

version, following Olmert's proposal Abu Azen presented a proposal of his own with principles for the basis of an agreement and a map that includes a territorial swap of 1.9 . He then met with President Bush on December 18, reviewed the outcome of the negotiations with him, and presented the two proposals. Bush proposed that the two sides send delegations to Washington on 3 January 2009 with a view to bridging the differences and formulating a common basis for the next administration. According to Erekat, Bush told Abu Azen at their meeting, "You have done all that you could. No one can blame you. I fulfilled my part and you fulfilled yours. However, the Israeli side has fallen in the whirlpool of its internal problems and evaded from the agreement."<sup>275</sup> Abu Azen claims that he agreed to send Erekat to Washington with a technical team on January 3 and that he upheld his commitment even after hostilities broke out in Gaza on December 27, but that Israel refused to send a delegation of its own. According to Abu Azen, they contacted Shalom Turgeman, Olmert's political advisor, and urged him to participate in the meeting in Washington, but he told them that he could not attend because of the war in Gaza.<sup>276</sup> It should also be noted that the Palestinians were concerned that after Olmert's departure Israelis would elect a right-wing government that would not recognize the legitimacy of the agreement, in which case all the Palestinians' concessions would have been revealed without Israel having implemented the agreement.

Olmert's plan represents a sharp turning point in his position on Jerusalem. For years, as a Knesset member, government minister for Likud, and mayor of Jerusalem, he maintained a hardline position against any possibility of political compromise on Jerusalem, but in a December 2003 interview he hinted at a change in his stance, which then peaked in the form of his proposal to Abu Azen. In a September 2008 interview Olmert later explained:

Anyone who speaks seriously of wanting security in Jerusalem and not wanting tractors and bulldozers severing the legs of his best friends, as happened to a good friend of mine Jerusalem attorney Shuki Ramer ,

<sup>275</sup> Report: Political Situation in Light of Developments with the U.S., Israel and Hamas Coup d'Etat, December 2009,

<http://www.ajtransparency.com/en/projects/thepalestinepapers/201218211239109728.html>.

S. Erekat, *The Political Situation in Light of Developments with the US Administration and Israeli Government and Hamas' Continued Coup d'etat*, December 2009. Interview with Saeb Erekat, "London and Nirshenbaum, Channel 10, 13 February 2011 [Hebrew].

<sup>276</sup> A. Eldar, "Who Is the Objector" *Ha'aretz*, 7 February 2011 [Hebrew]; Erekat, *The Political Situation*. See also Avishai, "A Plan for Peace That Still Could Be."

who lost a leg because a terrorist on a tractor ran him over, must give up parts of Jerusalem. Anyone who wants to hold onto the entire territory of the city will need to accept 270,000 Arabs within the sovereign territory of Israel. It won't work. We must decide. This decision is hard, terrible, a decision that goes against our natural instincts, against the rhythm of our hearts, against our collective memories, against the prayers of the People of Israel during over 2000 years. I'm the first to want to implement Israeli sovereignty over the entire city. I admit. I am not trying to justify retroactively what I did for 35 years. For many of those years I was not prepared to look at reality in all its depths.<sup>277</sup>

Two years later, at a Geneva Initiative conference in September 2010, Olmert spoke of his proposal and explained that in all matters related to East Jerusalem neighborhoods, "There is no alternative but to adopt the formulation of principles that President Clinton has proposed. Regarding the Holy Basin he claimed that "we will not be able to reach an agreement if one of the sides demands unilateral sovereignty over the Holy Basin... Neither we nor the Palestinians will have sovereignty in the Holy Basin."<sup>278</sup>

After retiring, in his memoirs Olmert wrote about the transformations that took place in his position regarding Jerusalem: "Slowly, slowly I began to feel that the slogans about Jerusalem's unity do not correlate with the reality of life in the city, which I came to know as only a mayor can. The gap between the western and eastern sides of Jerusalem was unbearable. He states that the demographic factor was critical to his decision that "we must retain control only over what is essential and inevitable, otherwise we will lose everything. I underwent a lengthy process of mental turmoil that created a difficult emotional and ideological crisis, but I could not continue to deceive myself. The facts on the ground were completely different from everything that I had struggled for over the years, and the gap was continuously increasing."<sup>279</sup>

---

<sup>277</sup> N. Arnea and S. Shiffer, "I Was Wrong. I Do Not Seek to Justify What I Did during 35 Years," *Yedioth Ahronoth – Rosh Hashanah Supplement*, 29 September 2008 [Hebrew].

<sup>278</sup> E. Olmert, Conference on the Geneva Initiative, Tel Aviv, 19 September 2010, [http://www.heskem.org.il/activity\\_detail.asp?id=2375&meid=19](http://www.heskem.org.il/activity_detail.asp?id=2375&meid=19) [Hebrew].

<sup>279</sup> Olmert, "How I Almost Brought Peace," p. 25.

## **The Netanyahu Era: “Jerusalem will never again be divided”<sup>280</sup>**

The period of the Netanyahu administration has been characterized by a return to political stalemate alongside continuing efforts to renew direct negotiations on a final status agreement. After the formation of the government in March 2009, the new foreign minister, Avigdor Lieberman, announced that the government is not obligated to adhere to the Annapolis Declaration and that it did not agree to resume negotiations from the point at which they came to a stop under the Olmert government.<sup>281</sup> The Obama government’s efforts to restart negotiations focused on the demand to freeze construction in Jewish settlements in the West Bank, and resulted in Israel’s November 2009 announcement that it was freezing construction in the settlements for ten months.<sup>282</sup> At this stage the question of Jerusalem prevented the resumption of negotiations, as Israel declared that the construction freeze would not apply to East Jerusalem and the Palestinians stated that they would not return to the negotiating table as long as Israel continues building in East Jerusalem.<sup>283</sup>

In a December 2009 report, Saeb Erekat claims that the Palestinians asked President Obama to draft a statement of principles on all the core issues and establish a timetable for the conclusion of negotiations. According to him, they demanded that negotiations resume from the point at which they ceased during the Olmert era, and that Israel adhere to its commitments under the Roadmap and freeze all construction in the settlements. Erekat also claims that the Americans understood the Palestinian demands but distanced themselves from the call for a resumption of negotiations from the point at which they cease and from the demand for a complete freeze of construction in settlements. According to this report, the Americans agreed with Netanyahu that negotiations would address all

---

<sup>280</sup> Prime Minister Benjamin Netanyahu, cited in R. Alul, “Netanyahu: Jerusalem will never again be divided, *NRG*, 12 May 2010, <http://www.nrg.co.il/online/1/ART2/106/344.html> [Hebrew].

<sup>281</sup> Y. Ravid, “Incoming Foreign Minister Avigdor Lieberman: Annapolis principles do not obligate the new government, *Ha’aretz*, 1 April 2009 [Hebrew].

<sup>282</sup> Y. Ravid, N. Ozgovaya, and A. Issacharoff, “Netanyahu Announced: Israel will freeze construction in settlements for ten months, *Ha’aretz*, 26 November 2009 [Hebrew].

<sup>283</sup> Ibid. In one of the *Al-Jazeera* documents 15 January 2010, Erekat claims that the Americans do not fully appreciate Jerusalem’s importance in Palestinian politics, recalling that this was the issue that led to the failure of the Camp David Summit. He further asserts that since Netanyahu came into office all his attempts to arrange a meeting with the Israelis have been fruitless, adding that he spoke with Uzi Arad in an effort to set up a meeting between Netanyahu and Abu Azen during Passover, and later during Ramadan, but received no reply to his offer. See Meeting Minutes: Saeb Erekat and David Hale, 15 January 2010, <http://transparency.aljazeera.net/en/document/5012>.

issues, including Jerusalem, and informed the Palestinians that the government views annexation of East Jerusalem as an illegal move.<sup>284</sup>

In May 2010 the parties agreed to resume negotiations in the framework of indirect “proximity talks” mediated by US envoy George Mitchell. Direct negotiations were announced in September 2010 at a summit meeting between Netanyahu and Abu Azen, but the meetings soon reached a stalemate when the construction freeze ended on September 26 and Israel refused to extend it.<sup>285</sup>

During this time the question of Jerusalem reappeared on the political agenda, when Israeli construction plans in East Jerusalem triggered US protests and a diplomatic crisis between Jerusalem and Washington. In July 2009, for example, a building plan for the Shepherd Hotel compound in the neighborhood of Sheikh Jarrah drew US criticism and a demand that the project be discontinued.<sup>286</sup> In November 2009 President Obama attacked the decision to build 900 housing units in the neighborhood of Gilo.<sup>287</sup> In December 2009 the White House expressed objection to a plan to build 700 housing units in East Jerusalem when the tender inviting bids for this plan was published.<sup>288</sup>

A particularly acute crisis developed during the visit of US Vice President Joe Biden to Israel in March 2010. During the visit the District Planning and Building Commission in Jerusalem announced its approval for the construction of 1,600 housing units in Ramat Shlomo, beyond the Green Line. Biden strongly condemned the decision, saying that the content and timing of the announcement, especially with the inception of the proximity talks, “is precisely the kind of step that undermines the trust we need right now and runs counter to the constructive discussions that

---

<sup>284</sup> Erekat, *The Political Situation*.

<sup>285</sup> Sigdalovitz, *Israeli-Arab Negotiations*.

<sup>286</sup> “US: Construction in East Jerusalem – Only by Negotiation,” *NRG*, 20 July 2009 [Hebrew].

<sup>287</sup> O. Azulay, “Obama: Construction in Gilo complicates the situation,” *Yedioth Ahronoth*, 19 November 2009 [Hebrew].

<sup>288</sup> N. Ozgovaya and E. Ravid, “US: We oppose construction in East Jerusalem,” *Ha’aretz*, 28 December 2009 [Hebrew]. The White House issued a statement asserting, “The status of Jerusalem is a permanent status issue that must be resolved by the parties through negotiations and supported by the international community. Neither party should engage in efforts or take actions that could unilaterally pre-empt, or appear to pre-empt, negotiations. Statement by White House Press Secretary Robert Gibbs on Construction in East Jerusalem, 28 December 2009, White House Office of the Press Secretary, <http://www.whitehouse.gov/the-press-office/2009/12/28/statement-white-house-press-secretary-robert-gibbs-construction-east-jerusalem>.

I've had here in Israel.<sup>289</sup> Secretary of State Hillary Clinton rebuked Netanyahu and demanded that he issue orders cancelling the decision. Netanyahu expressed regret for the timing of the decision and explained that construction in Ramat Shlomo would actually begin only a few years later.<sup>290</sup> According to media reports, during talks between the two states aimed at ending the crisis, Israel refused to announce a freeze on construction in East Jerusalem but promised that the US would not be surprised again regarding building plans beyond the Green Line, and that additional construction tenders would not be published without Netanyahu's personal supervision. It was agreed that during proximity talks each side may raise ideas about the various issues under negotiation, including Jerusalem, but practical discussion of the core issues would take place only after direct talks begin.<sup>291</sup>

In October 2010, during the political stalemate that had formed, Israel announced a decision to build 238 new housing units in East Jerusalem, to which the State Department responded by expressing disappointment, saying the decision undermined American efforts to facilitate negotiations between Israel and the Palestinians.<sup>292</sup>

Throughout his second term as prime minister, Netanyahu consistently presented a clear public position opposing any possibility of compromise on Jerusalem. On 21 May 2009 He declared that a "united Jerusalem is the capital of Israel... Jerusalem always was and always will be ours, and will never again be divided."<sup>293</sup> In his "Bar-Ilan speech" of June 2009, Netanyahu also stated, "Jerusalem must remain the united capital of Israel with continued religious freedom for all faiths."<sup>294</sup> At the American Israel Public Affairs Committee (AIPAC) convention of 2010

<sup>289</sup> Statement by Vice President Joseph R. Biden, Jr., 9 March 2010, White House Office of the Press Secretary, <http://www.whitehouse.gov/the-press-office/2010/03/09/statement-vice-president-joseph-r-biden-jr>.

<sup>290</sup> E. Ezerstenstein, "Netanyahu Apologized to Biden: Construction in Jerusalem not in the near future," *NRG*, 11 March 2010 [Hebrew].

<sup>291</sup> I. Eichner and O. Azulay, "Starting with the Essence," *Yedioth Ahronoth*, 21 March 2010 [Hebrew]. In November 2010 Minister of Housing and Construction Ariel Atias told the Knesset that the Government of Israel coordinates all new construction in East Jerusalem with the US. H. Ezra, "Housing Minister: Construction in Jerusalem is coordinated with the US," *Channel 7*, 3 November 2010 [Hebrew].

<sup>292</sup> "US: Disappointed by resumption of construction in East Jerusalem," *Nana 10 News*, 15 October 2010 [Hebrew].

<sup>293</sup> "Jerusalem Will Never Be Divided," *Channel 2 News*, 21 May 2009 [Hebrew].

<sup>294</sup> Address by PM Netanyahu at Bar-Ilan University, 14 June 2009, [http://www.mfa.gov.il/mfa/pressroom/2009/pages/address\\_pm\\_netanyahu\\_bar-ilan\\_university\\_14-jun-2009.aspx](http://www.mfa.gov.il/mfa/pressroom/2009/pages/address_pm_netanyahu_bar-ilan_university_14-jun-2009.aspx).

Netanyahu said “The connection between the Jewish people and Jerusalem cannot be denied. The Jewish people were building Jerusalem 3,000 years ago and the Jewish people are building Jerusalem today. Jerusalem is not a settlement.”<sup>295</sup>

In a May 2011 speech to the US Congress, Netanyahu reiterated this position and explained that Jerusalem must never be divided, adding that he knows this is a difficult issue for the Palestinians but that he believes that with creativity and goodwill a solution can be found.<sup>296</sup>

In April 2010 Foreign Minister Avigdor Lieberman told representatives of the diplomatic corps in Israel, “Jerusalem will remain undivided as Israel’s eternal capital.”<sup>297</sup> It should be noted that this position conflicts with remarks Lieberman made in 2004, when he expressed support for the transfer of Arab neighborhoods in East Jerusalem, such as Al Issawiya and Jabal Mukaber, to a future Palestinian state.<sup>298</sup> Ehud Barak, while serving as minister of defense under the Netanyahu government, presented the opposite position from that of the prime minister, voicing support for a solution based on division of sovereignty over East Jerusalem neighborhoods in accordance with the Clinton parameters “Jewish neighborhoods to Israel and Arab neighborhoods to Palestine and on a special regime and agreed-upon arrangements for the Old City, Mount of Olives, and City of David.”<sup>299</sup>

The Palestinian side, for its part, issued declarations reasserting the traditional Palestinian position claiming sovereignty over East Jerusalem, including Al-Haram Al-Sharif.<sup>300</sup> Palestinian Prime Minister Salam Fayyad declared during a July 2009 conference that East Jerusalem is the capital of the Palestinian state

---

<sup>295</sup> Address by Benjamin Netanyahu at AIPAC Conference, 22 March 2010, <http://mfa.gov.il/FA/PressRoom/2010/Pages/P Netanyahu AIPAC Conference 22-March-2010.aspx>.

<sup>296</sup> Netanyahu’s Address to U.S. Congress, May 2011, <http://www.cfr.org/israel/netanyahus-address-us-congress-may-2011/p25073>.

<sup>297</sup> R. Leibowitz, “Lieberman: Jerusalem will remain undivided as Israel’s eternal capital, *Nana 10*, 20 April 2010 [Hebrew].

<sup>298</sup> L. Galili, “Lieberman: Transfer Jerusalem Neighborhoods to the Palestinians, *Ha’aretz*, 16 December 2004 [Hebrew].

<sup>299</sup> See A. Shavit, “Ehud Barak to *Ha’aretz*: Permanent arrangement to include division of Jerusalem and Special Regime in the Old City, *Ha’aretz*, 1 September 2010 [Hebrew]; “Barak at Saban Forum: Permanent arrangement to include division of Jerusalem as Clinton proposed, *Nana 10*, 11 December 2010 [Hebrew].

<sup>300</sup> See J. Lis, “Ahmad Tibi, Why Were Direct Talks Doomed to Fail *Ha’aretz*, 7 September 2010 [Hebrew].

and the state should have full sovereignty over it.<sup>301</sup> Abu Ala, the chief Palestinian negotiator, stated in a newspaper interview that the Palestinians were standing firm in their demand for sovereignty over Al-Haram Al-Sharif, arguing that this is the second most important place for the Muslim world.<sup>302</sup>

Simultaneously messages were also conveyed outlining compromise borders similar to those that had been proposed by Palestinians during previous rounds of negotiations over Jerusalem. The newspaper *Al-Hayat* reported that Abu Azen presented the US mediator, Mitchell, with written proposals for a solution to the core issues; on the question of Jerusalem he demanded full Israeli withdrawal from East Jerusalem and the Old City, but he expressed willingness to maintain Israeli sovereignty over the Jewish quarter and the Western Wall as well as an arrangement that would keep the Old City open to followers of all religions.<sup>303</sup> Likewise, during a meeting between Erekat and Mitchell on 21 October 2009 the protocol of which was leaked to *Al-Jazeera*, Erekat outlined the contours of a solution for Jerusalem: Clinton's parameters, Palestinian sovereignty over the Old City with the exception of the Jewish quarter and part of the Armenian quarter, a creative solution for Al-Haram Al-Sharif that can include elements such as the formation of a body or a committee, and a commitment not to undertake excavations. "The only thing I cannot do is convert to Zionism," summarized Erekat.<sup>304</sup>

It was also reported in *Ha'aretz* that the Palestinians presented a proposal one that had also been submitted in the past according to which they would waive Palestinian sovereignty over Al-Haram Al-Sharif if an agreement could be reached establishing Islamic sovereignty over the site and administration by the OIC.<sup>305</sup>

---

<sup>301</sup> . Gonen, "Salam Fayyad: Resolution of the conflict with Israel depends on the future of Jerusalem," *Nana 10*, 31 July 2009 [Hebrew].

<sup>302</sup> A. Eldar, "Border Control Peace According to Abu Ala," *Ha'aretz*, 26 May 2009 [Hebrew].

<sup>303</sup> . Yunis "Abbas Will Present Mitchell with Written Proposals for an Arrangement, and Netanyahu Links Discussion of These with Direct Negotiations," *Al-Hayat*, 3 July 2010 [Arabic]. See also N. Ozgovaya, A. Issacharoff, and N. Hasson, "On Eve of Netanyahu-Obama Meeting, Abbas Proposes Compromise on Jerusalem," *Ha'aretz*, 4 July 2010 [Hebrew].

<sup>304</sup> Meeting minutes: Saeb Erekat and George Mitchell, 21 October 2009, <http://transparency.aljazeera.net/en/projects/thepalestinepapers/201218211125875573.html>.

<sup>305</sup> A. Issacharoff, A. Ben-David, and . Ravid, "The Palestinians Are Ready for Transfer of Sovereignty over the Temple Mount to a Third Party," *Ha'aretz*, 21 May 2009 [Hebrew].

A September 2009 Palestinian position paper that was prepared for the Palestinian Ministry of Planning provides further insight in mapping Palestinian interests in Jerusalem. On territorial matters, for example, the document points to the importance of freedom of movement between East Jerusalem and the West Bank as well as Palestinian control over Islamic and Christian holy places, and it calls for a guarantee that there be no Palestinians on the Israeli side of the city and that there be enough land to enable natural development and growth. In the economic sphere the document emphasizes Palestinian interests such as a fair and effective border control between the two sides of the city that would facilitate the easy exchange of people and trade, the creation of an independent Palestinian tourist industry, and the transfer of public facilities and infrastructures to Palestinian government control. In the social sphere the document addresses elements that underscore Palestinian identity such as the implementation of Palestinian law, the right to vote in elections and the freedom to form associations or join political parties. The document also raises the topics of a smooth and speedy transfer of civil matters to the control of Palestinian authorities, the enforcement of law and order in East Jerusalem, and an appropriate solution to the issue of payments made by Palestinians over the years for social security and health insurance.<sup>306</sup>

In July 2013, a few months after the inception of the third Netanyahu government, the parties agreed to renew negotiations as a result of mediation efforts on the part of US Secretary of State John Kerry. They further agreed that all core issues would be placed on the table and they set a timetable of nine months to reach an agreement.

---

<sup>306</sup> PLO Permanent Status Interests in Jerusalem for OP, 1 September 2009, <http://transparency.aljazeera.net/en/document/4797>.



## **Part II**

### **Agreements, Disagreements, and Proposals in Negotiations over Jerusalem**

The question of Jerusalem's future is a particularly complex and sensitive issue given its historical, religious, national, and social aspects. Yet an analysis of the negotiating history indicates that differences in positions have actually diminished and areas of agreement have emerged. Nonetheless, it is important to qualify this observation and recall that these talks are grounded in the understanding that "nothing is agreed until everything is agreed. Accordingly, the concessions and agreements reached are not binding, and positions could change as circumstances change. Domestic political changes such as the changes of government in Israel in 2001 and 2009 have also resulted in a retreat from previously held positions and a refusal to resume negotiations at the point at which they had been suspended.

Building on the historical survey presented in Part I, the discussion that follows will outline the areas of agreement that emerged during the talks on Jerusalem, alongside remaining points of dispute, and will present various proposals and ideas that were raised with the aim of bridging the differences on a number of issues.

The negotiations over Jerusalem touched on two aspects: the question of sovereignty and the political border between the two capitals, and the question of the regime for administering the city and the Historic Basin and the cooperative arrangements between the two sides of the city.

The analysis in this section is divided along the lines of four fundamental core issues regarding Jerusalem: East Jerusalem neighborhoods Jewish and Arab, the Old City and the Historic Basin or the "Holy Basin", the Western Wall and Temple Mount / Al-Haram Al-Sharif, and arrangements between the two capitals regarding the border regime and municipal administration.

## East Jerusalem Neighborhoods

**Issues:** The future and the status of Arab neighborhoods in East Jerusalem and of Jewish neighborhoods constructed after 1967 in East Jerusalem is one of the main topics of negotiation<sup>307</sup> and it comprises the following issues:

1. Division of sovereignty over neighborhoods between the two sides;
2. Division of authority for example planning and building, security, enforcement of the law, and municipal services ; and
3. Means of addressing problems related to territorial contiguity and urban connectivity between neighborhoods on each side.

**Agreements:** During the negotiations that took place under the Arabak administration, **the parties reached an agreement on the formulation of an arrangement whereby sovereignty in East Jerusalem would be divided along demographic lines, thus granting Israeli sovereignty over Jewish neighborhoods and Palestinian sovereignty over Arab neighborhoods.** With this agreement, the Israeli side was relinquishing its original position opposing Palestinian sovereignty in any part of East Jerusalem as well as its own proposal for different sovereignty regimes in “external versus “internal Arab neighborhoods. The Palestinian side, for its part, was relinquishing its original demands that Jerusalem’s borderline follow the “Green Line the 1949 armistice line. It should be underscored that the Palestinians agreed to this formulation as part of a territorial swap based in principle on the borderlines of 4 June 1967. Initial steps towards this formulation took place at Camp David, but it only emerged as an agreement during the Jarring and Taba talks, and it was included as part of the “Clinton Parameters. This formulation was also accepted by both sides during the talks between Olmert and Abu Mazen and served as a basis for the Palestinian map presented during the Annapolis process and Olmert’s September 2008 proposal.<sup>308</sup>

**Disagreements:** Despite an agreement in principle on this issue, **the main point of contention relates to the neighborhood of Har Homa** Jabel Abu Ghneim for Palestinians . The Palestinians are not prepared to have the agreed-upon principle apply to this neighborhood, and they demand its evacuation, both because it was constructed after the 1993 Oslo agreement and because of its location, which they

---

<sup>307</sup> See ap 1.

<sup>308</sup> See ap 2 and ap 3.

argue undermines the territorial contiguity between Jerusalem and Bethlehem, isolating Beit Safafa. Israel, by contrast, does not differentiate between this and other Jewish neighborhoods in East Jerusalem. Under Olmert's proposal, Har Homa is part of the Israeli side of Jerusalem.

Moreover, the parties will need to formulate geographic and transportation solutions for situations where the borderline impedes urban contiguity and connectivity between neighborhoods. For example, southern Jerusalem requires a solution that will maintain the connection between West Jerusalem and the neighborhood of Gilo while also maintaining a connection between Beit Safafa and Sharafat as well as the Busa Al-Alami compound. If Israeli sovereignty over Har Homa is eventually accepted, a solution will be required that links Beit Safafa with Bethlehem and Beit Jala.<sup>309</sup> A solution will be required in the northern part of the city to ensure urban connectivity between the French Hill and the enclave of Pisgat Ze'ev and Neve Ya'akov while also enabling a connection between the Shuafat refugee camp and the neighborhood of Shuafat.<sup>310</sup> Regarding the environs of Jerusalem, the parties dispute the annexation of Givat Ze'ev and Ma'ale Adumim as part of the Israeli side of Jerusalem.<sup>311</sup> This dispute also relates to the scope of the territory to be annexed: will the annexation of Ma'ale Adumim, for example, also include localities such as Kedar, Far Adumim, and Yishor Adumim, and will the annexation of Givat Ze'ev also include Beit Horon and Nabi Samuel—as well as the width of the corridor that will connect between these localities and Jerusalem.<sup>312</sup>

The parties will also have to address the question of the future of Jewish settlements established within Arab neighborhoods such as Silwan, Ras Al-Amud, and Sheikh Jarrah.<sup>313</sup>

---

<sup>309</sup> See para 4. During the Annapolis process, the Palestinians proposed that Israel build a new access road from Ma'ale to Gilo to replace the existing road, which passes near Beit Safafa.

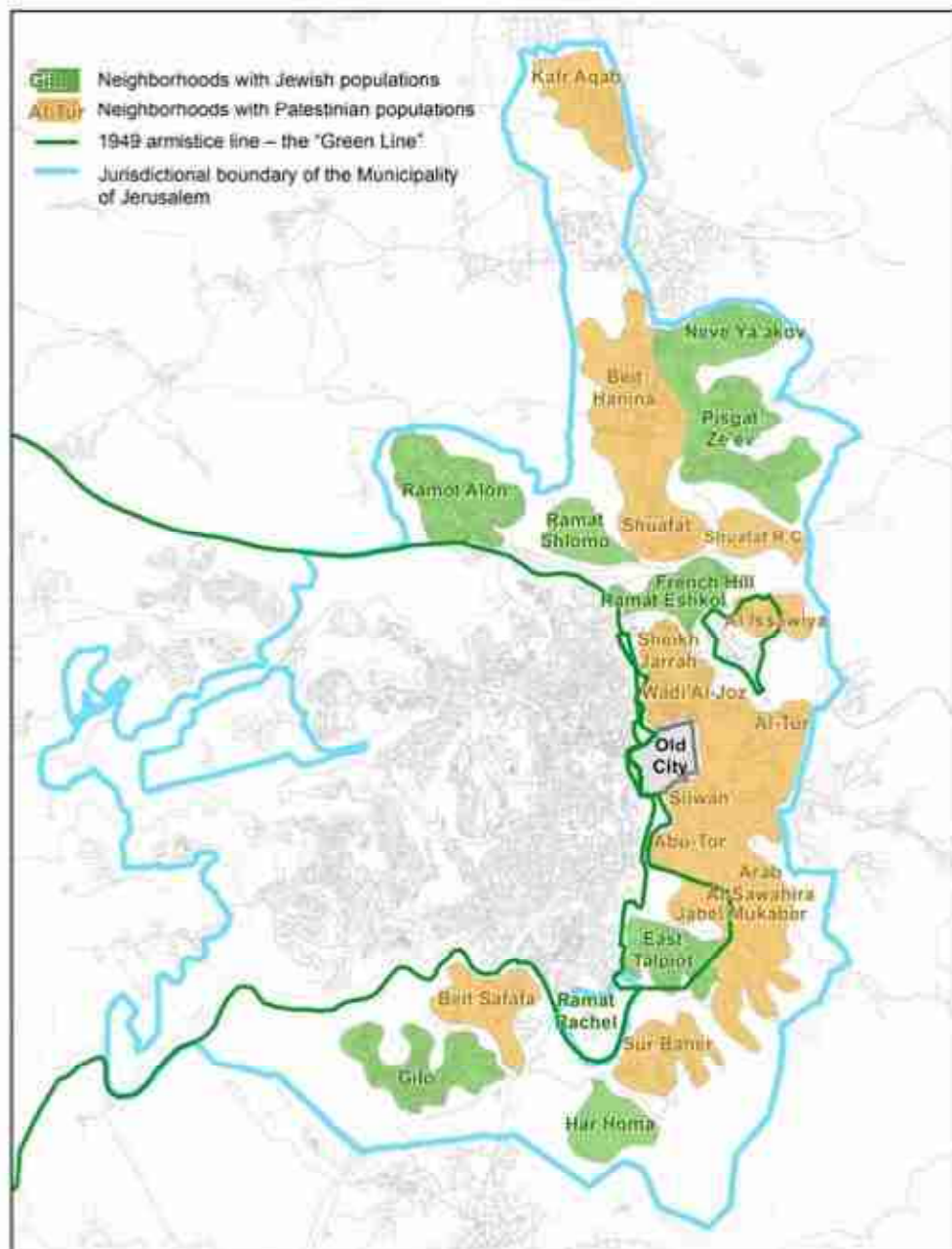
<sup>310</sup> See para 5.

<sup>311</sup> See para 6 and para 7.

<sup>312</sup> Regarding discussions of this issue during the Taba talks, see Klein, *Breaking the Taboo*, 75-76. Regarding discussions of the issue during the unofficial Geneva Initiative talks, see Klein, *The Geneva Initiative*, 81-84.

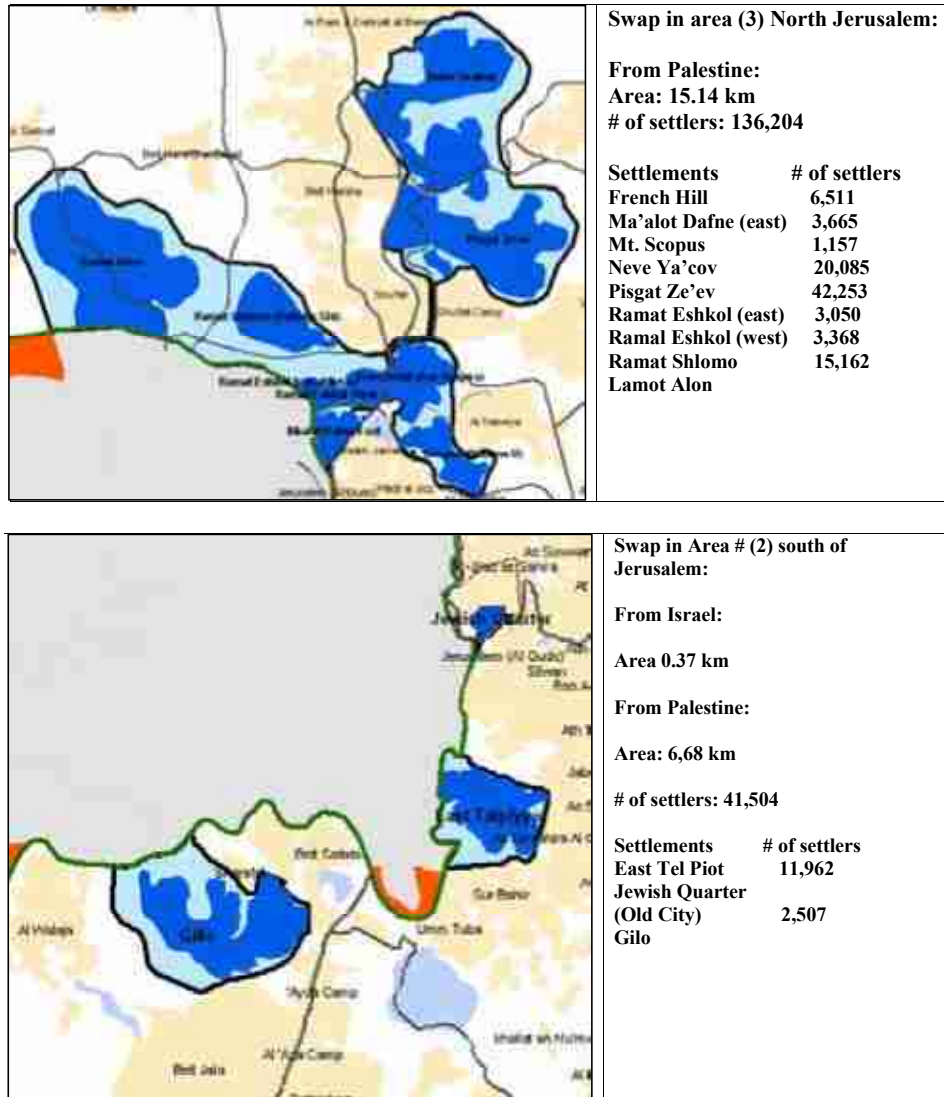
<sup>313</sup> See J. Reiter and L. Lehrs, *The Sheikh Jarrah Affair* (Jerusalem: Jerusalem Institute for Israel Studies, 2010), pp. 39-42. Jewish settlement initiatives within East Jerusalem Arab neighborhoods were led by private organizations, and they gained momentum after the 2000 Camp David Summit ended in failure.

## AP 1: East Jerusalem Neighborhoods



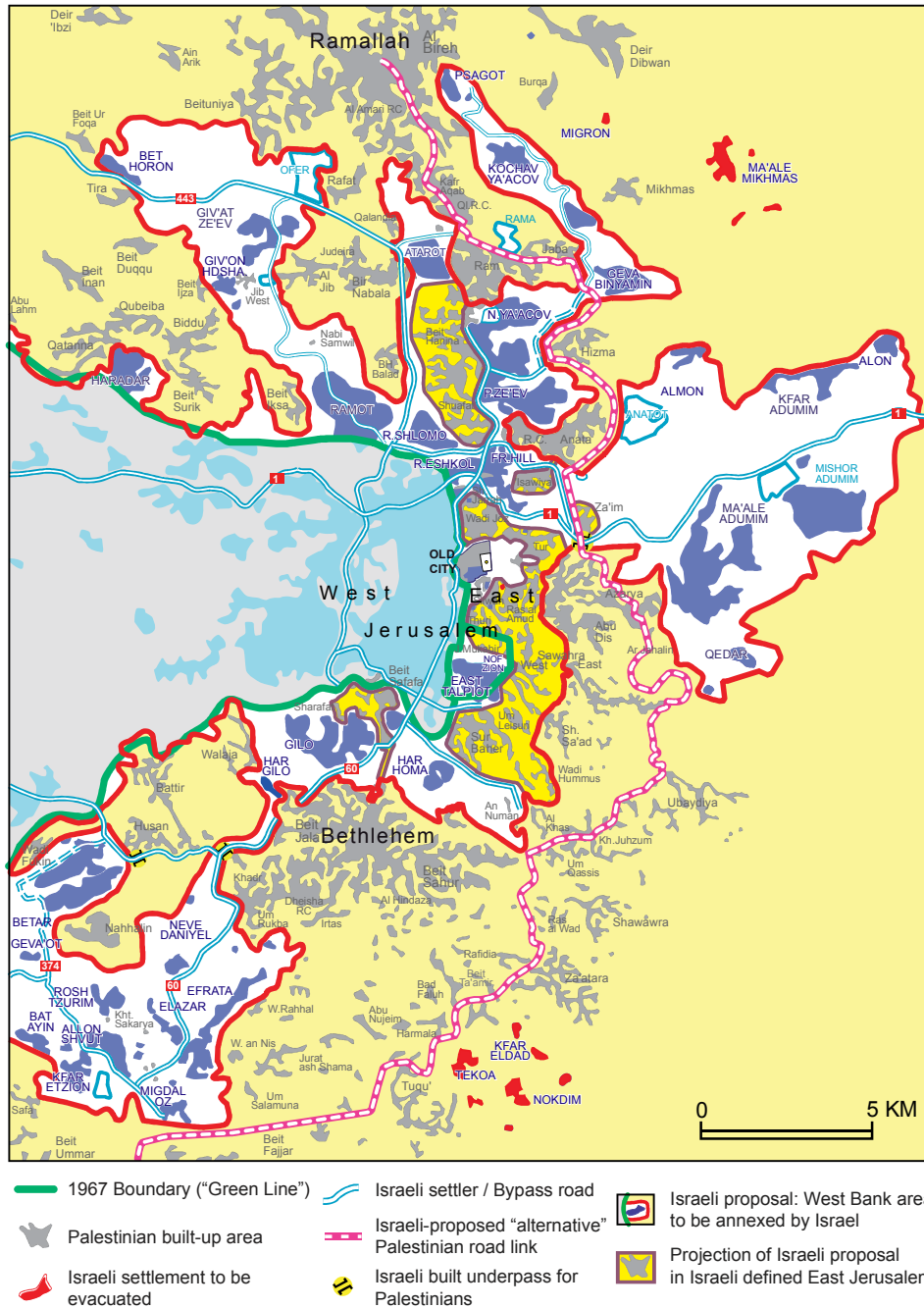
The Jerusalem Institute for Israel Studies

## AP 2: Palestinian Proposal for the Annapolis Negotiation Process



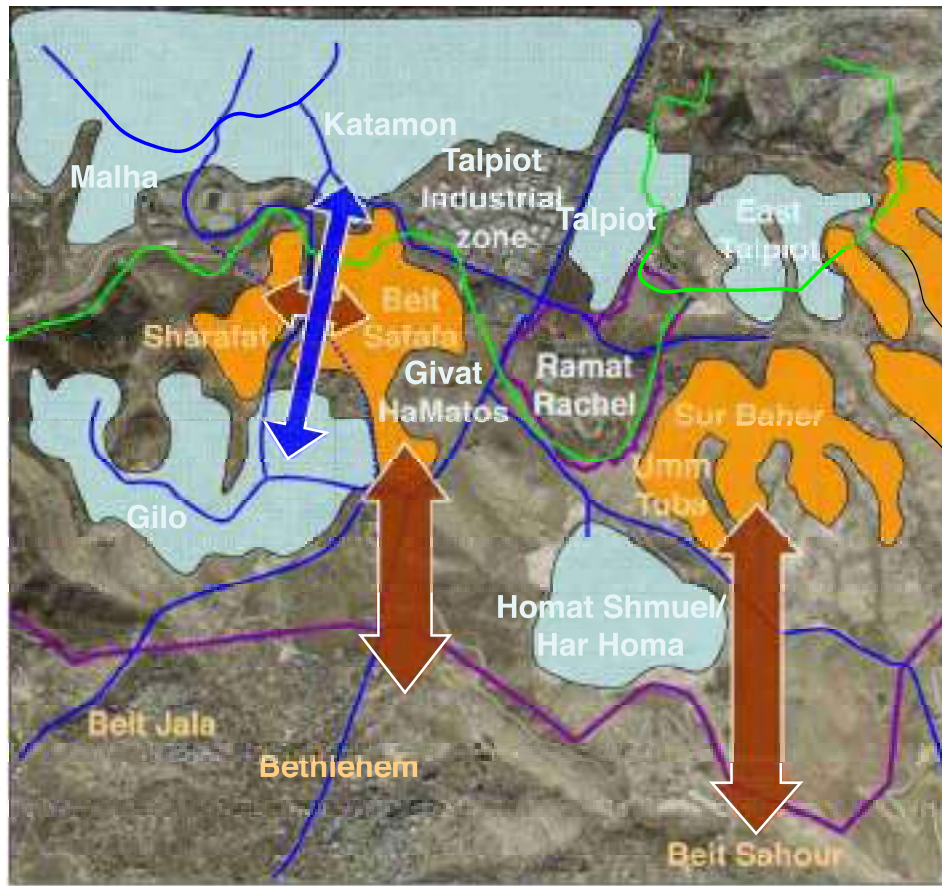
From the *Al-Jazeera* documents

### AP 3: Olmert's Proposal for the Annapolis Negotiation Process










From the *Al-Jazeera* documents

#### AP 4: Jewish and Palestinian Neighborhoods in Southern Jerusalem

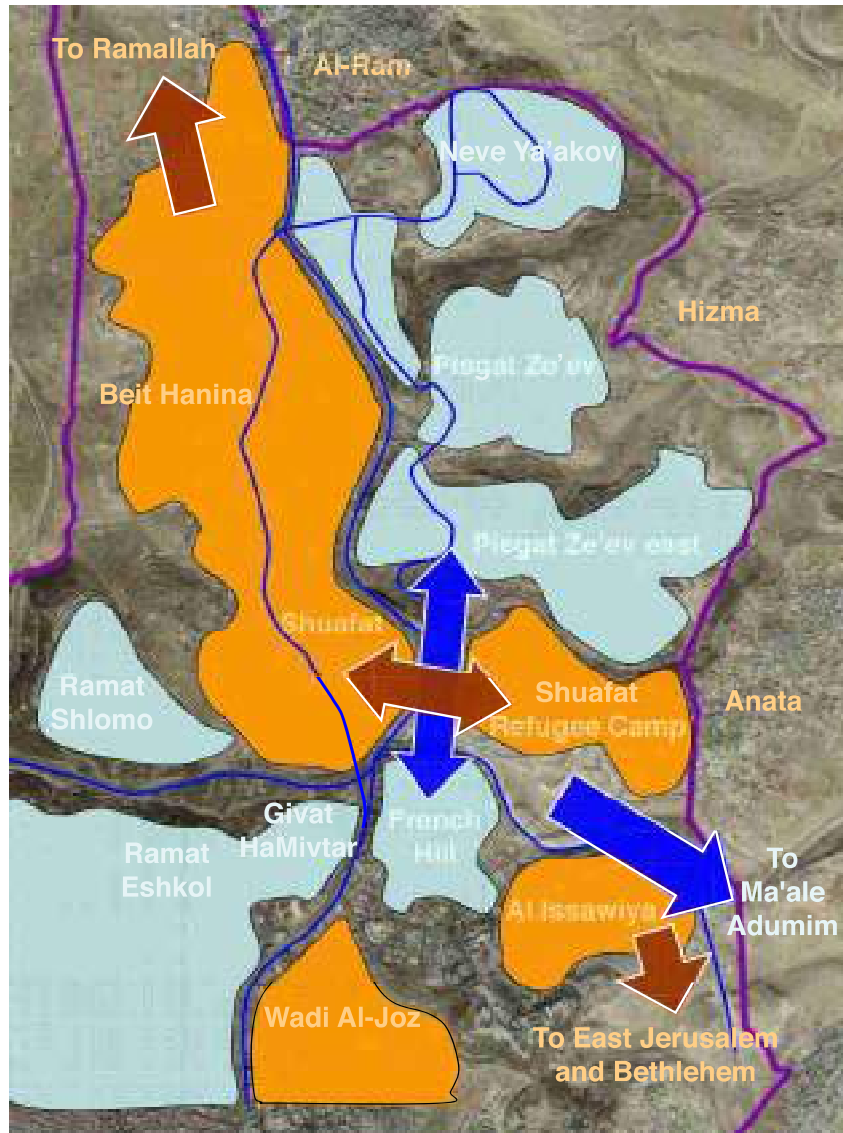


The Jerusalem Institute for Israel Studies








-  1949 Armistice Line – “The Green Line”
-  Jurisdictional boundary of the Municipality of Jerusalem
-  Palestinian neighborhood
-  Jewish neighborhood
-  Major roads
-  Palestinian urban contiguity
-  Jewish urban contiguity



# AP 5: Jewish and Palestinian Neighborhoods in Northern Jerusalem

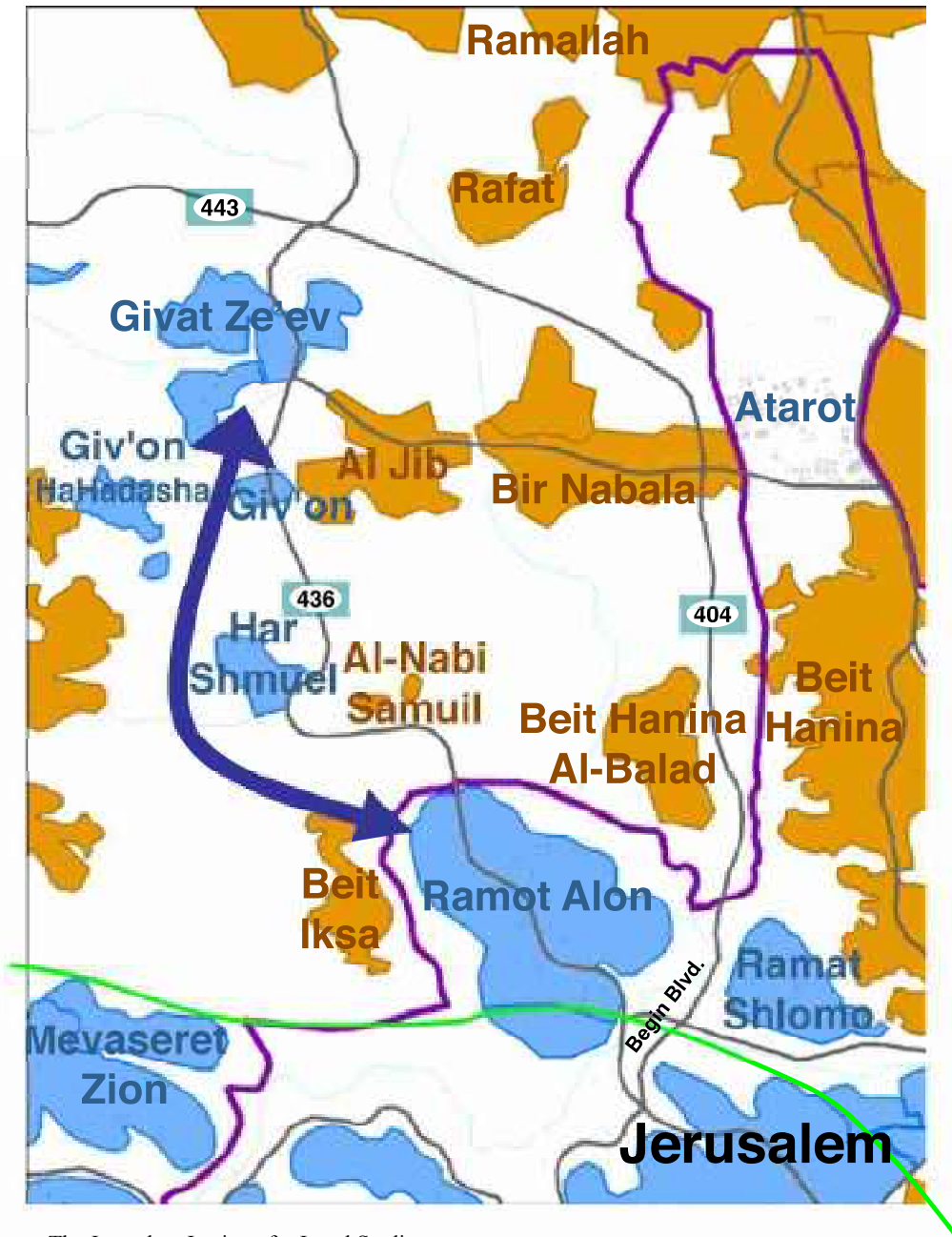


The Jerusalem Institute for Israel Studies

- |                                                                                     |                                                          |                                                                                      |                              |
|-------------------------------------------------------------------------------------|----------------------------------------------------------|--------------------------------------------------------------------------------------|------------------------------|
|  | 1949 Armistice Line – “The Green Line”                   |  | Major roads                  |
|  | Jurisdictional boundary of the Municipality of Jerusalem |  | Palestinian urban contiguity |
|  | Palestinian neighborhood                                 |  | Jewish urban contiguity      |
|  | Jewish neighborhood                                      |                                                                                      |                              |



AP 6: Jerusalem and Givat Ze'ev



The Jerusalem Institute for Israel Studies

The map illustrates the E1 Plan, a proposed Israeli settlement and military corridor in the West Bank. Key locations and features include:

- Settlements and Land:** Shaded orange areas represent proposed Israeli settlements and land, including Hizma, Anata, Al-Issawiya, Al-Zaim, Al-Tur, Ras Al-Amud, and Al Azaria. A purple line outlines a specific settlement route.
- Geographical Features:** Blue areas represent water bodies, including the Mediterranean Sea, Lake Tiberias, and the Jordan River. A light blue area represents the Jordan Valley.
- Key Locations:** Pisgat Ze'ev, Shuafat R.C., Mount Scopus, Jerusalem, and Ma'ale Adumim are labeled.
- Routes:**
  - A thick brown arrow points north from Abu Dis towards the Jordan Valley.
  - A blue arrow points east from Jerusalem towards Ma'ale Adumim.
  - A blue arrow points west from Jerusalem towards Mount Scopus.
- Infrastructure:** A road labeled "To Jordan Valley" with a small white circle containing the number "1" is shown.

**Proposals:** On the matter of **Har Homa**, the agreement reached within the context of the Geneva Initiative was that Israel would withdraw from this neighborhood and from the area of Givat Ha'atos. The Israeli-Palestinian working group convened by the James A. Baker III Institute for Public Policy, for its part, proposed various alternatives, all of which entail Israel's annexation of this neighborhood and some of which even suggest that Beit Safafa, Givat Ha'atos, and Sharafat be annexed by Israel.<sup>314</sup>

With respect to **Beit Safafa**, which was divided by the Green Line, the Israeli representatives to the Geneva Initiative proposed that the entire village be annexed by Israel but the Palestinian representatives objected, and it was agreed that the border would cut through the village, following the 1949 armistice line.<sup>315</sup> During the Annapolis talks, Foreign Minister Tzipi Livni and her advisors raised the issue of Beit Safafa in the context of localities split by the Green Line such as Jarra'a and Jarra'a Al-Sharqiyya / Jarra'a Al-Gharbiyye, noting that in these cases the possible alternatives are annexation by Israel, annexation by Palestine as part of a territorial swap, or division.<sup>316</sup>

As a solution to the problems of **Palestinian urban connectivity in northern Jerusalem**, the Geneva Initiative proposes constructing a Palestinian road tunnel that would commence in the neighborhood of Sheikh Jarrah, pass under Israel's Highway 60, and conclude at two exit points near the French Hill Junction: an eastern exit that allows transit to the Shuafat Refugee Camp and connects with Highway 1 travelling eastward, and a western exit that allows transit to the neighborhood of Shuafat and would connect with Highway 443. At the same time a Palestinian road would be built that would pass under the Israeli bridge over the new Highway 60, linking Highway 1 which leads to the eastern beltway and the Shuafat Refugee Camp with the internal Route 60 leading to Shuafat and Beit Hanina. The neighborhoods of Jarra'a and Sheikh Jarrah would be linked through a bridge built east of the Eshkol Junction.<sup>317</sup>

<sup>314</sup> See ap 8. Details of the research undertaken at the Baker Institute are available at <http://bakerinstitute.org/news/mapping-israeli-palestinian-peace>.

<sup>315</sup> Levin, *The Geneva Initiative*, 162-163. See ap 9.

<sup>316</sup> Meeting minutes: orders Ahmed Ariei, Saeb Erekat and Tzipi Livni, 8 April 2008, <http://transparency.aljazeera.net/en/document/2484>.

Meeting minutes: bilateral Post-Annapolis Plenary Session, 21 June 2008, <http://transparency.aljazeera.net/en/document/3027>.

<sup>317</sup> See ap 10.

Regarding **Ma'ale Adumim and Pisgat Ze'ev**, the Geneva Initiative proposes their annexation to the Israeli side of Jerusalem.<sup>318</sup> The Palestinian representatives to the Initiative agreed to this arrangement in exchange for the evacuation of Ariel. Notably, during the Annapolis process US Secretary of State Condoleezza Rice had also proposed that a Palestinian concession on Ma'ale Adumim be linked with an Israeli concession on Ariel. Likewise, the Baker Institute Israeli-Palestinian working group had proposed Israel's annexation of Givat Ze'ev and Ma'ale Adumim among the various alternatives it presented.<sup>319</sup>

Another issue that will have to be addressed is the matter of former "No man's Land" areas in Jerusalem. Under the 1949 armistice agreement between Israel and Jordan, certain areas along the border between the Israeli and Jordanian sides were defined as "No man's Land," where neither side has sovereignty. Such areas also covered parts of Jerusalem on both sides.<sup>320</sup> During the Annapolis negotiations as well as the informal talks that led to the Geneva Initiative, an agreement emerged whereby these areas would be evenly divided between the two sides.<sup>321</sup>

---

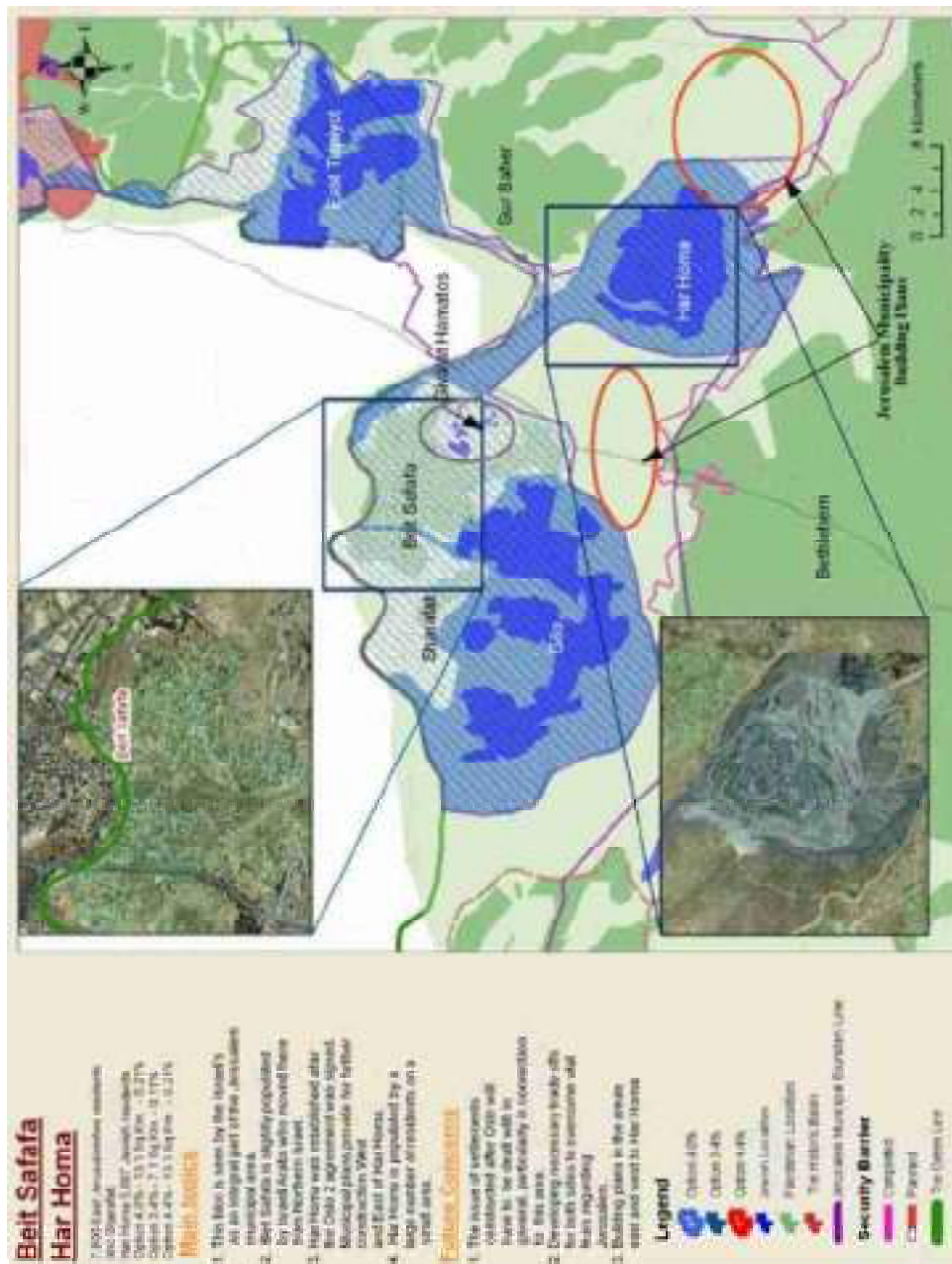
<sup>318</sup> Klein, *The Geneva Initiative*, pp. 80-86. See Chap. 11.

<sup>319</sup> See Chap. 12. The report of the Baker Institute is available at <http://www.bakerinstitute.org/publications/I-pub-IPTerritorialEndgame-020210.pdf/view>.

<sup>320</sup> Regarding No man's Land areas in Jerusalem, see Shimon Peres, *Opposite the Closed Wall: Jerusalem Divided and Jerusalem United* (Jerusalem: Weidenfeld and Nicolson, 1973), pp. 23-26 [Hebrew].

<sup>321</sup> See Klein, *The Geneva Initiative*, p. 80. "Current P/I Positions reflecting discussion up to January 1, 2009," <http://palestine-studies.org/ipsdc/positionmatrix.pdf>.

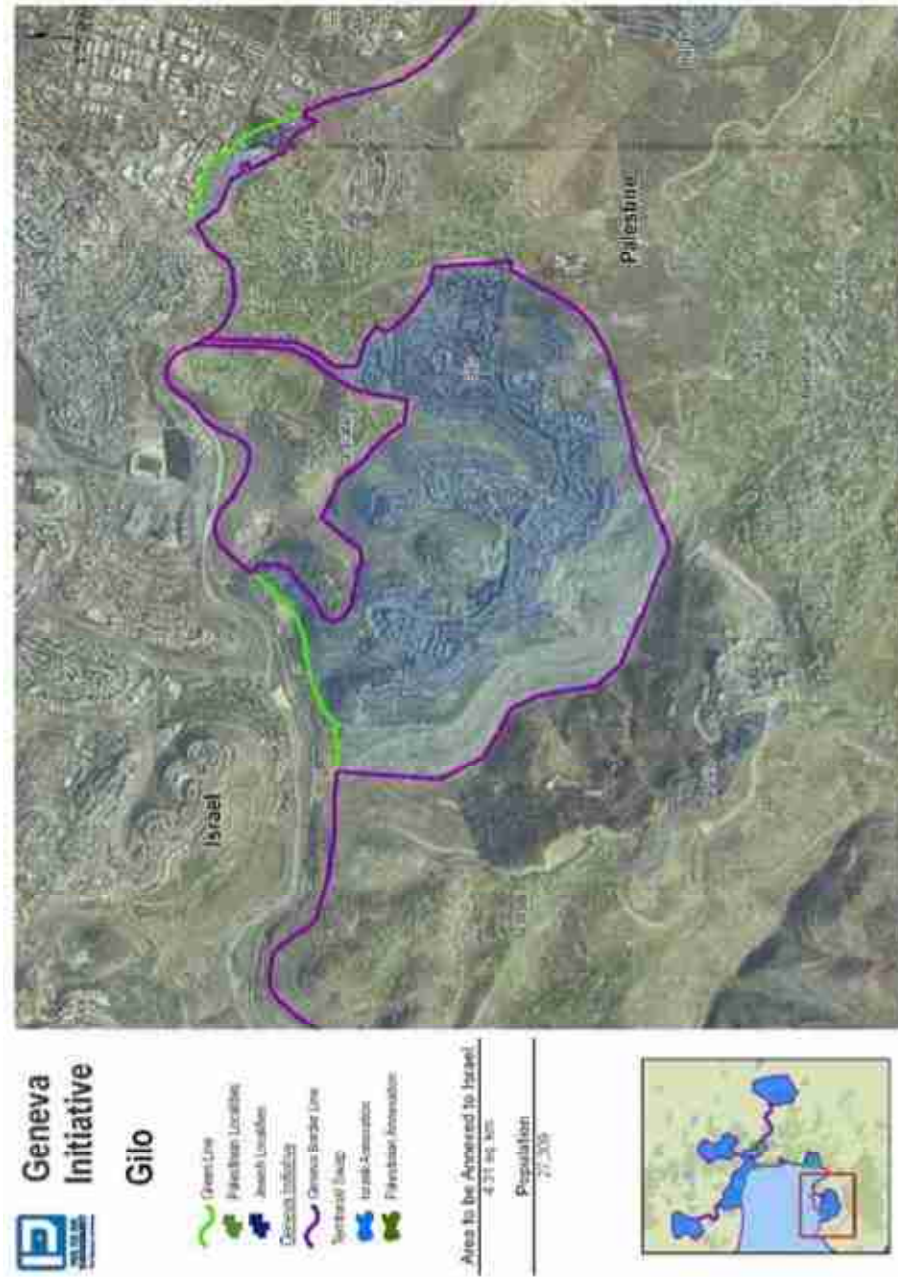
MAP 8: The Baker Institute Proposal for a Solution in Southern Jerusalem



James A. Baker III Institute for Public Policy of Rice University

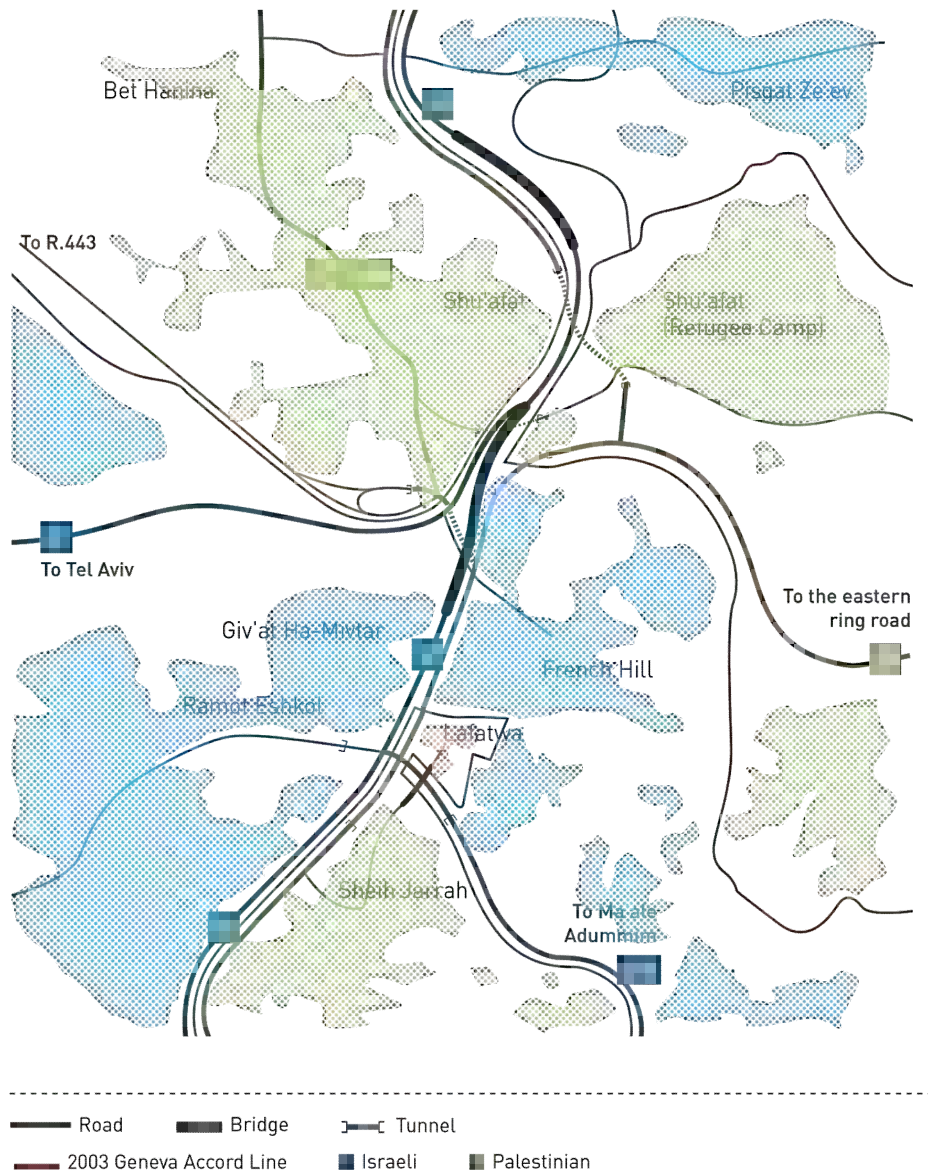


MAP 9: The Geneva Initiative Proposal for a Solution in Southern Jerusalem



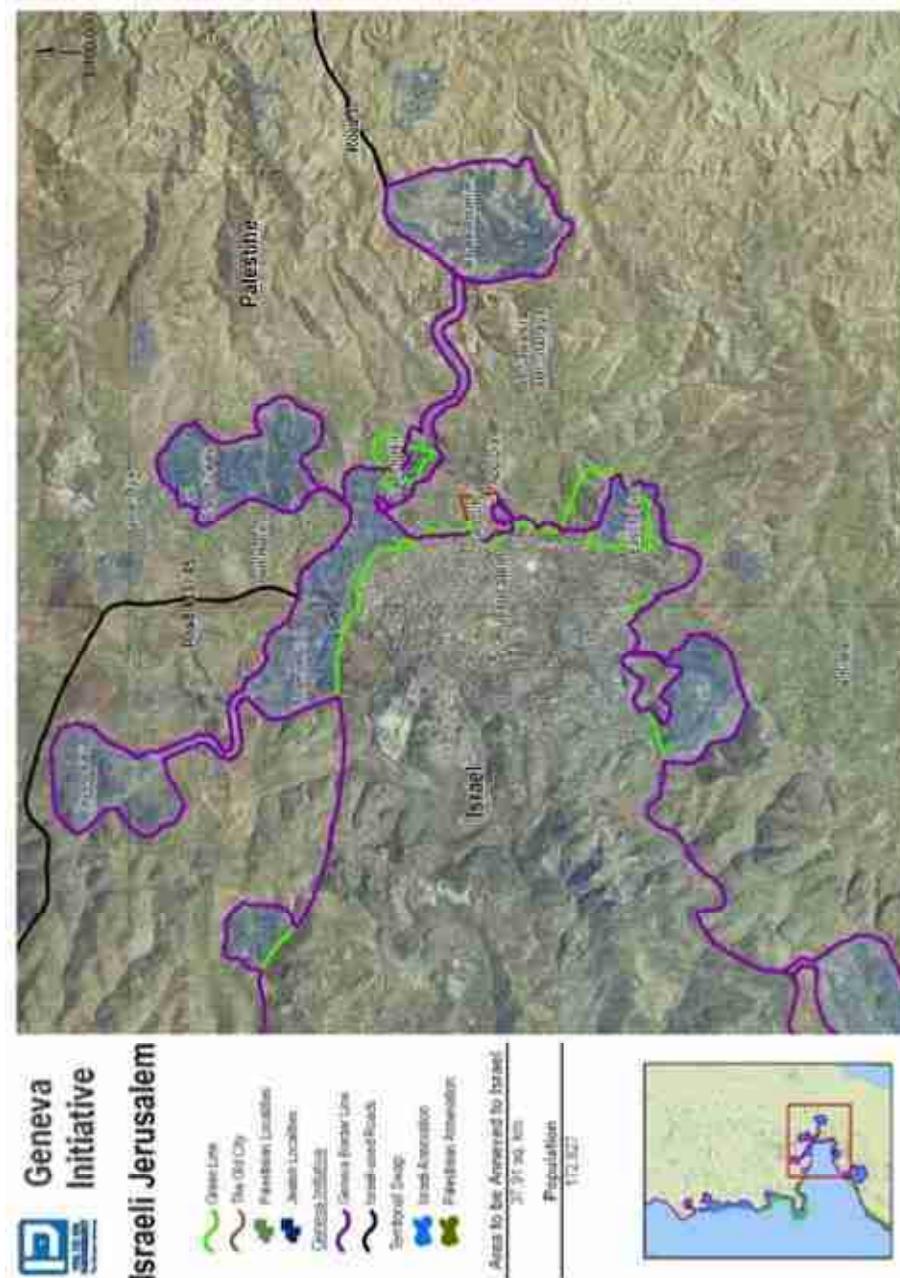
Geneva Initiative

MAP 10: The Geneva Initiative Proposal for a Transportation Solution in Northern Jerusalem



© Geneva Initiative

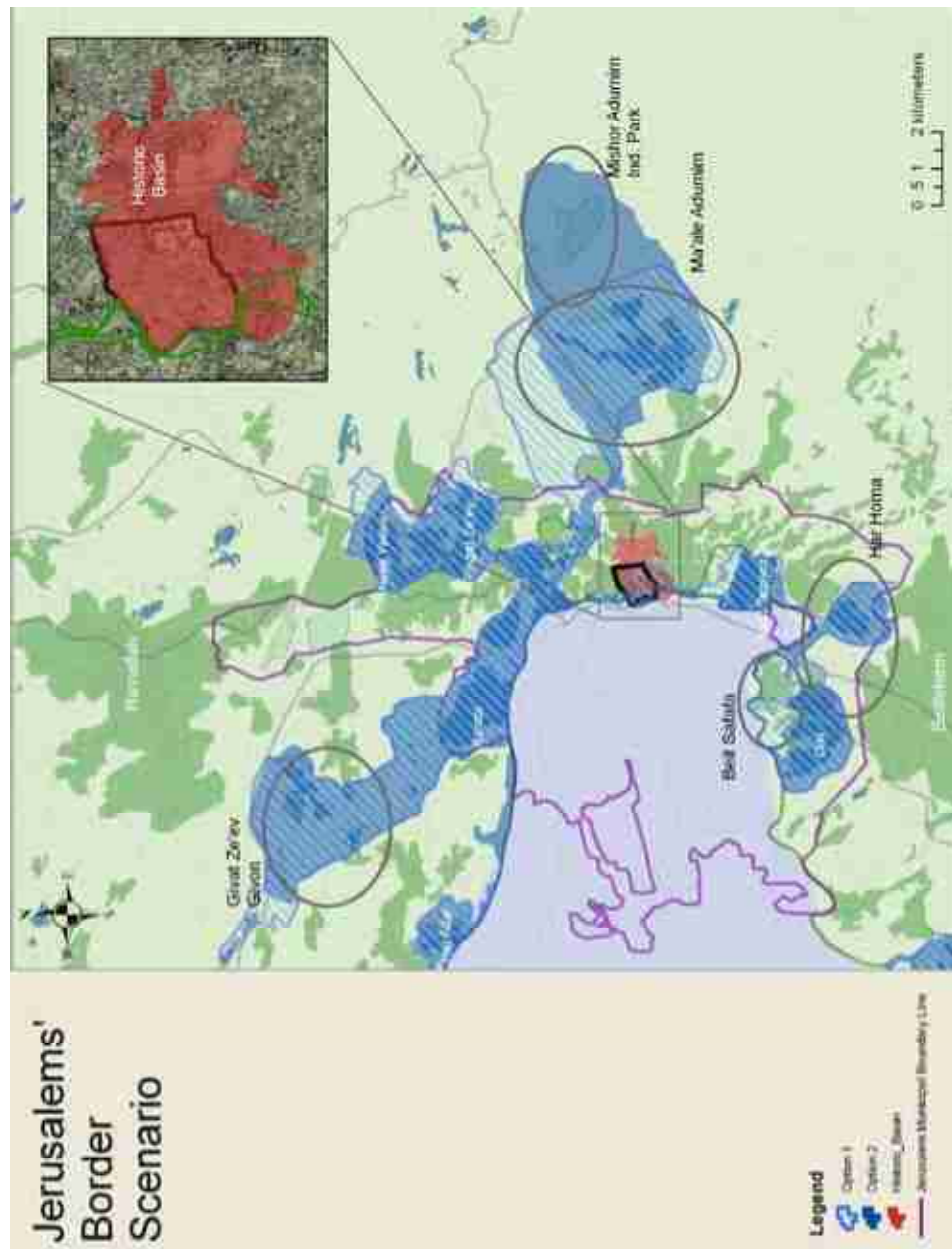
MAP 11: The Geneva Initiative Proposal for the Border in Jerusalem



Geneva Initiative



MAP 12: The Baker Institute Proposal for the Border in Jerusalem



James A. Baker III Institute for Public Policy of Rice University

## The Old City and the Historic Basin

**Issues:** The Old City contains historic and religious sites of great significance for the three monotheistic religions, placing it at the heart of negotiations over Jerusalem. Many observers use the term “Historic Basin” or “Holy Basin,” which covers in addition to the Old City compound other areas such as the historic sites of Mount Zion, the City of David, and Mount of Olives.<sup>322</sup> Resolution of this matter requires addressing a series of issues:

1. Delineating the borders of the basin: Is it limited to the territory bordered by the walls of the Old City, or does it include other areas
2. The question of sovereignty;
3. Arrangements for the administration of holy places;
4. Order Regime: Entry and exit, free movement between different parts of the basin, connection to other parts of the city;
5. Security, policing, and law enforcement;
6. International involvement in matters of sovereignty, administration, security, or supervision;
7. The regime to be applied in matters of archeology, preservation, planning, and zoning.
8. Arrangements regarding municipal services education, healthcare, infrastructures, economics, and law.

It should be noted that negotiations over the future of the Old City and the Historic Basin were conducted along two alternative tracks: a solution based on division of sovereignty, on the one hand, or a solution based on an international regime, on the other hand.

### Agreements:

**Division of sovereignty:** Under the Arabak administration the parties made progress regarding division of sovereignty within the Old City. It was agreed that **the Jewish Quarter would be under Israeli sovereignty and the Muslim and Christian Quarters would come under Palestinian sovereignty.** The Palestinians agreed to accept Israeli sovereignty over the Jewish Quarter even before the Camp David Summit, and they reaffirmed their acceptance at various

---

<sup>322</sup> See Chap 13.

stages of the negotiations in the presence of American and Israeli representatives. Indeed, the proposal submitted by the Palestinians during the Annapolis process was based on this acceptance. Initially Israel objected to any Palestinian sovereignty within the Old City, but during the Camp David Summit Barak indicated that he would accept Palestinian sovereignty over the Muslim and Christian quarters. Although he retreated from this position towards the end of the Summit, the matter of his acceptance was repeatedly raised during the Polling and Taba talks alongside Israeli reservations indicating a preference for a solution entailing a special regime with no division of sovereignty.

**International regime:** During the Annapolis process Olmert and Abu Azen discussed the possibility of an international solution. Olmert proposed that the Holy Basin be administered by an international trusteeship regime composed of Israel, the Palestinian state, the US, Jordan, and Saudi Arabia. Abu Azen neither accepted nor rejected Olmert's overall proposal, but according to a *New York Times* article based on separate conversations with Abu Azen and Olmert, the former did agree to this concept in principle while expressing reservations regarding some of its elements.<sup>323</sup>

### **Disagreements:**

As a matter of principle the Israeli side prefers the solution of a "special regime that does not necessitate any division of sovereignty, whereas the Palestinian side demands that there first be agreement regarding the contours of the border and division of sovereignty, and only afterwards would discussions proceed to address practical arrangements and creative solutions for the administration of this area.

**Division of sovereignty:** If an agreement is reached to divide sovereignty within the Old City, the question of sovereignty over the Armenian quarter will become a matter of dispute.<sup>324</sup> Also in dispute are areas beyond the Old City walls – the City of David and Mount of Olives – over which Israel demands sovereignty, whereas the Palestinians are prepared to accept their administration by Israel subject to Palestinian sovereignty. A similar dispute exists regarding the question

---

<sup>323</sup> Avishai, "A Plan for Peace That Still Could Be."

<sup>324</sup> During negotiations that took place under the Barak administration, Israel demanded sovereignty over the Armenian quarter. The Palestinians rejected this demand, but agreed to Israeli sovereignty over Jewish-owned houses in the Armenian quarter that are situated near the Jewish quarter.

of sovereignty over two sites within the Old City walls: the Western Wall tunnel and the Tower of David.

**International regime:** If an international solution is agreed upon, disagreement will emerge regarding the borders of the area that would be covered by this regime. Olmert sought to have it include in addition to the Old City other areas such as Mount of Olives and the City of David, but the Palestinians object to an international regime that would extend beyond the Old City and cover parts of the Palestinian neighborhoods of A-Tur and Silwan, which would then be excluded from the territory of a Palestinian state. Additionally, the Palestinians posed the option of including territory from the Israeli side, such as the Jaffa cemetery, within the regime for the sake of symmetry. Yet another matter of dispute is the question of sovereignty under such an arrangement, and the Palestinians oppose postponement of this issue to a later stage.

### **Proposals:**

Two unofficial policy initiatives are noteworthy: the Jerusalem Old City Initiative “the Canadian initiative” and the Geneva Initiative, both of which offer detailed proposals aimed at resolving the issue of the Old City. The former is based on the option of an international regime, and the latter is closer to an option based on division of sovereignty though it also includes elements of a “special regime.”

Regarding the **question of sovereignty**, the Geneva Initiative proposes dividing sovereignty over the Old City between the two states while maintaining freedom of movement between its different parts,<sup>325</sup> whereas the Canadian initiative basically ignores the question of sovereignty. On the matter of **administration**, the Canadian initiative proposes a ruling structure based on a governance board that would include senior Israeli and Palestinian representatives as well as international representatives, and would be responsible for appointing a chief administrator as well as supervising implementation of the regime’s mandate. The chief administrator would be a reputable and experienced international figurehead neither Israeli nor Palestinian to whom the operational responsibilities of the regime would be delegated. Under this proposal the regime would be responsible for functions and duties related to the place itself preservation, archeology, holy places, security while issues related to the population education, healthcare, family law would be handled by the relevant authorities on each side in

---

<sup>325</sup> See ap 14.

accordance with the residents' citizenship. Regarding legal matters, all residents would be subject to the legal system of their state of citizenship, but exceptional cases such as crimes against property, inter-ethnic crime, or crimes committed by citizens of a third country would be submitted to a special tribunal established within the Old City.<sup>326</sup> The Geneva Initiative proposed establishing an "Old City Committee" that would operate as a subcommittee of the Jerusalem Coordination and Development Committee (JCDC), both of which would comprise an equal number of representatives from both states. At the same time, among its other functions, the "Old City Committee" would work in conjunction with the international body established under this accord<sup>327</sup> to prepare a preservation and renovation plan for the Old City.

On the question of **security**, the Canadian initiative proposes establishing an international Old City Police Force (OCPS) that would be responsible for security and public order in the Old City, where the security forces of the two states would have no local authority although each side would be allowed unarmed Community Liaison Officers (CLOs). The Geneva Initiative, in contrast, proposes an Israeli police presence on the Israeli side and a Palestinian police presence on the Palestinian side, to be supplemented by an Old City Policing Unit (PU) tasked with providing coordination and assistance for the local forces, joint training exercises for Israeli and Palestinian police personnel, and help in defusing local tensions and resolving disputes. Under both initiatives, entry into a neighboring state from the Old City would be permitted only upon presentation of appropriate documentation, and all entry and exit points would have representatives from the state with sovereignty over that area as well as an international police presence.

Moreover, both initiatives propose establishing an inter-religious advisory council for matters relating to religion, ritual, and administration of holy places.<sup>328</sup> Under the Geneva Initiative, the Tower of David, the Western Wall tunnel, and

<sup>326</sup> The tribunal would be composed of two Israeli judges, two Palestinian judges, and an international judge.

<sup>327</sup> Regarding the Implementation and Verification Group (IVG), see Article 3 of the Accord, <http://www.geneva-accord.org/mainmenu/english>.

<sup>328</sup> The Inter-Religious Council for Jerusalem, The Geneva Initiative, [http://www.geneva-accord.org/images/PDF/inter-religious\\_council\\_in\\_jerusalem.pdf](http://www.geneva-accord.org/images/PDF/inter-religious_council_in_jerusalem.pdf).

Another proposal to establish an inter-religious council in Jerusalem was published in April 2011 by the Toledo International Centre for Peace (CITpax). It was drafted by Prof. Michael Dumper and is available at [http://www.toledopax.org/uploads/Religious\\_Council\\_of\\_Jerusalem.pdf](http://www.toledopax.org/uploads/Religious_Council_of_Jerusalem.pdf).

the Mount of Olives cemetery would be subject to Palestinian sovereignty but Israeli administration.<sup>329</sup>

A 2007 publication of the Jerusalem Institute for Israel Studies presented five possible alternatives for a solution to the issue of the Historic Basin:

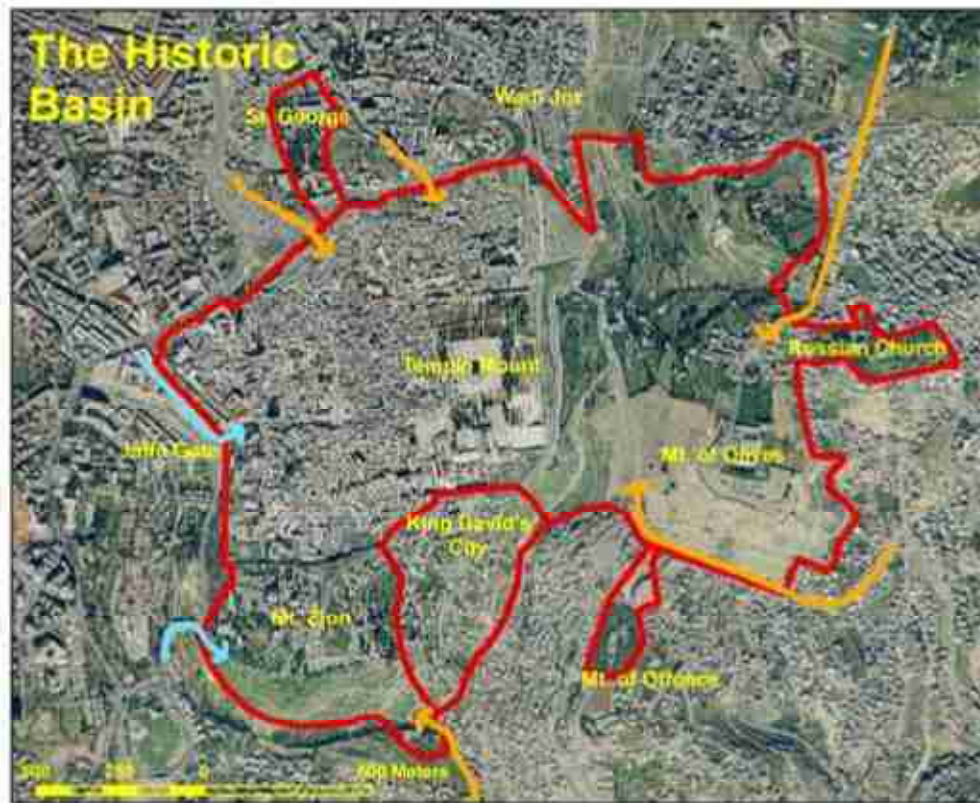
1. Full Israeli sovereignty and control throughout the Historic Basin;
2. Full Palestinian sovereignty and control throughout the Historic Basin;
3. Territorial division between the sides, with international supervision;
4. Joint management, the division of authorities between the sides and international backing;
5. Management of the Historic Basin by an international body, with the delegation of authorities to both sides.<sup>330</sup>

---

<sup>329</sup> The Geneva Initiative proposes an agreement whereby a special arrangement would also apply to the route between Jaffa Gate and Lion Gate, ensuring access, freedom of movement, and security for Israelis. The solution proposed by the Geneva Initiative for the Old City is contained in Paragraph 7 of Article 6 Jerusalem, available at <http://www.geneva-accord.org/mainmenu/english>. For the solution proposed by the Canadian initiative, see <http://www1.uwindsor.ca/joci/>.

<sup>330</sup> See A. Ramon ed., *The Historic Basin of Jerusalem – Problems and Possible Solutions* Jerusalem: Jerusalem Institute for Israel Studies, 2007.

AP 13: The borders of the "Historic Basin" According to the Jerusalem Institute for Israel Studies



The Jerusalem Institute for Israel Studies



MAP 14: The Geneva Initiative's Proposed Solution for the Old City



Geneva Initiative



## **The Western Wall and the Temple Mount / Al-Haram Al-Sharif**

**Issues:** The Western Wall and the Temple Mount / Al-Haram Al-Sharif are located within the Old City, but their importance earned them special and separate attention during negotiations. This topic comprises the following issues:

1. Sovereignty over the Western Wall and sovereignty over Al-Haram Al-Sharif / the Temple Mount;
2. Administration of sites;
3. Security;
4. A regime to handle archeological excavations;
5. Issues related to symbolism and identity.

**Agreements:** During the Arafat era an agreement was reached whereby **the Western Wall would be under Israeli sovereignty, and Al-Haram Al-Sharif / the Temple Mount would come under Palestinian administration with no excavations to be conducted therein.** Arafat agreed to Israeli sovereignty over the Western Wall before the Camp David Summit, and the Palestinians underscored this position throughout the negotiations. It should be noted that if an agreement is reached on an international regime in the Holy Basin as Olmert proposed, then both sites would be included under this regime.

**Disagreements:** The question of sovereignty over Al-Haram Al-Sharif / the Temple Mount was the main stumbling block during the Camp David Summit, and the various compromise proposals floated after the summit were also unable to produce an agreement. Israel proposed formulations that would grant it virtual and symbolic sovereignty without undermining Palestinian control over the site, but the Palestinians rejected these and demanded full Palestinian sovereignty over Al-Haram Al-Sharif. Disagreement also emerged regarding the delineation of Israeli sovereignty at the Western Wall. The Palestinians agreed to Israeli sovereignty only over the “Wailing Wall” 60 meters, not over the entire Western Wall 470 meters including the Western Wall tunnel as Israel demanded and in line with the US position.<sup>331</sup> Two additional points of dispute that emerged in this context during the Arafat era were the Israeli demands for a prayer area within the Temple Mount and for Palestinian recognition of the Jewish connection to the site.

---

<sup>331</sup> See Chap 15.

**Proposals:** After the Camp David Summit various actors raised proposals for a solution to this problem, including international sovereignty, suspended sovereignty, divine sovereignty, and horizontally divided sovereignty. In September 2000 Dr. Moshe Amirav and Faisal Hussein who was responsible for Jerusalem affairs within the PLO drafted a proposal by which the UN would assign the Temple Mount / Al-Haram Al-Sharif to the responsibility of eleven states: Israel, Palestine, the five permanent members of the Security Council, and four Muslim states Egypt, Jordan, Morocco, and Saudi Arabia. These states would have possession of the site in the framework of “joint sovereignty” while administration would remain in the hands of the Muslim Waqf and arrangements would be agreed that could only be changed with the consensus of all eleven countries.<sup>332</sup> The Geneva Initiative proposal in this context posits that the Western Wall would be under Israeli sovereignty and the compound of Al-Haram Al-Sharif / the Temple Mount would come under Palestinian sovereignty, with a multinational presence to monitor, verify, and assist in the implementation of the agreement and bearing responsibility for security alongside Palestinian security forces. Moreover, under the Geneva Accord no excavation or construction would take place within the compound unless both sides agree, “in view of the sanctity of the Compound, and in light of the unique religious and cultural significance of the site to the Jewish people.”<sup>333</sup> The Ayalon-Nusseibeh plan proposes that neither side have sovereignty over the holy places, but that the Palestinian state be declared the “Guardian of Al-Haram Al-Sharif and Israel be declared the “Guardian of the Western Wall.”<sup>334</sup> During the Annapolis process Condoleezza Rice proposed an option whereby each side would maintain its claims of sovereignty over Al-Haram Al-Sharif / the Temple Mount yet the issue of sovereignty over the compound would by agreement remain unresolved.<sup>335</sup>

---

<sup>332</sup> The Americans and Egyptians welcomed this proposal and Arafat rejected it. See Moshe Amirav, *The Palestinian Struggle for Jerusalem* (Jerusalem: Jerusalem Institute for Israel Studies, 2002), pp. 62-63 [Hebrew].

<sup>333</sup> See Paragraph 5 of Article 6 Jerusalem, <http://www.geneva-accord.org/mainmenu/english>. See the Geneva Accord Annex on a Multinational Presence in Al-Haram Al-Sharif / the Temple Mount, [http://www.geneva-accord.org/images/PDF/multinational\\_presence.pdf](http://www.geneva-accord.org/images/PDF/multinational_presence.pdf).

<sup>334</sup> For the principles underpinning this document, see [http://www.usip.org/sites/default/files/le/resources/collections/peace\\_agreements/nusseibeh\\_ayalon.pdf](http://www.usip.org/sites/default/files/le/resources/collections/peace_agreements/nusseibeh_ayalon.pdf).

<sup>335</sup> See Meeting Minutes: US, Palestine and Israel Bilateral and Trilateral Meetings, 29 July 2008, <http://transparency.aljazeera.net/en/document/3048>. Update from NSU on Washington Meetings, 29 July 2008, <http://transparency.aljazeera.net/en/document/4072>.

AP 15: Schematic of the Temple Mount / Al-Haram Al-Sharif

