The Quarterly Update is a summary of bilateral, multilateral, regional, and international events affecting the Palestinians and the future of the peace process. More than 100 print, wire, television, and online sources providing U.S., Israeli, Arab, and international independent and government coverage of unfolding events are surveyed to compile the Quarterly Update. The most relevant sources are cited in JPS’s Chronology section, which tracks events day by day. Chronologies are archived on the JPS website at www.palestine-studies.org.

Highlights of the Quarter: The Kerry-led negotiations show no signs of a breakthrough, despite intense American involvement in separate discussions with Israeli and Palestinian leaders; the 3rd of 4 scheduled prisoner releases takes place; a long and bitter strike by UNRWA workers dominates the domestic Palestinian political landscape; Egypt tightens the noose on Gaza as Sinai insurgency escalates; escalating humanitarian disaster in Yarmuk r.c. in Syria.

THE PALESTINIAN-ISRAELI CONFLICT

This quarter, the US-led initiative to break the impasse in Israeli-Palestinian negotiations continued but saw no progress despite 3 visits to the region by U.S. Secy. of State John Kerry, and intense discussions between American officials and their Israeli and Palestinian counterparts. Negotiations had resumed in 7/2013 with some fanfare amid American expectations of a breakthrough by the 9-mo. mark, in 4/2014. Aside from the 3rd of 4 scheduled prisoner releases, which took place on 12/31, the situation on the ground continued to hamper peace efforts: unabated Israeli settlement construction prompting anger on the Palestinian side and frustration internationally; growing popular and, at times, armed resistance to Israeli raids, as Israeli forces routinely deployed lethal force, including against civilians; and escalating Palestinian rocket fire from the Gaza Strip in response to Israeli air strikes and shooting attacks along the border fence.

KERRY SHUTTLES, BUT NO BREAKTHROUGH

Kerry was in the region 3 times between 12/5/2013 and 1/5/2014, meeting separately with the heads of the Israeli and Palestinian govts. After discussions with Palestinian Authority (PA) Pres. Mahmud Abbas in Ramallah on 12/5, Kerry described the goal of the process as a “viable Palestinian state” but Palestinian officials said Kerry had not...
presented anything resembling a final proposal. Following 3 meetings with Israeli PM Benjamin Netanyahu and 1 with Abbas, Kerry sounded optimistic as he prepared to leave Israel.

Without disclosing further details, the senior American diplomat told journalists at a briefing on 12/6 that a security plan, prepared with the help of “160 experts,” had been presented to the 2 leaders by U.S. Gen. John Allen. Three days later, Netanyahu reportedly told his Likud-Yisrael Beiteenu coalition that a final-status agreement with the Palestinians was not in the cards, and that he had rejected the Allen-proposed security plan because it fell short of Israel’s requirement for stationing Israeli troops on the border with Jordan (12/9). Israel’s Strategic Affairs Minister Yuval Steinitz reiterated this no-compromise Israeli position 1 mo. later (1/5) during a public radio address.

Kerry was back in the region 2 more times in the following weeks to conduct separate talks with the Israeli and Palestinian leaders. On his 12/12-13 visit, the 9th in the series, discussions reportedly focused on preparing a framework agreement containing principles for resolving the main issues. Kerry was in Israel again on 1/2/2014, and before going into a meeting with Netanyahu immediately upon arrival in Jerusalem, he and the Israeli PM spoke to journalists. Kerry told reporters that both sides would “have to make tough decisions,” while Netanyahu indicated that there was “growing doubt in Israel that the Palestinians are committed to peace.” For his part, PLO Secy.-Gen. Yaser ‘Abid Rabbuh made a statement on the same day indicating that Palestinians were not interested in a “worthless” framework agreement. After meeting 1st with FM Avigdor Lieberman and then Netanyahu, on 1/3 Kerry headed to Ramallah where he was greeted by angry Palestinian demonstrators protesting against the peace process. Following his meeting with Abbas, Kerry said that progress was being made toward a “framework agreement” (1/4).

In a 1-day tour of whistle-stop diplomacy, Kerry then proceeded to Amman and Riyadh to update the Jordanian and Saudi monarchs on the talks (1/5) before returning to Israel and the West Bank for more discussions. Following this round of negotiations, an anonymous Palestinian official revealed that Kerry’s offer to Abbas was for Palestinian acceptance of Israel as a Jewish state in exchange for Israel’s acceptance of pre-1967 borders as the basis for talks. Meanwhile, Lieberman told a meeting of Israeli diplomats that while he supported a comprehensive agreement with the Palestinians in the context of U.S.-led negotiations, such an agreement would have to include land and population exchanges, a reference to his longstanding proposal to move Palestinian citizens of Israel into a putative Palestinian state. Kerry returned to Washington on 1/6, still insisting that progress had been made.

In the following days, both Israelis and Palestinians expressed increasing frustration with the entire process. The PLO Executive Cmte., headed by Abbas, met in Ramallah on 1/14 and released a statement saying that talks would likely collapse unless they were based on relevant internationally-recognized terms of reference. At a subsequent meeting on 1/25, the cmte. also agreed on recommendations—that would still require Abbas’s approval—to explore options, including full membership, that could be pursued with various UN agencies regardless of the status of the negotiations. On 1/15, following a meeting with Netanyahu, Israeli DM Moshe Ya’alon had to issue an apology for describing Kerry as “obsessive” and “messianic.” The comments, made to associates in private, found their way...
into the Israeli media and were condemned by the U.S. State Dept. Soon afterward (1/19-20), Israeli justice minister Tzipi Livni and special envoy Isaac Molho flew to Washington to discuss details of a draft framework peace agreement with Kerry at a meeting attended by Israel’s Amb. to the U.S. Ron Dermer and U.S. special envoy Martin Indyk. By 2/3, the general lack of progress and escalating tone in public statements had an unnamed U.S. official telling the Jerusalem Post that the approaching 9-mo. deadline set for 4/2014 would need to be extended. On the same day, PLO negotiator Saeb Erakat stated that no progress had been made or a date set with Kerry to finalize a framework agreement. In what seemed to be yet another signal that serious concessions were still a long way off, Kerry told the Washington Post on 2/8 that both Netanyahu and Abbas would be able to “express reservations” about the proposed framework agreement, a scenario echoed by Steinitz, who said on 2/14 that the document Kerry was expected to present would spell out the U.S.’s position with Israelis and Palestinians stating their respective reservations.

Meanwhile, on 12/30, 1 day later than scheduled, Israel released 26 Palestinian prisoners, the 3d such release in accordance with a previously agreed framework on 4 prisoner releases slated to take place within the span of the current negotiations, resumed in 7/2013. Three of the released prisoners returned home to the Gaza Strip, 5 to East Jerusalem, and 18 to the West Bank.

While this constituted 1 of the “confidence-building measures” meant to further the talks, Israel announced a number of significant settlement construction plans during the quarter. According to Peace Now, the authorities gave the go-ahead on 11/25 for the construction of 829 new homes in the West Bank settlements of Givat Ze’ev, Nofei Prat, Shilo, Givat Salit, and Nokdim, and a week later, the Israeli NGO revealed that Defense Ministry figures showed that Ya’alon had approved the construction of 3,000 housing units in West Bank settlements during the 1st 4 mos. of his term (3–7/2013). On 1/6/2014, Israel published plans for the construction of 272 new settlement homes, including the 1st ever master plan for Ofra, a settlement located on the West Bank 15 km from the Green Line and on the main road between Jerusalem and Nablus. In addition, Israel’s Supreme Court rejected (1/26) an appeal against the construction of a highway linking Jerusalem to the Gush Etzion settlement bloc dividing the Palestinian suburb of Bayt Safafa in East Jerusalem. Finally, a Jerusalem municipality planning cmte. also approved (2/12) the construction of the yeshiva campus in the Shaykh Jarrah neighborhood of East Jerusalem.

**OCCUPATION DATA AND TRENDS**

This quarter, 19 Palestinians were killed as a result of Israeli actions, 10 in the West Bank and 9 in the Gaza Strip, and 1 Israeli was killed as a result of Palestinian actions. (Comparable figures last quarter were 14 total Palestinians, 9 in the West Bank and 5 in the Gaza Strip, and no Israelis.) As of 2/15, the total number of fatalities since the 2d intifada began in 9/2000 are as follows: 8,236 Palestinians (including 51 Palestinian citizens of Israel and 19 unidentified Arab cross-border infiltrators); 1,128 Israelis (358 IDF soldiers and security personnel, 228 settlers, and 538 civilians); and 66 foreign nationals (including 2 British suicide bombers). These casualty figures include individuals who died in noncombat-related incidents whose death was
a direct result of Israel's occupation and the ongoing conflict (e.g., ailing Palestinians who died while being denied access to medical care and Palestinians killed in smuggling tunnel accidents).

Another 3 Palestinians lost their lives this quarter as a result of injuries sustained 8 mos., 8 years, and 10 years earlier.

Tension in the West Bank escalated this quarter as clashes between Israeli forces and Palestinians increased in frequency and intensity during demonstrations and arrest raids, as well as patrols in Palestinian communities. IDF incursions into towns and refugee camps met with popular, and sometimes armed, resistance, and raids on Yatta, Jenin r.c., and Qalqilya resulted in the death of 5 Palestinians. The IDF also killed a Palestinian child outside Jalazun r.c. (nr. Ramallah), a long-standing hotspot of confrontation for Palestinian youth facing off against settlers and IDF soldiers. There were several stone-throwing incidents targeting settlers and a large number of settler attacks on Palestinians and their properties.

In the Gaza Strip this quarter, the Israeli military conducted a number of air strikes (the 1st since Operation Pillar of Defense in 11/2012) targeting alleged militants, and Palestinian rocket launches rose slightly to around a dozen throughout the 1-2/2014 period. There was also frequent violence at the Gaza-Israel border fence, with Israeli forces killing Palestinians in the so-called buffer zone on 4 separate occasions and a Palestinian sniper killing an Israeli defense contractor repairing the border fence.

WEST BANK AND JERUSALEM

Violent confrontations between Palestinians and Israeli forces in the West Bank continued this quarter as Israeli arrest raids and patrols encountered resistance both in villages and urban centers, as well as in refugee camps. During an arrest raid in Yatta (nr. Hebron) on 11/26, the IDF shot and killed 3 Palestinians whom they claimed were involved in planning attacks. In an arrest raid in Jenin r.c. on 12/18, the IDF killed 1 Palestinian and wounded 6 others when they were met by resistance en route to a suspect’s house. The IDF shot and killed another man the following day in Qalqilya (12/19), also during a raid. The other 2 killings in the West Bank occurred when the IDF shot and killed a 14-year-old Palestinian boy allegedly throwing stones at the Beit El settlement outside Jalazun r.c. on 12/7, and on 1/29, Israeli forces shot and killed a man outside Yabrud village nr. Ramallah claiming he had attacked them. In both cases, eyewitnesses contradicted IDF accounts.

Israeli forces routinely used live ammunition and rubber-coated metal bullets throughout the quarter, whether at regular sites of confrontation such as Jalazun r.c. or at Aida r.c. in Bethlehem, and on a lesser scale at the Al Quds University campus in Abu Dis (East Jerusalem). In all these places, the Israeli military resorted to disproportionate violence either in response to Palestinian protests against the occupation or during an incursion. In early 2/2014, UN OCHA noted that the Israeli army’s use of live ammunition in clashes with Palestinians had been on the rise since the start of the year, “resulting in a weekly average of 8 injuries compared to a weekly average of 4 during the last 3 mos. of 2013, and a weekly average of 1 in 2012” (UN OCHA 2/3). Violent confrontations between Israeli settlers and Palestinians also continued, though a fall in reported attacks by settlers was probably due in large part to the stormy
weather in 12/2013 (See “Settler Related Violence” for more).

THE GAZA STRIP

The Gaza Strip witnessed an upsurge in tension this quarter, with the launch of the 1st Israeli air strikes on the territory since Operation Pillar of Defense in 11/2012 and sporadic Palestinian projectile fire. In addition, Israeli forces positioned on the border opened fire repeatedly at Palestinians challenging the IDF-imposed no-go area with demonstrations and attempts to carry out day-to-day activities such as farming.

There was a notable increase in Palestinian projectile fire from inside the Gaza Strip into s. Israel this quarter, and while these attacks originated mainly from other, unaffiliated groups, the Israeli govt. made clear that Hamas would be held responsible for them. Rockets were fired on 7 different days (12/7, 12/22, 12/25-26, 1/1-2, and 1/6), with several landing inside the territory on 3 occasions (see Chronology). None of the attacks caused damage or injuries but rocket fire on 1/13 was met with an Israeli air strike that injured 1 Palestinian child, and on 1/15, 1 woman and 4 children were injured in an aerial bombing of 4 targets. Israel also stepped up attacks against suspected Palestinian militants, killing 2 Islamic Jihad operatives in drone strikes on 1/8 and 1/19 in Gaza City. On 1/22, the Israelis attacked Bayt Hanun from the air, killing a 3d mbr. of Islamic Jihad and a militant belonging to the Popular Front for the Liberation of Palestine (PFLP). In addition to 7 Palestinian rocket fire attacks from Gaza this quarter (1/15, 1/18, 1/20, 2/6, 2/8, 2/10, and 2/14), a Palestinian sniper shot and killed an Israeli civilian defense contractor repairing the border fence nr. Kibbutz Nahal Oz on 12/24 in an attack claimed by the Popular Resistance Committees. In retaliation, the Israeli military launched air strikes on 6 separate sites across the Gaza Strip, killing 1 child in al-Maghazi r.c. and wounding a total of 10 civilians. Israeli forces also used lethal force against protesters, shooting and killing civilians protesting the siege and land access restrictions on 12/14, 12/20, 1/24, and 2/13.

Movement and Access Issues

Movement and access restrictions in the West Bank remained largely unchanged this quarter, with 1 exception. On 2/1, Nablus chamber of commerce dep. chmn. Omar Hashim announced that under an agreement reached with the help of USAID, Israel would facilitate the shipment of goods between Israel and the West Bank via al-Jalama checkpoint n. of Jenin, thereby streamlining the 2-way transfer of commercial containers.

In the Gaza Strip, Palestinians suffered greatly from the Egyptian travel restrictions at the Rafah crossing this quarter in addition to the continued Israeli restrictions on trade. Egypt’s repeated and unscheduled closings of the Rafah crossing were unexplained beyond vague “security” reasons, presumably invoked because of the insurgency and counterinsurgency taking place in the Sinai. Only 2,335 people were able to leave and another 2,123 to enter through Rafah in the entire mo. of 1/2014, when the crossing was open only for 6 days whereas the following mo., 1,922 people exited the Strip and 1,120 entered in just 3 consecutive days (2/8-11). The Egyptian authorities demolished tunnels used to smuggle goods into the territory on 4 separate occasions (12/1, 1/18, 2/8, and 2/15)
and according to a military source on 1/18, Egypt had destroyed 1,113 smuggling tunnels since 1/2013 with most of the destruction having taken place after the 7/2013 coup.

In 12/2013, the Israeli authorities eased restrictions on imports destined to international projects while maintaining the almost total ban on materials going to the private sector. In response to the extreme winter weather, Israel opened Kerem Shalom crossing on 12/6 to allow in fuel and other goods, as well cement and gravel for UN projects. Seven truckloads of strawberries and flowers for export to Europe left the territory, although the ban on exports to the West Bank remained. Between 8/2013 and 1/2014, fewer than 30,000 tons of construction materials a mo. entered the Gaza Strip, a 70% decline from the comparable figure in the 1st half of 2013. Israel made an exception to its ban on construction imports destined to the private sector when it permitted 1,000 tons of cement to enter the Strip (2/9-10) to repair the damage from the winter storm, less than one-fourth of the estimated amount needed.

Israel also continued to enforce the so-called buffer zone inside the Gaza Strip and at sea this quarter, opening fire on Palestinians many of whom, though not all, approached the border fence in the context of protests. A total of 18 civilians were injured and another 4 killed as a result of Israeli gunfire on 19 separate occasions (see this quarter’s Chronology). The IDF also conducted 6 border incursions during this quarter, typically to level land close to the fence, and they attacked Palestinian fishermen at sea on a routine basis (more than 25 such operations), making 9 arrests and causing some damage (see Chronology).

**Regular Protests in the Occupied Territories**

Regular nonviolent demonstrations in the West Bank against the occupation, settlements, and the separation wall continued in those villages where such protests have become a regular occurrence. Palestinians, Israelis, and internationals took part in demonstrations in villages and areas nr. Ramallah (Bil’in, Nabi Salih, Ni’lin), Bethlehem (al-Masara), and nr. Qalqilya (Kafr Qaddum). IDF soldiers routinely resorted to the use of force including tear gas, rubber-coated bullets, and live ammunition to disperse protesters, causing serious injuries on 11/22, 11/29, 12/6, 12/27, 1/10, 1/17, 1/24, 1/31, 2/7, and 2/14.

**Settler-Related Violence**

This quarter saw 88 attacks by settlers on Palestinians and Palestinian-owned property.
and agricultural assets, down from 122 in the previous 3-mo. period, and a rise in Palestinian attacks on settlers from 14 to 22 in the same period. While inflicting damage and casualties, the settler attacks are thought to have fallen off due to the severe winter weather that had much of the West Bank immobilized in 12/2013. The 88 incidents reported included the uprooting of hundreds of trees at a time (11/16, 12/27, 1/13, 2/5, and 2/11), the destruction of seedlings (2/2 and 2/8), the torching of cars (12/31, 1/8, and 1/22), as well as vandalism and property destruction typically accompanied by racist “price tag” graffiti (11/19, 11/25-26, 12/6, 1/6, and 1/15). As in previous quarters, settler raids on local villages resulted in clashes with the inhabitants that then developed into violent confrontations between Israeli soldiers, on the one hand, and Palestinian residents, on the other, such as occurred in Qusra on 11/8 and in Al Qawawis nr. Yatta on 11/23. Palestinian attacks on settlers increased in number and intensity this quarter, leaving an Israeli toddler injured (11/28) after assailants stoned the car she was traveling in nr. Sur al-Bahir. Other incidents in this category included 2 Palestinian instances of gunfire in 1/2014, 1 which damaged an Israeli vehicle nr. Nablus (1/15), and the other directed at the entrance of Migdal Oz settlement nr. Bethlehem (1/18). Neither of the attacks resulted in injuries. A Molotov cocktail thrown at a settler’s vehicle nr. Nablus (2/8) also caused no injuries or damage.

Demolitions and Confiscations

Some 245 structures were demolished this quarter, displacing 442 Palestinians, a significant increase over comparable figures of 198 and 312 respectively in the previous period. Overall, the Jordan Valley continued to be hardest hit by demolitions (e.g., 12/3, 12/24, and 1/8) but in East Jerusalem, their number dropped to 20 from a high of 53 the previous quarter. According to the Israeli human rights group B’Tselem, the Jordan Valley witnessed 27 home demolitions that left 147 people homeless, including 63 minors in 1/2014 alone. The following mo., a UN report detailing Israeli home demolitions in 2013 showed that 390 shacks and other structures had been destroyed in the Valley, displacing nearly 600 Palestinians. Overall, 1,100 people were displaced in the West Bank and East Jerusalem, a rise of 25% during 2013. On 12/11 and again on 1/31, UN Humanitarian Coordinator James Rawley specifically condemned house demolitions in the Jordan Valley (see “United Nations”).

INTRA-PALESTINIAN DYNAMICS

NATIONAL RECONCILIATION

Although there was no breakthrough in national reconciliation efforts between Fatah and Hamas this quarter, a few low-key initiatives and positive developments occurred when the 2 rivals were not focusing their energies on other pressing matters: Fatah on the U.S.-led negotiations and Hamas on the pressures from the tightened siege on the Gaza Strip and a tense border with Israel.

In early 1/2014, there was a burst of activity as both sides seemed keen to advance discussions. On 1/6, Hamas PM Ismail Haniyeh called Abbas in an attempt to move reconciliation talks forward and announced that Fatah mbrs. from the Gaza Strip who fled in 2007 would be allowed to return, except for those charged with killing Hamas activists. Haniyeh added that the Gaza authorities would “release a small number of Fatah mbrs. being held for security reasons.” On the same day, Fatah spokesperson Ahmad Assaf released a statement to Ma’an news

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agency saying that Hamas and Fatah had resumed back-channel reconciliation talks. According to Assaf’s statement, Azzam al-Ahmad of Fatah had spoken the day before with Hamas’s Musa Abu Marzuq, to follow up on discussions he had attended in Doha in 12/2013 between Fatah Central Cmte. mbr. Mohammed Shtayyeh and Hamas’s chief, Khalid Mish’al.

On 1/8, the Gaza authorities announced the release of 7 jailed Fatah activists held for “security reasons” as a “1st stage” (with Fatah claiming that a further 20 or so remain imprisoned), and expressed their hope that Fatah would reciprocate with a similar gesture in the West Bank. The same day, a Fatah spokesperson stated that Ahmad had made an offer to Haniyeh in a phone conversation on the formation of a national unity govt., and that Haniyeh had asked for time to discuss the proposal with other Hamas leaders. The only other detail released was that Abbas would be setting dates for new presidential and legislative elections. A week later, a Fatah statement indicated (1/15) that no official response to the proposal had been received from either Haniyeh or Mish’al. Two Fatah lawmakers, Majid Abu Shammalah and Alaa Yaghi, who had fled in 2007, returned to the Gaza Strip on 1/21. Accompanied by senior Fatah official Sufyan Abu Zaydah, the 3 were met at the Erez crossing by a large crowd of supporters as well as Hamas’s dep. FM Ghazi Hamad and Fatah lawmaker Ashraf Jumaa. In a similar gesture the following week, Haniyeh announced (1/27) that to advance reconciliation efforts, another 120 Fatah members would be allowed back into Gaza although on the very next day, a Fatah spokesperson claimed that Hamas had still not officially responded to the 1/8 national unity proposal.

In early 2/2014, a Fatah delegation comprising 4 senior Fatah officials, Nabil Shaath, Jamal Muheisin, Sakhr Bseisu, and Muhammad al-Madani, visited (2/7) the Gaza Strip to investigate conditions facing Fatah mbrs. in the territory and to advance talks on a national reconciliation agreement. The following day, Haniyeh made a statement saying that Hamas was eager to end the dispute with Fatah, and Shaath told reporters that Abbas and Haniyeh were in “permanent contact.” In the aftermath of this seemingly positive visit, however, Assaf accused (2/12) Hamas of evading their commitment to an agreement, saying that the Gaza-based group had reopened discussions on already previously-agreed points, while Haniyeh’s media adviser, Taher al-Nunu, urged (2/13) Fatah to continue reconciliation efforts and insisted that Hamas was serious about discharging its obligations.

In spite of these stumbling attempts to reach some common ground, there were also familiar points of tension between the 2 groups during the quarter. On 11/18/13, clashes between students affiliated with each group on the Birzeit University campus had left several young people injured; and in 1/2014, Hamas had prevented (1/5) a Gaza celebration of Fatah’s 49th anniversary, while PA security forces arrested (1/10) some 20 activists involved in organizing Hamas’s 26th anniversary in the West Bank, effectively canceling the celebration. A further source of tension between the 2 sides remained Hamas’s position on the negotiations, which the Gaza-based group repeatedly condemned, particularly the role of the U.S. On 12/4, Mish’al alleged that the U.S. and Israel continued to impede Fatah-Hamas reconciliation efforts and he denounced what
he described as 20 years of negotiations that had “gained nothing” for the Palestinians. The same day, senior Hamas official Mahmud Zahar said that any agreement resulting from the Kerry-led talks would not be binding on Palestinians and reaffirmed the role of armed resistance in achieving Palestinian national goals.

INTERNAL GOVERNANCE

On 2/4, the PA cabinet approved a $4.216-billion budget for the 2014 fiscal year, including a $1.279-billion deficit and $2.742 billion in revenue from taxes and other sources. The budget earmarked $350 million for development projects, $300 million of which was expected to be financed by donor countries.

This quarter also saw a protracted and highly controversial employment dispute at UNRWA, affecting both the West Bank and Gaza (see United Nations in the International section below). PA PM Rami Hamdallah’s govt. helped to mediate and resolve the dispute, which gave rise to protests, demonstration, strikes, and violent clashes with security forces.

In Gaza, the Hamas authorities reopened the Ma’an news agency offices in the territory (11/16), 4 mos. after they had been shut down.

PALESTINIAN OPINION

The following data was excerpted from a poll conducted by the Palestinian Center for Policy and Survey Research (PSR) on December 19-22, 2013. Results are based on a survey of 1,270 men and women from the West Bank (including East Jerusalem) and the Gaza Strip. The poll, the 50th in a series, was taken from PSR’s website at www.pcpsr.org.

Polling this quarter focused, unsurprisingly, on questions related to the Kerry-led negotiations. There was a strong degree of pessimism among Palestinian respondents about the potential for the talks to lead to an independent state in the West Bank and Gaza Strip. In addition, there was a lack of clear support for the return to negotiations and opinion was split on the viability of a two-state solution. Over half of those surveyed, or 56%, felt that Israeli settlement expansion had made Palestinian statehood unviable, while 39.2% said that statehood remained viable if the settlements were dismantled. Two key Israeli demands proved unacceptable to a majority of those surveyed: a transitional, 10-year phase during which Israeli forces would remain in the Jordan Valley and the recognition of Israel “as the state of the Jewish people.” Overall, these results indicate a significant level of skepticism among the Palestinian public about the negotiations and their potential results.

Additionally, imprisoned Fatah leader Marwan Barghouti received a clear endorsement from respondents, both in the West Bank and Gaza, as their choice for president in the event of an election, and proved even more popular in the Gaza Strip than Haniyeh. Abbas came in behind the other 2 leaders in both oPt though, unsurprisingly, he fared better in the West Bank than in Gaza. Taken as a whole, this quarter’s poll is troubling for Abbas, with serious questions about his popularity and mandate to proceed with negotiations on a significant peace agreement.

1. Do you support or oppose the decision by Pres. Abbas to return to negotiations with Israel?
2. Now after the resumption of permanent status negotiations, in your view will the Palestinian and Israeli sides succeed this time in reaching a peace agreement?

3. Pres. Barack Obama proposed that the permanent settlement with Israel would include a transitional phase for 10 years during which Israeli forces would remain in the Jordan Valley. Are you in favor or against this proposal?

4. If new presidential elections were to take place today, and the competition was between Marwan Barghouti, Ismail Haniyeh, and Mahmud Abbas, for whom would you vote?

5. Some believe that the two-state solution, an independent Palestinian state alongside the state of Israel, is no longer viable due to settlement expansion, while others believe that it is still viable today as settlements can be dismantled or evacuated when an agreement is reached. What do you think?

6. There is a proposal that after the establishment of an independent Palestinian state and the settlement of all issues in dispute, including the refugees and Jerusalem issue, there will be a mutual
recognition of Israel as the state of the Jewish people and Palestine as the state of the Palestinian people. Do you agree or disagree with this proposal?

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<td>b. Agree</td>
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<td>c. Disagree</td>
<td>41.9%</td>
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<td>d. Certainly disagree</td>
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<td>e. Don't know/no answer</td>
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Internationally, criticism of Egypt’s armed forces and post-coup govt. was more muted this quarter, particularly from the U.S. On 12/18, by a vote of 16-1, the Senate Foreign Relations Cmte. approved a measure for consideration by the full Senate allowing the Obama administration to disburse its $1.6-billion aid package to Cairo (such aid is suspended under a law prohibiting assistance to govs. following coups d’état). Egyptian govt. measures to curb protests and designate the Muslim Brotherhood as a terrorist organization were met with expressions of concern—but no more—made by U.S. Secy. of Def. Chuck Hagel in telephone conversations with Sisi (11/30 and 12/29).

The Sinai again resembled the site of a full-blown insurgency this quarter, with back and forth attacks between militants and security forces. A deadly suicide car bomb in al-Arish on 11/20 left 11 soldiers dead and 37 wounded, and between 11/21/2013 and 2/4/2014, the military carried out numerous operations against insurgent groups in n. and c. Sinai. These resulted in scores of casualties, as well as curfews, house demolitions, and arrests (e.g., on 11/21, 12/9, 12/20, 1/31, and 2/4). On 1/20, 1 of the most prominent Sinai-based jihadist groups, Ansar Bayt al-Maqdis claimed responsibility for a rocket fired (1/20) at the Israeli port city of Eilat, which caused no damage or injuries.

Due to this volatile situation, the Egyptian authorities clamped down on the Rafah crossing in Gaza, destroying smuggling tunnels and reportedly attempting to create a 300-500 meter buffer zone along Egypt’s border with the Gaza Strip. Those developments signaled more broadly the sharp deterioration in relations between Cairo and the Hamas authorities in Gaza, whom the Egyptian state-owned media accuse of involvement in “terrorism” within Egypt.

FRONLINE STATES

EGYPT

This quarter, Egypt’s military rulers consolidated their hold on power following the 7/2013 coup, cracking down on dissent, both on the streets and in the courts, especially against the Muslim Brotherhood. The military also put in place constitutional changes that cemented DM Abdel Fattah al-Sisi’s position as an unchallenged leader.
JORDAN

Publicly, Jordan maintained a peripheral role in ongoing U.S.-led negotiations between Israel and the Palestinians. King Abdallah hosted separate meetings with all 3 negotiating parties during 1/2014 and then traveled to the U.S. for a summit with Pres. Barack Obama. Other frontline issues that involved Jordan this quarter related to the country’s role as the custodian of Muslim holy sites in Jerusalem and a trilateral agreement with Israel and the PA on water-sharing.

King Abdallah hosted Kerry for 2 hours of talks on 1/5, meeting with Abbas 3 days later (1/8), and Netanyahu a week after that (1/16). According to the Israeli PM’s office, Netanyahu used the encounter, the 1st between the 2 men since 2/2013, to talk about security arrangements pertaining to the future of the West Bank-Jordan border. One mo. later, King Abdallah traveled to the U.S. (2/14) for a summit with Obama to discuss the U.S.-led negotiations, Syria, and other regional issues. Obama pledged $1 billion in loan guarantees to Amman and renewed a 5-year aid package to Jordan.

In this quarter, Jordan expressed concern about Israel’s policies and intentions in East Jerusalem and the Jordan Valley. On 12/18, Jordanian Information Minister Mohammad Momani told the state news agency that in its capacity as the custodian of the Muslim holy sites in Jerusalem, Amman would not accept new surveillance cameras at the al-Aqsa mosque compound. Momani warned Israel not to "ignore Jordan’s diplomatic efforts to stop violation of the al-Aqsa mosque compound," adding that Jordan would not desist from its efforts "to prevent Israel from imposing a new status quo in Jerusalem." On 12/31, Momani also expressed the govt.’s commitment to the establishment of a Palestinian state “on all Palestinian soil with East Jerusalem as the capital of that state.” The remarks were published in response to moves by some Israeli MKs to table a motion on annexing the Jordan Valley. On this specific point, Jordanian PM Abdallah Ensour addressing parliamentarians in Amman stated that Jordan (1/3) “categorically rejects any Israeli intention in this regard and will not stand idly by, but will act diplomatically.”

On 12/9, Jordan signed a water-sharing agreement with Israel and the PA for the construction of a desalination plant on the Gulf of Aqaba and a pilot study for a pipeline linking the Red Sea to the Dead Sea. Under the agreement, which was facilitated by the World Bank, Israel would also release more water from the Sea of Galilee to Jordan and sell desalinated water to the PA. The agreement was signed at the headquarters of the World Bank in Washington (see document A2).

Domestically, 1 of several protests organized this quarter by the local Muslim Brotherhood against the peace process and Jordan’s peace treaty with Israel drew a crowd 1,200-strong in Amman on 2/14. And on 12/31, Mudar Zahran, a Jordanian-Palestinian activist residing in Britain under political asylum status, was charged with incitement and insulting the king following his criticism of the monarchy and govt. on social media.

LEBANON

Lebanon was rocked by more violence this quarter, as the spillover from the conflict in Syria expanded beyond the familiar hotspot of Tripoli, in the north, to the capital, Beirut. Clashes and rocket fire across Lebanon’s borders with both Syria and Israel also contributed to heightened tensions this quarter.

On 11/19, a double suicide bombing outside the Iranian embassy killed 23 civilians, including an Iranian diplomat. The attack was
claimed by a group ostensibly linked to al-Qa’ida whose statement demanded the withdrawal of Hizballah forces from Syria and the release of Salafi jihadists from Lebanese jails. Hizballah leader Hasan Nasrallah accused Riyadh (12/3) of being responsible for the attacks. Saudi Arabia did not confirm or deny, but issued a statement condemning the attacks as “cowardly.” Two mos. later, a car bomb in Harat Hreik (1/21), a Hizballah-controlled neighborhood in the capital, left 4 people dead and more than 30 wounded, and this time Jabhat al-Nusra in Lebanon claimed responsibility. The group was assumed to be linked to its Syria-based counterpart of the same name.

Following a shooting incident in s. Lebanon on 12/15, which left 1 Israeli soldier dead and 2 Lebanese private injured, Israeli, Lebanese, and UN military officers met the next day (12/16) to defuse tensions. UNIFIL released a statement saying that the Lebanese soldier who had shot and killed an Israeli private had acted alone, and Ya’alon announced that the Lebanese authorities had promised to punish the individual in question. Tensions spiked again on 12/29 when 2 Katyusha rockets fired from the Lebanese side of the border landed nr. the Israeli town of Kiryat Shmona (another 3 misfired and landed inside Lebanese territory). Israeli forces retaliated by launching 33 shells into the border region. No injuries resulted from any of these incidents.

On 12/30, the Lebanese army fired anti-aircraft guns at 2 Syrian helicopters allegedly violating the country’s airspace. Rockets and shells fired into Lebanon from the Syrian side of the border killed 7 people on 1/17, wounded 1 person on 1/22, and caused no injuries on 1/25, while suicide attacks on 1/16 and on 1/22 targeting the pro-Hizballah town of Hermel, nr. the Syrian border in n. Lebanon, resulted in the deaths of 7 people (3 and 4 respectively).

SYRIA

While Syria’s civil war continued unabated this quarter, preparations proceeded to hold long-awaited peace talks in Switzerland in 1/2014. A statement released by UN Secy.-Gen. Ban Ki-moon on 11/25 described 1 of the key goals of the peace talks as “the establishment, based on mutual consent, of a transitional governing body with full executive powers, including over military and security entities.” After 2 mos. of uncertainty when opposition groups took differing stands on the proposed talks, and reversed their own positions, the conference finally got underway in Montreux, Switzerland, on 1/22 and only after Ban Ki-moon withdrew an invitation (1/19) to Iran to attend the talks. The talks ended on 1/31 with no apparent progress in bringing the 2 sides closer together and with UN special envoy Lakhdar Brahimi deploring the fact that something as minimal as an agreement to allow an aid convoy into Homs remained elusive. A 2d round of talks on 2/10 opened as planned and broke up without an agreement on 2/14.

Meanwhile, the Organization for the Prohibition of Chemical Weapons (OPCW) continued to oversee the removal and destruction of Syria’s chemical weapons capability. OPCW head Ahmet Uzumcu announced (12/9) that the removal of chemical weapons, scheduled in 2 stages for 12/31 and 2/5, might be slightly delayed because of the ongoing conflict but on 2/10, the OPCW confirmed that Syria had shipped a 3d batch of chemical weapons material out of its territory via an internationally-accompanied Norwegian cargo vessel. OPCW sources were cited on 2/14 as estimating that Syria had only relinquished 11% of its chemical weapons, and would likely miss the deadline for the stockpile’s destruction.
This quarter saw a renewed focus on conditions inside Yarmuk r.c. in Damascus, where the plight of the remaining 20,000 residents reached dramatic proportions due to a year-long siege. Attempts to secure an agreement between the Syrian regime, its allies, and armed opposition groups continued to end in failure, as humanitarian conditions in the camp deteriorated to the point where death by starvation was reported (12/27) and fatalities continued to mount due to fighting between the Syrian army, regime-allied fighters, and rebels (e.g., 1/16, when a military helicopter dropped a barrel bomb killing 7 people). Beginning on 1/18, UNRWA was allowed to enter the camp and distribute food parcels, with the British-based Syrian Observatory for Human Rights reporting 63 deaths from starvation on 1/24 and activists putting that number at 85 on 1/29. According to spokesperson Chris Gunness, UNRWA had delivered 2,144 food parcels by 1/31.

The Syrian-Israeli border was relatively quiet this quarter although there were a few isolated attacks and exchanges of fire. On 12/2, the Israeli army fired into Syria after its troops were shot at in the occupied Golan Heights, although it was not clear whether the gunfire that came from the Syrian side of the border nr. Quneitra was intentional. In a separate incident on the same day, a Syrian mortar shell landed in Majdal Shams in the occupied Golan Heights. None of these incidents resulted in any casualties. On 12/6, an explosion targeted an IDF patrol along the border fence between the Israeli-occupied Golan Heights and Syria. Although it caused no casualties, a subsequent Israeli army investigation concluded that the blast was remotely detonated. There was also a reported Israeli air strike (1/27) on a Syrian weapons cache this quarter, with Israeli media citing Syrian opposition sources as saying S-300 missile launchers in Latakia were hit. Neither Israel nor Syria confirmed or denied the alleged strike.

REGIONAL AFFAIRS

The Arab League continued to follow developments in the Israeli-Palestinian negotiations this quarter. After Abbas briefed the league’s FMs at a meeting in Cairo on 12/21, the league’s secy.-gen. for Palestinian affairs, Mohammad Sbeih, told (12/22) the media that Abbas had laid out the Palestinian position on key issues, including the refusal to recognize Israel as a Jewish state and insistence on all of East Jerusalem as the capital of a future Palestinian state. In the framework of his shuttle diplomacy in 1/2014, Kerry met (1/12) with Arab League FMs in Paris including those from Bahrain, the UAE, Saudi Arabia, Qatar, Kuwait, Egypt, and Morocco, as well as Riad al-Maliki from the PA.

Regional affairs continued to be shaped by strongly divergent responses to the Syrian civil war and the new Egyptian military regime, with Iran and Saudi Arabia showing no signs of rapprochement. Their competition for influence and power in the region persisted through proxy struggles along familiar lines, with the Egyptian military enjoying strong backing from Saudi Arabia and the UAE, the Syrian govt. continuing to be supported by Iran, and Nasrallah accusing Saudi Arabia of directing suicide bomb attacks targeting his movement in Lebanon. On 12/3, Nasrallah also revealed that he had met with an envoy from Qatar, the 1st such contact since relations were severed over Syria. Nasrallah did not disclose details about when the meeting took place or with whom.

As the Gulf states welcomed the Iran-P5+1 nuclear deal on 11/24, observers took this as a positive sign indicating that for all the divisions,
the various players remained keen on avoiding military confrontation. On 12/10, during a visit to the sheikhdom by Hagel, the U.S. and Qatar signed a 10-year defense cooperation agreement described by the Dept. of Defense as “govern[ing] the interactions between U.S. and Qatari forces including training, exercises, and other cooperative activities.”

TURKEY

There were conflicting signs this quarter about the likelihood of a breakthrough deal between Turkey and Israel on the fallout from the Mavi Marmara raid in 2010, when a number of Turkish activists were killed or wounded by Israeli naval commandos. Israel’s environmental affairs minister, Amir Peretz, flew to Istanbul for a 4-day UN-sponsored conference on Mediterranean marine and coastal environment issues on 12/4, making him the 1st Israeli cabinet minister to visit Turkey since the incident. In the ensuing 2 mos., rumors circulated that an agreement on the amount of compensation from Israel to Turkey was within reach: the Israeli negotiation team had reportedly been authorized by Netanyahu to offer $20 million, up from $15 million, but still short of the $30 million demanded by Turkey. After 2 weeks of contradictory rumors on the imminence of an agreement, Turkish PM Recep Tayyip Erdogan announced (2/11) he was demanding a written pledge from Israel that it would lift the siege of Gaza as a condition for signing on to a reconciliation deal. This possibility was immediately dismissed by Israeli officials (2/12), with the Israeli media reporting (2/13) that accepting a $20-million compensation deal had Netanyahu worried that he would be exposed to criticism for rejecting an initial Turkish offer worth half that amount 3 years earlier. Made in 2011, the initial offer had also included a Turkish commitment not to pursue legal action against Israeli soldiers, as well as the demand for an apology from Israel.

IRAN

P5+1 and the IAEA

This quarter saw a significant breakthrough in Iran’s relations with the international community, as long-running talks between Tehran and the P5+1 group produced a landmark deal (11/24) in Geneva on Iran’s contested nuclear program. Talks had resumed on 11/20 amid optimism about their outcome and after several days of arduous diplomacy, a framework agreement was finally reached, limiting Iranian uranium enrichment to a maximum of 5%, well below the level required for weapons-grade material, giving Iran access to $4.2 billion in revenue from oil sales, and providing for continued negotiations to reach a comprehensive deal. The interim agreement, which was endorsed by Supreme Leader Ayatollah Ali Khamenei and Pres. Hassan Ruhani, was described by Obama as cutting off Tehran’s possible routes to a nuclear bomb. The news was greeted with skepticism by senior U.S. lawmakers and outright opposition by Israeli leaders, with Ya’alon describing it as Western “capitulation” to Iran. Saudi Arabia, Qatar, Bahrain, Kuwait, and the UAE, all issued preliminary statements welcoming the move. Reports surface (11/25) in the major news wires that Washington and Tehran had been holding direct talks separately from the P5+1 track since 3/2014, under the aegis of Dep. Secy. of State Bill Burns.

Meanwhile, IAEA head Yukiya Amano announced (11/28) that Tehran had invited the agency to visit the Arak facility in 12/2013 to start the inspection process. UN inspectors arrived on 12/8 and began work as the talks in
Geneva resumed (12/10), and after multiple and sometimes contentious rounds of discussions, Iran unplugged banks of centrifuges (1/20) on the scheduled date under the agreement. The EU and U.S. lifted some of their sanctions and the focus moved to the next phase of negotiations aimed at securing a permanent agreement. EU foreign policy chief Catherine Ashton expressed the hope that a new round of talks with Tehran would start within a few weeks, while the IAEA reported that Iran had begun diluting its stockpile of enriched uranium and suspended enrichment at the Natanz plant (1/20). On 2/2, Kerry held a meeting with his Iranian counterpart, Mohammad Javad Zarif on the sidelines of a conference in Munich (2/2), a rare face-to-face encounter between the 2 senior diplomats.

INTERNATIONAL

UNITED STATES

Israeli-Palestinian Peace Process

Kerry continued his intense involvement in advancing Israeli-Palestinian negotiations, making frequent visits to the region for talks with senior leaders from both sides. On visits to Israel and the West Bank on 12/5-6, 12/12-13, and 1/2-6 (his 8th, 9th, and 10th since negotiations resumed in 7/2013), Kerry engaged Netanyahu, Abbas, and other senior officials in repeated but separate discussions, at times shuttling back and forth between the 2 sides several times during the same visit.

Israel and the U.S. Congress

In contrast to their confrontational stance on the Obama administration’s Iran policy (see below), Israeli lobby groups maintained a favorable, if muted, position with respect to ongoing negotiations between Israel and the Palestinians led by Kerry. While AIPAC and other smaller pro-Israel organizations invested the bulk of their energies during this quarter into lobbying against the thaw in U.S.-Iranian relations, they nevertheless lent their support to other congressional initiatives. This included the bill introduced on 1/16 by House Foreign Affairs Cmte. Chair Ed Royce (R-CA) making U.S. assistance to the PA conditional on its ability to curb incitement in PA-controlled media. Just 2 weeks earlier, PLO amb. to Washington, Maen Erakat, had announced (12/31) that aid to the PA would amount to $440 million in 2014, a slight increase over the previous year ($426 million), with most of the money earmarked for development projects managed by USAID. Only $70 million would be directly paid into the PA treasury, Erakat said.

Meanwhile, on 1/29, the House Foreign Affairs Cmte. unanimously approved a bill introduced by Reps. Ileana Ros-Lehtinen (R-FL) and Ted Deutch (D-FL) reaffirming and strengthening the U.S. relationship with Israel. Included in the bill was the designation of Israel as a “major strategic ally,” an unprecedented and undefined label. (See H.R. 938 of 3/4/2013 in the Congressional Monitor.) The most controversial provision of the bill would allow Israel to join the U.S. Visa Waiver Program once it satisfied the program’s requirements, a move that came in for sharp criticism by Arab-American organizations throughout 2013 and early 2014. Aimed at this bill and a similar, more strongly-worded, measure in the Senate, critics argued that given the discriminatory and disproportionate scrutiny to which Arab Americans were subjected when entering and leaving Israel, the country was not in compliance with the program’s requirement to “reciprocate and reduce barriers” to entry for U.S. citizens. AIPAC strongly backed the bill and urged the House to adopt it in full.
At the end of 2013, the cost of privately-funded trips for members of Congress and their staff was estimated to have reached the $6-million mark—a 3rd of the total, or $2 million, for trips to Israel alone.

**Syria**

Anonymous U.S. and European security officials revealed on 1/27 that Congress had approved the supply of light arms to some Syrian rebel groups to be delivered via Jordan in a closed-door vote that approved funding through the end of the 2014 fiscal year. The supply of arms was expected to go to “moderate” rebels in s. Syria, but was not expected to make a significant difference in the balance of power on the ground. On 2/4, the U.S. State Dept. confirmed that senior Syrian diplomat Amb. Robert Ford would retire by the end of the mo. Ford had served as U.S. amb. to Syria since 1/2011, but he left Damascus in 2/2012.

**Iran**

The Obama administration faced off this quarter against those on Capitol Hill who, backed by pro-Israel lobby groups like AIPAC, urged an increase in pressure against Iran even as talks between Tehran and the P5+1 group made significant breakthroughs (see “Iran” under “Regional Affairs”). On 11/21, U.S. Senate Majority Leader Harry Reid said that if there were no deal, lawmakers would seek to impose new sanctions on Iran in 12/2013. Following the breakthrough agreement reached on 11/24, Kerry addressed (11/26) Congress in a video message and reassured hard-liners that Tehran would face “even tougher sanctions” were the agreement to fall apart. Kerry appeared in front of the House Foreign Affairs Cmte. on 12/10 and requested that negotiators be given time to do their jobs in talks with Tehran, and he urged restraint from lawmakers eager to impose fresh sanctions. Responding to Kerry’s talk of a “very delicate diplomatic moment,” Senate Banking Cmte. Chair Democrat Tim Johnson affirmed that he would not back new legislation against Iran, for the time being. Yet just days later, more than a quarter of the Senate—13 Democrats and 13 Republicans—introduced (12/19) legislation ratcheting up sanctions against Iran (were Tehran to violate the deal) and committing the U.S. to supporting Israel in the event that it launched a preemptive attack on Iran’s nuclear facilities.

Although White House spokesperson Jay Carney said that Obama would veto any such legislation if it passed, by 1/10, the new sanctions package was backed by 59 sens. in the chamber, bringing the tally close to the 67 votes required to override a presidential veto. In his State of the Union address (1/28), Obama repeated his warning to lawmakers that he would veto any new sanctions. At the same time, the administration attempted to exhibit a tough stance when Under Secy. of State for Political Affairs Wendy Sherman told (2/5) the Senate Foreign Relations Cmte. that “Tehran is not open for business” as the “sanctions relief is quite temporary, quite limited, and quite targeted.” Bipartisan support for the bill dropped away soon after. Democrats largely fell in line with the president while 42 Republicans called for a vote in a letter to Reid. AIPAC, which had been lobbying for the bill, stopped pushing for fresh sanctions for fear of being seen as supporting a partisan legislative effort (2/6).

**RUSSIA**

Russia continued to remain relatively distant from the Israeli-Palestinian peace track this quarter, with its attention remaining focused on Syria and Iran. However, there were indications...
that more Russian involvement was being sought from the Palestinian side. On 12/11, Haniyeh held a rare telephone conversation with Russian FM Sergey Lavrov to discuss the peace talks and regional developments. As the year drew to a close, Palestinian amb. to Russia Fayed Mustafa predicted (12/29) that Palestinian-Russian relations would strengthen during 2014, echoing similar remarks (11/27) made by Erakat the previous mo.—in both cases, the senior Palestinian officials were referring to the forthcoming visit to Moscow by Abbas. In advance of the Palestinian president’s 4-day trip, Shaath told (1/21) Russian media that the Palestinians felt that Russia could potentially play a key role in aiding stalled negotiations, pointing to Moscow’s role in securing the deal with Iran over its nuclear program. Arriving for a 4-day visit on 1/22, the Palestinian president held talks with Pres. Vladimir Putin, PM Dmitry Medvedev, and Lavrov and told reporters the following day that he was calling on Russia to play an essential role in the peace process. His visit concluded on 1/24 with the signature of 3 bilateral agreements, no details of which were provided other than that they covered customs, health, and trade matters.

Netanyahu also went to Russia this quarter (11/20), holding meetings in Moscow with Putin during a brief visit focusing on the Iran negotiations. Israeli media reported that despite seeking assurances from Russia that it would urge tougher terms for a deal with Tehran, Netanyahu left Moscow with no such guarantee.

**EUROPEAN UNION**

At the beginning of the quarter, the EU finally concluded (11/26) an agreement to allow Israel’s participation in the Horizon 2020 scientific research project. Following lengthy talks between Livni and Ashton, a compromise was reached with the publication of an appendix confirming that the EU’s funding guidelines approved in 7/2013 rendered entities based in West Bank settlements ineligible, and an accompanying Israeli appendix stating the Israeli govt.’s opposition to those guidelines. Although the move was considered by many in Israel to be indicative of a growing chill in relations with the EU, it actually pointed to Brussels’s desire to increase cooperation with Israel, which required a solution to the legalities surrounding settlements and settlement trade. A res. passed by EU FM’s 10 days later (12/7) seemed to confirm this view as it offered Israel and the Palestinians “Special Privileged Partnership” status if the 2 sides could reach a final status agreement. This incentive to reach a peace deal, including a significant amount of economic, political, and security-related aid, was designed to boost Kerry’s diplomatic initiative, as well as show the EU’s commitment to a permanent agreement between the 2 sides.

Nevertheless, there was continued disquiet among EU officials over Israeli policies, especially settlement construction as expressed by Ashton who spoke about her “deep concern” following Israeli announcements of new settlement homes (e.g., 11/1 and 2/6).

Meanwhile, there were anonymous briefings and reports of further EU measures targeting settlement trade in the event of the talks collapsing or Israeli settlement construction continuing unabated. An unnamed official briefed the Israeli media on 12/4 about significant support amongst EU mbr. states (estimated 14 of 28) for the labelling of settlement goods. Another rumored step ready to be rolled out by the EU Commission concerned guidelines for businesses about the risks of trading with settlement-based entities. In light of these reports, as well as measures being initiated by European investment bodies (see BDS section below), the president of the EU
parliament, Martin Schulz, on a visit to Israel felt the need to emphasize (2/12) the EU’s opposition to boycotts.

The EU also maintained its key role within the Quartet as Ashton chaired a meeting (2/1) of senior officials from the group on the sidelines of the Munich Security Conference that took place 1/31-2/2/2014.

UNITED NATIONS

This quarter saw a major dispute between the UNRWA and the personnel that administers its programs in the oPt UNRWA had been facing a financial crunch for some time following the strain on its services placed by the crisis in Syria, and the heightened needs of its beneficiary population in Lebanon, Gaza, and the West Bank. On 11/19, UNRWA Undersecy. Gen. Jeffrey Feltman told the UNSC that due to a $36-million deficit, the agency would be unable to pay 12/2013 salaries to roughly 30,000 employees, including teachers and medical personnel. Two days later, the workers’ union at UNRWA organized a protest (11/21) outside the organization’s offices in Gaza.

By the start of 12/2013, the agency’s Palestinian employees in the West Bank had gone on strike (12/3), demanding a salary raise to put them on par with UNRWA employees in other areas of operation, and paralyzing health, education, and other services in West Bank refugee camps. Almost a mo. later (1/5), it was the turn of UNRWA’s Gaza employees, with the teachers’ union condemning the agency’s termination of employee contracts. As the strikes continued, including hunger strikes by 27 residents of Hebron, Jerusalem, Bethlehem, and Nablus, UNRWA stated publicly that local agency employees were being paid more than 20% above equivalent salaries for PA workers. Pressure increased as popular committees in West Bank refugee camps also shut their doors and halted services (1/6) in protest against UNRWA policies and claims of funding shortfalls from the PA.

On 1/8, Hamdallah met with UNRWA Commissioner Gen. Filippo Grandi to discuss the dispute, focusing on the urgent need to reopen schools, closed for over a mo. due to the teachers’ strike. Following the meeting, UNRWA spokesperson Chris Gunness told reporters that Hamdallah agreed that the impact of the unions’ strikes on refugees had been devastating.

Protests continued throughout 1/2014, including violent clashes with PA security forces. Outside Jalazun and al-Amari r.c., youth blocked roads with burning tires and threw stones at PA forces. One large-scale confrontation on 1/12 ended with 100 demonstrators and 40 police officers wounded. On 1/15, Hamdallah held meetings with reps. of UNRWA’s employees’ union and refugee camp popular committees to discuss a letter from Grandi calling for a suspension of the strike and govt.-mediated talks. Meanwhile, public shows of support for the striking employees continued until the end of the dispute, including a thousand-strong demonstration in Ramallah on 1/27. Hamdallah’s 1/15 meetings set the wheels in motion for a process that ultimately led to an agreement (2/6) between UNRWA’s administration and its employees, and the 2-mos. strike ended the following day (2/7).

UNRWA expressed its gratitude to Abbas, Hamdallah, PA Minister of Labor Ahmed Majdalani, the PLO Dept. of Refugee Affairs, and the Camp Services Committees for helping to resolve the dispute. Neither side claimed victory following the end of the strike. Although the terms of the agreement were not published, Ma’an news agency reported that 53 employees who had been laid off in 12/2013 would be given
fixed-term, renewable employment; West Bank employees would be paid the same as those in Gaza; and remaining issues would be dealt with by joint committees sponsored by the Ministry of Labor.

This quarter also saw a major dispute between Israel and the UN over a UNESCO-sponsored exhibition that was canceled (1/17) at the last minute after protests from Arab states. “The People, the Book, the Land: 3,500 years of ties between the Jewish people and the land of Israel” had been organized by the Simon Wiesenthal Center along with the govs. of Canada and Montenegro, and set to open at UNESCO’s Paris HQ in 1/2014. UNESCO justified (1/18) the decision on the grounds that proceeding would damage the peace process. Netanyahu, however, condemned (1/19) the agency for indefinitely postponing the exhibition. After intense pressure, UNESCO backtracked and rescheduled (1/27) the event for 06/11.

UN officials issued what have become routine condemnations of Israeli policies in the oPt, with Rawley expressing (12/11 and 1/31) concern over the demolition of Palestinian structures in the Jordan Valley on more than 1 occasion (see “Demolitions and Confiscations”). Rawley also called attention to the humanitarian situation in the Gaza Strip, saying (11/22) on the anniversary of Operation Pillar of Defense that “initial hopes for a significant improvement on the ground” had “not been realized.” On 12/17, the Special Coordinator for the Middle East Peace Process, Robert Serry, briefed the UNSC on the latest developments in Israel and the oPt, describing Israeli settlement activity as undermining the chances of establishing a Palestinian state. He said both sides would need to take “bold steps” if 2014 was to be “a moment of truth regarding a two-state solution.”

DONORS

The Gaza Strip was the focus of emergency international aid this quarter in light of the exacerbated humanitarian crisis due to winter storms that brought snow and rainfall in 12/2013. Qatar donated $10 million, used by the PA to purchase diesel fuel from Israel that was subsequently delivered (12/15) to Gaza’s sole power station. Even before this crisis, Turkey had donated (11/28) $850,000 to fund fuel purchases for Gaza hospitals and sewage treatment plants, an arrangement conducted through the PA and UNRWA. In 2/2014, Japan announced it was contributing $30 million to the PA’s budget (2/13).

During the quarter, there were several reports of EU donor frustration with the PA budget. On 12/11, the European Court of Auditors published a report stating that large numbers of civil servants in the Gaza Strip, who were direct recipients of EU budget support, were providing no public service. The auditors proposed an overhaul of EU funding, including the suggestion that the program for Gaza employees be discontinued and the money redirected to the West Bank instead. Meanwhile, speaking in the context of the stalled U.S.-led negotiations, senior and anonymous EU officials claimed on 12/17 that without a deal, “the EU cannot fund the Israeli occupation anymore,” meaning “no more EU money to the PA.” Days later, the outgoing EU envoy to the Middle East, Andreas Reinicke, said (12/19) that donor countries, including EU mbr. states, had been reviewing aid to the PA even before the resumption of said talks, and that EU aid levels were not set in stone. In 1/2014, EU Amb. to Israel Lars Faaborg-Andersen noted (1/22) a “very substantial hole” in the Palestinian budget due to a drop in funding from Arab states, adding that the prospect of the
EU picking up the tab “might not be very realistic.”

BOYCOTT, DIVESTMENT, SANCTIONS

The Boycott, Divestment, and Sanctions (BDS) movement was launched in 2005 by over 170 Palestinian civil society groups. Its aim is to create an international campaign of boycotts, divestments, and sanctions against Israel “until it complies with international law and Palestinian rights.”

BOYCOTT EFFORTS

There were significant developments this quarter with regard to boycott initiatives, including pushback from the Israeli govt. and pro-Israel lobbies in the EU and U.S. The joint Danish-British security multinational, G4S, found itself the target of BDS campaigners, particularly in the UK, losing out on a contract at the University of Southampton (18/11), and seeing a contract terminated at the University of Kent (2/14) following successful student-run campaigns. In 12/2013, the Dutch water giant, Vitens, announced (12/10) it was severing ties with Israeli national water company Mekorot because of the “political context” of Israel’s West Bank settlements. Around the same time, the UK govt. published (12/9) an unprecedented and explicit warning to businesses about the risks of commercial involvement in Israeli West Bank settlements. The warning, posted on the UK’s Trade & Investment website, also warns against potential “reputational damage.” Similarly, and in a move closely modeled on settlement-focused restrictions in EU funding guidelines, Germany conditioned (1/23) grants for high-tech and science research on the inclusion of a clause barring Israeli entities located in West Bank settlements and East Jerusalem from funding. The focus on settlement trade, particularly in Europe, showed signs of having an impact this quarter, with the income of Israeli settlers in Jordan Valley farms reportedly (1/10) falling by 14%, or around $29 million. Meanwhile, Israeli politicians acknowledged the impact of BDS activity, with the chair of the Shas party, Aryeh Deri, calling (1/16) for financial aid to business owners in West Bank settlements hurt by international boycotts.

In addition, there were warnings of more serious boycotts to come from senior EU officials. The amb to Israel, Lars Faaborg-Andersen, warned on 1/22 that Israel would have a “price to pay” in the case that peace talks failed. Anonymous EU sources confirmed that his comments were a reference to such measures as the labeling of settlement goods favored by Brussels and the UK guidelines to businesses similar to those described above. Then, on 2/2, Kerry warned that in the event of failure to deliver a negotiated settlement, Israel would face “an increasing de-legitimization” campaign and “talk of boycotts.” Along with the uptick in boycott and divestment actions (see below), this remark provoked concern among Israeli leaders and the media. For example, Livni warned of South Africa-style isolation (1/18), and Dep. FM Ze’ev Elkin described (1/20) BDS as 1 of Israel’s “most serious strategic threats.” On 1/29, Fin. Min. Yair Lapid made waves with his prediction that should peace talks fail and boycotts intensify, every Israeli would be hit “in the pocket.” This was the context for a closed-door meeting (2/9) called by Netanyahu, where senior ministers discussed BDS and listened to proposals on a “counteroffensive” by the director of the Ministry for Strategic Affairs, Yossi Kuperwasser.
DIVESTMENT

There was a spate of divestment-related news this quarter, as several pension and investment funds blacklisted Israeli entities on the basis of complicity in violations of international law. On 1/8, media outlets reported that Dutch pension fund giant PGGM had withdrawn its investments from Israel’s 5 largest banks because of their involvement in West Bank settlements. Although Bank Hapoalim, Bank Leumi, Bank Mizrahi-Tefahot, the First International Bank of Israel, and Israel Discount Bank are not exclusively settlement-based businesses, they were dropped by PGGM on the basis that some of their work involves activities in the oPt. On 1/30, an $810-billlion Norwegian govt. oil fund divested from the Israeli firm, Africa Israel Investments, and its subsidiary, Danya Cebus, because of their involvement in settlement construction, while on 2/1, Denmark’s largest bank, Danske Bank, blacklisted Bank Hapoalim for financing construction in the settlements.

OTHER

Perhaps the most high profile BDS story of the quarter was the end of U.S. actress Scarlett Johansson’s role (1/29) as Oxfam global ambassador following protests over a newly-inked publicity contract she signed with SodaStream. The ensuing debate over the company’s West Bank settlement-based plant thrust BDS into the headlines and on to op-ed pages worldwide, in a way reminiscent of the refusal of British scientist Stephen Hawking to attend a Shimon Peres-organized conference in Israel in 2013.