

# Middle East Reform

## Commitment

“We support Mr. Wolfensohn’s intention to stimulate a global financial contribution of up to \$3bn per year over the coming three years. Domestic and international investors should be full partners to this process. We are mobilising practical support for Mr. Wolfensohn’s efforts and look forward to further development of his plans and their presentation to the Quartet and the international community in September.”

*-Chairman’s Summary (final press conference)<sup>598</sup>*

## Background

Consisting of Russia, the United States, the European Union, and the United Nations, the Middle East “Quartet” was established in 2002 for the purpose of developing and implementing “a comprehensive action plan for reform” in the Middle East.<sup>599</sup> Mr. James Wolfensohn, as the Quartet’s Special Envoy for Gaza Disengagement, developed a plan that includes six key “make or break” issues “the parties must address for disengagement to work”.<sup>600</sup> The plan further includes three key areas for support and reform “that will have the greatest impact and be most likely to foster hope for a new future” for the people of the region.<sup>601</sup> Included in his proposal are calls for the opening of a border crossing at Rafah, and for significant financial assistance directed toward stabilizing and improving the economy in the Palestinian territory in both the short and medium terms.<sup>602</sup> It is this package of proposals that the G8 members endorsed and pledged to support at the Gleneagles summit in July 2005.

Team Leader: Aaron Rathes

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<sup>598</sup> Middle East Peace Process, Chair’s Summary, G8 Gleneagles 2005, (Gleneagles), 8 July 2005. Date of Access: 15 January 2006. <http://www.g8.utoronto.ca/summit/2005gleneagles/mepp.pdf>.

<sup>599</sup> Statement of the Middle East Quartet, European Commission, (Brussels), 16 July 2002. Date of Access: 4 January 2006. [http://europa.eu.int/comm/external\\_relations/med\\_mideast/news/statquartet.htm](http://europa.eu.int/comm/external_relations/med_mideast/news/statquartet.htm).

<sup>600</sup> Testimony of James D. Wolfensohn, Quartet Special Envoy for Disengagement to the Foreign Relations Committee, US Senate, (Washington D.C.), 30 June 2005. Date of Access: 8 January 2006. <http://foreign.senate.gov/testimony/2005/WolfensohnTestimony050630.pdf>.

<sup>601</sup> Testimony of James D. Wolfensohn, Quartet Special Envoy for Disengagement to the Foreign Relations Committee, US Senate, (Washington D.C.), 30 June 2005. Date of Access: 8 January 2006. <http://foreign.senate.gov/testimony/2005/WolfensohnTestimony050630.pdf>.

<sup>602</sup> Testimony of James D. Wolfensohn, Quartet Special Envoy for Disengagement to the Foreign Relations Committee, US Senate, (Washington D.C.), 30 June 2005. Date of Access: 8 January 2006. <http://foreign.senate.gov/testimony/2005/WolfensohnTestimony050630.pdf>.

## Assessment

Score	Lack of Compliance -1	Work in Progress 0	Full Compliance +1
Country			
<i>Canada</i>			+1
<i>France</i>			+1
<i>Germany</i>			+1
<i>Italy</i>			+1
<i>Japan</i>			+1
<i>Russia</i>			+1
<i>United Kingdom</i>			+1
<i>United States</i>			+1
<i>European Union</i>			+1
<b>Overall</b>			<b>1.00</b>

### Individual Country Compliance Breakdown

#### 1. Canada: +1

The Canadian government has demonstrated a high level of compliance with its Gleneagles commitment to James Wolfensohn's plan for Middle East reform through an increase in financial aid targeted at economic development, the deployment of Canadian officials in support of border management efforts, and the establishment of an institution devoted to the promotion of peace in the region.

On 15 September 2005, in response to Israel's successful withdrawal from the Gaza Strip and parts of the Northern West Bank, Prime Minister Paul Martin pledged a further CAD\$24.5 million in additional Canadian assistance to help strengthen the capacity of the Palestinian Authority.<sup>603</sup> This funding will focus on facilitating economic development and good governance in four sectors, including safety and security, governance, economic development and the private sector, and the refugee issue.<sup>604</sup> CAD\$6 million of this commitment will go towards supporting the United Nations Relief and Works Agency's efforts to provide up to 1,300 microcredit loans, 2,000 temporary jobs, and training for 1,800 entrepreneurs to improve the living conditions of Palestinian refugees in the Gaza Strip.<sup>605</sup> Also in September, the Canadian government augmented to CAD\$13.2 million a CAD\$12.2 million package of enhanced assistance promised in May 2005,<sup>606</sup> bringing the total figure for the government's aid package to the Palestinian people to CAD\$36.7 million.<sup>607</sup>

On 15 November 2005, Foreign Affairs Minister Pierre Pettigrew announced, as part of Canada's enhanced package of assistance to the Palestinians, the deployment of a high level border management expert in support of the work of Mr. Wolfensohn, Special Envoy for Gaza Disengagement.<sup>608</sup> Canada Border Services Agency is also providing additional expert assistance to the Palestinian Authority in the

<sup>603</sup> Prime Minister Martin welcomes Israel's pullout and pledges additional support for the Palestinian Authority, Office of the Prime Minister, (Ottawa), 16 September 2005. Date of Access: 19 December 2005. <http://www.pm.gc.ca/eng/news.asp?id=583>.

<sup>604</sup> Prime Minister Martin welcomes Israel's pullout and pledges support for the Palestinian Authority, Office of the Prime Minister, (Ottawa), 16 September 2005. Date of Access: 19 December 2005. <http://www.pm.gc.ca/eng/news.asp?id=583>.

<sup>605</sup> Prime Minister Martin welcomes Israel's pullout and pledges support for the Palestinian Authority, Office of the Prime Minister, (Ottawa), 16 September 2005. Date of Access: 19 December 2005. <http://www.pm.gc.ca/eng/news.asp?id=583>.

<sup>606</sup> Prime Minister Martin welcomes Israel's pullout and pledges support for the Palestinian Authority, Office of the Prime Minister, (Ottawa), 16 September 2005. Date of Access: 19 December 2005 <http://www.pm.gc.ca/eng/news.asp?id=583>.

<sup>607</sup> Prime Minister Martin welcomes Israel's pullout and pledges support for the Palestinian Authority, Office of the Prime Minister, (Ottawa), 16 September 2005. Date of Access: 19 December 2005. <http://www.pm.gc.ca/eng/news.asp?id=583>.

<sup>608</sup> Minister Pettigrew Welcomes Opening of Gaza Crossings, Department of Foreign Affairs and International Trade, (Ottawa), 15 November 2005. Date of Access: 19 December 2005. <http://news.gc.ca/cfmx/view/en/index.jsp?articleid=183549>.

area of border management.<sup>609</sup>

Finally, on 28 November 2005, Foreign Affairs Minister Pettigrew announced plans for a centre to support peace and democracy in the West Bank, the Gaza Strip, and throughout the Middle East.<sup>610</sup> The Canadian government intends to use the Canada Centre for Peace and Democracy to introduce innovative technologies and solutions to facilitate governance, democratic dialogue, and capacity building enhancement.<sup>611</sup>

Analyst: Kyle D'Souza

## 2. France: +1

Since the Gleneagles Summit, the French government has complied with its commitment to Middle East reform, most notably through its increased financial assistance to the Palestinian territories, its committed expertise to the Palestinian Authority (PA) in matters of law and order through the European Union (EU), and its willingness to contribute to infrastructural projects in the Gaza Strip. Furthermore, the French government has repeatedly reiterated its support of Mr. Wolfensohn's plan to regenerate the region's economy following the Gaza disengagement.

On 21 December 2005, the Ministry of Foreign Affairs announced that it would double its financial contribution to the World Bank fiduciary fund for the Palestinian territories for 2005 to €5.5 million.<sup>612</sup> The initiative intends to reinforce the French government's support for the PA following the Gaza disengagement and to ease the current economic hardship in the territory. The French government committed additional financial aid to the Palestinian territories as a member of the EU.<sup>613</sup>

The French government also committed to missions to reform the Palestinian territories' internal law and order, and signaled its availability to contribute to infrastructural projects to support economic regeneration. On 25 November 2005, the French government deployed ten people, and made a financial contribution of €250,000, as part of the EU third-party mission at the Rafah crossing through the end of 2005.<sup>614</sup> Beginning in January 2006, the French government will play a role through the EU in assisting with the reform of the Palestinian police force.<sup>615</sup> In addition, during a meeting with Palestinian authorities on 7 September 2005, Foreign Minister Philippe Douste-Blazy signaled French willingness to contribute to vital projects such as the construction of water treatment facilities and a port at Gaza.<sup>616</sup>

President Jacques Chirac reiterated his support for the regeneration of the Palestinian economy and for the creation of "two viable states, living in peace" when he hosted Israeli Prime Minister Ariel Sharon, on 26 July 2005,<sup>617</sup> and Mahmoud Abbas, President of the PA, on 17 October 2005.<sup>618</sup> The French

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<sup>609</sup> Minister Pettigrew Welcomes Opening of Gaza Crossings, Department of Foreign Affairs and International Trade, (Ottawa), 15 November 2005. Date of Access: 19 December 2005. <http://news.gc.ca/cfmx/view/en/index.jsp?articleid=183549>.

<sup>610</sup> Minister Pettigrew Announces Plans For Canada Centre For Peace and Democracy In Middle East, Government of Canada, (Ottawa), 28 November 2005. Date of Access: 19 December 2005. <http://news.gc.ca/cfmx/view/en/index.jsp?articleid=186449>.

<sup>611</sup> Minister Pettigrew Announces Plans For Canada Centre For Peace and Democracy In Middle East, (Ottawa), 28 November, 2005. Date of Access: 19 December 2005. <http://news.gc.ca/cfmx/view/en/index.jsp?articleid=186449>.

<sup>612</sup> France's contribution to the World Bank's fiduciary fund for the Palestinian Territories in 2005, French Ministry of Foreign Affairs (Paris), 21 December 2005. Date of Access: 3 January 2006 [http://www.diplomatie.gouv.fr/en/country-files\\_156/israel-palestinian-territories\\_290/palestinian-territories\\_2156/france-contribution-to-the-world-bank-fiduciary-fund\\_3158.html](http://www.diplomatie.gouv.fr/en/country-files_156/israel-palestinian-territories_290/palestinian-territories_2156/france-contribution-to-the-world-bank-fiduciary-fund_3158.html).

<sup>613</sup> Commission contributes €14 million to the Euro-Palestinian Credit Guarantee Fund, EUROPA, (Brussels), 13 December 2005. Date of Access: 18 December 2005. [http://europa.eu.int/comm/external\\_relations/gaza/news/ip05\\_1574.htm](http://europa.eu.int/comm/external_relations/gaza/news/ip05_1574.htm).

<sup>614</sup> EU assistance mission at the Rafah crossing point, French Ministry of Foreign Affairs, (Paris), 12 December 2005. Date of Access: 3 January 2006.

[http://www.diplomatie.gouv.fr/en/country-files\\_156/israel-palestinian-territories\\_290/peace-process\\_2155/index.html](http://www.diplomatie.gouv.fr/en/country-files_156/israel-palestinian-territories_290/peace-process_2155/index.html).

<sup>615</sup> Summary of meeting with the Palestinian Authority President, Presidential Office, (Paris), 17 October 2005. Date of Access: 17 December 2005. [http://www.elysee.fr/elysee/francais/actualites/a\\_l\\_elysee/2005/octobre/compte\\_rendu\\_de\\_l\\_entretien\\_avec\\_le\\_president\\_de\\_l\\_aut\\_orite\\_palestinienne.31529.html](http://www.elysee.fr/elysee/francais/actualites/a_l_elysee/2005/octobre/compte_rendu_de_l_entretien_avec_le_president_de_l_aut_orite_palestinienne.31529.html).

<sup>616</sup> Paris accompagne le mouvement, Radio France Internationale, (Middle East), 7 September 2005. Date of Access : 17 December 2005. [http://www.rfi.fr/actufr/articles/069/article\\_38391.asp](http://www.rfi.fr/actufr/articles/069/article_38391.asp).

<sup>617</sup> La France encourage Ariel Sharon sur l'"après-Gaza", Le Monde, (Paris), 11 August 2005. Date of Access: 17 December 2005.

government has additionally proposed that an international conference on the Middle East peace process be convened.<sup>619</sup>

Analyst: Hughes Letourneau

### 3. Germany: +1

Since the July 2005 Gleneagles Summit, the German government has registered an acceptable level of compliance with regards to mobilizing financial and practical support for the Palestinian Authority, as outlined by the recommendations of James Wolfensohn.

On 23 August 2005, German Federal Foreign Minister Joschka Fischer acknowledged the crucial role played by the Quartet's Disengagement Envoy, James Wolfensohn, indicating that the German government "wholeheartedly supports his work."<sup>620</sup> Fischer also urged Israel to "make a decisive contribution to the economic development of the Gaza Strip and the West Bank and thus to stability and security."<sup>621</sup> On 25 November 2005, in a statement on the opening of the Rafah border crossing, Fischer's successor as Federal Foreign Minister, Frank-Walter Steinmeier, noted that the "Federal Government remains fully committed to the international road map."<sup>622</sup>

The German government has also demonstrated its commitment to Mr. Wolfensohn's reform package through its partnership in the €14 million financial aid package announced by the European Commission on 13 December 2005.<sup>623</sup>

Additionally, the German government has demonstrated its commitment through its support of the European Union's (EU) efforts to ensure safety and security at the Rafah border crossing between Egypt and the Palestinian Territory,<sup>624</sup> providing a number of experts to serve within the planned EU border protection and customs mission.<sup>625</sup> Moreover, the German Federal Foreign Office has contributed €500,000 in funding for the mission.<sup>626</sup>

Analyst: Kyle D'Souza

### 4. Italy: +1

The Italian government has complied with the Gleneagles' commitment to Middle East reform, particularly in accordance with the plan presented by the Quartet's Special Envoy for Disengagement, Mr. James Wolfensohn. The Italian government's compliance consists of repeated declarations of support for the recommendations of Envoy Wolfensohn and participation in European Union (EU)-led initiatives for elections monitoring and for the monitoring of the border crossing between the Gaza Strip and Egypt at Rafah.

On 22 September 2005, in a meeting with American Secretary of State Condoleezza Rice, Undersecretary of State Giampaolo Bettamio reinforced the Italian government's commitment to

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<http://www.lemonde.fr/web/article/0,1-0@2-3218,36-675705,0.html>.

<sup>618</sup> Address to the press by President Jacques Chirac with Mahmoud Abbas in Paris, Palais de l'Élysée, (Paris), 17 October 2005.

Date of Access: 17 December 2005.

[http://www.elysee.fr/elysee/francais/interventions/conferences\\_et\\_points\\_de\\_presse/2005/octobre/point\\_de\\_presse\\_conjoint\\_de\\_m\\_jacques\\_chirac\\_president\\_de\\_la\\_republique\\_et\\_de\\_m\\_mahmoud\\_abbas\\_president\\_de\\_l\\_autorite\\_palestinienne.31526.html](http://www.elysee.fr/elysee/francais/interventions/conferences_et_points_de_presse/2005/octobre/point_de_presse_conjoint_de_m_jacques_chirac_president_de_la_republique_et_de_m_mahmoud_abbas_president_de_l_autorite_palestinienne.31526.html).

<sup>619</sup> "La France encourage Ariel Sharon sur l'"après-Gaza", Le Monde, (Paris), 11 August 2005. Date of Access: 17 December 2005.

<http://www.lemonde.fr/web/article/0,1-0@2-3218,36-675705,0.html>.

<sup>620</sup> Federal Minister Fischer on the completion of the Israeli withdrawal from the Gaza Strip, Federal Foreign Office, (Berlin), 23 August 2005. Date of Access: 16 December 2005. [http://www.auswaertiges-amt.de/www/en/ausgabe\\_archiv?archiv\\_id=7517](http://www.auswaertiges-amt.de/www/en/ausgabe_archiv?archiv_id=7517).

<sup>621</sup> Federal Minister Fischer on the completion of the Israeli withdrawal from the Gaza Strip, Federal Foreign Office, (Berlin), 23 August 2005. Date of Access: 16 December 2005. [http://www.auswaertiges-amt.de/www/en/ausgabe\\_archiv?archiv\\_id=7517](http://www.auswaertiges-amt.de/www/en/ausgabe_archiv?archiv_id=7517).

<sup>622</sup> Federal Minister Steinmeier on the opening of the border crossing in Rafah, Federal Foreign Office, (Berlin), 25 November 2005. Date of Access: 16 December 2005. [http://www.auswaertiges-amt.de/www/en/ausgabe\\_archiv?archiv\\_id=7836](http://www.auswaertiges-amt.de/www/en/ausgabe_archiv?archiv_id=7836).

<sup>623</sup> Commission contributes €14 million to the Euro-Palestinian Credit Guarantee Fund, EUROPA, (Brussels), 13 December 2005. Date of Access: 18 December 2005. [http://europa.eu.int/comm/external\\_relations/gaza/news/ip05\\_1574.htm](http://europa.eu.int/comm/external_relations/gaza/news/ip05_1574.htm).

<sup>624</sup> Federal Minister Steinmeier on the opening of the border crossing in Rafah, Federal Foreign Office, (Berlin), 25 November 2005. Date of Access: 16 December 2005. [http://www.auswaertiges-amt.de/www/en/ausgabe\\_archiv?archiv\\_id=7836](http://www.auswaertiges-amt.de/www/en/ausgabe_archiv?archiv_id=7836).

<sup>625</sup> Federal Minister Steinmeier on the opening of the border crossing in Rafah, Federal Foreign Office, (Berlin), 25 November 2005. Date of Access: 16 December 2005. [http://www.auswaertiges-amt.de/www/en/ausgabe\\_archiv?archiv\\_id=7836](http://www.auswaertiges-amt.de/www/en/ausgabe_archiv?archiv_id=7836).

<sup>626</sup> Federal Minister Steinmeier on the opening of the border crossing in Rafah, Federal Foreign Office, (Berlin), 25 November 2005. Date of Access: 16 December 2005. [http://www.auswaertiges-amt.de/www/en/ausgabe\\_archiv?archiv\\_id=7836](http://www.auswaertiges-amt.de/www/en/ausgabe_archiv?archiv_id=7836).

democratic reform in the Middle East, particularly under the auspices of the EU.<sup>627</sup> On 31 October 2005, Deputy Prime Minister and Foreign Minister Gianfranco Fini stated that “Italy, along with the countries of the G8 and within the broader framework of the European Union, actively supports the efforts and strategies for the economic reconstruction of the Palestinian Territories outlined by James Wolfensohn.”<sup>628</sup>

In a visit to Israel and the Palestinian territories from 31 October 2005 to 1 November 2005, Minister Fini reconfirmed the Italian government’s support for political and economic reform in the Palestinian territories in light of the challenges posed by Israel’s withdrawal from the Gaza Strip.<sup>629</sup> He then articulated the Italian government’s intention “to make a concrete contribution”<sup>630</sup> to the implementation of Mr. Wolfensohn’s recommendations for economic development in the Palestinian territories. Minister Fini also reaffirmed the Italian government’s commitment to the EU’s mission to monitor the border crossing at Rafah, which is led by Italian General Pietro Pistolese,<sup>631</sup> and its support for Palestinian legislative elections scheduled to take place on 23 January 2006.<sup>632</sup> These policy commitments followed his “active promotion” of the EU’s involvement in the Rafah border mission to the EU’s High Representative for the Common Foreign and Security Policy, Javier Solana, and to his counterparts in the EU Member States.<sup>633</sup>

Analyst: Marie-Adele Cassola

## 5. Japan: +1

The Japanese government has demonstrated a high level of compliance with its commitment to the Middle East peace process, notably through its emergency contributions through multilateral organizations for the revival of the Palestinian territories’ economy following the Gaza disengagement. Furthermore, the Japanese government has expressed its willingness to provide technical cooperation in the context of the Palestinian Authority’s (PA) reforms, and reiterated its support for a peaceful, two-state solution in the region.

On 6 September 2005, the Government of Japan extended emergency grant aid totaling about US\$49.7 million to the United Nations Relief and Works Agency for the Palestinian Refugees in the Near East (UNWRA) and the United Nations Development Programme (UNDP) for Palestinians in the Gaza strip. This funding will be directed to projects involving the construction of roads and water treatment facilities, the re-housing of non-refugee families, the rehabilitation of Palestinian refugees’ shelters in the Gaza Strip, and the construction of a court house in the Jenin Governate. These projects are expected to create approximately 1,670 jobs per day for Palestinian workers, in line with the Palestinian economic revival plan presented by Mr. Wolfensohn.

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<sup>627</sup> Information Paper – Undersecretary Bettamio participates in the meeting of EU foreign ministers with American Secretary of State Condoleezza Rice, Ministry of Foreign Affairs, (Rome), 22 September 2005. Date of Access: 2 January 2006. [http://www.esteri.it/eng/6\\_38\\_90\\_01.asp?id=2006&mod=1&min=0](http://www.esteri.it/eng/6_38_90_01.asp?id=2006&mod=1&min=0).

<sup>628</sup> Interview with Minister Fini: “Italy’s new role in the world,” Ministry of Foreign Affairs, (Rome), 31 October 2005. Date of Access: 2 January 2006. [http://www.esteri.it/eng/6\\_38\\_90\\_01.asp?id=2102&mod=2&min=1](http://www.esteri.it/eng/6_38_90_01.asp?id=2102&mod=2&min=1).

<sup>629</sup> Visit by Minister Fini in Israel and the Palestinian Territories, Ministry of Foreign Affairs, (Rome), 31 October 2005. Date of Access: 2 January 2006. [http://www.esteri.it/eng/0\\_1\\_01.asp?id=1179](http://www.esteri.it/eng/0_1_01.asp?id=1179).

<sup>630</sup> Visit by Minister Fini in Israel and the Palestinian Territories, Ministry of Foreign Affairs, (Rome), 31 October 2005. Date of Access: 2 January 2006. [http://www.esteri.it/eng/0\\_1\\_01.asp?id=1179](http://www.esteri.it/eng/0_1_01.asp?id=1179).

<sup>631</sup> Gianfranco Fini, Fighting Totalitarianism, The Wall Street Journal Europe, posted at Ministry of Foreign Affairs, (Rome), 18 November 2005. Date Accessed: 4 January 2006. [http://www.esteri.it/eng/6\\_38\\_90\\_01.asp?id=2141&mod=4&min=1](http://www.esteri.it/eng/6_38_90_01.asp?id=2141&mod=4&min=1).

<sup>632</sup> New Visit to Israel by Deputy PM Fini, Notizie Italiane: Newsletter of the Embassy of Italy in Israel, (Tel Aviv), November 2005. Date Accessed: 4 January 2006. <http://www.ambtelaviv.esteri.it/NR/rdonlyres/75431D05-F887-47D7-AFBB-B8F2BA6861E8/0/NINO38.pdf>.

<sup>633</sup> Information Paper – Minister Fini welcomes appointment of Major General Pietro Pistolese, Ministry of Foreign Affairs, (Rome), 15 November 2005. Date Accessed: 4 January 2006. [http://www.esteri.it/eng/6\\_38\\_90\\_01.asp?id=2135&mod=1&min=0](http://www.esteri.it/eng/6_38_90_01.asp?id=2135&mod=1&min=0).

<sup>634</sup> Emergency Grant Aid after Israel’s Withdrawal from the Gaza Strip and Parts of the Northern West Bank, Ministry of Foreign Affairs, (Tokyo), 6 September 2005. Date of Access: 18 December 2005. <http://www.mofa.go.jp/announce/announce/2005/9/0906-2.html>.

On 20 December 2005, the Government of Japan granted an additional US\$720,000 in emergency aid to the Central Election Committee of the Palestinian Authority and the UNDP in support of the Palestinian Legislative Council elections to be held on 25 January 2006. The Japanese government's support for the PA extends to its willingness to "expand technical cooperation for the legislative, the judiciary, and the administration", notably in the form of training and the repair of facilities.

Finally, in planning a visit to Israel and the Palestinian territories in the first half of January 2006, Prime Minister Junichiro Koizumi has reiterated his commitment to advance the Middle East Peace process and indicated the Japanese government's willingness to continue assisting such efforts.

Analyst: Hughes Letourneau

## 6. Russia: +1

The Russian government has fully complied with the commitment to Middle East reform made at the Gleneagles Summit. As a member of the Middle East Quartet, its compliance has been achieved primarily through participation in group-related activities. At the Quartet's meeting at the United Nations (UN) on 20 September 2005, attended by Foreign Minister Sergei Lavrov, a Russian proposal for a high level international conference in Moscow to discuss the Middle East peace process after Israel's withdrawal from Gaza was discussed.<sup>639</sup>

On 18 August 2005, President Vladimir Putin reiterated the commitment made by the G8 at Gleneagles, stating that the Russian government was involved in "James Wolfensohn's efforts to restore the economic potential and infrastructure" of the Palestinian territories.<sup>640</sup> More specifically, President Putin committed Russia to helping the PA reinforce its security as a step towards strengthening the Road Map and normalizing the Middle Eastern situation. Improvements in Palestinian security are preconditions to the achievement of Mr. Wolfensohn's goals of rebuilding the Palestinian economy, as free movement of goods and people within the Palestinian territories and to third parties are essential for Palestinian trade.

President Putin's commitment was followed by talks on 25 August 2005 between Minister Lavrov and his Palestinian counterpart, Mr. Naser al-Qidwa. After the talks, the foreign minister stated that Russia "will provide support for Palestinian security services, training personnel and education".<sup>641</sup> Russian Foreign Ministry spokesperson Mikhail Kamyin noted that Russia would also continue to aid with the development of Palestinian statehood, governance reforms, and socioeconomic problems.<sup>642</sup> Each of these establishes a framework for Mr. Wolfensohn's efforts to revive the Palestinian economy and to further governance reform in the Palestinian territories.

Russia's compliance was further demonstrated in Minister Lavrov's working visit to Israel and the Palestinian territories on 26-27 October 2005 as a member of the Quartet. According to the Foreign

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<sup>635</sup> Emergency Grant Aid for the Palestinian Legislative Council Elections, Ministry of Foreign Affairs, (Tokyo), 20 December 2005. Date of Access: 4 January 2006. <http://www.mofa.go.jp/announce/announce/2005/12/1220-2.html>.

<sup>636</sup> Japan's Support for PA Reform, Ministry of Foreign Affairs, (Tokyo), January 2006. Date of Access: 4 January 2006. [http://www.mofa.go.jp/region/middle\\_e/palestine/support.html](http://www.mofa.go.jp/region/middle_e/palestine/support.html).

<sup>637</sup> Japan's Support for PA Reform, Ministry of Foreign Affairs, (Tokyo), January 2006. Date of Access: 4 January 2006. [http://www.mofa.go.jp/region/middle\\_e/palestine/support.html](http://www.mofa.go.jp/region/middle_e/palestine/support.html).

<sup>638</sup> Visit to the Middle East by Prime Minister Koizumi Next January, Ministry of Foreign Affairs, (Tokyo), 5 December 2005. Date of Access: 4 January 2006. <http://www.mofa.go.jp/announce/event/2005/12/1205-2.html>.

<sup>639</sup> Middle East Quartet Statement, (New York), 20 September 2005. Date of Access: 20 December 2005. [http://www.un.org/news/dh/infocus/middle\\_east/quartet-20sept2005.htm](http://www.un.org/news/dh/infocus/middle_east/quartet-20sept2005.htm).

<sup>640</sup> RF continues to take active part in Mideast settlement, Itar-Tass Online, (Moscow), 18 August 2005. Date of Access: 4 January 2006. Accessed through Factive, Dow Jones Industrial Business Interactive, Document TASS000020050818e18i0043a.

<sup>641</sup> Russia ready to provide support for Palestine security services, Itar-Tass Online, (Moscow), 25 August 2005. Date of Access: 28 December 2005. Accessed through Factive, Dow Jones Industrial Business Interactive, Document TASS000020050825e18p003s5.

<sup>642</sup> Russia ready to provide support for Palestine security services, Itar-Tass Online, (Moscow), 25 August 2005. Date of access: 28 December 2005. Accessed through Factive, Dow Jones Industrial Business Interactive, Document TASS000020050825e18p003s5.

Ministry, one of the priorities for the trip was the implementation of Mr. Wolfensohn's program for Palestinian economic development.<sup>643</sup>

Analyst: Rosita Lee

## 7. United Kingdom: +1

The government of the United Kingdom (UK) is in compliance with its commitment to Middle East reform made at the Gleneagles summit in July 2005. As a member of the European Union (EU), the British government has demonstrated significant support for Mr. Wolfensohn's reform plan by participating in a number of EU missions in the region, and has made financial contributions and commitments to further stabilize the economy of the Palestinian territory.

UK government officials have offered unqualified support for the reform process and have publicly encouraged others to offer support for reform in the region. UK Foreign Secretary Jack Straw, speaking in London at the Ad Hoc Liaison Committee Meeting on 12 December 2005, explained that planning was underway for an International Pledging Conference in support of reform efforts for early 2006.<sup>644</sup> One month prior to that address, Secretary Straw confirmed his government's support for the reform process and called upon others to embrace this commitment by explaining that reform in the region "must be driven by all", and calling on others to "share their experience of reform and to provide practical assistance" to the reform effort.<sup>645</sup>

The most important contribution made thus far to the realization of Mr. Wolfensohn's reform plan is the mission to monitor and administer the Rafah border crossing into Egypt. This action, taken in concert with the other members of the EU, represents a significant development in the region and speaks to the political commitment of the British government to the reform process and Mr. Wolfensohn's proposal for reform. As holder of the EU's rotating presidency at the time of the agreement, Prime Minister Tony Blair was a key figure in the negotiations that resulted in the Agreement on Movement and Access.<sup>646</sup>

The British government has also, through the EU, committed financial resources in partnership with other investors to the furtherance of reform efforts in the region. On 13 December 2005, for example, the European Commission announced a €14 million contribution to the new European Palestinian Credit Guarantee Fund.<sup>647</sup>

Analyst: Aaron Rath

## 8. United States: +1

The government of the United States (US) is in full compliance with the Gleneagles commitment on Middle East reform and peace. Blending multilateral action as a member of the Quartet, as well as unilateral action, the US has undertaken extensive activity to forward James Wolfensohn's efforts on

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<sup>643</sup> Ex Mossad chief prefers US stance to Russian on Mideast, Itar-Tass Online (Moscow), 25 October 2005. Date of Access: 4 January 2006. Accessed through Factive, Dow Jones Industrial Business Interactive, Document TASS000020051027e1ap0003i.

<sup>644</sup> Building a Virtuous Circle of Peace and Prosperity in the Middle East, Foreign and Commonwealth Office, (London), 14 December 2005. Date of Access: 4 January 2006.  
<http://www.fco.gov.uk/servlet/Front?pagename=OpenMarket/Xcelerate/ShowPage&c=Page&cid=1007029391647&a=KArticle&aid=1133774572399>.

<sup>645</sup> Change in the Middle East Must Be Driven by All, Foreign and Commonwealth Office, (London), 12 November 2005. Date of Access: 4 January 2006.  
<http://www.fco.gov.uk/servlet/Front?pagename=OpenMarket/Xcelerate/ShowPage&c=Page&cid=1007029391647&a=KArticle&aid=1131975033033>.

<sup>646</sup> Israeli and Palestinian Agreement on Borders, Foreign and Commonwealth Office, (London), 15 November 2005. Date of Access: 2 January 2006.  
<http://www.fco.gov.uk/servlet/Front?pagename=OpenMarket/Xcelerate/ShowPage&c=Page&cid=1007029391629&a=KArticle&aid=1131976557222>.

<sup>647</sup> Commission Contributes €14 million to the Euro-Palestinian Credit Guarantee Fund, EUROPA, (Brussels), 13 December 2005. Date of Access: 18 December 2005. [http://europa.eu.int/comm/external\\_relations/gaza/news/ip05\\_1574.htm](http://europa.eu.int/comm/external_relations/gaza/news/ip05_1574.htm).

Gaza Disengagement, Palestinian economic revival and governance reform. Secretary of State Condoleezza Rice attended a ministerial-level meeting of the Quartet on 20 September 2005. In a subsequent statement, the Quartet supported Wolfensohn's work in facilitating communication between the Palestinian Authority (PA) and Israel, and reiterated a commitment to lead international efforts in developing the Palestinian economy and democratic reform within the PA.<sup>648</sup>

On 20 October 2005, President George W. Bush welcomed PA President Mahmoud Abbas to the White House. In his welcome speech, President Bush reaffirmed that the goal of rebuilding the Palestinian economy had the support of the Quartet, including the government of the United States. President Bush also lauded the work of Mr. Wolfensohn, and stated his intentions to consult with the Quartet to extend Mr. Wolfensohn's time as Special Envoy.<sup>649</sup> Moreover, President Bush spoke on his agreement with Mr. Wolfensohn concerning the most crucial issues for the Palestinian economy, including the opening of the Rafah border crossing, connecting the Gaza Strip and the West Bank, freedom of movement in the West Bank, and the construction of air and sea ports in the Palestinian territories.<sup>650</sup> He also indicated his agreement with Mr. Wolfensohn's assessment that these issues were crucial for rebuilding the Palestinian economy, and encouraged Arab states to help in the efforts.<sup>651</sup>

With the support of President Bush, Secretary Rice played a key role in the agreement between Palestinian and Israeli officials on the opening of the international border crossing at Rafah, consistent with Mr. Wolfensohn's recommendations regarding the need for "smoothly functioning border points" between the Gaza Strip and Israel.<sup>652</sup> As Mr. Wolfensohn warned that the lack of open border crossings could destabilize the situation in the Gaza Strip by increasing unemployment, Secretary Rice delayed her departure from the region during a trip to the Middle East in an effort to mediate a breakthrough.<sup>653</sup> In this situation, her presence and pressure gave strong support to Mr. Wolfensohn, who had been working on the negotiations for the previous six months. According to Mr. Wolfensohn, Secretary Rice provided the final push needed to broker a solution.<sup>654</sup> The result was the agreement, announced 15 November 2005, to open the Rafah border crossing between Egypt and the Gaza Strip, giving Palestinians control over entry and exit from their territory for the first time since 1967. As well, American officials agreed to work with the Israeli government to lift or reduce obstacles to movement within the West Bank and encourage the construction of a Palestinian seaport and airport, both important issues to Wolfensohn's work.<sup>655</sup>

Finally, the US government complied with its Gleneagles commitment by signing a US\$50 million agreement on scanning equipment with Israel. The equipment, including state-of-the-art scanners, will be financed by the American government through the United States Agency for International Development (USAID). The new technology will help facilitate the movement of people and goods at border crossings between Israel, the West Bank, and the Gaza Strip and is expected to contribute to the rebuilding of the

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<sup>648</sup> Middle East Quartet Statement, (New York), 20 September 2005. Date of Access: 20 December 2005.

[http://www.un.org/news/dh/infocus/middle\\_east/quartet-20sept2005.htm](http://www.un.org/news/dh/infocus/middle_east/quartet-20sept2005.htm).

<sup>649</sup> President Welcomes Palestinian President Abbas to the White House, Office of the White House Press Secretary, (Washington D.C.), 20 October 2005. Date of Access: 20 December 2005.

<http://www.whitehouse.gov/news/releases/2005/10/print/20051020.html>.

<sup>650</sup> President Welcomes Palestinian President Abbas to the White House, Office of the White House Press Secretary, (Washington D.C.), 20 October 2005. Date of Access: 20 December 2005.

<http://www.whitehouse.gov/news/releases/2005/10/print/20051020.html>.

<sup>651</sup> President Welcomes Palestinian President Abbas to the White House, Office of the White House Press Secretary, (Washington D.C.), 20 October 2005. Date of Access: 20 December 2005.

<http://www.whitehouse.gov/news/releases/2005/10/print/20051020.html>.

<sup>652</sup> Testimony of James D. Wolfensohn, Quartet Special Envoy for Disengagement to the Foreign Relations Committee, US Senate, (Washington D.C.), June 30, 2005. Date of access: 10 November 2005.

<http://foreign.senate.gov/testimony/2005/WolfensohnTestimony050630.pdf>.

<sup>653</sup> Mid-East talks continue overnight, BBC News Online—International Edition, (London), 15 November 2005. Date of Access: 4 January 2006. [http://news.bbc.co.uk/2/hi/middle\\_east/4433692.stm](http://news.bbc.co.uk/2/hi/middle_east/4433692.stm).

<sup>654</sup> Joint Press Availability with European Union High Representative Javier Solana and Quartet Special Envoy Jim Wolfensohn, US Department of State, (Washington D.C./Jerusalem), 15 November 2005. Date of Access: 4 January 2006.

<http://www.state.gov/secretary/rm/2005/56890.htm>.

<sup>655</sup> Joint Press Availability with European Union High Representative Javier Solana and Quartet Special Envoy Jim Wolfensohn, US Department of State, (Washington D.C./Jerusalem), 15 November 2005. Date of Access: 4 January 2006.

<http://www.state.gov/secretary/rm/2005/56890.htm>.



Palestinian economy.<sup>656</sup> The US-Israel agreement builds on both an existing USAID border-crossing assistance program and the 15 November 'Agreement on Movement and Access' reached by the Israeli Government and the PA that was brokered by Mr. Wolfensohn and Secretary Rice.<sup>657</sup>

Analyst: Rosita Lee

## 9. European Union: +1

The European Union (EU) has complied fully with its commitment to Middle East reform, in line with the recommendations of the Quartet's Special Envoy for Disengagement James Wolfensohn. The EU's compliance has been achieved through allocations of financial assistance for economic revival in the Palestinian territories, the deployment of an election mission to monitor the upcoming Palestinian legislative elections, and the launching of a mission to operate the border crossing between Egypt and the Gaza Strip at Rafah.

On 20 September 2005, the European Commission announced the allocation of €280 million in economic assistance to the Palestinian Authority.<sup>658</sup> The Commission directed €60 million of this package specifically to infrastructure-building, institution-building, and social services in the Palestinian territories following disengagement.<sup>659</sup> On 13 December 2005, the Commission responded to Mr. Wolfensohn's recommendations for economic revival in the Palestinian territories<sup>660</sup> with a €29 million contribution to the European-Palestinian Credit Guarantee Fund, which is intended to support small and medium-sized Palestinian enterprises through soft loans and grants.<sup>661</sup>

The EU has made a firm commitment to the promotion of democracy and the strengthening of civil society in the Palestinian territories. In November 2005, the European Commission announced the deployment of an Election Mission of 172 observers for the January 2006 elections to the Palestinian Legislative Council.<sup>662</sup> The European Council also launched a Police Mission in the Palestinian territories with a focus on the establishment of a sustainable policing infrastructure.<sup>663</sup> Finally, in November 2005, the Commission agreed to a request from Mr. Wolfensohn on behalf of the Palestinian Authority and the Israeli government, for an EU team to monitor the operation of the Rafah border crossing.<sup>664</sup> The crossing at Rafah was identified specifically by Wolfensohn as one of six issues which could 'make or break' the peace process.<sup>665</sup>

Analyst: Marie-Adele Cassola

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<sup>656</sup> US and Israel Sign \$50 Million Agreement on Scanning Equipment for Crossings, US Department of State, (Washington D.C./Tel Aviv), 8 December 2005. Date of access: 28 December 2005. <http://www.state.gov/r/pa/ei/pix/b/nea/57820.htm>.

<sup>657</sup> US and Israel Sign \$50 Million Agreement on Scanning Equipment for Crossings, US Department of State, (Washington D.C./Tel Aviv), 8 December 2005. Date of access: 28 December 2005. <http://www.state.gov/r/pa/ei/pix/b/nea/57820.htm>.

<sup>658</sup> European Commission to support the Palestinians with €280 million in 2005, European Commission, (Brussels), 19 September 2005. Date Accessed: 28 December 2005.

[http://europa.eu.int/comm/external\\_relations/gaza/news/ip05\\_1159.htm](http://europa.eu.int/comm/external_relations/gaza/news/ip05_1159.htm)

<sup>659</sup> European Commission to support the Palestinians with €280 million in 2005, European Commission, (Brussels), 19 September 2005. Date Accessed: 28 December 2005.

[http://europa.eu.int/comm/external\\_relations/gaza/news/ip05\\_1159.htm](http://europa.eu.int/comm/external_relations/gaza/news/ip05_1159.htm)

<sup>660</sup> Testimony of James D. Wolfensohn Quartet Special Envoy for Disengagement to the Foreign Relations Committee United States Senate, United States Senate, (Washington), 30 June 2005. Date Accessed: 26 December 2005. [www.foreign.senate.gov/testimony/2005/WolfensohnTestimony050630.pdf](http://www.foreign.senate.gov/testimony/2005/WolfensohnTestimony050630.pdf).

<sup>661</sup> Commission contributes €14 million to the Euro-Palestinian Credit Guarantee Fund, European Commission, (Brussels), 13 December 2005. Date Accessed: 28 December 2005.

<sup>662</sup> Press Release: 2691<sup>st</sup> Council Meeting, General Affairs and External Relations, European Council, (Brussels) 21-22 November 2005. Date Accessed: 29 December 2005. [http://ue.eu.int/ueDocs/cms\\_Data/docs/pressdata/en/gena/87093.pdf](http://ue.eu.int/ueDocs/cms_Data/docs/pressdata/en/gena/87093.pdf).

<sup>663</sup> EU Election Observation Mission for Palestinian Legislative Council Elections, European Commission, (Brussels), 21 November 2005. Date Accessed: 28 December 2005.

[http://europa.eu.int/comm/external\\_relations/human\\_rights/eu\\_election\\_ass\\_observ/westbank/legislative/index.htm](http://europa.eu.int/comm/external_relations/human_rights/eu_election_ass_observ/westbank/legislative/index.htm).

<sup>664</sup> Press Release: 2687<sup>th</sup> Council Meeting, General Affairs and External Relations, European Council, (Brussels), 7 November 2005. Date Accessed: 29 December 2005.

[http://ue.eu.int/uedocs/cmsUpload/Council\\_Conclusions-External\\_Relations-7.11.2005-MEPP.pdf](http://ue.eu.int/uedocs/cmsUpload/Council_Conclusions-External_Relations-7.11.2005-MEPP.pdf).

<sup>665</sup> Testimony of James D. Wolfensohn Quartet Special Envoy for Disengagement to the Foreign Relations Committee United States Senate, United States Senate, (Washington), 30 June 2005. Date Accessed: 26 December 2005. [www.foreign.senate.gov/testimony/2005/WolfensohnTestimony050630.pdf](http://www.foreign.senate.gov/testimony/2005/WolfensohnTestimony050630.pdf).