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SECOND CONFERENCE ON THE MIDDLE EAST CHALLENGES AND PERSPECTIVES

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Socialist Group Conference
European Parliament
Brussels 2-3 July 2008



Socialist Group in the
European Parliament

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John Bell, Director of the Middle East and Mediterranean Programme, Toledo Center for Peace in Madrid

Foreword



After the success of last year's exchange of views, the PSE Group decided to organise a second conference focusing on the challenges and the perspectives related to peace efforts in the Middle East, with special regard to the Annapolis process, on 2-3 July 2008 in the European Parliament in Brussels. Following our belief that peace can only be created if everyone speaks to everyone, we hope that this second meeting, as the first one, did make some useful contribution.

The aim of the event was yet again to provide an informal forum for politicians, academics and high-level experts from Egypt, Israel, Jordan, Lebanon, Palestine, Syria, the United States, Russia, the EU Member States, the Arab League and the United Nations to discuss the situation and the main challenges in the Middle East, especially the Israeli-Palestinian conflict, in order to continue to support the peace process, to contribute to a better understanding of each other and to promote dialogue.

As last year's experience had proved very positive, the Group decided to base this conference, as the previous one, on a series of round table debates which focused on specific policy areas and questions directly related to the peace process in the Middle East. In addition, a *Forum for Peace* was organised with the participation of partner organisations and NGOs, focusing on the economic, environmental and cultural dimensions of the Israeli-Palestinian conflict.

Among the keynote speakers this year we had the honour to again welcome a series of distinguished guests, including EU High Representative Javier Solana, EP President Hans-Gert Pöttering, Israeli Minister Ami Ayalon and Palestinian Deputy Foreign Minister Ahmed Soboh. This booklet gives a rendition of the speeches delivered by the keynote speakers as well as a summary of the round table debates and the discussions in the *Forum for Peace*.

The Socialist Group in the European Parliament is committed to continuing its efforts in order to facilitate dialogue between all parties concerned which eventually should lead to a lasting peace in the Middle East. In this context, let me express my warmest gratitude to Pasqualina Napoletano, Vice-President of our Group, for promoting this second conference. She is an indefatigable campaigner for peaceful existence and harmonious reconciliation of peoples in the Middle East region and it is her spirit, energy and dynamism that have made this conference possible.

Martin Schulz

PSE Group President

Speakers and panel participants

Opening Session

AYALON, Ami	Minister in the Prime Minister's Office, Government of Israel
LANDABURU, Eneko	Director General of DG RELEX, European Commission
NAPOLETANO, Pasqualina	Vice-President of the Socialist Group in the European Parliament
PÖTTERING, Hans-Gert	President of the European Parliament
SCHULZ, Martin	President of the Socialist Group in the European Parliament
SOBOH, Ahmed	Deputy Minister of Foreign Affairs, Palestinian Authority
SOLANA MADARIAGA, Javier	EU High Representative for the Common Foreign and Security Policy

Panel participants

ABU RASHID, Mansur	Chairman of the Amman Center for Peace and Development
AHDAB, Misbah	Member of the Lebanese Parliament
AL KAYAL, Maria	Executive Researcher at the Orient Center for International Studies in Damascus
ALPHER, Yossi	Co-Editor of bitterlemons, Israel
ATOUT, Samah	Policy Adviser at the Office of the Palestinian Representation to the UN in Geneva
AVITAL, Colette	Deputy Speaker of the Knesset
BAGDASAROV, Semen	Member of the State Duma, Social Democratic Party of Russia
BASKIN, Gershon	Co-Director of the Israel-Palestine Center for Research and Information in Jerusalem
BELL, John	Director of the Middle East and Mediterranean Programme at the Toledo Center for Peace in Madrid

BITAR, Hania	Director General of the Palestinian Youth Association for Leadership and Rights Activation
BURCHARD, Matthias	Head of UNRWA Representative Office in Geneva and UNRWA Liaison Office in Brussels
CASSINI, Giuseppe	Ambassador, Italy
CHOUKRI-FISHERE, Ezzedine	Director of the Arab-Israeli Project at the International Crisis Group
CINGOLI, Janiki	Director of the CIPMO Italian Centre for Peace in the Middle East
FARAH, Jafar	Director of Mossawa Center – The Advocacy Center for Arab Citizens in Israel
FARES, Qaddura	Chairman of the Palestinian Prisoners’ Club
FASSINO, Piero	Co-Chair of the Committee on the Middle East, Socialist International
LIEL, Alon	Former Director General of the Israeli Ministry of Foreign Affairs
MURPHY, Michael	Resident Country Director in the West Bank and Gaza of the National Democratic Institute for International Relations
RUDMAN, Mara	Senior Fellow at the Center for American Progress
SABELLA, Bernard	Member of the Palestinian Legislative Council
SHAPIRA, Smadar	Brussels Representative of the The Peres Center for Peace
STETTER, Ernst	Head of the Friedrich-Ebert-Stiftung Brussels Office
SUSSKIND, Simone	President of the Actions in the Mediterranean in Brussels
VILAN, Avshalom	Member of the Knesset
WARONER, Shlomi	Policy Adviser to the Israeli Minister for Pensioners’ Affairs
YOUSSEF, Hesham	Head of Cabinet of the Secretary General at the League of Arab States
ZAKOUT, Jamal	President of the Palestinian Peace Coalition

Opening session

2 July



Pasqualina Napoletano

PSE Group Vice-President



Distinguished Guests, High Representative, Dear Ministers and Colleagues, Dear Ambassadors, Ladies and Gentlemen,

We have just heard about the awful terror attack of this morning in Jerusalem, which caused many deaths and casualties.

We strongly condemn this act, our first message goes of course to the families of the victims. We reject any practice of violence. We stand for the hope of peace and for dialogue, and this conference wants to show our commitment and possibly our contribution to the end of tensions in the Middle East.

For the second consecutive year, the Socialist Group in the European Parliament organises this Conference on the challenges and perspectives of peace in the Middle East.

First of all, let me thank all the participants for accepting our invitation. Among you, there are people attending our conference for the second consecutive time. This is a mark of continuity that we, as European Socialists, are committed to maintain and to keep for the years to come.

I'd like to welcome the Israeli and Palestinian delegations, very well qualified and numerous as usual, and I also wish to thank all our guests and friends from the Middle East region.



A special thank to the High Representative, Mr Javier Solana, who's honouring us once again with his presence in the conference, and to the representative of the European Commission. I also announce that the President of the European Parliament, Hans-Gert Poettering, will join us later in a dinner for our distinguished guests following this opening session.

This is not the time, in my remarks, for analysing the situation in the Middle East region and the different aspects of the peace process. Just like last year, the Socialist Group has decided to take the role of "facilitator": the meaning of our presence here is not acting as the main protagonist but fostering the dialogue and the understanding among all the participants.

The previous year has brought some new important events. However, we unfortunately cannot say that this one has been the year of peace, although many have expressed the wish and the commitment to make the Palestinian State come true before the end of 2008.

Nevertheless, this year is not finished yet and we still have a peace process going on, although against a backdrop of many dangers and difficulties.

Once again, the conference of Annapolis has created big expectations, however we do not ignore the important difficulties still existing, such as the situation in Gaza, the truce between Hamas and Israel, the settlements in the West Bank.

We feel more than ever the crucial responsibility of Europe, that can't be only a financier of the peace process. We believe that a comprehensive agreement between Israelis and Palestinians needs a stable and peaceful regional framework. The role of actors like the Arab League, Egypt, Saudi Arabia, Turkey, Qatar has been very important, we therefore believe that the approach we decided to take last year in the previous PES conference could be an important tool for peace.

Strengthening the link between Europe and the Middle East, that is the contribution the Socialist Group intends to give through this conference.

We are truly convinced that in the Middle East, just as it should be for Europe, it is not with nationalistic answers that we will foster peace, prosperity, stability.

The policies of the European Union, on this same issue, should be less schizophrenic and they should involve not just the question of the relations between the single Member States and the EU itself, but most of all the promotion of a regional and sub-regional integration among the Mediterranean and Middle Eastern countries.

I'd like to end my brief introduction here. The programme of the conference is in your folders: we have decided upon a very informal and free approach in all our discussion panels.

Compared to last year, we have decided to introduce a small innovation, the "Forum for Peace" tomorrow afternoon, which we have wished to organize in order to include a wider number

of actors and participants in our discussion and in our common efforts towards peace.

Finally, let me take this opportunity to thank the “Mediterranean and Middle East Unit” of the Secretariat of the Socialist Group for making this conference possible.

I am very pleased now to give the floor to the President of the Socialist Group, Martin Schulz, for the official opening speech of our conference.



Martin Schulz

PSE Group President

Honourable Members, Ladies and Gentlemen, Dear Guests,

First of all, I'd like to thank my colleague, Pasqualina Napoletano, very warmly. She is a vice-president of our political group and she is responsible for the Middle East policy of our group and at the

beginning of our second conference of this kind, I would like to express the thanks of my 200 socialist colleagues to Mrs Napoletano. She is an indefatigable campaigner for peaceful co-existence and harmonious reconciliation of peoples in the Middle East and she is the champion and organiser of this second conference, she is the energy and the dynamism behind this second conference and I thank her for her inspiring words of welcome. So thank you very much Pasqualina for all your efforts.

Dear guests, ladies and gentlemen, ministers, your excellencies, colleagues from various parliaments, colleagues from the European Parliament, this conference, as Pasqualina has pointed out, is now obviously influenced by the events of today and I underscore what Pasqualina has said, our thoughts and our hearts go out to the families of the victims of this attack. Obviously we don't know the background to this attack but we are all too often unfortunately shocked and moved by the violence and the tragedies that occur in Israel. The Socialist Group has been working hard for a long time, through the European Parliament, to have an influence on the Middle East policy of the European Union. We want to have a lasting impact.



What we can achieve as a political group is built upon the fact that we have a very clear idea of how socialists can make their contribution to peaceful developments in international politics.

So do allow me to repeat what I said at the opening of our first conference last year; as social democrats in this parliament we are not a neutral institution, we have a political belief. There are 220 socialists who come from the member states of the European Union and we have a shared view, not just of how the European Union should be organised, but also of how peace could be created in the Middle East, not just peace – we have a shared idea as international socialists of what is necessary in order to generally promote peace in the world, and what's necessary within the European Union so that the European Union which, like no other region in the world, has created peace for its own territory, how it can contribute to building peace outside the European Union and making a contribution to creating peace for other regions of the world. We are not a diplomatic body, we are a political party. We are the Socialist

party of Europe and so please allow me to run through some features of this shared idea at the beginning of this conference.

We are deeply convinced that peace can only be created if everyone speaks to everybody. The peace process is an inclusive process. It means inclusive action and it doesn't involve excluding any participant or concerned party. When, two years ago, and even last year, we discussed the fact that in the Middle East peace, from our point of view, could only be possible if everyone spoke to everyone, we concluded from this that direct dialogue between Israel and Syria was a necessity in the Middle East peace process. At the time we were criticised for saying that. I note today that leaders, even the people here today, have taken on board that position thus both in Israel and in Syria there are people who believe that direct dialogue is necessary, so perhaps our first Middle East peace conference did make some useful contribution, and I've had the opportunity myself two years ago of meeting Ami Ayalon and Mr Hassan as well, and two years ago my meeting with Ami was characterised by let's say a slightly tense friendship and I'm pleased today that we've come a step further. This step, that is the preparedness for dialogue, isn't just the merit of the Socialist Group, it's the merit of those who shoulder the responsibility for the peace process in the Middle East. This is also a sign of hope and allow me to also make a comment about the role that the European Union itself must play. If we, as Socialists, here in the European Parliament, and in dialogue with the other European institutions, with the Council – we have the representative Mr Javier Solana here today – with the Commission, if we discuss what the European Union itself should do, the idea that it's only the basis of a multi-lateral strategy and multi-lateral deliberations that movement can be brought back into stalled processes, and that is the basic premise for all deliberations and we share that view with the other institutions so allow me to make the point here that multilateralism means involving all concerned states, organisations, and forces in a region, in this case in the Middle

East. So it can never mean excluding a party, at least it cannot mean that those who could be taken on board or involved in a peace process, that these should never be excluded. Obviously those who must be excluded are those who speak the language of violence but we cannot exclude those who can be brought on our side through conviction and persuasion and so the multi-lateral approach is decisive for us as Socialists. I think that the unilateral approach, as we have seen under the US administration, under George W. Bush, not just in the Middle East but in other regions of this world, which they felt was the correct approach for years, has, we feel, definitely failed, and we are full of hope that a new administration will choose a different and a better strategy and help promote peace throughout the world. The European Union, and this is clear from its inner structure, cannot compensate for the diplomatic deficits of US policy but nonetheless, I would like to extend a word of thanks to Javier Solana. I'd also like to thank many other people in the Council, the members of the Council present here today, they have made a contribution to bringing movement into the peace process in the Middle East, and the changes in the European Union's stance, and the change in the European Union states, in my view, and the new role of the European Union and its member states, all this can be seen in the way in which the UNIFIL mandate has been changed is now being acknowledged at a point in time when, in my view, the absence of the American administration's ability to have influence is at its peak, so Javier Solana in our view has made, and is making, a huge contribution to the peace process. So at this conference, as the chairman of the Socialist Group, I would like to thank our friend Javier Solana for the very successful work he has accomplished.

This conference should ensure that dialogue becomes possible between forces who, at the inter-governmental level perhaps, or the level of international diplomacy cannot easily speak together. But perhaps in the context of such a conference they can talk together and that's one of the essential contributions

that we can offer. It is a modest contribution but it is a contribution after all, and so we're very proud of the fact that so many men and women from the entire region have accepted our invitation to attend – that is a huge opportunity. We're also proud that so many ambassadors from member states of the European Union and from states in the region have also accepted our invitation – that's a good sign as well. The dialogue that is possible here is an open and frank dialogue; it doesn't commit anyone who is sitting around this table to anything. The only thing that we would hope and desire is that there be a frank debate and that other people be willing to listen as well. Compared to our first conference, dear guests, at this second conference, around the table, we have people who, in their governments, have the power to act, Ahmed Soboh, Ami Ayalon, Javier Solana, these are members of governments, representatives of international organisations, who have the authority to act. They aren't just guests of this forum, they aren't just speakers today. Back home, these are active, authoritative members of governments and institutions and the fact that they are able to be here today is a very encouraging sign. Those who know them know there can and perhaps will be some tense and very highly charged discussions, but that's what we want. The fact that we around this table can perhaps start talking about moving towards solutions, but actually discussing ways of getting close to solutions, that is a huge opportunity for this conference.

This conference is taking place at a point in time when the European Union, yet again, is bogged down in a crisis. We shouldn't delude ourselves about this – the European Union, after the 'No' from Irish citizens to the Lisbon Treaty is now in a very difficult situation indeed. We as Socialists more than ever want to make it clear that there is a way out of this difficult situation because the EU is made up of member states, and it's these member states, which have interests of different sorts in this region but they have one shared interest and that is that we, as the European Union, are a neighbour of the

Middle Eastern region and we want there to be peace in this neighbouring region. That's an interest we all share and we want as the European Union to make a contribution to creating that solution, that peace. That means that the economic funds and resources that have to be made available should be guaranteed in the long term and allow me to say that the Socialist Group, more than any other group in this house fights for ensuring that we provide long-term, sustainable resources because we know that there are economic problems in the area and we want to help overcome those. We know, more than any other region in the world, that prosperity, education, sound infrastructures, employment, jobs for people – all these things help underpin peace. So the economic commitment of the European Union is as important a contribution to building peace as a diplomatic contribution, and I hope that will be recognised at this debate and will be properly discussed as well.

To wind up, I'd like to thank you all for coming. Just by being here you're showing and you're emphasising that you share our assessment that this is an important conference and I repeat that we as Socialists will make our contribution to ensure that the EU becomes more effective. The EU urgently needs reforms so that we can make even more of an effective contribution than we do at the moment because the EU is needed in the entire region so thank you very much for your attention and I hope we have a tough debate, a frank and open debate, and I hope perhaps that we can achieve some substantive outcomes.

Javier Solana

EU High Representative for Common Foreign and Security Policy



Thank you very much, Pasqualina, for your kind words today, for convening this meeting and thank you very much also Martin. I think this meeting is very timely and I'd like to thank the parliamentary group of the socialist party in the European Parliament for convening it.

It's very difficult to welcome everybody here by name so let me just choose two people to really extend to them a warm welcome. I think we have two representatives here, one from the Israeli government, and one from the Palestinian Authority. They are both good friends. We have already met with them I don't know how many times, and it is good that they have returned. Whenever they are called here to discuss important issues they never fail – Ami Ayalon to my right and my dear friend Ahmed Soboh. Both of them, I don't know how many hours we have spent together. Many, though never too many, and maybe we will have to continue to do so for a long time. But in any case I would like to welcome them and with them, the representatives of many people from different countries, from different parties of the Middle East. Let's see today if we can, not only really talk, but also do what we have to do: convert, translate our words into action.

The time in which we are living is not just any time. We are pretty close to important events and the time that we have in

front of us to make a difference is very important and short. Therefore let's see if we can not only discuss among ourselves today but see if we can come up with some ideas, some suggestions that can be translated into action, constructive action in order to get peace to be a reality.

This meeting takes place a few days after a very important conference took place in Berlin. That proved once again the engagement we have in order to really, as much as we can, tackle the difficult problems which have to do with the two-state-solution. One of the most important issues related to the two-state-solution is to have one Palestinian state; and to have a Palestinian state we also need to do our utmost to cooperate with the Palestinians on nation building, and I think that the meeting that we had in Berlin last Tuesday was very important from that point of view. The cooperation, the pledges, the coordination among different actors to get help, sustainability for the police and the Palestinians is something very, very important. As I said, nation building is of the essence. This touches upon many things; its borders – no doubt on all that, its territory but also its institutions which can work efficiently with the cooperation of others – the cooperation of the neighbours and also the cooperation of the international community. But this meeting takes place also at a very important moment, we are in the month of July, it has been 6 months since Annapolis, half a year. In Annapolis we said that by the end of the year 2008 we will have the possibility of having a finalisation of an agreement. Half of the year, half the time is gone, we are now in July, and therefore we still have 6 months, but not more than 6 months, to see if we can arrive at some sort of agreement. Therefore today discussion is good, exchange of ideas is good, but if we can also translate that into action, I think that would be much better.

Now I would like to address four or five issues, just to frame a little bit the debate if you like, that may take place after this introduction.



First, on negotiation. As you know, the bilateral negotiations continue, continue in a very discreet manner as you know. We really don't know what is the exact level of achievement of these bilateral talks both at the level of Foreign Minister and Mr Abou Ala, and at the level of Prime Minister Olmert and President Abbas. All the news that we have, all the sentiment, not only sentiment but reality that has been transmitted to us, indicates that some progress may be in the making, so therefore whatever we can do not to disrupt that process, all the better. I don't think we have to be overoptimistic. It's going to be very difficult but what we have in front of us is still some space, some time, and we have to translate that space and that time into reality. I think that the European Union has to continue confronting this situation in the manner we have done so far. Politically, economically, in relation to reform, in relation to building and I think we have to be, I wouldn't say proud, proud would be too strong a word, but we really have to recognise that we have accomplished this process with a tremendous amount of energy and a tremendous amount of

friendship, and I hope very much that both sides recognise that, I'm sure they do, and they know that we will continue doing so, sure of a noble cause.

The second thing I would like to say is that we have a problem with leadership at this point in time in Israel and we have to recognise that. At this point in time, as you know, the decision has been taken by the parliament that leads to the primaries of Kadima, the largest party, and which may put us in a more difficult political situation at the end of the month of September, so don't forget to put that as well into your mental computers when thinking of how best we can deal with the time that we have now.

Third, I would like to say very clearly that the realities that we have on the ground have to change and I don't think they have changed sufficiently in this period of time. On access and movement much, much more has to be done to allow the life of the Palestinian people to be better. I have to say very clearly that the settlements have to stop. We cannot progress in the process at this stage of the journey toward the end of the year 2008, if there is not a clear commitment on settlements, and I say that in front of my good friend Ahmed and I am sure that he agrees with me completely, but it has to be stated and this parliamentary group has to say it clearly. I think it will be very difficult, if not impossible, to have negotiations on a final status when the final status changes prior to those negotiations. Therefore we have to say it clearly and from the European point of view: we have said it in written form, we have stated it in a formal manner and now we have to say it here today as well.

The fourth thing I would like to say is that the situation today in Gaza is still very difficult but something may be moving. I would like to thank the efforts of Egypt in that direction, the Arab League and other countries who have all contributed to see if something can be done in the way of intra-Palestinian reconciliation. That will not be easy or done in 24 hours but I think we have a good chance, having put in place the possibility of moving in that direction. It is true that at the same time,



regardless of what happened today, regardless of what happened yesterday, the sentiment is that some kind of truce may be sustainable and it will be very, very important, if that is the case, if we can do our utmost in that direction.

The next point I would like to address is the comprehensivity of the process. The Israeli-Palestinian track no doubt is fundamental, it's at the core – without solving that it will be very difficult to solve the others – but it is not the only one, and I'm glad to say and to see that at least proximity talks are taking place, under the auspices of Turkey, between Israel and Syria. This is a very important track, Syria is an important country and therefore to find peace between Israel and Syria would be fundamental. Which brings me also to the Lebanese track, which is important. The agreement in Doha has allowed to have a president in Lebanon, let's hope that a Lebanese government will be established soon, but at the same time I would like to make a plea here to my Israeli friends, I think the question of the Shebaa Farms has to be addressed. I'd like to say it this room and with friends around the table, it is very important. The Secretary General of the United Nations has to make a report, probably before we go on vacation in August. It

will be a very important report but I would like to see a constructive attitude on the part of Israel and Syria, and I think the meeting that will take place in Paris on the 13th of this month may also be a possibility of meeting some different geometries if I may say if we can move on this issue which is very important. The calendar we have in front of us, the last meeting of the Quartet was in Berlin on the occasion of the security conference on Tuesday. You have in your dossier the conclusions of that meeting. It is important that we have taken a very firm decision to move in action from here to the last part of September. In the second part of September we will also have an important event in New York – the General Assembly. I think it will be a moment of importance to take note, positively and constructively if possible, to see how we can move from September all the way to the end of the year.

The last thing I would like to say is that, in the Quartet, we also took the decision to have another meeting, of the Annapolis type, to be discussed, a sitting with the parties, in Moscow after the General Assembly, the second part of the year. Now, this is the calendar, these are the problems, the questions we have to face, to discuss today and to see if we can continue, hoping there will be progress. This is the challenge that we have in front of us – we will continue to be engaged as much as we can but I would like very much if my friend on the right and my friend on the left, intelligent people, who have worked a lot together in the past, Ami, Ahmed, will do their utmost also to try to keep talking together, moving forward together. And the international community, at least, the people around this table representing the Socialist Group of the European Parliament, will continue moving with you in that direction.

Time is short, let's use the time properly. Thank you very much Pasqualina, thank you very much Martin.



Ami Ayalon

Minister in the Prime
Minister's Office,
Government of Israel

Madame Napoletano, Secretary
General Solana, President Schulz,
Friends, Neighbours, Europeans,

I understand that today is just for
the opening remarks, the discussion
will take place tomorrow, and all that

I would like to do is to set out some kind of framework, provide some background to the discussions that will take place tomorrow. Since I just came this morning from the Middle East, from Israel, it will not be a surprise if I tell you that it is very easy to be pessimistic today in the Middle East. I think that too many of the citizens of the region are pessimistic but in our case I think that we have a role, and that role, our role and the role of any leadership, is to create hope; not a kind of hope which is like a dream that has nothing to do with the reality around us but hope in order to empower, in order to energise us, our neighbours, our friends and the people on the Israeli and on the Palestinian side.

We have to discuss and present our ideas tomorrow without forgetting the reality in which we live. I remind myself that just a few hours ago we had a terrorist attack in Jerusalem. Three people died and at least forty were wounded, and since Israel is a very small country, a very small community, everything is almost personal. In this case, my son is living about 100 metres from this place. He, of course, called me, like every Israeli in this case, and told me that he was at the university so he was fine, but



you have to understand that I'm saying this because we have to accept the idea that events in Israel, and events in Palestine, should be reflected upon, and should influence our discussions tomorrow.

For many years, I was a member of the security community in Israel, and during the last five years, as a member of that community, I was a director of the Shin Bet. I remember myself in Jerusalem, terrorist attack after terrorist attack, watching people and trying to fight, together with our Palestinian friends, any kind of terror and any kind of violence. After many years, as a member of the security community in Israel, I came to understand something very simple. We shall have security when Palestinians will have hope. This is the equation. We should not hide it, we should say it, loud and clear: we shall have security when Palestinians will have hope. I think this is what we have to tell ourselves every time we meet.

Five years ago, I was here in the European Parliament presenting to the Members of this House an initiative with a very good friend of mine, Professor Sari Nusseibeh. The idea of this initiative was based on two principles: back to the future and back to the people. Back to the future meaning we have to start with a clear vision, a clear idea of the future, how it will be when we say two states for two peoples. Two states for two peoples are not enough. We have to understand that today ambiguity is the beginning of the idea of conspiracy. The diplomacy of today should be as clear as a crystal. Although it is painful, because when we shall have to execute, to deliver, it will be very painful for both of us, but we shouldn't hide it anymore. Ambiguity was the diplomacy of the nineties, constructive ambiguity we called it, and it collapsed.

So the diplomacy of today should be based on clarity. And it is clear, I think, that between 70 – 80% of Israelis and, if I may, between 70 – 80% of Palestinians accept the idea of two states along the lines of our initiative. What was great in our initiative, we did not invent anything, we just gathered the ideas that were there, during discussions all the years, and since it was only one page, one page everybody can read, so many people read it. 450, 000 people on both sides signed. In the polls we saw that between 70 – 80% of the Palestinians and the Israelis can accept it. So people ask me today: what has happened? If this is so clear, if everybody understands what will be the end, why is it taking you so long? I'm here to try to explain why it is taking us so long. It is taking us so long because it will be very painful, unlike our peace agreements with Egypt or Jordan, and probably unlike our peace agreement some day with Syria. With our friends, our neighbours, the Palestinians, it is much more painful because we have to touch the most sensitive nerves of our existence. We have to touch the issues of borders, of Jerusalem, of settlers, settlement, refugees, right of return, security and unless we touch them we go back to ambiguity. Since I believe that today's diplomacy should be based on clarity, this is why I support so strongly the idea of

Annapolis to touch, deal with, and discuss core issues. It will not work otherwise. It will not work because, since it is so painful we, on both sides, shall not have the energy to complete this painful journey. We have to see something. We have to see the light. We have to believe that it will bring us to something better, a better future. In addition, we have to accept that many people and groups are fighting against us. The person who tried to kill the process today is not alone. We are facing radicalism and we are facing groups on both sides who do not accept our ideas. They are minorities, but since the process is so fragile they can influence it. The role of leadership is therefore to face radicalism, to face fundamentalism, and to take us through these obstacles.

When we look around us in the Middle East today, we believe that the possibility exists and we have much better chances than we had during the nineties. When we look around us we see that we are not alone. You have to understand that for Israelis this is a new phenomenon. Probably in Europe you understand the meaning, the essence of coalition. In Israel, our code of behaviour, since the Holocaust was: when it comes to existential threat, we are alone in this world. So when suddenly we wake up in the morning and we realise that we are not alone, this is a new phenomenon. For Israelis it is something that they are not used to. And this is why it takes so many years to realise that, when Arabs took the very, very important decision in 2002 to recognise Israel, many Israelis do not know about it. When I come with my Israeli friends who are with me today to Israelis and we tell them: look, it is not Israel against Islam, it is not this Huntingtonian approach, that was invented in America, clashes of civilisations – what we see around us today is clashes within civilisations. We are part of a very wide regional coalition that starts somewhere in Morocco, Tunisia, includes Egypt, Jordan, Saudi Arabia, the Emirates, pragmatic leaders, players and societies, all of us see Iran as a major threat to the stability and security of the region. All of us see



terror, radicalism and terrorism as a threat to the stability and the security of our region and all of us want to see progress on the Israeli-Palestinian conflict.

We want to see progress because for us this is the only way to see Israel as a Jewish democracy. This is the whole essence of Zionism. We can achieve it only if on the other side of the border we shall see a Palestinian state. It is not a problem of security. For us, this is a problem of identity, and for the first time we are part of a very wide coalition and this is a new thing for Israelis. We have to swallow it, we have to get used to it, we have to understand it. Palestinians are on our side. Their interest is our interest. Jordan, Egypt, Saudi Arabia are on our side. They see this conflict as a source of instability. Which makes it impossible to create this coalition which will face Iran and stop terror, and this is why it is taking so long. I think that Annapolis is a great achievement and we should do everything in order not to lose it. I think that we have to accept the idea that although it is very painful we shall have to deal with the

coalitions, we shall to create this clarity when we deal with the future. We have to accept the idea that when we say Annapolis, we mean regional coalitions. It took America many years to accept it but I think that the current administration and I hope that the future administration will accept it.

Let me finish by saying that violence during the past years was the result of a failure of leadership on both sides. This shows the citizens of the region, Israelis and Palestinians, that diplomacy works. Diplomacy is the language in which we should speak in our region. Most Israelis and most Palestinians came to believe that the other side understands only the language of power and violence, and this is why we need your assistance, we need European assistance. The role of leadership today is to teach the citizens of the region that diplomacy should be the language of the future. And I say that Europe is in a very important place to do this. America leads the world but America is too far from the region. For America to understand the Middle East is almost impossible and in America, I hope I do not offend anybody, a citizen cannot understand the meaning of borders. In Europe you can. Europe can understand the complexity of the situation in the Middle East. Don't forget that Annapolis is based on the strategy of the Road Map. The Road Map was invented in Europe, it was written here, and only later was adopted by America and brought to the Middle East. Ideas should come from this House because here you understand the complexity, the sensitivity, you understand the meaning of security, and this is why we need your assistance when we try to create a new horizon in which diplomacy will be the language.



Ahmed Soboh

Deputy Minister of Foreign Affairs, Palestinian Authority

Mrs Napoletano, Mr Schulz, Mr Solana,
Mr Ayalon, Mr Landaburu, Ladies and
Gentlemen,

First of all, allow me to thank you for this invitation to attend this second meeting of your Group and allow me also to express our deep thanks to Europe for its permanent position in assisting the nation building process in Palestine, assisting us politically, financially and on all levels. All our people express their deep thanks to Europe today. Allow me also to share with you the condolences of our people to the families of those Israelis who were killed today and to remember that the answer to extremism is to deepen our efforts towards peace. Today also, this morning, clashes took place at the crossing of Rafah in Gaza – the answer to that too is deepening our efforts towards peace, because 190 sick people in Gaza have died in the last 12 months because they were not able to cross the borders to receive medical treatment. The siege and the terrorism can have only one answer: making us work towards peace. I'm neither pessimistic nor optimistic. I am realistic. We have had 17 years of process but no peace. We started in Madrid in October 1991, and I think that it is time to think about the timetable of an open-end process. We need less process and more peace. 53% of my people in the West Bank, in Gaza, and in Jerusalem are under 18 years old. They have known

nothing but occupation. The majority of them have never left the country. All of them need a window of hope today. They have, in the small territory of the West Bank, 582 checkpoints and roadblocks, and the settlement activity is ongoing. What we would like to have is a real neighbourhood with our Israeli neighbours.

Regarding the negotiations, in one sentence, I think today that we are in Tabbah. In Tabbah, at the end of the year 2000, the main core issues were opened and seriously negotiated but not one of the six core issues was agreed upon. We hope, as Mr Solana has just mentioned, that in the next six months we can do something in that sense and let us, at least, state clearly, we the Palestinians don't want anyone to blame us for the failure of the peace process. In Camp David, somebody blamed us and we paid a very high price. We are very serious regarding our commitments in this negotiation process. We are doing our best and we would like to meet with the same effort from the Israeli government. We hope so and will do everything possible to do so. But let us go into the potential for peace and not only the potential for the coalitions because, in the last 17 years, we have had a lot of problems with the coalitions here and there. Rabin had a serious problem in his coalition and he signed an agreement with us in 1993. We hope that we both can go with our own domestic problems towards peace.

Yes, Annapolis was based on the Road Map, but the Road Map needs to be monitored on the ground and we hope that the Quartet can send the monitor groups to look into the mutual obligations of both sides, especially regarding the settlement activities. Believe me, there is no peace with the settlements because at the end of the day we will have no more territory to negotiate about. Let us implement our obligations under the Road Map, by freezing all the settlement activities, including national growth, dismantling all the outposts, reopening our closed institutions in Jerusalem and yes, we have our own responsibilities to uphold in the Road Map and everybody can see that on the ground that we are fully committing ourselves to the effort regarding security.



We have 12,000 Palestinian prisoners today in Israel. Jerusalem is being strangled and cut off from its neighbourhood. Let us transmit to both peoples that the negotiations, in the ongoing process, can reflect the daily life of both sides. Let me share with you the following example: Prime Minister Olmert and President Abbas meet very often and, at the same time, hundreds of thousands of Palestinians wait for hours at the checkpoints. The people are wondering how they can address Jerusalem and refugee issues if they haven't been able to dismantle these checkpoints in the past 8 years. Let us send a real message of hope, by doing, by acting, and easing the daily life of the people on the ground and realising what can be possible.

Also, regarding the regional context, we are not competing against Syria on the negotiating track. On the contrary, we will be very pleased to have successful negotiations between Syria and Israel and we will do everything to cooperate with them. Next Sunday our president will be in Damascus and we are in full coordination because, as Arabs, we have our Arab Peace Initiative, which is an historical and generous effort on behalf of all of us to make peace with Israel. By the way, the OIC, the Organisation of Islamic Countries, has endorsed the same

Arab Peace Initiative at its summit of 2003. In Tehran, 57 Arab countries endorsed the peace initiative. The answer from the Israeli government is not the appropriate answer to such an historical offer. Finally, as Palestinian people under occupation, we stand to be the primary beneficiaries of any peace achievement, but we would like to share it with our neighbours the Israelis and, believe me, we will do everything possible to do so.



Eneko Landaburu
Director General
of DG RELEX,
European Commission

Madame Napoletano,
President Schulz,
Dear Friends,

I will be very brief because the main points of what had to be said here by the European Union have already been covered very clearly by Javier Solana. Nonetheless, I would like to make a few additional comments on behalf of my institution, the European Commission, and according to the information which we receive directly from our people working both in Tel Aviv in Israel and in the Palestinian territories.

I agree with the previous speakers. It's quite clear that we are facing a particularly important time to come because only six months remain before the deadline of December when we wish to reach a political agreement between Israelis and Palestinians. What can be done during this period? What can we conclude or implement? As regards negotiations, we don't have full information, and that is entirely normal. There is a certain amount of uncertainty because time is going by without us knowing if there are any possibilities of arriving at a real conclusion. That's a grey area. There is a black area as well, which is the situation regarding the building of settlements,



which has deteriorated. And, as Javier Solana has said very clearly, it's not possible for us to be able to think about a general improvement of the situation while this type of settlement is carrying on in the area.

Against this grey and black background, there are some areas of light. We still have a clear commitment from the US administration to continue trying to improve the situation. Despite the fact that we are facing an outgoing administration, which is concluding its mandate under difficult circumstances, there are strong political messages, particularly by Mrs Condoleezza Rice. Secondly, perhaps slightly less hopefully, we see regional progress in Syria and in Lebanon, which have shown some potential in opening up different, more positive chapters in neighbourhood relations. Thirdly, we know from the people we talk to and from information we have received that the status quo is no longer bearable for the majority of people both within and outside the region.

Now, to look at these more positive factors, obviously we have to continue working on three major challenges, which are extremely important. The first is consolidating the ceasefire in Gaza, opening up new border crossings and ensuring the release of the abducted Israeli soldiers. These are very clear,

fixed, well-known points, and we must step up our efforts on all these fronts. If we do not have a consolidation of the ceasefire, if we go backwards, then the situation will become a lot more difficult and complicated. The second challenge is to support any initiative inside the region which might make it possible to open up certain tracks, such as the initiatives in Syria and the Doha Agreement for Lebanon. Also, as you know, initiatives taken by Egypt to encourage dialogue amongst the Palestinians themselves. These are all new factors and the diplomatic bodies of our institutions and our countries should support this type of initiative. And, I would say, the third challenge, where we need total support, are the slow but steady steps being taken by President Abbas towards Palestinian reconciliation. In our opinion, this is the best way to ensure sustainable security for the Israelis and the Palestinians.

In this global context, against the background depicted by Javier Solana, what can we do in the Commission, as an institution which is involved in this political situation? Well, first of all, I would say that at the political level, we need to work with our partners in the EU and in the Quartet to ensure a joint approach on the regional aspects of the conflict. We are already stressing the need for interdependency between the forces involved in the conflict. Javier Solana talked about the different meetings of the Quartet. This month a phone conference will be held which will be an opportunity to take stock of the situation. We support the idea of an international meeting in the coming months, and Russia has offered to host that, and also we are hoping that between now and the next meeting of the UN General Assembly at the end of September we will be able to take note of some progress. As a participant in the Quartet, and in full cooperation with Javier Solana, we think that this is an essential forum where some progress can be made.

So that's the political level for the Commission, as an institution which is involved in this area. On a more practical level, what can we do? Well we're already doing a great deal, that has

been recognised here. We have always supported the Plan for Reform and Development of the Palestinian Authority, even before the Paris Conference, and thanks to the mobilisation of the European Parliament, as part of the budgetary authority, we were able to implement direct aid and programmes for the Palestinian citizens so that they can survive under the dramatic circumstances in which they live. That's where Europe is taking action: it is providing humanitarian aid, which means that some people can receive money in order to survive. Let us not forget that Europe's contribution was one thousand million Euros last year. Half came from the EU budget and half arrived from the Member States. It is clear that this is a very important sum of money but unfortunately it is not sustainable. We can't keep up that level. At present, in the Commission, we are trying to find out how we can maintain this type of aid, both humanitarian aid and direct aid to the citizens as well as support for the Reform and Development Plan. President Schulz said in his contribution that solidarity and support for development were as important as the peace process itself. Minister Ayalon said we could not have security until there was hope in Palestine and that there would only be hope in Palestine if they had the right conditions for prosperity and strong, sustainable growth to give the hope to everyone that they can live under normal, decent conditions. But we are not there yet, so we have to establish a balance between the present situation and the future.

In conclusion, I would like to say that all of us in this institution, the European Parliament and the Member States and the European Commission, all have to make efforts regarding the donors so that we have more ability to help the Palestinian people so that there is more solidarity. It's not just a question of fine words in the international fora. Practical solidarity is important, as demonstrated by Europe so far, and I'm sure it will continue to be so for a long time to achieve a free and stable Palestinian state.



Hans-Gert Pöttering President of the European Parliament

Mr Chairman, Dear Martin Schulz,
Honourable Ministers,
Distinguished Members of
Parliaments, Dear Colleagues,
Excellencies, Ladies and
Gentlemen, Dear Friends,

It is with great pleasure that I welcome the holding of this second edition of the PSE Group Conference on the Middle East. I had the privilege to take part in last year's event, which was a true success and I am thus delighted to be your guest again tonight. Dear Martin, I thank you very warmly for your kind invitation.

What unites us here, despite different political or geographic backgrounds, is a common, deep and genuine interest in a stable, prosperous and peaceful Middle East region.

Today again, like so often in the past, the Middle East is at crossroads. This is no breaking news. Once again, fundamental choices need to be made. Once again, lack of political will is a real risk. The Middle East cannot afford stagnation, confusion and uncertainty any further. Nor can Europe or the international community.

(Speech delivered at the working dinner of the conference.)



The difficulties and challenges are numerous, and I do not intend to minimise them. However perspectives do exist! A positive and constructive spirit from all sides is the precondition to a lasting and serious commitment. Dear friends, let me also seize the opportunity of addressing you tonight to outline some considerations and share some proposals for further action, which – I believe – are within reach; parliamentary diplomacy can make a difference in shaping the future policy of this region, it is our task to help to make it happen.

As you all know, the Middle East is an area of great priority for the European Parliament. In that respect, I would like to invite you to briefly look backwards to where we stood one year ago. No, ladies and gentlemen, we have not been inactive, quite on the contrary. And I am even prouder to say that it is the result of a true teamwork between the political groups in the European Parliament.

Reacting to the new impetus of the Peace Process that was generated at international level in the forerun to the Annapolis Conference of November last year, the European Parliament decided the creation of it's own Working Group on the Middle East to specifically and closely deal with the issues and challenges at stake. The new structure is chaired by the

President of the institution, together with two deputy chairwomen drawn from the two other main political groups, Mrs Véronique de Keyser from the PSE -whom I am happy to greet tonight- as well as Mrs Annemie Neyts-Uyttebroeck from the Liberal group. The Working Group gathers the main parliamentary stake-holders for the area (responsible Vice-Presidents, committee and delegation chairpersons, foreign affairs coordinators, rapporteurs, etc.) and proved indeed to be an essential means in raising Parliament's profile in the overall European Union's strategy and action towards the Middle East, both in its capacity as budgetary authority as well as political player (and not just a payer).

The Working Group convenes on a regular basis; it actively interacts with other EU institutions as well as partner countries in the region. Several high-level meetings took place since its inception, first with the High Representative and the European Commission in order to jointly define the European line on the eve of the Annapolis summit, and later together with the representatives of the Quartet and the main actors of the Paris Donors' Conference, to which the European Parliament was as well invited as an active participant. The attendance by the European Parliament of a high-level donor's conference like the one in Paris was a "première" of its own and set a significant precedent for further EP involvement in international fora. Not later than last week, Mrs de Keyser -in her capacity as Vice-chairperson of the Working Group, attended the international conference in Berlin on support to the Palestinian civil security and rule of law.

These are tangible achievements to be proud of. However, without grasping the realities on the ground, our efforts cannot be successful. This is why a month ago a 14-Member-delegation of the Working Group visited Israel and the Palestinian Territories, including Gaza. It assessed the practical implementation of the objectives announced jointly by all parties at the Annapolis Conference six months ago, including the goal of a two-state solution by the end of this year.

Let me add here that the European Parliament will always defend the right of existence of the State of Israel within safe borders. Declarations like the ones uttered by the President of Iran on the denial of the Holocaust or Israel's right of existence are unacceptable; we condemn them in the strongest terms and we will always be on Israel's side when these realities are put into question.

The unanimously adopted delegation report, which was then presented in the presence of the Council and the Commission and forwarded to the Conference of Presidents, makes disheartening reading. While it is true that some encouraging progress has been made, this turns out to be localised and limited in its scope. In the current state of affairs there is little chance of achieving the ambitious but necessary Annapolis objectives.

The political groups of the European Parliament are unanimous in the view that the Gaza Strip blockade must be lifted, controlled border traffic for goods and people restored, and the violence brought to an end. A new approach must also be adopted in the West Bank: the credibility of the Palestinian Authority must be enhanced and the conditions for lasting economic development sustainably created. Israel's policy of constantly dividing and physically separating must be counter-acted. Like the American administration, and as reiterated by the Quartet in its latest meeting of 24 June, we call for the spread of the settlements to stop, particularly in East Jerusalem.

We take the view that no-one is entitled to withdraw from the commitments agreed in Annapolis. Israelis and Palestinians undertook in good faith and in a spirit of reconciliation to negotiate. This is the path that must once again be seriously pursued. Courage and strength for political renewal are needed. It is up to us Europeans to accompany and support our partners in this process. It is up to the European Union to fill the political gap, especially in a period when the United States will turn their back from world affairs to focus on the



soon-to-start electoral period. Dear colleagues, the European Parliament expects to be appropriately consulted and involved in the context of European efforts to promote peace in the Middle East, and I can guarantee that it will assume its responsibilities as an honest broker with dedication and determination.

The European Union's relations with Israel and the Palestinian National Authority should be developed in such a way that they further the peace process as a whole. The soon to be formally launched 'Barcelona Process: Union for the Mediterranean' could also contribute to this common objective, most notably through its legitimate parliamentary dimension, that is to say the Euro-Mediterranean Parliamentary Assembly. A regional approach is indeed more than ever the key to a comprehensive solution for the Middle East. Recent positive developments on several fronts are to be noted: the long awaited election of a President took place in Lebanon, negotiations or indirect mediations are going on between Palestinian factions as well as between Israel and its neighbours, which entail of course the Palestinian Authority, but also other Palestinian factions, Syria as well as Lebanon. Concrete progress still needs to formally materialise, but the game is open and many actors are ready to play in a constructive way. We cannot miss that chance.

Distinguished Guests,

Let me conclude on a more specific and personal note. I am convinced that a political project or undertaking can only succeed if it goes hand in hand with the peoples involved. The essential key for this is confidence and confidence-building. At my initiative and with the participation of the political groups, the European Parliament recently organised a 3-day-meeting of 21 young political leaders from Europe, Israel and Palestine, providing them with a neutral environment in order to discuss, exchange views and get to know each other beyond stereotypes or prejudices. The experience proved to be successful beyond expectations and will be further developed and reiterated on a yearly basis. It might sound like a drop in the ocean, but one should not underestimate the multiplying effect and tremendous potential of younger generations. Modest gestures can set lasting trends when performed with vision and conviction.

Round table discussions

3 July



Hannes Swoboda

PSE Group Vice-President



I would like to welcome all of you who were here yesterday and the newly arrived guests, like Pierro Fassino. You are all welcome and I think we should start this morning's debate. First of all, we have good news. Early this morning or late yesterday evening we had good news with Ingrid Betancourt liberated and seemingly in strength and good health. Yesterday evening, with our guests from Palestine and Israel and from the region we had a very pleasant working dinner with a speech by the President of the European Parliament, which was very balanced but very outspoken and clear. I think he expressed the mind and the ideas of the vast majority of the Parliament and I think it was a clear message to all of us. We had other discussions which will probably be taken up during the day and again to reiterate that sixty years after the foundation of Israel which we celebrated recently, it is time to have the other promise of the UN resolution, the independence of Palestine, realised and to make important steps in this direction. This is also one of the main subjects of the conference.

In defending the existence of Israel, at the same time we want this state of Palestine to be realised and this is what we have to work on. The second point, which was also mentioned by many speakers yesterday, especially by Minister Ayalon, when he spoke about the role of Europe, this was not always so successful or so constructively seen in the region. I think that it is clear that we don't want to be just payers but also players, not because we wish to underline our own importance, but I

think that we can, with our understanding and our difficult experience of building a new Europe, make some valuable contribution to build a new, perhaps more valuable and more sensitive Middle East with a more long term view than the Bush idea of the greater Middle East. This is the reason why our Group is intensely engaged in these issues. Now I hand over immediately to Véronique De Keyser. She is not only our coordinator in the Foreign Affairs Committee, a difficult enough role, but she also has, for many years, been very engaged in the issues in the Middle East. She has been an election observer, leading election observation missions, and she has represented the Parliament at different conferences. She recently led a delegation into the region, and I think she is widely respected not only in the Parliament here but also in the region as one of the main experts from European soil, trying to be objective and clear, yet nevertheless extremely engaged and passionate about the region and the future. I hand over to her to chair the next session.

Round table discussion I

Peace negotiations between Israelis and Palestinians

Chairwoman: **Véronique De Keyser**, PSE Group Coordinator in the Committee on Foreign Affairs

Key questions in the focus of the round table:

Is an agreement at the end of 2008 in sight?

In the Annapolis Agreement, the parties committed themselves to hold negotiations in good faith with a view to concluding, by the end of 2008, a peace treaty resolving all outstanding issues, including all core issues, without exception, as specified in previous agreements. Taking into account the internal situation in Israel, the ongoing problems between Palestinians and the situation on the ground, can this deadline be met? Keeping in mind the ongoing Israeli settlement activities on Palestinian territory, the situation of the prisoners etc., what are the other obstacles and which efforts are required to move towards an agreement before the end of 2008?

Is there a realistic chance for viable peace negotiations?

So far the Israeli-Palestinian negotiations launched at Annapolis have not resulted in tangible progress. But regular talks on various political levels are developing despite the fact that the violence has not ceased. A truce with Hamas was recently offered, with the

mediation of Egypt, in order to defuse the situation on the border with Gaza. Could a cease-fire be a first step to build confidence and generate progress in the negotiation process? How could these talks affect the living conditions of the population in Gaza?

Which are the right steps to take now?

The ongoing negotiations are contributing to a fresh perspective of two states living peacefully side by side. But any progress must be tangible for the populations on the ground. What will be the impact of the commitments made at the Berlin conference and how will an improvement of the economic and social conditions help the negotiation process? Apart from supporting the building up of the Palestinian security forces and democratic institutions, what else needs to be done to pave the way to a lasting peace? What will be the next requirements and how to proceed now? What future for the settlements in the West Bank?

Véronique De Keyser introduces the debate by saying that the situation is even more complex and tough than before. We are heading into a time of change: several elections in relevant countries are scheduled to take place in 2009. These elections could lead to a backlash of all efforts for a peaceful solution in the Middle East. At the moment, the main issues at stake are the legal principles and agreements in order to reach a just and lasting peace, policy issues as the Palestine side is characterised by internal division, and the role of the international community, and namely the European Union, which must take an active role in the process.

At the Berlin conference, U.S. Secretary of State Condoleezza Rice suggested to stop the settlement activities. There is no peace as long as the settlements remain. Rapprochement is necessary. There are some internal divisions on the Palestinian side but at the moment there is also rapprochement between



Hamas and Fatah. The Gaza question firstly is a humanitarian question. The possibility to remove the blockade of the Gaza Strip by Israel is linked to putting an end to the rocket-firing into Israeli territory by Palestinian armed militias. The situation in Gaza is extremely painful. Nevertheless, even if the ceasefire is weak at the moment, it is a small hope for peace. As President Pöttering said, there is an absolute emergency on the humanitarian level.

The EU wants to be perceived and accepted not only as a payer but also as a player in the future process and in developing milestones on the road to peace. We wish to support the “peace and right side”, namely both Israelis and Palestinians. We do not favour any side. We have reached the limits of payment. In 2000, 225 million Euros were given to Palestinians. In 2008, payments reach approximately half a billion Euros. Despite attempts of capacity-building, there is a blockade to boost the economy and develop the judicial system and the administration inside the Palestinian territories which are asphyxiated.

Colette Avital stresses that everybody now agrees on the direction of the process. Moreover, there is agreement on the necessity of creating a Palestinian state. She divides her presentation into three parts: the political agenda for Israel; the change of evolution and our mutual perceptions; a common strategy.

On the political agenda, Israel and the Knesset are facing a difficult time of ambivalence. Israel is confronted with political instability and a lack of certainty. For two years, Israelis have been wondering whether to support a corrupt and immature government, or to slow down the peace process by not supporting the current government. The peace process could continue with a new Prime Minister indeed. At the Knesset, 70 per cent out of 120 deputies could support a peace agreement if there are anticipated elections in Israel. PM Olmert is honest in his aspiration for peace but it is unsure whether he will rely on the support of the people. The position of the Labor party is to try to change the Prime Minister in order to gain internal as well as external credibility, and to allow that the peace process can be developed. A Prime Minister without public support cannot pursue the peace process. Time is running out and 2009 could be a year of lost opportunities as the elections could fundamentally change the current situation. At the moment we are facing a dilemma: on the one hand, Israel's political framework needs to be stabilised while, on the other hand, the situation urgently needs to be resolved.

The perception of the conflict in Israel and in Palestine has radically changed. The perception of the whole world changes and Israelis increasingly understand the necessity for peace, the characteristics of a Palestine state and the nature of the Israeli government. A common strategy concerning the whole region should take the changing mutual perceptions and mentalities into account in order to prevent fundamentalism to spread throughout the whole region. We have to cooperate instead of confronting each other in order to counter radicalism



and fundamentalism. This not only concerns the Israeli-Palestinian conflict but the whole region. We have to see this question as a regional challenge.

Jamal Zakout claims that one needs to be clearer about what is needed for peace. The peace process needs visible solutions as public so far is deeply disappointed. As for the Road Map, both sides have duties and responsibilities in order to facilitate the negotiations which emerged in Annapolis. What does Annapolis mean for the Palestinians? Annapolis was a declaration which condemned unilateralism. Only negotiations, at the end of 2008, could permit to break the deadlock and to reach perspectives for the future.

The Palestinian side tries to fulfil these duties: it is trying to promote law and order as the highest priority for stability and security which in turn permits to attract foreign investment. Israel does nothing to fulfil its duties and puts Palestinians under pressure. On the contrary, Israel is building more and more checkpoints. At present there are more than 640 checkpoints and 90 per cent of them are in Palestinian territory. In doing so, Israel is diminishing the credibility of President Abbas. Israel is blaming the Palestinian side for not fulfilling

the Road Map, but it is not able to create itself the political conditions needed. Nobody wants to discuss the situation of Gaza and the refugees. Humiliation and suffering is pushing them into the arms of extremists and radicals. The case of Jerusalem should have been negotiated more as it was one of the issues at stake at the Annapolis Conference. These problems could be solved by including the civil societies and freezing the settlements. It is the task of Israel to provide the necessary pre-conditions for further developments. Israel is a strong state and it can propose a peace treaty and a solution. If this can't be done, the future will be really painful. Hamas is keeping the Gaza Strip under control. Palestinians are the only ones responsible for their own internal divisions. It is necessary to have one single Palestinian Authority.

Hesham Youssef emphasises that future developments will be dramatic as the Annapolis process is heading towards failure. It is a pity that those who have the power to prevent this disastrous development are doing nothing although the price for failure has to be paid by the whole region and by Europe as a neighbour. The Arab countries are not convinced that fundamental pre-conditions for the peace process, e.g. freezing the settlements, will become a reality as the Israeli government is not able to implement its own laws in the field. Therefore, public opinion in the Arab world is not supporting Annapolis and is not asking for new negotiations.

For Arabs, Israel understands only one language, and that is the language of force. At present there are many discussions on security, but security for whom? It means that Palestinians can not have hope if Israel doesn't give a security guarantee. We speak about time. We need time indeed but not to take decisions in order to resolve the problems. It takes time to put the implementation in place. The situation could change only if Israel takes action. The problem is that Israel is not under pressure to make any viable decisions and any concessions. As the occupying power, Israel will not have to pay any price.

Instead of putting Israel under pressure in order to achieve peace, the United States and Europe talk about the improvement of their relationship with Israel. The siege of Palestinians is a problem which needs to be solved. The siege should be viewed as a greater problem than the question of Hamas. There is more effort aimed at punishing Hamas than at developing the peace process. In Europe a lot of people don't understand the problem. President Abbas says that seven months after Annapolis nothing has been put on paper. Empty promises will lead to growing fundamentalism and the strengthening of hardliners as doubts increase. The message is that if you are moderate you gain nothing and the public opinion sees you as weak and inefficient, but if you have radical and strong positions you are being admired and you are making progress with solving a problem. Europe cannot wait and see. If Europe wants to be a player and not only a payer as mentioned, it is necessary to have a clear agreement before the end of this year. Failure is not an option, neither in action nor in speech. Otherwise the current Bush administration and the new administration will concentrate on Iraq, Iran, the oil price etc. and the Palestinian question will not be part of the priorities. The Road Map is a European document but Europe is not as active as it could be. Europe should be more involved and more responsible.

Avshalom Vilan stresses that leaderships have to say what can be done in order to avoid a disaster and propose a solution to the complex situation. The incoming new US administration will not act before April 2009 and the Israeli internal crisis can not be solved before mid-2009. Moreover, the Palestinian elections will take place in February 2009. With all optimism, there won't be a breakthrough in the coming months, maybe just a statement of principles with Palestinians and something of the sort with Syria, but because of internal political crises inside all the political parties in Israel, none of them can react immediately.



What can be done on the ground? We can create confidence between both sides. Nevertheless, each terrorist act destroys the possibility for quick progress. Palestinians have to avoid terrorism. Settlement-building should be stopped as soon as possible as well. Ami Ayalon, Colette Avital and himself, as Members of the Knesset, have proposed a bill and Europe could support it. The EU should for example financially support stopping the settlements. At the moment public opinion in Israel would accept the EU as an alternative player in the region. After the speeches of Chancellor Merkel and President Sarkozy at the Knesset, the situation is new; we cannot continue to act as in the past. Israel is ready to listen carefully, but without any pressure. If Europeans put Israel under pressure, they will destroy everything. Europeans have to be more tactful. The EU should have two main tasks: supporting the question of security in the region by sending international forces to Gaza by creating a buffer zone between Israel and Gaza and by providing help for the Palestinians by allocating

investments for economical growth. Israel has to say two things publicly and openly: firstly, that we are ready to accept the Arab Initiative and to start to discuss it seriously. Secondly, the release of prisoners, including the release of Marwan Barghouti. On the Palestinian side, the release of Marwan Barghouti will be seen as a great symbol and something really important. Many government ministers agree with his release. The Israeli Prime Minister and his government could hopefully be convinced to release Mr Barghouti in the next months.

Proinsias De Rossa, MEP, suggests a more optimistic view which could be realistic. There is a chance of fifty-fifty for progress as the options are known since Annapolis. Having an agreement means to accept concessions and compromises. Several meetings have taken place in parallel and negotiators meet each other on a weekly basis. But Israelis and Palestinians wait for the last minute to take a decision and there are secret negotiations. There is no chance for a concrete agreement in the next months, although it is urgent to reach an agreement because public opinion supports and claims it. In order to speed up and at the same time stabilise the whole process, an international fund must be put in place: the International Fund for Israeli and Palestinian Peace. In Northern Ireland one and a half billion dollars were invested in the peace process by the international community and the outcome was positive. The international community at present does not invest enough into the peace process between Israelis and Palestinians. Only 5 per cent of Palestinians and Israelis have the opportunity to meet each other. With an International Fund for Israeli and Palestinian Peace, the international community should support the work and development of NGO's, the civil societies in the region and thus building peace from the grass-roots and on the ground, and not only by imposing decisions from the top.

Piero Fassino stresses that hope of building peace during the last 30 years has always been smashed. But the positions are closer now than ever before. For 30 years, we have been working with hopes of peace. Peace seemed to be within reach but it slipped away again. We are in the same situation today. If we look at the objective conditions we can observe many positive components such as the ceasefire between Hamas and Israel; the discussion between Israel and Syria with Turkey as a mediator; the election of the new Lebanese president; the article of Mr Ali Akbar Velayati, former Iranian Foreign Affairs Minister and current political and diplomatic councillor to Ayatollah Khamenei, which changes the Iranian position (*'Au nom de Dieu, que veut l'Iran ?* In: *Libération*, 2 July 2008). This article has been published by many European newspapers.

On the big questions, the positions are closer than before. The borders have to be the 1967 borders adjusted by the territories' change. There is agreement on that. On the issue of refugees Ahmed Qurei has declared that the Palestinian refugee problem has to be resolved in a way which does not modify the character of the State of Israel. This is an important declaration. The great majority of Israeli leaders are aware that a solution for peace means demolition of those settlements which are not inside the new borders. On the Jerusalem question, as the capital city of both sides, the positions are narrowing. Two months ago the spokesman of PM Olmert declared that it was possible to have Jerusalem as the capital of the two countries. Everyone agrees on the outcome and the final objective but nobody says how to get there. The final goal is clear but the main issue is how to reach it. As time does not act for peace at the moment, options for reaching the desired goal could be: on the Israeli side the reduction of checkpoints, and the freezing of settlements in order to allow for creating confidence and credibility, while on the Palestinian side stopping the violence and terrorist attacks.



Jafar Farah underlines that the Palestinian Arab minority accounts for 20 per cent of the Israeli population. They are Palestinians, Arabs and citizens of the State of Israel. This minority represents a unique group because they have contacts with both sides, with Palestinians and Jews in Israel, and with people abroad. They possess the Israeli nationality, which represents a lot of things, but they are not equal to other Israeli citizens. It is really important to plan the future using the legal and socio-economic view. It is a reality that the Arab minority in Israel lives in a situation of discrimination. There are some groups of the extreme right as well as of the right-of-centre which push public opinion towards confrontation with the Arab minority. Discrimination enhances radicalism and extremism among them. 13 compatriots have been killed by security forces during a demonstration in October 2000. After four years of investigation, no one among the police forces has been condemned for having killed them. Last year, in the budget allocated to the Palestinian community for integration and anti-discrimination projects, only 56 per cent have been used by the government. In 2007 a campaign was launched to

disqualify the participation of Arab leaders on the political stage and legislation has been adopted to prevent Arab candidates to participate in elections if they go to Arab countries. Politicians push the Palestinian community into confrontation in order to make the Israeli-Palestinian conflict worse. There are no possibilities to progress if the international community continues to financially support Israel without anything in exchange. Israel benefits a lot from socio-economic advantages from the agreement with the European Union. Nevertheless these socio-economic advantages should only be submitted under certain conditions. In Israel, the Palestinian community wants peace and is one of the main groups to fight for peace in Israeli territory. The Arab community needs to be protected as a group of equal citizens with civil rights. 25 per cent of the Arab citizens inside Israel are internal refugees. If one is talking about sustainable development, the development of an internal democracy by Palestinians has to be taken into consideration.

Qaddura Fares points to the necessity to be frank because the peace process is not existing: there is neither peace nor process. The truth is that there are many meetings between President Abbas and PM Olmert. The majority of Palestinians and Israelis does not believe in the Annapolis process and both sides are aware of the complexity of the conflict. Negotiations continue and have generated some success but at the moment this success mainly exists between Israel and Hamas. There are also serious negotiations going on between Ehud Barak and the settlers in order to find a compromise on the illegal settlements. Unfortunately, even if there are some exchanges of view with President Abbas, there are no results. None of the main Palestinian leaders have managed to convince the Israeli government to withdraw even one single checkpoint in the West Bank. A ceasefire with Hamas in Gaza is in place while in the West Bank, with President Abbas in power, it is being refused. The main message from Israel to



Palestine is that violence is an effective tool to achieve any goal. The consequence of this kind of message in Palestine is that the new Palestinian generation does not believe in any chance for peace.

Ezzedine Choukri-Fishere says that the problems and issues already mentioned have all been known for years. But the urgent question is what to do to come along and how to do it. Annapolis is heading towards failure. One must reflect on the way to save Annapolis and on the role of everyone. At the same time, reflection is needed on preparing for 2009 in case that there is no agreement at the end of year. The idea of Europe wanting to be a player and not just a payer should be supported. It is a myth and a theory if one wanted to know about the final agreement. Even if the main points are known, no details exist and that is the crux of the matter. Questions such as the exact percentage of the territory exchanges or the future of refugees are still open. Talking about these important questions could determine the failure or the success of an agreement.

Misdah Ahdab reminds us of the Madrid + 15 Conference (Madrid, 12 January 2007) where all the key players were present. But one of the most important players was absent: Iran. Also not present were Hezbollah and Hamas. Yet Iran, Hamas and Hezbollah should be engaged. If talking about Annapolis, one should ask who is the broker? And what about mediation. New and more neutral and credible brokers should be brought into the conflict. At present the broker is the United States but it doesn't have a neutral position on Iran. The Americans have their own commitments in the process and fight for their own interests. So what is the kind of influence that Iran could have in the region? Is Iran ready and open to discuss? In this context, one should not only focus on the nuclear issue even if this is an important question.

Abdallah Al-Mouallimi, H.E., Ambassador of Saudi Arabia, observes that solutions can be reached but details have to be worked out. The main problem is the pressing timetable as 2009 is not expected to bring changes in a better direction. The alternative solution is to play an active role in order to convince Israel because it is in a strong position, it has the military supremacy and is the occupying power. An effort should be made regarding the Israeli public opinion in order to support the pro-peace forces and to make the peace process possible. Europe could play this role in Israel. Europe cannot just be a spectator and give up by saying that it has no influence on Israel and the American government. Moreover, it is the responsibility of everyone to reach the goals defined, take decisions and be open to an agreement. Saudi Arabia has tried to play a role and defend the Arab Peace Initiative introduced in Beirut which later was confirmed in Riyadh and Damascus, and has tried to engage in a multilateral process and into dialogue between cultures including the representatives of the three big religions: Islam, Christianity and Judaism. The goal, from a Saudi Arabian point of view, is to mobilize Muslim and Arab public opinion in order to make the reality of peace

acceptable. Unfortunately, all initiatives and peace plans were not welcomed by Israel. There were positive reactions from everyone except from Israel. The EU cannot afford to sit back. Steps towards peace could be the freezing of the settlements, solving the problem of the prisoners, finding a viable solution for the refugees and make the Arab Peace Initiative acceptable to Israeli public opinion.

Hania Bitar describes her job as convincing young Palestinians to have hope for a better future even if the tunnel seems dark. At the moment, politicians use the term “hope” in an inhuman way and destroy the hope of thousands of young people. It is really dangerous to say that the security of Israel relates to Palestinian hope. Saying “we should offer security to Israel first in order to have peace in Palestine” is a stick-and-carrot approach. We have been looking for peace for a long time. In order to get out of this deadlock one should think about the role of the EU. Europe has to be a fair broker in the region, creative solutions are required, e.g. replacement of settlers by refugees.

Ana Gomes, MEP, refers to the role of the EU as a player or payer. Israel does not want the EU to become more than just a payer. Israel is not interested in the EU taking an active part in the peace process. Ami Ayalon’s speech has been one of the most positive speeches on the part of Israel. Nevertheless, his speech does not represent the point of view of the majority of Israelis. Israel often plays on the division of Europe and the guilt-feelings of Europeans because of the holocaust. Although the Road Map is a product of Europe, we have to recognize that it was the American media that put pressure on the peace process. The main issues to be solved in the future are the settlements and the checkpoints.

Bernard Sabella does not agree with the argument that there is no time. In history there has always been time for a peace process. But the question is how politicians use this time.



Israel should make peace with President Abbas and the internal divisions should be settled. There are actually three main divisions and issues between Israelis and Palestinians: Jerusalem, the settlements and the right to return. A consensus leading to a satisfactory solution on these three issues needs to be found.

Ami Ayalon underlines that he would like to be optimistic but we have dreamed too much during the 90's and now a new dream can't be created again. On the other hand, hope with a realistic angle should indeed be created. The analysis of Hesham Youssef is the most realistic one. The reality is that the Labor party is not in power in Israel, Socialists are not in power in Europe and President Abbas is not in power in Gaza. One should be more humble, reduce the ambitions and be as realistic and effective as possible. A realistic model could be that there is agreement on the final goal. The EU should add one page, one out of seven, to the Road Map in order to point to the final destination of the peace process. This would also mean a metamorphosis of the EU from a payer to a player. The initiative of Colette Avital is one of the most important proposals to be passed by the Israeli government.

Round table discussion II

The regional context: challenges in the Middle East

Chairwoman: **Béatrice Patrie**, PSE Group Member, Chairwoman of the EP Delegation for relations with the Mashreq countries

Key questions in the focus of the round table:

Is Iran really the main problem?

The ongoing refusal of Iran to refrain from developing its own nuclear programme is of concern. Moreover, there are repeatedly voiced threats of Iran's President Ahmedinejad to destroy Israel. What is the real role of Iran in the Middle East? What can be done to influence the stance of Iran in the Middle East, also with regard to the arrival of a new US administration?

What role for Syria?

After eight years of silence between Israel and Syria, both sides, with the mediation of Turkey, have engaged in informal talks. How can a positive development in these talks have an impact on the region, including the restitution of the Golan Heights, which represents an area of exceptional richness and water resources. Which other confidence-building measures can be foreseen in this area? What could be the influence on the political role of both Hezbollah and Hamas?

Lebanon: what is on the cards?

The recent election of a President in Lebanon, after months of political deadlock, has had a stabilizing effect on the internal situation. Yet the role of Hezbollah still is a matter of concern. What are the options now for the Lebanese government? How will a stabilized Lebanon influence the peace process? Could a restitution of the Shebaa Farms, which are under Israeli control, change the mind of the Lebanese government? Is there a realistic chance for Hezbollah to lay down its arms if the Shebaa Farms are being returned to Lebanon?

Béatrice Patrie stresses that the Middle East conflict is a regional conflict and that the debate cannot exclusively focus on Palestine and Israel. It is therefore necessary to come to an overall solution also taking the regional actors into account. The PSE Group is opposed to a scenario involving military capacities in the region and is interested in a political solution achieved through a dialogue.

As Piero Fassino mentioned, the Iranian regime is opening up. The interview with Mr Ali Akbar Velayati has shown a noticeable change in the Iranian behaviour which is demonstrated also by the Iranian Minister of Foreign Affairs, Manouchehr Mottaki. Iran is a key player in the region and the PSE Group is in favour of a political solution rather than a military one as well as for dialogue with the Iranian neighbour. Syria takes first steps to withdraw from international isolation and keeps its distance from Iran. An Israeli-Palestinian agreement, settling the question of the Golan Heights, is currently about to be elaborated. The negotiations between Syria and Israel under Egyptian mediation are still going on; Europe hopes to see results. Syria's President has declared that 80 per cent of the issues involved have been settled but so far the United States has not agreed. In Lebanon, the recent election of a new President seems to have a stabilising effect on the internal situation and on the future of the regional



question. But the country is still seeking its political balance. Hezbollah represents a political and social window for one part of the Lebanese population and should enter the political game. The issue of the Shebaa Farms, that is extremely symbolic, continues to be a question of internal resistance. Overall, there is a certain opening in the region, which has been confirmed by recent declarations such as the one by Iranian leaders. The conference should reflect about a way to support these openings.

Alon Liel reminds us of the end of the 3rd round of negotiations between Israel and Syria held on 2 July 2008 in Turkey. These negotiations differed from the preceding ones (held in 1995, 1999 and at the beginning of 2000). In Turkey, discussions focused mainly on bilateral border questions, their agenda, withdrawal, normalisation, water, etc. These questions are

currently on the agenda. However, an agreement on bilateral relations could not be a final one because the regional aspects need to be taken into account. The United States supports an intervention in order to calm down Hezbollah and guarantee the signature of a regional agreement. Europe should however not wait for the American intervention and should engage in an active policy by nominating a representative who would be in charge of tackling the negotiations between Syria and Israel. The Knesset adopted a law which says "if you go to Syria, you cannot become a Member of Parliament" but more than a thousand Israelis think that going to Syria is more important than going to the Knesset. Iran is a really important factor from a Israeli point a view. Israelis are afraid of Iran. The Iranian threat should be used in order to put an end to the Arab-Israeli conflict.

Maria Al Kayal stresses that the simple mere implementation of sanctions cannot constitute an ideal approach towards Syria. It would be more useful to organise an open and transparent dialogue between the main actors involved in order to reach a fair and sustainable peace in the region. We live in a region rich of symbols and messages. Syria is very willing to have peace as soon as possible and its messages seem to be understood. Until now the international community, including Europe, the United States and Israel, has not concretely expressed its will to go forward in establishing peace in the Middle East. The West has used the superficial divisions between the good and the bad (axis of evil) but the West is also largely accountable for Syria's current situation. This is why it should consider to change its position by proposing dialogue and negotiation rather than imposing sanctions.



Michael Murphy focuses on Hamas and Fatah which operate on different bases. Hamas has strong roots in the civil society but did not manage to take off, while Fatah has a rather weak basis but is more successful by imposing itself and is massively communicating through the media. 50 per cent of Palestinians are currently younger than 25 years old which means that 400.000 new voters will participate in the next elections. Recent surveys show that the large majority of these young people receive their political information mainly from television, friends, parents and internet which are the main propaganda instruments of Hamas. The intervention of the international community as well as the financial and overall support of the European Socialists towards the Palestinian political parties could play a determining role in this context. There are three political institutes, all members of the Socialist International, which work in the Palestinian territories: the Olof Palme Centre; the Friedrich-Ebert-Stiftung and the National Democratic Institute. The Socialist International, the European Union and this group could play an important role to solve the crisis by supporting the democratic parties in Palestine and by offering financial and moral support.

Misdah Ahdab stipulates that Hezbollah is conceived to be part of the social net in Lebanon. Yet it is a matter of concern that one cannot proceed to elections when armed forces engage in actions against citizens. International and regional support is crucial since the political structure in Lebanon is corrupt and must be renewed as soon as possible. The real solution of the conflict could be found via concrete actions such as:

- the return of the Shebaa Farms to Lebanon;
- a dialogue between the military forces and Hezbollah;
- the intervention of a neutral mediator;
- strong governmental and European support to the Lebanese army;
- European financial and political support aimed at political reorganisation, improvement of living conditions and the introduction of the rule of law.

Semen Bagdasarov stresses that Iran has a considerable influence on the whole region. It disposes of a remarkable array of missiles capable of reaching the whole territory of Israel. There are two possible ways to deal with the Iranian nuclear policy: either a diplomatic or a military solution. Unfortunately, a military intervention becomes increasingly likely. Iran also has a strong influence on the Hezbollah, in Iraq (attacks against police forces) and on the Taliban in Afghanistan. It would therefore be important to further analyse Iran's role in Central Asia. Some Palestinians are however convinced that Iran is the only protecting force regarding their conflict with Israel. Hezbollah has already succeeded in creating a very powerful structure in Lebanon. Now a solution is needed regarding Iran.



Janiki Cingoli deeply regrets that the Shebaa Farms have not yet been returned to Lebanon. Negotiations between Israel and Palestine cannot end without a regional agreement. A reinforcement of the Arab Plan should be favoured which would be the only realistic approach to put an end to the conflict.

Yossi Alpher underlines that the efforts undertaken by the International community must focus on the Israeli-Palestinian conflict because chances for an agreement between them are continuously diminishing. Israel and Syria are about to conclude an alliance in order to face the Iranian threat. American action carried out in the region is weak and it is doubtful whether the US will come up with a serious strategy for the future. After the presidential elections, the US will give priority to Syria and Iran rather than to the Israeli-Palestinian conflict.



John Bell says that the EU needs to work on a crisis prevention plan because a big crisis in the Middle East becomes more and more likely. It is moreover necessary to gradually progress on the path to solving the key questions, for example the issue of refugees.

Piero Fassino points out that it would be very difficult to conclude a peace agreement between Israel and Palestine. Therefore, reinforcing the regional situation should be a priority. In this context, an improved cooperation with Arab countries and the Arab League would be useful. The Iraq war has raised great hostilities against the US in the Middle East. Iran plays a crucial role in the region but a policy of sanctions would be absolutely inefficient. A policy of diplomacy should be followed, in order to find a solution to the crisis.

Ezzedine Choukri-Fishere explains that one should not only concentrate on the extremists because this would lead to an even greater division in the region. This is also the main reason for the collapse of Annapolis. The EU and the US should not

isolate individual countries but rather include every single country of the region in order to find an overall solution. Both the EU and the US should provide special support to the negotiations between Syria and Israel.

Mara Rudman does not agree with the previous speakers concerning the US government's future actions in the Middle East. Several teams are currently working for candidate Barack Obama as well as for his opponent John McCain to prepare concrete actions and initiatives in the Middle East after the elections. Mr. Obama, for example, has already said that he would give the priority to the Israeli-Palestinian conflict in case he wins the elections.

Mansur Abu Rashid says that direct negotiations between Israel and Hamas have already taken place and that prisoners will hopefully be exchanged. Concerning Iraq, a new security agreement with the US is being prepared. Israel and the US are secretly preparing an action against Iran. Yet the Iranian military capacities represent no major danger for Israel.

Jamal Zakout says that 85 per cent of the checkpoints installed in the West Bank have no reason to exist. The EU has to play an active role in implementing the Road Map. Furthermore, monitoring needs to be improved via neutral observers.

Colette Avital stipulates that, if a solution to the Israeli-Palestinian crisis was to be found, it would be favourable to repatriate the settlers into the borders of 1967. On the one hand, one should be grateful for the efforts realised by the EU but, on the other hand, the EU needs to be encouraged to continue in a more active way. An international force is part of the reconciliation process and should intervene as soon as an agreement between Israel and Palestine is found.

Forum for Peace

3 July



Workshop I

The economic aspects of the Israeli-Palestinian conflict: obstacles and opportunities

Chair: **Richard Howitt**, PSE Group Member, Vice-Chairman of the Sub-committee on Human Rights

Ezzedine Choukri-Fishere comments on the situation in Gaza and in the West Bank. There is concern about the future of the ceasefire in Gaza, which is unlikely to last long if the current problems are left untouched and the issue of the smuggling of weapons is not tackled. Israelis would not hesitate to enter Gaza if they feel threatened. It is necessary to exchange the prisoners and to open the crossings in order to consolidate the ceasefire. A national reconciliation between Fatah and Hamas, with the mediation of Egypt, is indispensable for the future of Gaza. However, it is also important that the situation in Gaza is not simplified to security related issues. A political process should also take place. In case of lack of national reconciliation, Gaza will totally be delivered to Hamas, and the Palestinian Authority will not be able to enter the territory. As a consequence of this, PM Fayyad will be unable to deal with the Israeli position, Fatah will not be able to act and the gap between the Gaza Strip and the West Bank will become even wider. In the West Bank, all necessary economic and security



related measures have been taken. The next step should be lifting the blockade. To ensure its security, Israel needs multi-lateral agreements, which complement the bilateral agreement with Palestinians. It is necessary to bring in third parties. It is clear that the aim of concluding an agreement before the end of 2008, as declared in Annapolis, is unlikely to be achieved. Strong leaders are needed to reach this goal. This perspective is not likely to change even if Mrs. Tzipi Livni would become the next Prime Minister. On the other hand, Arab states have been accused of not contributing actively to the process. This is the result of bringing them into the process at this late stage. The Arab states should have played a bigger role from the beginning. It is too late for them to keep up with a process in which they were not involved from the beginning.

Mara Rudman points out that achieving sustainable economic development in Palestine would provide strong foundations for a new state. But there are more obstacles than opportunities. However, it is important that such a development has also positive implications for the Israeli economy. The promotion of the private sector and especially SME's is essential for the

economic development and for creating jobs. It is also necessary to facilitate financial instruments and infrastructure. Banks should give loans to Palestinian businesses and provide political risk insurances, thus enabling them to move goods over the border and offering mortgage facilities to the people in order to afford housing. Risk insurances are being offered to Israelis, and in other areas of conflict, but are not yet available to Palestinian businesses. Mortgages, on the other hand, are not only a means of providing people with housing but are above all a contribution to the economic development, they will add to the development of the construction sector as well as the infrastructure. Basic financial instruments are the basic tools to develop an economy and lay the foundations for a state.

Véronique De Keyser underlines that it is necessary to negotiate an exchange of the prisoners if there is a will to progress regarding the Israeli-Palestinian conflict. A rise in international aid has been registered which has led to a rise in Fatah's legitimacy. On the other hand, the Palestinian police forces are unable to provide security due to the fact that they are unarmed and that they have to re-integrate their barracks during the night while the Israeli police is present in the West Bank.

Yossi Alpher refers to the need for economic development as a condition for a political result. Using economical instruments as carrots and sticks in order to yield a certain political behaviour is not the best solution. Political behaviour does not necessarily change due to economical development.

Jamal Zakout points to the difficulties inherent in reconciliation. The coup of Hamas should not be legitimized. Opening the borders to Gaza should not mean legitimizing Hamas but



instead enable people to move. Hamas is trying to use the economic crisis as a means of empowering itself. Hamas should respect the human rights of the Palestinians. While Hamas closes NGOs and violates the human rights this issue is ignored and no-one talks about these violations.

Matthias Burchard underlines the absence of improvement in the Gaza Strip since the Hamas coup. UNRWA still has problems in bringing in humanitarian aid, such as food and other commodities, but also delivering paper for textbooks proves to be problematic. Projects of the EU, the UN and the World Bank should be developed further and there is a need to use the influence of the EU influence in the region. Israeli control over Palestinian territories is not necessarily security related. Israeli banks cut ties with Palestinian banks. In the past, farmers from Gaza served as experts in Europe whereas now their existence is in danger.

Hania Bitar points out that the economic and employment related problems also affect the value system of the people. Relying on aid, instead of work, destroys this value system. People should be stakeholders of the projects related to aid and economy in order to respect the results.

Mara Rudman underlines the importance of making people stakeholders so that they can claim ownership of the results and respect them. Imposing policies with a strategy of carrots and sticks does not necessarily result in positive political behaviour. Nevertheless, the main point is that a sustainable economy lays the foundations of a state. A possible solution to the problems faced by the EU in the region would be developing projects which are delivered in cooperation between the EU and the US. The EU Investment Bank and Japan are working on a project to guarantee risk insurances for businesses to develop their activities.

Workshop II

The conflict and its broader environment

Chair: **Proinsias De Rossa**, PSE Group Member, Vice-Chairman of the EP Delegation for relations with the Palestinian Legislative Council

David Hammerstein, MEP, explains that natural resources, and especially water, remain the forgotten factors of the Israeli-Palestinian conflict. The region is poor in water resources which makes it even more vulnerable to climate change. In addition to this, these scarce resources are not distributed equally. According to a survey analysing the main problems faced by Gaza citizens, the elimination of garbage tops the list. Garbage is largely thrown into the sea which has consequences for the fishery industry, or is simply burned which leads to big problems of air pollution. Syria largely depends on Turkey's water resources, which also strongly influences the political relations between the two countries. A more active engagement of the EU is needed, for instance by sending a mediator responsible for the management of the water distribution in the areas concerned. A project should be elaborated with the aim of bringing more water to the Dead Sea. This project could also constitute a solid basis for regional cooperation. Furthermore, the development of solar energy programs could improve the economical situation of the region as a whole.

John Bell says that Israelis and Palestinians are living in two completely separate worlds, they ignore their respective cultures. Yet culture and education remain a key question in the Israeli-Palestinian conflict. There are possibilities in this field. One of these focuses on the role of the media: specific channels should be developed in order to familiarise Israelis with the Palestinian culture and vice versa. Another possibility would be to organise debates between the two in order to exchange views and opinions. This mechanism would allow tackling and getting rid of taboos and prejudices that still exist on both sides.

Jafar Farah points out that the European Investment Bank officially has given 200 million Euros in order to finance a water collection system. But only 60 million of this amount has been used so far. Multiculturalism in Israel needs to be supported. Aimed at decreasing the cultural differences between Israelis and Palestinians, some investments in television channels have been made in order to bring the Arab language closer to the Israelis. Moreover, a request for the setting-up of an Arab University in Israel has been introduced but unfortunately has been rejected by the government, with the result that 4800 students continue their studies in Jordan.

Gershon Baskin explains that the Israeli and the Palestinian educational systems ignore each other. Israeli student literature for example neither mentions Palestinian culture nor their existence. Both Israelis and Palestinians should open a dialogue and negotiate on the content of their textbooks as well as on school programs in general in order to comply with each other. Peace passes through a common education system and the recognition of each other's cultures.

Bernard Sabella emphasises that his optimism increasingly vanishes. Separation between Israel and Palestine increases continuously. It is very difficult to establish contacts between



young Palestinians and young Israelis because they grow up in two completely different worlds. If the EU really wants to help Palestine, it should elaborate independent economic plans so that Palestine could finally escape from Israel's economic control.

John Bell stresses that the role of culture and education in solving the conflict is abstract and intangible. It is difficult to manage the role of culture and education and even to talk about it. During his three years in Jerusalem, he has learned that the major part of this work is post-conflict work. The idea to work on culture and education stems from the Oslo Process. However, the major part of the task could be carried out when the conflict is resolved. If one tries to change the perception of the other, yet the conflict generates emotions, this could put an end to all intellectual efforts. The paradox is culture and education, in other words: traditions, reactions, challenges and emotions represent the basis of the conflict. Culture puts a barrier to a solution. There is no guarantee of success but certain perceptions could be changed through the media.

There are many stereotypes which are at the origin of simple conclusions and behaviour. One needs to learn how to manage conflicts and convince the other person who is not from the same cultural environment. Another approach could be dialogue. If dialogue is well managed by a moderator, it could encourage intelligent critical reflection and more rationalism and precision and avoid emotional reactions. This mechanism would step by step allow us to confront taboos. Many taboos in the region remain. This kind of effort and work represents an opportunity for the Middle East in order to reflect on its own obsessions. A political framework is the key, and without a political answer there is no solution to anything in the Middle East. If you change contacts, people change. If there is a process in place without taboos, people will learn more about their own culture; and there will be hope.

Smadar Shapira stresses the important role of peace-building activities in various fields, e.g. environment, agriculture, and especially education and culture. But these activities mostly address people who are already involved. The main goal for the future should therefore be to support the ones who are immobile to meet Palestinians: people in smaller towns, in rural areas, in Gaza. These people mostly vote for the right wing, are deeply religious, and have the strongest prejudices towards Palestinians. The importance of mobilising and implementing opportunities for them to meet Palestinians therefore cannot be overemphasised. Organisations like The Peres Center find it extremely hard to act as a credible organisation in these unstable times. People participating in their programmes need stability to believe in the goals and efforts. An International Fund for Peace in the Middle East is therefore required in order to promote stability which is a necessity for the work of NGOs and civil societies. It could bring the message of hope and peace down to the ground, to the people.

Matthias Burchard reminds us of former studies made by EU and US institutions on environmental issues, stored in different archives around the world, which should be revised. New ones are not needed. He also comes back to the water problem and argues that water should not be wasted in huge agricultural projects. In fact, it should be used for the production of high value products. As for educational issues, extracurricular school programmes on human rights and conflict management should be integrated in curricula. The Summer Games Programme implemented for Palestinian children and young adults offers an opportunity to spend the summer vacations doing sports and interesting leisure activities.

Jamal Zakout refers to the changing mentality in Gaza, which increasingly becomes a mentality of siege. Young people only know what it means to be living under siege, which results in a collapse of the society and in radicalisation. Culture and education are tools against radicalisation.

Ezzedine Choukri-Fishere stresses that this conflict remains a political conflict and is not won in the field of culture or environment. This conflict needs sufficient political solutions. Strong efforts have been made on cultural as well as environmental projects but a single political incident could destroy years of work. As for the reconciliation between Palestinians, a framework is needed which integrates all Palestinian political parties and allows them to work together in the peace process towards the two state solution. The Oslo model has failed, a new multilateral model is needed.

David Hammerstein argues that the environmental issue is a question of survival for all people in the region and indeed in the world. The question of the Palestinian minority in Israel is one of the major issues in the whole peace process. Institutions like the European Investment Bank should pay more attention to it. Water should be used more wisely:

agriculture for example could be substituted by developing land for tourism. Solar energy is a profitable opportunity but guaranteed prices for stabilisation are needed. The idea of an ecologic peace park in the Golan Heights should be pursued.

John Bell supports the thesis that this is a genuine political conflict and there can be no other solution but a political one. Issues like culture and education as well as environment must come later. Once the crisis is solved there will be many opportunities. To put the cart before the horse means to raise false hopes. The EU especially needs a realistic view on that question.

Proinsias De Rossa is of the opinion that the peace process consists not only of decisions made at the high political levels. A stable basis is a necessity for a stable peace process. NGOs and civil society therefore play an important role in the whole process. They are in the position to provide the basis for renewed societies. There are three hopes for the future of the peace process: firstly, that the EU takes an active role; secondly, that the Americans recognise their crucial position; and thirdly, that Israel realises that it cannot go on like this.