed to end Israeli control over the Palestinian population.

3. Did the Palestinians accept the idea of a land swap?

The Palestinians were (and are) prepared to consider any idea that is consistent with a fair peace based on international law and equality of the Israeli and Palestinian peoples. The Palestinians did consider the idea of a land swap but proposed that such land swap must be based on a one-to-one ratio, with land of equal value and in areas adjacent to the border with Palestine and in the same vicinity as the lands to be annexed by Israel. However, Israel’s Camp David proposal of a nine-to-one land swap (in Israel’s favor) was viewed as so unfair as to seriously undermine belief in Israel’s commitment to a fair territorial compromise.

4. How did Israel’s proposal envision the territory of a Palestinian state?

Israel’s proposal divided Palestine into four separate cantons surrounded by Israel: the Northern West Bank, the Central West Bank, the Southern West Bank and Gaza. Going from any one area to another would require crossing Israeli sovereign territory and consequently subject movement of Palestinians within their own country to Israeli control. Not only would such restrictions apply to the movement of people, but also to the movement of goods, in effect subjecting the Palestinian economy to Israeli control. Lastly, the Camp David proposal would have left Israel in control over all Palestinian borders thereby allowing Israel to control not only internal movement of people and goods but international movement as well. Such a Palestinian state would have had less sovereignty and viability than the Bantustans created by the South African apartheid government.

5. How did Israel’s proposal address Occupied Palestinian Jerusalem (also known as “Occupied East Jerusalem”)?

The Camp David Proposal required Palestinians to give up any claim to the occupied portion of Jerusalem. The proposal would have forced recognition of Israel’s annexation of all of occupied Palestinian Jerusalem. Talks after Camp David suggested that Israel was prepared to allow Palestinians sovereignty over isolated Palestinian neighborhoods in the heart of occupied Palestinian Jerusalem; however such neighborhoods would remain...
surrounded by illegal Israeli colonies and separated not only from each other but also from the rest of the Palestinian state. In effect, such a proposal would create Palestinian ghettos in the heart of Jerusalem.

6. Why didn't the Palestinians ever present a comprehensive permanent settlement proposal of their own in response to Barak's proposals?

The comprehensive settlement to the conflict is embodied in United Nations Resolutions 242 and 338, which were accepted by both sides at the Madrid Summit in 1991 and later in the Oslo Accords of 1993. The purpose of the negotiations is to implement these United Nations (U.N.) resolutions (which call for an Israeli withdrawal from land occupied by force by Israel in 1967) and reach agreement on final status issues. On a number of occasions since Camp David – especially at the Taba talks – the Palestinian negotiating team presented its concept for the resolution of the key permanent status issues. It is important to keep in mind, however, that Israel and the Palestinians are differently situated. Israel seeks broad concessions from the Palestinians: it wants to annex Palestinian territory, including occupied Palestinian Jerusalem; obtain rights to Palestinian water resources in the occupied West Bank; maintain military locations on Palestinian soil; and deny the Palestinian refugees' their right of return. Israel has not offered a single concession involving its own territory and rights. The Palestinians, on the other hand, seek to establish a viable, sovereign State on their own territory, to provide for the withdrawal of Israeli military forces and settlements (which are universally recognized as illegal), and to secure the right of Palestinian refugees to return to the homes they were forced to flee in 1948. Although Palestinian negotiators have been willing to accommodate legitimate Israeli needs within that context, particularly with respect to security and refugees, it is up to Israel to define these needs and to suggest the narrowest possible means of addressing them.

7. Why did the peace process fall apart just as it was making real progress toward a permanent agreement?

Palestinians entered the peace process on the understanding that (1) it would deliver concrete improvements to their lives during the interim period, (2) that the interim period would be relatively short in duration – i.e., five years, and (3) that a permanent agreement would implement United Nations Resolutions 242 and 338. But the peace process delivered none of these things. Instead, Palestinians suffered more burdensome restrictions on their movement and a serious decline in their economic situation. Israeli settlements (colonies) expanded at an unprecedented pace and the occupied West Bank and occupied Gaza Strip became more fragmented with the construction of settler “by-pass” roads and the proliferation of Israeli military checkpoints. Deadlines were repeatedly missed in the implementation of agreements. In sum, Palestinians simply did not experience any “progress” in terms of their daily lives.

However, what decisively undermined Palestinian support for the peace process was the way Israel presented its proposal. Prior to entering into the first negotiations on permanent status issues, Prime Minister Barak publicly and repeatedly threatened Palestinians that his “offer” would be Israel’s best and final offer and if not accepted, Israel would seriously consider “unilateral separation” (a euphemism for imposing a settlement rather than negotiating one). Palestinians felt that they had been betrayed by Israel who had committed itself at the beginning of the Oslo process to ending its occupation of Palestinian lands in accordance with U.N. Resolutions 242 and 338.

8. Doesn’t the violence which erupted following Camp David prove that Palestinians do not really want to live in peace with Israel?

Palestinians recognized Israel’s right to exist in 1988 and re-iterated this recognition on several occasions including Madrid in 1991 and the Oslo Accords in September, 1993. Nevertheless, Israel has yet to explicitly and formally recognize Palestine’s right to exist. The Palestinian people waited patiently since the Madrid Conference in 1991 for their freedom and independence despite Israel’s incessant policy of creating facts on the ground by building colonies in occupied territory (Israeli housing units in the oPt– not including occupied Palestinian Jerusalem - increased by

Standing at the remains of his demolished house in the Old City of Jerusalem, 2008
52% since the signing of the Oslo Accords and the settler population, including those in occupied Palestinian Jerusalem, more than doubled. The Palestinians do indeed wish to live at peace with Israel but peace with Israel must be a fair peace – not an unfair peace imposed by a stronger party over a weaker party.

9. Doesn't the failure of Camp David prove that the Palestinians are just not prepared to compromise?

The Palestinians have indeed compromised. In the Oslo Accords, the Palestinians recognized Israeli sovereignty over 78% of historic Palestine (23% more than Israel was granted pursuant to the 1947 UN partition plan) on the assumption that the Palestinians would be able to exercise sovereignty over the remaining 22%. The overwhelming majority of Palestinians accepted this compromise but this extremely generous compromise was ignored at Camp David and the Palestinians were asked to "compromise the compromise" and make further concessions in favor of Israel. Though the Palestinians can continue to make compromises, no people can be expected to compromise fundamental rights or the viability of their state.

10. Have the Palestinians abandoned the two-state solution and do they now insist on all of historic Palestine?

The current situation has undoubtedly hardened positions on both sides, with extremists in both Israel and the occupied Palestinian Territory claiming all of historic Palestine. Nevertheless, there is no evidence that the PLO or the majority of Palestinians have abandoned the two-state solution. The two-state solution however is most seriously threatened by the on-going construction of Israeli colonies and by-pass roads aimed at incorporating the occupied Palestinian territory into Israel. Without a halt to such construction, a two-state solution may simply be impossible to implement – already prompting a number of Palestinian academics and intellectuals to argue that Israel will never allow the Palestinians to have a viable state and Palestinians should instead focus their efforts on obtaining equal rights as Israeli citizens.

II. Isn't it unreasonable for the Palestinians to demand the unlimited right of return to Israel of all Palestinian refugees?

The refugees were never seriously discussed at Camp David because Prime Minister Barak declared that Israel bore no responsibility for the refugee problem or its solution. Obviously, there can be no comprehensive solution to the Palestinian-Israeli conflict without resolving one of its key components: the plight of the Palestinian refugees. There is a clearly recognized right under international law that non-combatants who flee during a conflict have the right to return after the conflict is over. But an Israeli recognition of the Palestinian right of return does not mean that all refugees will exercise that right. What is needed in addition to such recognition is the concept of choice. Many refugees may opt for (i) resettlement in third countries, (ii) resettlement in a newly independent Palestine (though they originate from that part of Palestine which became Israel) or (iii) normalization of their legal status in the host country where they currently reside. In addition, the right of return may be implemented in phases so as to address Israel's demographic concerns.
Palestinians recognized Israel’s right to exist in 1988 and re-iterated this recognition on several occasions including Madrid in 1991 and the Oslo Accords in September 1993.

The refugees were never seriously discussed at Camp David because Prime Minister Barak declared that Israel bore no responsibility for the refugee problem or its solution.
Negotiations Affairs Department

Jerusalem Proposal at Camp David

“Israel expanded its settlement enterprise, building new illegal settlements and supporting infrastructure, throughout the oPt”

The Camp David Proposal required Palestinians to give up any claim to the occupied portion of Jerusalem. The proposal would have forced recognition of Israel’s annexation of all of occupied Palestinian Jerusalem.”
The Wall inside Bethlehem surrounds Rachel’s Tomb, 2007
Table of Contents