

**Written statement by Quartet Representative Tony Blair  
Senate Foreign Relations Committee, 14<sup>th</sup> May 2009**

1. There is no workable alternative to the two state solution. Politics, geography and demography all point in that direction.
2. The political negotiation for a two state solution has a clear and long trodden path to it. The critical issues are well known: in particular, territory, including the role of land swaps; Jerusalem; refugees; security; and water. These issues are inevitably fraught and complex; but there are solutions to all of them, many of which have been canvassed over the years.
3. The international and regional politics are better placed than ever to advance such a solution. The Arab Peace Initiative is an important recognition by the Arab world that its best interests lie in a Palestinian State created alongside a secure State of Israel. The U.S., Russia and EU are all committed to such a solution.
4. A majority of the people both in the Palestinian territories and Israel, remain in favour of the two state solution, in principle. But, in practice, they doubt it can happen.
5. The issue is therefore how to restore credibility and conviction to the essential vision.
6. The key to doing this – apart from a determined focus by the U.S. administration and international community, which is happening – is to understand the “reality on the ground” issue that dominates the thinking of both the Israelis and Palestinians.
7. Put simply, Israel will not agree to the creation of a Palestinian State unless it is sure of the nature of that State. It must know that the State will be a secure, stable and well governed neighbour. Their “reality on the ground” concern is not simply with the form of the Palestinian state, but with its content.
8. For their part, the Palestinians see no purpose in agreeing a political solution, unless it is clear that such a solution means genuine statehood i.e. that they will have full control over and be able to govern effectively and independently, the territory of that state. Their “reality on the ground” concern is that they will be forced to make concessions in defining the terms of statehood, but meanwhile the facts of occupation – movement

restrictions, permits, Israeli incursions, settlements and outposts – will not change.

9. To make the agreed vision credible, therefore, the negotiation itself must be credible and the actions on the ground must reinforce and not contradict it.
10. It follows from this, that a Palestinian State has to be, simultaneously, negotiated from the top down and built from the bottom up.
11. The Quartet is the international community's instrument of ensuring that the leading nations stay on the same course, to the same end. The Office of the Quartet Representative (OQR), which I head, has a specific mandate to help develop the Palestinian economy and help build the capacity of institutions of the Palestinian Authority. Naturally that involves a close interaction with the Israeli Government and an integration between this work and the wider political process. To that end we co-chaired the Paris Conference of December 2007 which resulted in \$5.6bn of support for the Palestinian Authority and assisted the Palestinian Authority in producing the first comprehensive Palestinian reform and development plan, under the leadership of PM Salam Fayyad.
12. Since that time, we have been working to help put that plan into effect, to create the conditions for economic growth and to ensure that as Palestinian capacity, and particularly security capability, improves, so the restrictions on the West Bank can be eased and measures to stimulate the economy be taken. This has involved actions on easing movement restrictions, for example around the Northern part of the West Bank, industrial parks, housing projects, tourism and infrastructure including in Gaza.
13. After a prolonged period of political inertia – the result of a combination of factors, including Israeli elections, transition in the U.S. and issues around Palestinian Unity, there is now the chance to reinvigorate the search for peace and move forward.
14. This will involve addressing three questions. First there must be a clear and credible political negotiation for the two state solution. Senator Mitchell is absolutely right to underline that this cannot be more “process”; there has to be a coherent plan to conclude it successfully. For President Abbas, this is crucial. Second, there has to be a programme of major, transformative change on the West Bank, to give the Palestinians real hope that, as their

capability to run their territory improves and PM Fayyad's plan is implemented, so the Palestinians will be given proper control over the land in which they live. Third, the security concerns of Israel must be thoroughly, verifiably and comprehensively allayed by an agreed programme for reform of the Palestinian security sector and the rule of law. Throughout the obligations of both parties set out in the Road Map must be adhered to.

15. In respect of the economy and development on the West Bank, the OQR has proposals across a range of different areas, including major economic projects involving industry, agriculture, housing and tourism; lifting access and movement restrictions; investments in infrastructure; changing the system of development in Area C which is 60% of the Palestinian territory; halting demolitions; and budget support for the Palestinian Authority. Such a programme requires the active support and engagement of the Government of Israel. Without recognition that such a programme is in the strategic interests of Israel and concerted and concentrated efforts to help execute it, change in the West Bank will continue to be too slow, too grudging and too piecemeal to be capable of providing the right context for the politics to succeed. Such a programme must be consistent with Israel's security but must also recognise the significant increase already made in Palestinian security capacity.

16. In respect of that Palestinian capacity, we need to complement the work done by General Dayton and the US Security Coordinator team, (which has seen a dramatic improvement in Palestinian security force capability), with detailed work on the other aspects of the rule of law – prisons, courts, judiciary, prosecution and all the effective panoply of a proper functioning criminal justice system, in which the EU plays a major role. We also need to ensure that in other areas of the Palestinian Authority, like health, education, and social services, Palestinian Authority institution building continues with international support.

17. Such a programme would change the nature and reality of life on the West Bank. The people of Gaza, however, cannot and should not, be set to one side. The OQR has a responsibility to help Gaza also, but the ability to do so has obviously been severely restricted by the continuing security issue there, following the unlawful coup by Hamas. Gazans, too, have a right to

be part of the two state solution. For the moment, it appears hard to resolve the issues around Palestinian unity on a basis compatible with the outcome agreed by the international community: a peaceful negotiation leading to a State of Palestine side by side with the State of Israel. The politics therefore are presently blocked. But there is still much that can be and should be done to improve the conditions for the ordinary people of Gaza, the majority of whom are under the age of 18. This should include: full humanitarian help for the population; repair of housing and infrastructure damaged in the conflict; and allowing the import and export of goods and services, that do not have adverse security implications. This would enable us to help the people but not the extremists, who continue to fire rockets at Israeli citizens.

18. The challenges are self-evident; the opportunities for peace less so. Yet peace could be achieved with the right combination of determined focus, political will and the patient, sometimes painful but utterly essential work on the ground, so that we restore credibility to a vision that is actually shared and endorsed by the overwhelming majority of people, in Israel, in Palestine and the international community. The opportunity is there. But it won't remain if not seized. As President Obama has recognised, this is the right time to seize it.