



MIDDLE EAST PEACE PROCESS

1. A comprehensive resolution of the Middle East conflict is critical to peace in the world and prosperity in the region. In this context, our common goal remains a final settlement of the Israeli/Palestinian conflict based on the creation of a viable, democratic Palestinian state living in peace, dignity and prosperity side-by-side with a secure, universally recognised Israel. We now have a real opportunity to advance peace in the Middle East.
2. We welcome Israel's planned withdrawal from Gaza and parts of the northern West Bank. The success of this courageous step will require close co-ordination between the parties.
3. We welcome and endorse the approach presented to us by James Wolfensohn as the Quartet's Special Envoy for Disengagement, to support economic regeneration and further Palestinian governance reform. Mr Wolfensohn's work should complement that of General William Ward on security issues. These efforts will build on the London Meeting on Supporting the Palestinian Authority of 1 March 2005. We urge the Government of Israel and the Palestinian Authority to engage fully and constructively in implementing Mr Wolfensohn's plans.
4. 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. We note the strong interest of Arab States and members of the Organisation of the Islamic Conference, and encourage them to provide substantial additional support.
5. Both parties must meet their commitments under the Roadmap which would be re-energised by a successful withdrawal. The Government of Israel should meet its Roadmap commitments on settlements, and fundamentally ease the system of movement restrictions that prevent Palestinian economic recovery, consistent with Israel's security needs. Palestinian economic revival also requires systematic reform driven by the Palestinian Authority, which must re-establish internal law and order, and take effective action to confront terrorism.
6. The global significance of this conflict requires strong international engagement. We underline our resolve to support both sides in meeting their Roadmap commitments and call on others to do the same.