

Brussels, 29 MAI 2013  
A(2013)706775-955425

The European Eminent Persons Group

*Dear colleagues,*

First of all, I would like to thank you for the letter which you have addressed to me regarding the current state of the Middle East Peace Process and the role of the European Union in this context. In your letter, you raise a number of important issues and concerns of relevance to the Peace Process and you make a number of suggestions, for which I thank you.

From the outset, let me stress that the European External Action Service (EEAS), myself as well as all the other institutions and current leaders of the European Union all share a common commitment to work relentlessly to help achieve a negotiated solution to the Israeli-Palestinian conflict which would meet the aspirations of both the Israeli and Palestinian populations.

Allow me to take this opportunity to elaborate on this commitment and – in so doing – on some of the questions and concerns which you have raised.

For a number of years, the European Union has been fully united in its position with regard to the Middle East Peace Process and the Israeli-Palestinian conflict. As you note in your letter, a number of EU Council Conclusions and statements have been adopted and delivered in recent times, in which the Union's principled and consistent position is outlined. The European Union has been unwavering in its calls for the urgent resumption of negotiations which should lead, within an agreed time-frame, to a two-state solution with the State of Israel and an independent, democratic, contiguous and viable State of Palestine, living side by side in peace and security. A comprehensive peace, which is a fundamental interest of the parties in the region and the EU, must be achieved on the basis of the relevant UN Security Council Resolutions, the Madrid principles including land for peace, the Roadmap, the agreements previously reached by the parties and the Arab Peace Initiative.

Since the Council Conclusions of May 2012 and December 2012, which you refer to in your letter, the European Union has undertaken significant work in a range of policy areas, in view of its stated determination to contribute to maintaining the viability of the two-state solution.

Concerning East Jerusalem, the EU has remained consistent in its insistence on the gravity of the situation regarding Israeli settlement activities and other policies in the city and the threat that these activities constitute for the prospect of Jerusalem becoming the capital of two states. Work is ongoing within the EU on a number of measures and actions to help counter recent developments in and around East Jerusalem and to strengthen the Palestinian presence in the city. Having successfully placed the situation in Area C of the West Bank on the international agenda, the EU continues to engage at the highest level with Israel on this matter, with the aim to ensure progress on a number of issues. As the largest donor to the Palestinian people, the EU continues to work with other stakeholders in order to ensure a joint approach aimed at upholding the viability of the Palestinian Authority and, hence, of the two-state solution, in line with two decades of political and

economic investment. Given the EU's longstanding position that settlements are illegal under international law, the EU has also stepped up its efforts on all issues related to settlement activities, notably increasing its monitoring and reporting on all matters related to settler violence, focusing on both prevention and accountability.

I believe that the commitment of the EU and of its Member States, reflected in the above-mentioned actions and initiatives – as well as in the active participation of the EU in the work of the Quartet – bear witness of the Union's unwavering pledge to do everything in its power to help end the occupation, to maintain the viability of the two-state solution and to promote direct substantial negotiations between the parties to reach that goal.

As regards the various policy elements which you advocate – many of which already form part of the Union's policy and actions – let me stress in particular the following:

The European Union and its Member States consistently refer to the Palestinian territory as being occupied, both in Council Conclusions and in other statements made by the EU, as well as through the support given by all EU Member States to a number of resolutions adopted every year in international organisations, notably the UN, in which the status of Israel as an occupying power is highlighted. Similarly, the European Union consistently maintains and reiterates that it will not recognise any changes to the pre-1967 borders, including with regard to Jerusalem, other than those agreed by the parties.

As regards ongoing efforts to establish a unified Palestinian representation, the EU has consistently called for Palestinian reconciliation under the Authority of President Abbas. The EU has commended the efforts of the Egyptian Government to bring about and implement this reconciliation, in particular since the signing of the reconciliation agreement in May 2011. The European Union considers reconciliation as an opportunity, rather than a threat, since Palestinian unity is an important element in the quest for a viable Palestinian state and will be crucial for securing a lasting peace with Israel. The EU intends to continue to provide support, including direct financial support, to a new Palestinian Government composed of independent figures which will be committed to the principles set out in President Abbas' speech on 4 May 2011, when the initial reconciliation agreement was reached. The EU expects that any new Palestinian Government should uphold the principle of non-violence and remain committed to achieving a two-state solution, accepting previous agreements and obligations, including Israel's legitimate right to exist. The EU understands and welcomes the fact that any Palestinian reconciliation will imply a reform of the Palestinian Liberation Organisation.

Concerning the financial situation of the Palestinian Authority, in the past three years I have personally hosted the annual meeting in Brussels of the so-called Ad Hoc Liaison Committee, the donor coordination mechanism for development assistance to the Palestinian people, thus reflecting the EU's role as a major donor to the Palestinian Authority, as part of its wider efforts in the Middle East Peace Process. Within this context, particularly within the framework of the implementation of the May 2012 Council Conclusions, the EU has looked closely into the fiscal sustainability of the Palestinian Authority, in order to explore ways to address the Palestinian Authority's recurring financial difficulties and aid-dependency in the medium term. This is also closely linked to the increased focus of the EU on Area C and, particularly, the crucial importance of social and economic developments in that Area for the viability of the state of Palestine. Irrespective of the importance of the automatic transfer of clearance and tax revenues by Israel which the EU has

called for repeatedly – in line with the provisions of the Paris Protocol – the EU has insisted on the importance of expanding the Palestinian Authority's revenue base. The Palestinian Authority must be allowed to take full advantage of the natural and land resources in the whole of the West Bank and it must be able to acquire revenues from the Gaza Strip. The complete and permanent removal of all obstacles to movement and access are a pre-requisite for Palestinian economic revival. Through our bilateral assistance programme, we have been working very closely with the Palestinian Authority to support its efforts towards longterm fiscal sustainability, including through support to private sector development and trade diversification.

On the humanitarian and human rights conditions prevailing in in the West Bank and in Gaza, the European Union continues to place a particular emphasis on the need for full respect of international humanitarian and human rights laws in all its contacts and dealings with the parties and with NGOs and other actors on the ground. Within the framework of the European Neighbourhood Policy (ENP), the EU maintains a regular dialogue on human rights issues both with the Palestinian Authority and with Israel. In its annual ENP country progress reports, the EU reports about the respective human rights situation. The final chapter of the progress report on Israel further details Israeli actions in the occupied territories.

Turning to your call for "a clear distinction in EU dealings with Israel between what is legitimate – within the 1967 lines – and what violates international law in the Occupied Territories", the Council Conclusions of May and December 2012 have led to a thorough examination of what the EU could and should do to ensure that, in line with international law, all agreements between the State of Israel and the European Union unequivocally and explicitly indicate their inapplicability to the territories occupied by Israel in 1967. These Council Conclusions also stated clearly the commitment of the European Union and of its Member States to ensure continued, full and effective implementation of existing European Union legislation and bilateral arrangements applicable to settlement products. Work is continuing apace on these matters and various sets of guidelines addressed to Member States should be issued in the near future, helping to enforce the territoriality of all EU agreements with Israel.

Finally, regarding your concluding remarks on the need for the EU to play a leading political role in the Middle East Peace Process, I can assure you of my personal commitment as well as of the commitment of Member States to this dimension of the work done by the EU. The very active role played by the Union within the Quartet as well as the importance that we attach to our strategic political dialogue with both Israelis and Palestinians has allowed us to influence developments and to help renew hopes for a revitalised peace process. Far from being inactive at the political level, the European Union is applying relentless pressure on both parties as well as on other key actors to play their respective parts in our common endeavour to find a peaceful solution to the Israeli-Palestinian conflict.

I look forward to a continued fruitful dialogue with the Eminent Persons Group on these matters.

*Yours sincerely,*



Catherine Ashton