## Source: Division for Palestinian Rights (DPR)

Division for Palestinian Rights

Chronological Review of Events Relating to the

Question of Palestine

Monthly media monitoring review

December 2007

## Monthly highlights

- The Palestinian Authority presents the Palestinian Reform and Development Plan 2008-2010 requesting \$5.6 billion in international assistance ahead of the Paris Donors' Conference. (5 December)
- President Abbas calls on Israel to stop the expansion of the "Har Homa" settlement following the publication of tenders by the Israel Land Administration to build 307 new housing units. (6 December)
- Israel's Security Cabinet meets to consider a large-scale military operation in the Caza Strip; no decision taken. (12 December)
- International donors attending a conference hosted by France pledge \$7.4 billion in aid for the Palestinian Authority. (17 December)
- Quartet statement expresses concern about Israeli plan to launch construction in the East Jerusalem settlement of "Har Homa". (17 December)

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Six armed Palestinians were killed by the IDF in two incidents in the Caza Strip. Five of the dead were Hamas members. In the first incident, which occurred east of Khan Yunis, the five Hamas members were hit by IDF missiles. The five belonged to the Hamas border guard. The sixth Palestinian was killed close to the Jabalya refugee camp near Caza City when an IDF unit was attacked by armed men and returned fire. The Izz ad-Din Al-Qassam Brigades, the armed wing of Hamas, through its spokesman, Abu Obaida, had threatened to strike deep inside Israel in response to the deaths of its five militants. (Ha'aretz)

The Al-Aqsa Martyrs Brigades claimed responsibility for launching five home-made projectiles at Israeli targets. One projectile hit the Israeli town of Zikim, which borders the Caza Strip. Separately, the Brigades claimed that they had launched four projectiles at an Israeli military installation at Kisufim, also near the Caza Strip. (Ma'an News Agency)

The military wing of the Popular Resistance Committees, the Al-Nasser Salah ad-Din Brigades, claimed responsibility for launching a home-made projectile at the Israeli border town of Sderot. (Ma'an News Agency)

The IDF seized two Palestinians from the town of Qabalan, south of Nablus. Local sources said that the soldiers arrested 40-year-old Muhammad Abed Al Jalil Abu Zahra and 33-year-old Bilal Muhammad Ahmad Al Az'ar. Witnesses said that at least 13 Israeli military vehicles invaded the town, with troops breaking into several houses and searching for "wanted" Palestinians. On the same day, the IDF detained 13-year-old Muhammad Hamad in the West Bank village of Marda, near Salfit. Residents of the village said that the boy was accused of throwing stones at Israeli cars. In a separate incident, Israeli forces seized 23-year-old Akram Abu Zeina,

a Birzeit University student, at a checkpoint north of Ramallah. Witnesses said that he was detained for being a Hamas supporter. (Ma'an News Agency)

Demonstrators from Cairo, supporting the residents of the Caza Strip, clashed with Egyptian police in El-Arish in Sinai as police prevented a convoy of protesters from reaching the border. The Egyptian police also announced that they had found some 350 kg of explosives and 8 rockets in the house of a Bedouin woman in

Sinai. The announcement came the day after the Egyptian police said that they had uncovered two weapons-smuggling tunnels to Gaza. (Ha'aretz)

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The military wing of the Popular Front for the Liberation of Palestine, the Abu Ali Mustafa Brigades, claimed responsibility for launching a home-made projectile at Israel from the Gaza Strip. (Ma'an News Agency)

In a statement, a military unit of Fatah calling themselves the Abu Ar-Reesh Brigades, claimed responsibility for launching three home-made projectiles at an Israeli military post east of the city of Khan Yunis. (Ma'an News Agency)

Israeli soldiers shot and killed an unarmed 31-year-old Palestinian, Firas Qasqas, from the village of At-Tira near Ramallah, according to witnesses. (Ma'an News Agency)

Four IDF soldiers were lightly wounded by pieces of shrapnel from a mortar shell that was fired from the Gaza Strip and struck an infirmary at an IDF base near Kibbutz Nahal 'Oz, in the western Negev. Palestinian militants in Gaza fired 15 mortar shells at the western Negev over the course of the day. A shell which struck inside Nahal 'Oz earlier in the day caused no injuries. Another shell hit the security fence between Israel and Gaza, and the others slammed into open fields in the region. Earlier, militants fired two Qassam rockets from the northern Gaza Strip. The rockets struck open fields, causing no damage. Also on the same day, an armed Palestinian opened fire on IDF troops at the Qalandiya checkpoint near Jerusalem. Shortly after the mortar attack, IDF ground troops targeted a mortar squad in Gaza City, the military said. Hamas and hospital officials said that one militant had been killed and six wounded in the IDF shelling near the Gaza Strip's northern border with Israel. (Ha'aretz)

A Fatah press statement said that police in the Caza Strip had detained four Fatah members for publicly hanging posters of the late PA President Yasser Arafat. The arrests took place in the Sheikh Radwan neighbourhood of Gaza City. (Ma'an News Agency)

Prime Minister Olmert said that Israel did not recognize the 2008 target date in the Annapolis Joint Understandings as a deadline for peacemaking. "There is no commitment to a specific timetable regarding these negotiations," Mr. Olmert told his Cabinet, adding that before steps were taken, Palestinians must halt militants' attacks against Israel. (Ha'aretz)

Imprisoned Fatah leader Marwan Barghouti called Israel's plan to release 429 prisoners "a joke," after members of the Knesset's Internal Affairs and Environment Committee visited him at the Hadarim prison. Mr. Barghouti told Member of Knesset Ophir Pines-Paz that Israel could have easily freed 8,000 Palestinian prisoners and added that the prisoners that were due for release were supposed to be released anyway in a few months. When asked by Member of Knesset Moshe Gafni (United Torah Judaism) when the Israeli-Palestinian conflict would end, Mr. Barghouti said, "The end of the conflict is very near. We just need a leader with courage to sign [an agreement]." (Ha'aretz)

Israeli Defence Minister Ehud Barak told Ministers that he had authorized military action in Gaza, including the targeting of "manned military Hamas targets". Mr. Barak said that Israel had killed 22 militants in attacks during the past week. (Ha'aretz)

Labour Party Chairman and Defence Minister Ehud Barak told the Cabinet in its weekly meeting that his party would sponsor a bill to enable settlers living east of the separation wall in the West Bank to be compensated for voluntarily leaving their homes. At the meeting, Prime Minister Olmert told Mr. Barak that the matter deserved to be reviewed. About 65,000 settlers live east of the current and planned route of the separation wall. Mr. Barak's associates said that the bill, if

passed, could prevent violent confrontations during future evacuations. They justified the resolution, saying that the moment the State erected the separation wall, it in effect marked the settlements beyond it for evacuation in any future arrangement with the Palestinians. (Ha'aretz)

Four Hamas gunmen were killed in two separate clashes with the IDF in the northern Gaza Strip near the border fence with Israel, medical officials said. A Hamas official said that the gunmen were killed in an exchange of fire with Israeli troops near a border crossing with Israel. Israeli troops from the Golani Infantry Brigade shot and killed the first gunman in the Shajiya area of the Strip, while IDF Armoured Corps troops killed three more gunmen near Beit Lahia. (Ha'aretz)

The IDF arrested 14 Palestinians in the West Bank cities of al-Biereh, Nablus, Bethlehem and Jenin. (WAFA)

A Palestinian youth died of wounds he had sustained when Israeli soldiers shot him in the belly while he was at a picnic with relatives in Bethlehem. (WAFA)

An undercover Israeli force entered the village of Wadi Salqa in the central Gaza Strip, firing at Palestinian homes, and seizing a wounded Palestinian along with his two sons. (Ma'an News Agency)

Israel released 429 Palestinian prisoners in a goodwill gesture meant to strengthen PA President Abbas. The Israel Prisons Service said that 408 Palestinians were sent to the West Bank and 21 to Caza after being freed at dawn from the Ketziot prison in southern Israel. Prior to their release, the prisoners had received medical checkups and met with representatives of the Red Cross, the Prisons Service said in a statement. They also signed a declaration by which they committed to refrain from terror activities. (Ha'aretz)

In a press release, the head of the Assembly of Owners of Oil and Cas Companies, Mahmoud al-Khozondar, said that all fuel and gasoline stations in the Caza Strip were shut owing to the lack of fuel deliveries. He said, "Cas used for cooking is about to finish in days and the cars will stop in hours". Mr. Al-Khozondar warned against the damage that might result and called upon PA Prime Minister Salam Fayyad to pressure Israel to lift the fuel ban. (WAFA)

Israel held up the transfer of 25 Russian-made armoured vehicles to Palestinian police in the West Bank because the Palestinians wanted to have them mounted with machine guns, security officials said. Prime Minister Ehud Olmert had approved the shipment two weeks prior. (AP)

In Athens, visiting Egyptian President Hosni Mubarak expressed the hope that the Annapolis Conference was a first step towards the creation of an independent Palestinian State. "This is a first step, which we hope will continue and that there will be a commencement of talks on the prospect of the creation of an independent Palestinian State," said Mr. Mubarak following talks with his Greek counterpart, Carolos Papoulias. (Deutsche Presse-Agentur (DPA))

On the margins of the 28th annual summit of the Gulf Cooperation Council, Ekmeleddin Ihsanoglu, the Secretary-General of the Organization of the Islamic Conference (OIC), said that the Annapolis Conference was a very important chance to achieve long-anticipated peace in the Middle East. (Xinhua)

Addressing a meeting in New York on the plight of Palestine refugees, Filippo Grandi, Deputy Commissioner-General of the United Nations Relief and Works Agency for Palestine Refugees in the Near East (UNRWA), said that chronic funding shortfalls had become a serious issue for the Agency, threatening the quality and continuation of vital services to some 4.5 million people. "Lack of resources means that we are unable to employ enough teachers, health-care and social workers to keep pace with a beneficiary population that is growing in both size and needs," Mr. Grandi said. He noted that one of the biggest threats to UNRWA operations was financial, given that it was funded almost exclusively by voluntary contributions from Member States. "While our donors have by and large kept faith with us over the years, chronic funding shortfalls have become a matter of serious concern," he said. (UN News Centre)

Hamdi Quran, the Palestinian assassin of the late Israeli Cabinet Minister Rehavam Zeevi, was sentenced to life in prison, and given 100 more years for bombing and shooting attacks on other Israelis. Mr. Quran confessed that he had gunned down Mr. Zeevi in 2001. (AP)

Egypt opened its border with the Gaza Strip to let Palestinian Muslim pilgrims bound for Saudi Arabia leave, officials said. Egypt might let about 2,200 Palestinian pilgrims cross the border, many through the Rafah border crossing which has been closed for most of the time since Hamas seized control of the Gaza Strip. (Reuters)

PA Information Minister Riyad Maliki said that the Government had dissolved Hamas-linked charity committees. The committees had been formed by prominent local and religious leaders under the supervision of the Ministry of Religious Affairs. The committees collected money and distributed them to the poor, usually during religious holidays. They had been ordered closed two weeks before, but the announcement was only made now. Mr. Maliki said that the committees had been infiltrated by Hamas activists. "They transformed the charity committees into financial empires to serve their political ends and activities," he said. PA Prime Minister Salam Fayyad was scheduled to announce the following day the formation of 11 new charity committees to take the place of those dissolved. (AP)

Israeli Prime Minister Olmert said during a parliamentary session marking 60 years since the adoption of the General Assembly resolution 181 (II): "[Israel] will be part of an international mechanism that will help in the rehabilitation of refugees. ... We will do this out of goodwill, not, God forbid, out of any sense of guilt, but out of pure humanitarian motives and as good neighbours. This is a commitment and a promise." (AFP)

The Director of Ambulance and Emergency Services in the PA Health Ministry, Muawiya Hassanein, said that hospitals in the Caza Strip had been forced to shut down their emergency power generators owing to Israel's severe restrictions on fuel supplies, resulting in a looming "humanitarian disaster." (Ma'an News Agency)

US Secretary of State Rice told a meeting of a partnership between the private and public sector, launched this year by the Bush Administration in a bid to boost the Palestinian economy: "The United States is making an unprecedented effort to increase opportunity for Palestinians. ... And for the next fiscal year, we have asked Congress to approve \$400 million in economic support for the Palestinian Government and its people." (AFP, www.state.gov.)

An Israeli air strike killed three Hamas militants and wounded another in the Caza Strip, Palestinian medical workers and Hamas said. The missile strike targeted a training base for Hamas' armed wing in southern Caza, the group said. An Israeli army spokeswoman confirmed the attack. (Reuters)

Israeli forces arrested two "wanted" Palestinians in Tubas and Hebron. Also, Israeli forces stormed several Palestinian houses in Nablus and arrested two Hamas members. (Ma'an News Agency)

Three mortar rockets were fired into Israeli territory from the northern Gaza Strip and fell next to the fence between Israel and Gaza, causing no injuries or damage. (Ynetnews)

An IDF soldier was lightly wounded in a riot in Beit Omar near Hebron. Several hundred Palestinian protesters threw stones and Molotov cocktails at soldiers.

Israeli Defence Minister Ehud Barak said in an interview: "I do not agree with the assessment that the time has come to talk to Hamas. Now is the time to kill those who carry out attacks and those firing Qassams and mortars." "The moment has not arrived yet and I hope that it does not arrive, but it is true that we are preparing and need to prepare for a wide range of possibilities," he added. (AP)

The PA Government stepped up a crackdown on gunmen by deploying hundreds of security officers in the West Bank city of Tulkarm. The security drive had started last month when hundreds of officers were deployed in Nablus. The city's governor said that at least 500 security officers had been deployed at key intersections of the city, erecting checkpoints and searching for unlicensed guns and stolen vehicles. (Reuters)

Palestinian negotiator Ahmed Qureia said that Israel and the Palestinians would form up to nine committees to deal with core issues during the revived peace talks expected to begin the following week. The committees would be made up of experts from both sides and would tackle issues such as borders, the status of Jerusalem, the fate of Palestinian refugees, water and the environment, he said. (AFP)

Peace Now said in a new report that from 1997 to 2007, the IDF Civil Administration had issued 3,449 demolition orders for "illegally" built structures in West Bank settlements and settlement outposts, but had evacuated and demolished only 107 or 3 per cent of them. "Among the construction violators: industrial companies, cellular companies, public officials and the IDF," Peace Now said, adding that the largest amount of "illegal" construction had been carried out in "Ofia" and "Beit El". Over half of the cases of illegal construction, some 1,887 files, involved construction inside the settlements themselves, while 1,554 cases involved construction in the "illegal" outposts. (Ha'aretz)

An official in the Israeli Housing Ministry said, "The Israel Land Administration has published a tender for the construction of 307 housing units in Har Homa." "Har Homa" is an Israeli settlement in East Jerusalem. (AFP)

Israeli Prime Minister Olmert authorized the transfer of 25 Russian-made armoured vehicles to Palestinian security forces after consulting with Defence Minister Ehud Barak and other high-ranking security officials. Mr. Olmert was not required to seek the approval of the Cabinet or the Knesset in doing so, the State Attorney's Office said, in its response to a High Court of Justice petition against the transfer. (The Jerusalem Post, Ynetnews)

France had outlined its plans for a donors' conference on 17 December aimed at raising funds to support the Government of PA President Abbas. France had invited 69 countries to the conference, including the 44 States that attended the Annapolis Conference, as well as the European Union (EU) Member States and major

UN donors. The conference would be chaired by French Foreign Minister Bernard Kouchner, Quartet representative Tony Blair and Norwegian Foreign Minister Jonas Gahr Støre. The Foreign Ministry said that there would be some 90 delegations, including international organizations such as the Arab League, the World Bank and the International Monetary Fund (IMF). (Reuters)

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Three Palestinians were killed in an Israel Air Force strike in the northern Caza Strip town of Beit Lahiya. All three were members of Hamas. Two other Palestinians were wounded in the strike, although it was not immediately clear whether they were militants or civilians. The IDF said that the strike had targeted a Hamas squad preparing to fire mortal shells at Israeli communities along the Caza Strip. In Hebron, one Palestinian suspected of throwing stones at jeeps was arrested by the IDF. (Ha'aretz, Ma'an News Agency)

Muhammad Salah, 35, a Palestinian National Security officer in Bethlehem, was killed by Israeli undercover forces. Witnesses said that a van had refused to stop at a Palestinian customs checkpoint in the village of Al-Kdr, south of Bethlehem. The security forces chased the vehicle into Bethlehem, where it was stopped by another group of security forces. A plainclothes Israeli officer stepped out of the van and opened fire. Israeli forces invaded the village of Beit Sira, near Ramallah, and seized over 20 Palestinians. (Ma'an News Agency)

Israeli Chief of General Staff Lt.-Gen. Cabi Ashkenazi said that the Israeli army was prepared for a ground operation in the Caza Strip, pending a decision by the political echelon. "Until then, it is incumbent upon us to exhaust all of the other methods and act day and night in order to provide security," he said. In a separate interview with *Army Radio*, Lt.-Gen. Ashkenazi said that Israel was wrong to release security prisoners without demanding Israeli corporal Shalit's release in return. (Xinhua, Ynetnews)

PA President Abbas said that the Annapolis Conference had been successful since it had started Israeli-Palestinian negotiations. Chief of Fatah parliamentary bloc Azzam al-Ahmad said that the conference had been "against Israel's will which sought to limit it to a regional meeting attended only by the international Quartet," but that more than 40 countries had attended the conference. Meanwhile, the White House announced that President Bush would be visiting the Middle East in January 2008. Details of the trip were not yet available. (BBC, Xinhua)

PA Presidency Secretary-General Tayeb Abd Al-Rheem confirmed that the PA President had made the situation of the Palestinian detainees a top priority and reassured that no peace could happen without freeing all detainees from Israeli prisons. Meanwhile, the Minister of Prisoners' Affairs said that Israel had captured 600 Palestinians within the past month and abuses were continuing on a daily basis. (www.palestine-pmc.com)

PA President Abbas would be asking the international community this week to nearly double aid through 2010, for a total of \$5.6 billion. Mr. Abbas said that he needed help with a huge deficit run up in years of strife, but he also promised to curb spending and to spark economic growth. The Palestinian Reform and Development Plan 2008-2010 would be given to officials from donor countries in Paris on 7 December, ahead of a high-level donors' meeting on 17 December. PA Planning Minister Samir Abdullah said, "Our ultimate goal is to end economic stagnation." (AP, Newsday.com)

PA Chief Negotiator Saeb Erakat said that Israel's decision to invite bids to construct 307 housing units in the settlement of "Har Homa" in East Jerusalem "destroys what was agreed upon in the Annapolis peace conference." "The real test for the US Administration is to force Israel to cancel the settlement, stop the aggression and give the peace process the chance it deserves," he added. (Xinhua)

Israeli Deputy Prime Minister Haim Ramon said that the separation wall in the West Bank would be the future Israel-Palestine border. Speaking at the Israel Policy Forum's 2007 annual event entitled "Two States: A Global Imperative" in New York, he said that Israeli and Palestinian negotiators were in dispute over just 5.5 per cent of the West Bank. "It is clear that Israel will annex the blocks of settlement, and it is clear that Israel only wants the blocks of settlement," he also said. (www.israelpolicyforum.org, www.jta.org.)

Hamas-affiliated lawmakers were convening the Palestinian Legislative Council (PLC) for the third time in a month in Caza City. All other parties were boycotting the meeting. Hamas' Change and Reform bloc planned to discuss a resolution declaring the Palestinians' inalienable right to Jerusalem, PLC member Salah Al-Bardaweel said. (Ma'an News Agency)

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Israeli forces entered the towns of Anabta and Kafr Ra'I, near Tulkarm in the West Bank, ransacking homes. Israeli forces also apprehended 11 Palestinians from Bethlehem, Hebron, Jenin and Qalqilya. (Ma'an News Agency)

Gaza Strip-based Palestinian militant groups claimed responsibility for firing rounds of mortar shells and home-made rockets at Israeli targets alongside the Gaza Strip. (Xinhua)

Majed Mattar, 34, was killed by Israeli troops and another Palestinian was wounded in a separate incident in the Gaza Strip, according to Palestinian medics. The IDF said that it was aware of only one incident. The army said that it had opened fire at two men next to the border fence, hitting one of them. Mr. Mattar's family said that he was attempting to catch birds in the area and was unarmed. (AP, Reuters, Xinhua)

A day after Hamas renewed a call for talks, PA President Abbas said that he did not oppose dialogue with Hamas but reiterated that the group must first relinquish control of the Gaza Strip. Speaking to a group of students, President Abbas said, "We also say that we are not against dialogue because we want to unite all Palestinian people, but Hamas must first reverse its coup so that we can have a dialogue". (Ha'aretz, Reuters, Ynetnews)

Health officials in the Caza Strip said that they were concerned about hundreds of patients unable to travel to Israel or other countries for vital treatment. "There is a trend that it is getting tougher to get out of Caza", said Mahmoud Daher of the World Health Organization in Caza. "The cases of patients waiting for treatment will just get more difficult ... Some of them will have unnecessary amputations. Already some people are in the intensive care because they didn't get treated", said Bassam al-Badri of the Department of Health in Caza. (Ma'an News Agency)

President Abbas called upon Israel to stop the expansion of the settlement of "Har Homa" between Jerusalem and Bethlehem, following the publication of tenders on 2 December by the Israel Land Administration to build 307 new housing units in that settlement. Nabil Abu Rudeineh, an aide to President Abbas, told reporters: "The decision to expand the settlement is a slam on the face of the Annapolis peace conference ... what Israel is doing is a violation to the Road Map ... Israel is still considering the same policy, where expansion of settlements and seizing land are still on top of its political agenda, even if this would be on the expense of the peace process". (Xinhua)

A US official said that the US had asked Israel to explain its decision to build 300 new homes in "Har Homa". The official acknowledged that Washington found the decision troubling and had raised it with Israel. "We do not want any steps taken that would undermine the confidence of the parties. This is an issue that we have been concerned about and we have sought clarification from the Israelis," the official said. (Reuters)

UN Secretary-General Ban Ki-moon said, "This new tender for 300 new homes in East Jerusalem, so soon after the Annapolis Middle East peace conference, I think is not helpful." "I will be discussing this matter with my Quartet partners," he added. He also noted that the UN had a consistent position on the illegality of such settlements. (AFP, Reuters)

Jordanian Minister for Information Nasser Judeh said that the Israeli plan to build more than 300 new homes in "Har Homa" contravened international resolutions, and would increase tension and threaten efforts to start direct negotiations between the Palestinians and Israelis. (Ha'aretz)

PA President Abbas rejected the idea of statehood with temporary borders, in remarks made during a ceremony in his Ramallah office. Mr. Abbas said that the notion had come up during the Annapolis Conference. Israel officials said that Israel would only begin negotiations over core issues in January, before US President Bush's scheduled visit to the region. Until then, the Israeli negotiating team would focus on reviewing past talks with the Palestinians and preparing for the intensive negotiations. (DPA, Xinhua)

Four Palestinian human rights groups accused Hamas of undermining the rule of law in the Gaza Strip by seizing control of the legal system. Judge said that the highest judicial council in the Occupied Palestinian Territory, which answered to President Abbas, had been suspended. "The organizations hold this Government responsible for undermining and destroying the judicial authority ... This will lead to a vacuum and will cause the collapse of the civil judiciary which will give way to law of the jungle", Raji Sourani, Director of the Palestinian Centre for Human Rights, told a news conference. (Ha'aretz)

The Arab Economic Unity Council in Cairo called upon the international community to press Israel to end its siege on the Gaza Strip in order to meet the basic needs of the Gazans. The Council made the call at the end of its regular ministerial session, which was attended by delegates from Egypt, Iraq, the Syrian Arab Republic, the Palestinian Authority and, the Arab League. (Xinhua)

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IDF troops shot and killed a Palestinian farmer in his fields along the Gaza Strip-Israel border, east of Khan Yunis, from an army position across the border fence.

Another farmer, his cousin, was wounded, according to medical sources. The IDF said that it was looking into the incident. (Ha'aretz, Xinhua)

The Al-Aqsa Martyrs Brigades claimed responsibility for launching five projectiles at the Israeli military base in Nahal 'Oz, east of the Gaza Strip. Qassams fired from the Gaza Strip exploded in the western Negev. No damage or injuries were reported. (Ha'aretz, Ma'an News Agency)

Senior Israeli defence officials said that Hamas had recently upgraded its Qassam rocket capability in the Caza Strip. It was now able to store the rockets for a relatively long period, which would allow the organization to launch a large number of Qassams at one time. Over the past year, the IDF and Shin Bet had said that those two developments could prompt a major Israeli operation in the Gaza Strip. (Ha'aretz)

Two Palestinian journalists covering a protest against the separation wall in the village of Um Salmona, near Bethlehem, for AP and Reuters, were detained by the IDF and released after three hours. The protest at Um Salmona is a weekly event. (AP, Ha'aretz)

Egyptian President Hosni Mubarak said that the US must put pressure on Israel in order to advance the peace process. Mr. Mubarak, who was visiting Athens, also said that Israel must act "with courage" and make decisions, and he called upon Israel to show a willingness to make concessions during negotiations. Earlier, Egyptian Foreign Minister Ahmed Aboul Gheit criticized Israel for its plan to expand the East Jerusalem settlement of "Har Homa." (Ha'aretz, Xinhua)

US Secretary of State Rice was expected to visit Israel and the Occupied Palestinian Territory this month as both sides resumed peace talks, according to Palestinian officials. "She should come after the Paris [donors'] conference to support negotiations between the two sides," according to Palestinian Chief Negotiator Saeb Erakat. (AFP)

Israeli Foreign Minister Tzipi Livni said during her address to the North Atlantic Treaty Organization (NATO)-Mediterranean Dialogue Ministerial Meeting in Brussels: "Keeping the distinction between moderates and extremists is not a theoretical strategy, it is crucial. We are now in a process that is expected to strengthen the capabilities of the Palestinian Authority – so they would fight terror instead of Israel. However, one cannot exclude the possibility that we will need to discuss what can be the role of NATO in supporting the need for a change, a real change, on the ground." (<a href="https://www.mfa.gov.il">www.mfa.gov.il</a>)

Israeli Foreign Minister Tzipi Livni was expected to discuss the idea of the deployment of a NATO force in the region in talks with NATO Secretary-General Jaap de Hoop Scheffer in Belgium over the weekend. The idea of a NATO or international force deployed in the Gaza Strip had been raised during a number of occasions over the past year. (The Jerusalem Post)

After talks with Israeli Foreign Minister Tzipi Livni on the sidelines of a NATO meeting in Brussels, US Secretary of State Condoleezza Rice told reporters in response to a question about Israel's plan to build over 300 house units in the "Har Homa" settlement in East Jerusalem: "I've made very clear about seeking clarification on precisely what this means. I've made clear that we're in a time when the goal is to build maximum confidence between the parties and this doesn't help to build confidence. And so recognizing that there just shouldn't be anything that might try and [pre]judge final status, the outcomes of final status negotiations. It's even more important now that we are really on the eve of the beginning of those negotiations. So I've made that position clear to the Israeli Government." (Reuters, www.state.gov)

Israeli Strategic Affairs Minister Avigdor Lieberman told public television that construction of the "Har Homa" settlement would continue. "Construction will continue at full flow, and our friends must be told this. ... It is clear to the whole world that Har Homa is an integral part of Israel and that Har Homa will remain an integral part of Jerusalem," Mr. Lieberman said. *(AFP)* 

Israel Radio reported that the European Commission had provided the Palestinian Authority with \$30 million for salary payments to staff and civilian and military retirees. (Ma'an News Agency)

A poll of 400 Israeli settlers by the TNS Teleseker showed that 11 per cent of them would move if offered compensation equal to the value of their homes. If the Government were to offer double the value of their property, 17 per cent would leave and 76 per cent would stay, according to the poll. (AP)

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Israeli police seized three Palestinian teenagers in Abu Dis in East Jerusalem. (Ma'an News Agency)

The Al-Aqsa Martyrs Brigades and the Abu Ali Mustafa Brigades claimed responsibility for launching three home-made projectiles at the southern Israeli city of Ashkelon. Separately, the Abu Ali Mustafa Brigades claimed responsibility for launching two home-made projectiles at the southern Israeli town of Sderot. (Ma'an News Agency)

London-based newspaper Al-Quds al-Arabi reported that Hamas was making efforts to reach a ceasefire with Israel in the Caza Strip. According to the report, senior Hamas officials were attempting to dissuade militants from firing Qassam rockets and mortar shells from the Strip into southern Israel in efforts to prevent a large-scale IDF ground operation in the territory. Israel Radio reported that Hamas Political Bureau Chief Khaled Mashaal had met with the head of Islamic Jihad in Lebanon to discuss the issue. Islamic Jihad sources told the Al-Quds al-Arabi that the group had agreed to the Hamas proposal, but only if Israel agreed to a mutual ceasefire. The newspaper also reported that Egyptian officials had offered to broker the deal between Israel and the Palestinian factions in the Caza Strip. (Ha'aretz)

Palestinian Chief Negotiator Saeb Erakat told *Voice of Palestine* radio that President Bush would visit Israel and the Palestinian territories from 9 to 11 January 2008. (*Reuters*)

The Director-General of Jordan's National Electric Power Company, Ahmad Hiasat, said that Jordan would start providing the West Bank city of Jericho with all its needs for electricity at the end of the month. "Around 98 per cent of work on a link to provide Jericho with electricity has been completed so far," Mr. Hiasat said. (The Jordan Times)

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Israeli forces arrested five Palestinians in Ramallah and another in Hebron. (WAFA)

Medical sources said that two sick Palestinians, a 55-year-old man and a 13-month-old baby, had died because of the Israeli closure imposed on the Gaza Strip. (WAFA)

Hundreds of hard-line Israeli activists fanned out across the occupied West Bank, setting up eight wildcat outposts to protest possible evacuations of settlements. By sundown, at least 300 demonstrators remained in the outposts. (AFP)

The Al-Aqsa Martyrs Brigades said that they had launched two home-made projectiles at the southern Israeli town of Sderot. Israeli sources said that a home-made projectile had landed in a factory in Sderot, causing no injuries. The Al-Nasser Brigades, the military wing of the Popular Resistance Committees, claimed responsibility for launching a home-made projectile at an Israeli military post. The military wing of Islamic Jihad, the Al-Quds Brigades, said that their fighters had hurled an explosive device at an Israeli infantry force stationed east of the southern Caza Strip. (Ma'an News Agency)

Israeli Vice Premier Haim Ramon insisted that Israel would retain all the settlements in Jerusalem, but it would have to relinquish Arab neighbourhoods of the city in a peace agreement with the Palestinians. "The Jewish neighbourhoods, including 'Har Homa,' will remain under Israeli sovereignty, and the Arab neighbourhoods will be the Palestinian capital, which they will call Jerusalem or whatever they want," Mr. Ramon said, adding, "Then we won't get embroiled, as is happening now, in an uncalled-for and badly timed debate with the United States, at a time when we need its support." (AP)

Ahmed Yousef, a senior Hamas official, said in an open letter to US Secretary of State Condoleezza Rice: "Many people make the mistake of presuming that Hamas has some ideological aversion to making peace. Quite the opposite. We have consistently offered dialogue with the US and the EU." Mr. Yousef, who serves as a senior political adviser to former PA Prime Minister Ismail Haniyeh, said that his movement did not have any "ideological arguments" with the West. "We are not anti-American, anti-European or anti-anyone," he explained, adding that the time had come for the United States and other Western countries to talk to Hamas.

Sources close to Hamas said that Mr. Haniyeh and other top leaders of the movement had endorsed the content of the open letter. (The Jerusalem Post)

In its annual report, an Israeli human rights group, the Association for Civil Rights in Israel (ACRI), harshly criticized the Israeli Government for widespread violations in the West Bank and Gaza, harming Palestinians economically and socially. "For the past seven years or so, restrictions on Palestinian freedom of movement in the West Bank have made daily life practically impossible," ACRI said. "Most of the human rights violations in the occupied territories are by-products of the establishment of settlements and outposts," designed to allow the 270,000 settlers "free and secure movement," ACRI said, adding that because of the limits, the West Bank had been virtually split into six separate pieces. (AP)

The United Arab Emirates announced that it would double its annual contribution to UNRWA from the current \$500,000 to \$1 million in 2008. (WAFA)

10

The military wing affiliated with the Popular Resistance Committees, the Al-Nasser Salah Addin Brigades, said that they had launched a home-made projectile at Tushiya, east of the Caza Strip. The armed wing of the Democratic Front for the Liberation of Palestine, the National Resistance Brigades, claimed responsibility for launching a home-made projectile at the southern Israeli town of Sderot. (Ma'an News Agency)

Israeli Minister without Portfolio Ami Ayalon (Labour-Meimad) called upon the Government to refrain from launching a full-scale IDF operation in Gaza at this time. "Any decision on an operation must first undergo strategic evaluation and is therefore preconditioned by two things: It must indisputably be an action of self defence and its political and strategic context must assure its results," Mr. Ayalon said in a letter to Prime Minister Olmert and Defence Minister Ehud Barak. (Ynetnews)

A declaration issued by the European Union Presidency said: "The EU notes with concern that the Israeli Government has authorized the construction of 307 dwellings in the Har Homa settlement in East Jerusalem. The EU considers that this initiative might undermine ongoing efforts in the search for peace and confidence building between the Parties, especially at this point in time. The EU urges Israel to honour the commitments under the Road Map and to avoid activities that could prejudge a final status agreement on Jerusalem or undermine progress towards this goal." (Reuters, www.eu2007.pt)

Ahead of a meeting of European Union foreign ministers in Brussels, European Commissioner for External Relations Benita Ferrero-Waldner told reporters that she was "very much concerned" about Israel's decision to allow further construction of settlements in East Jerusalem. Later, following a meeting with PA Prime Minister Salam Fayyad, Ms. Ferrero-Waldner said that she understood that both the United States and the United Nations had "requested explanations from the Israeli Government on the building permits," adding, "I look forward to hearing the reactions of the Israeli authorities." (AFP)

US Secretary of State Condoleezza Rice said during her remarks at a women's policy forum in Washington, D.C.: "It is true that the Israelis tendered for ... the building of several apartments, 300 or so in Har Homa, which is a particularly sensitive area. We've been very clear, first of all, with the Israelis with whom we sought clarification, but also publicly that this is a time that we should be building confidence and this is not something that builds confidence. It doesn't help to build confidence. And certainly anything that looks like an effort to prejudge final status negotiations is simply not going to work because the United States would not consider anything that meant -- was trying to prejudge final status negotiations to have done so." (Reuters, www.state.gov)

Japan expressed concern about Israel's plan to construct more homes in East Jerusalem and called on it to reconsider as the plan could jeopardize the ongoing peace talks. "Such unilateral announcement ... at this important time right after the Israeli and Palestinian leaders agreed to start sincere bilateral negotiations and work for a peace agreement by next year, only obstructs the peace process and does no good at all to building trust between the two sides," the Foreign Ministry said in a statement. (Kyodo)

Egyptian Foreign Minister Ahmed Aboul Gheit told reporters in Cairo: "One cannot talk of negotiations, solutions or the end of this conflict while Israel continues with the settlements. ... [The expansion is] in breach of the Road Map and its requirements, and it is as if the aim is to kill the peace process." (AFP)

The General Assembly took action on the four draft resolutions considered under agenda item 18 "Question of Palestine." The draft resolution entitled "Committee on the Exercise of the Inalienable Rights of the Palestinian People" (A/62/L18 and Add.1) was adopted as resolution 62/80 with 109 votes in favour, 8 against and 55 abstentions; the draft resolution entitled "Division for Palestinian Rights of the Secretariat" (A/62/L19 and Add.1) was adopted as resolution 62/81 with 110 votes in favour, 8 against and 54 abstentions; the draft resolution entitled "Special information programme on the question of Palestine of the Department of Public Information of the Secretariat" (A/62/L20/Rev.1) was adopted as resolution 62/82 with 161 votes in favour, 8 against and 5 abstentions; and the draft resolution entitled "Peaceful settlement of the question of Palestine" (A/62/L21/Rev.1) was adopted as resolution 62/83 with 161 votes in favour, 7 against and 5 abstentions. The Assembly also took action on the draft resolutions considered under agenda item 17 "The situation in the Middle East." The draft resolution entitled

The Assembly also took action on the draft resolutions considered under agenda item 17 "The situation in the Middle East." The draft resolution entitled "Jerusalem" (A/62/L.22 and Add.1) was adopted as resolution as resolution 62/84 with 160 votes in favour, 6 against and 7 abstentions. (UN press release GA/10670)

Ha'aretz reported that Saudi Arabia and Egypt were pushing Hamas and Fatah to meet in an effort to resolve the deep rift. Hamas spokesman Ayman Taha said that Political Bureau Chief Khaled Mashaal, who had arrived in Riyadh, would meet with senior Saudi officials to update them on the status of contact between Fatah and Hamas. A Fatah leader in the West Bank, Hatham Abed al-Kadr, said the day earlier that Egypt had been in contact with Fatah and Hamas officials in an attempt to bring the two sides for a meeting in Cairo after the Eid al-Adha festival in about two weeks' time. (Ha'aretz)

The Council of the European Union adopted conclusions on the Middle East peace process at its meeting in Brussels. (www.eu2007.pt)

In the United Nations Consolidated Humanitarian Appeal 2008, \$462 million was requested for the Occupied Palestinian Territory, the third largest amount, preceded by the requests for the Sudan and the Democratic Republic of the Congo. (AFP, DPA)

During a meeting with PA President Abbas in Ramallah, British Secretary of State for International Development Douglas Alexander said that the United Kingdom would pledge US\$500 million at the forthcoming Paris donors' conference to support the Palestinian development plan, the public budget and the building of Palestinian institutions for the establishment of a Palestinian State. (WAFA)

The Palestinian Government discussed a bill that would require political parties to obtain licenses, Cabinet ministers said. Planning Minister Samir Abdullah said that the bill was still being studied and had not yet been approved by the Cabinet. "This law is going to affect all factions and movements... Palestinian factions are not registered and work randomly. This law is going to organize things," he said, adding that political parties would be required to reveal their sources of funding and provide details on their activists. (AP)

Eight Palestinian militants were killed and four Israeli soldiers were lightly wounded in separate Israeli operations across the Gaza Strip. Dozens of IDF tanks and armoured vehicles moved into Caza in the morning, setting off clashes with Palestinian militants firing rocket-propelled grenades and mortar rounds. Israeli Air Force planes providing cover fire killed three unidentified militants; soon after three more militants were killed by an Israeli tank shell, including one from the Popular Resistance Committees. Four soldiers were lightly wounded after an anti-tank missile was fired at their vehicle. Earlier, two Palestinian militants had been killed in two separate Israeli air strikes in northern Caza. Israeli troops in southern Gaza took over the rooftops of several homes and detained about 60 people for questioning in house-to-house raids, residents said. (Ha'aretz)

Prime Minister Olmert told the opening of the Institute for National Security Studies conference entitled "Security Challenges to the 21st Century" in Tel Aviv: "We will have to act on [the Qassam rocket fire] in the necessary manner, with the appropriate dose and the right timing, without exaggerating and creating unrealistic expectations. We will not rest until the Qassam rocket threat is completely removed from Sderot and the western Negev." (Ha'aretz)

Saudi Arabia's Foreign Minister Prince Saud al-Faisal condemned Israel's plan to build 307 homes in "Har Homa," saying, "The Kingdom strongly condemns Israel's decision to expand settlement building in East Jerusalem, which contradicts the bases and principles of the Annapolis peace conference... We stressed the importance of standing up against settlement activity which empties the peace process of any meaning." (Ha'aretz)

There are hundreds, even thousands, of planned housing units in the West Bank settlements that have building permits and do not need any further Government approval before their construction can begin, Brig.-Gen. Yoav Mordechai, head of Israel's Civil Administration, told the inter-ministerial committee on unauthorized outposts. Their construction "could cause similar embarrassment to that created by the publication of the tender for building in Har Homa," he added. (Ha'aretz) London-based newspaper Asharq Al-Awsat reported that Hamas Political Bureau chief Khaled Mashaal said that his movement was willing to make far-reaching concessions in order to resolve the conflict with Fatah. As part of these concessions, Hamas would hand back control of security agencies and Palestinian Authority administrative institutions in Gaza to PA President Abbas, Mr. Mashaal reportedly told officials in Riyadh during a round of talks. Additionally, Hamas would agree to the establishment of a central Palestinian Government that would control both Gaza and the West Bank. Hussein Abu Qweik, a senior Hamas official, told the paper that these new concessions were aimed at facilitating a renewal of the dialogue between the movements. (Ynetnews)

Ha'aretz reported that the United States supported the holding of a second peace conference in Moscow that would address Israel's conflicts with the Syrian Arab Republic and Lebanon, as well as the Palestinian issue, according to information obtained by the Israeli Foreign Ministry from Russian sources. According to the information, the conference would probably take place in April 2008 and would be at the level of foreign ministers. (Ha'aretz)

Russian Deputy Foreign Minister Alexander Saltanov said that a ministerial meeting of the Quartet would be held during the Palestinian donors' conference to be

convened in Paris on 17 and 18 December. "The meeting aims at the financial assistance in the formation of Palestinian State institutions and the development of various international projects.... The Quartet representatives may also meet with the League of Arab States committee for promoting the Arab Peace Initiative," Mr. Saltanov said. (Itar-Tass)

Quartet Representative Tony Blair supported the Palestinian development plan that seeks \$5.6 billion in aid over three years, and urged the donor countries to provide the required funds. Speaking at a joint press conference in Bethlehem with PA Minister for Tourism Khouloud Daibes, he urged countries warning against travel to Bethlehem to reconsider their travel advisories. "We need the restrictions on access to be progressively lifted over time ... the real test of the sincerity of the Israeli side is if we really get change here in Bethlehem," he said. (Ha'aretz, Ma'an News Agency)

12

A Palestinian affiliated with Islamic Jihad was killed in an Israeli artillery attack near the eastern Gaza Strip's borders with Israeli, hospital officials and witnesses said. (Ma'an News Agency, Ha'aretz, Xinhua)

Islamic Jihad claimed responsibility for launching 18 home-made rockets from the Caza Strip at the Israeli town of Sderot in southern Israel. It said that the attacks were an immediate response to Israelis killing of six Palestinians the previous day. An Israeli woman was wounded with shrapnel in today's rocket attack and four Israelis were treated for shock. Several cars were damaged in the town. (AP, Ha'aretz, Ma'an News Agency, Xinhua)

The Al-Afaq Palestinian television station in Nablus went off the air after the IDF confiscated its equipment, witnesses and security sources said. An IDF spokesperson said that the military had closed several religious organizations, "including media belonging to Hamas in Nablus." Israeli forces stormed the office of An-Najah media, confiscating three computers. They also raided the Ar-Ruwad media office affiliated to the Al-Quds daily newspaper, confiscating eight computers. The PA Ministry of Information condemned the attacks. (AFP, Ma'an News Agency)

Israeli and Palestinian negotiators, headed by Foreign Minister Tzipi Livni and former PA Prime Minister Qureia, met in Jerusalem for about 90 minutes at an undisclosed location. PA Chief Negotiator Saeb Erakat told *Voice of Palestine* radio: "We agreed in Annapolis to launch the peace process and it is our right to demand that settlements be the only subject on the table." An Israeli official confirmed the Palestinians had complained about the "Har Homa" settlement construction and Israeli military activity in the Gaza Strip. The official, speaking on condition of anonymity, cited a "tense atmosphere" and said that Israel had complained about ongoing Palestinian rocket fire from the Gaza Strip. Taher Al-Nounou, a spokesman for Hamas in Gaza Strip, urged the Palestinian team to boycott the meeting. (AFP, AP, BBC, Ha'aretz, Xinhua)

The incoming UN Special Coordinator for the Middle East Peace Process and Personal Representative of the Secretary-General to the Palestine Liberation Organization and the Palestinian Authority, Robert H. Serry, called for both Israelis and Palestinians to honour the Road Map and criticized the expansion of the "Har Homa" settlement. He quoted the UN Secretary-General as saying that building new homes in "Har Homa" was "unhelpful and contrary to international law." Mr. Serry will formally assume his position in January 2008. *(The Jerusalem Post)* 

PA President Abbas met in Ramallah with the incoming UN Special Coordinator for the Middle East Peace Process, Robert H. Serry. Mr. Abbas updated Mr. Serry on the latest developments in the Occupied Palestinian Territory in the light of the Israeli escalation on the Gaza Strip and Israel's decision to build new housing units in the "Har Homa" settlement. Mr. Serry confirmed the commitment of the UN Secretary-General to exert efforts for establishing the Palestinian State alongside the State of Israel, stressing the importance of the adherence of all parties to what had agreed upon at the Annapolis Conference. (WAFA)

Israel's Security Cabinet met to discuss its response to the ongoing rocket fire from the Caza Strip. Senior security officials told the Cabinet that there had been a marked decline in Palestinian support for Hamas in the Caza Strip, owing to Israeli sanctions, which would be tightened in the near future. The ministers did not reach a decision on whether to embark on a large-scale invasion of the Caza Strip, though a senior official said that "Israel gets closer to the operation every day."

The Mayor of Israel's southern town of Sderot, Eli Moyal, resigned to protest the Government's inability to halt the Palestinian rocket fire. He told *Israel Radio* that he hoped his resignation would encourage a wide Israeli military operation in the Caza Strip (*Ha'aretz*)

Quartet Representative Tony Blair told the Knesset Foreign Affairs and Defence Committee that he understood Israel's doubts regarding negotiations with the Palestinians. Regarding the Hamas takeover of the Caza Strip, Mr. Blair said that he understood that instead of peace, Israel got a "nightmare," which explained the reluctance to embark on further withdrawals in the West Bank. However, he maintained that the Palestinians were even more doubtful regarding chances for peace, and called upon Israel to make sincere efforts, despite its doubts. He said that there must be simultaneous progress on the diplomatic and economic fronts.

The total damage caused by the Israeli incursion into Khan Yunis amounted to more than half a million dollars, the Mayor of Khan Yunis, Usama Al-Farra, said during his visit to the area. He said that the IDF had killed 5 Palestinians, wounded others, and arrested 70. The IDF had razed more than 30 dunums of land and demolished tens of houses. (WAFA)

Israel and the future Palestinian State should negotiate an economic agreement that allows for free movement of goods and based on close cooperation, a study by the Palestine International Business Forum, a group of Palestinian and Israeli business leaders, concluded. Such a "Free Trade Agreement Plus" would benefit both economies, for a total of about \$25 billion over 10 years, said one of the authors of the study, Palestinian economist Saeb Bamya. The group is to hold a conference in Jerusalem. (The Jerusalem Post)

13

An Israeli woman was slightly wounded after a Qassam rocket directly hit a house in Sderot. Officials were treating several people who were suffering from shock. Earlier, Palestinians launched three Qassam rockets causing no casualties or damage. (The Jerusalem Post)

Imad Yasin, Khalil Masar'a and Sami Tafish were killed when an Israeli drone targeted a car in the Zeytoun neighbourhood of Gaza City. Security sources said the target of the shelling was Mr. Tafish, an activist from the Al-Quds Brigades, and that the two others were bystanders. (Ma'an News Agency)

A health official in the Caza Strip said that three more patients had died in Palestinian hospitals because the Israeli occupation had prevented them from leaving the Caza Strip for further medical care outside, raising the death toll among ailing Palestinians stuck in the Caza Strip to 37. Meanwhile, 12 hospitals and a number of clinics did not have enough fuel in store. "The fuel stored in these hospitals do not exceed a few thousands of litres ... the electricity goes off more than four hours a day," the official said. (Xinhua)

PA Prime Minister Salam Fayyad, Israeli Defence Minister Ehud Barak, and Quartet Representative Tony Blair held tripartite talks at the King David Hotel in Jerusalem. The meeting was described as fruitful as several economic projects in the Occupied Palestinian Territory were discussed, including an industrial zone to be established in Jericho, funded by Japan, and another in Tarqumia, in the southern West Bank, funded by Turkey. Mr. Blair said, "I think that the two of them are absolutely on the same track in making sure on the one hand, we get some real change in the Palestinian territory and on the other hand that Israel's security is fully guaranteed and properly protected. I think that if this dialogue continues this way we've got the prospect during the course of the next year of not just having a political negotiation but also real and positive change on the ground." (AP, Ma'an News Agency)

The head of Middle East Operations for the International Committee of the Red Cross (ICRC), Beatrice Megevand Roggo, warned that Palestinians had become a "hostage to the conflict" between militants and the Israeli armed forces and were bearing the brunt of the hostilities. A report issued by the ICRC said that the situation in the Caza Strip was alarming, with Israel's decision to cut fuel supplies adding further hardship to the population. It urged Israel to "respect its obligations under international humanitarian law, to ease restrictions on movement in the Caza Strip and the West Bank and to lift the retaliatory measures that are paralysing life in Caza." (AFP, www.icrc.org)

A report released by the World Bank warned that even if the donor countries met all of the PA's demands for aid, the Palestinian economy would continue to deteriorate if Israel did not alter mobility and trades restrictions in the West Bank. The report said that if Israel cancelled its policy of restricting mobility and trade in the West Bank and lifted the siege on the Caza Strip, the Occupied Palestinian Territory "has the potential to yield double-digit growth rates." The Bank endorsed the Palestinian reformplan that required \$5.6 billion in international aid over three years. (Ha'aretz, www.worldbank.org)

The International Monetary Fund issued a <u>report</u> entitled "Medium-term macroeconomic and fiscal framework for the West Bank and Gaza Strip: report for the Donors' Conference". Among its conclusions were: following the passage of the 2007 emergency budget, the PA had initiated a number of fiscal reforms; sustained fiscal adjustment by the PA could be facilitated by solid private sector growth; and close cooperation among all three parties – the PA, the Government of Israel, and donors – was critical to the success of the medium-term strategy. (<u>www.imf.org</u>)

The Donors' Conference for the Palestinian Territories, scheduled for 17 December in Paris, will be chaired by France, the host country. The three co-chairs would be Tony Blair, Quartet Representative, Norway, Chair of the Ad Hoc Liaison Committee (AHLC), and the European Commission. Approximately 90 delegations are expected to attend. (www.diplomatie.gouv.fr)

14

Four Palestinians were killed and more than 30 injured when a grenade was thrown during the funeral procession of Khalil Masar'a, who was killed the day before by Israeli shelling. The grenade apparently targeted one of the mourners. (AFP, DPA, AP, Ha'aretz, Reuters, Ma'an News Agency)

Three Palestinian children were seriously injured when Israeli artillery fired at mourners during the funeral procession of two victims of an Israeli shelling in Jabalya in the northern Gaza Strip, medical sources said. (Ma'an News Agency)

The Abu Mustafa Brigades, the military wing of the Popular Front for the Liberation of Palestine, claimed responsibility for launching a projectile at the Israeli kibbutz of Sa'ad. (Ma'an News Agency)

Israeli forces raided Jenin and arrested 12 Palestinians . (Ma'an News Agency)

Hamas had threatened to harm kidnapped soldier Gilad Shalit if the IDF carried out a large-scale operation in the Gaza Strip, Israeli Army Radio reported. (The Jerusalem Post)

The IDF had presented the Security Cabinet with data suggesting that a wide-scale military operation in Caza might result in mass casualties to Israeli forces, estimating that the operation would take several months, and that this was not the right time to embark on it. The IDF further told the Cabinet that "targeted operations" had proven to be successful, causing significant losses to Hamas and decreasing the number of Qassam rockets fired at Israel. Nevertheless, the IDF warned that Hamas was gaining military strength and stocking up on sophisticated long-range weapons. (Ynetnews)

Israeli Defence Minister Ehud Barak announced the continuation of the "special situation in the home front" declared on Sderot in April. The decision followed the latest salvo fired on Sderot, in which more than 30 rockets were launched within in a 48-hour period. (Ynetnews)

Japan decided to extend Emergency Grant Aid of approximately \$10 million to the United Nations Development Programme in order to improve the medical situation of the Palestinians. The project provided for medical equipment and ambulances for medical facilities in the West Bank as well as construction of additional floors and operating rooms in Jenin and Tulkarm hospitals. (www.mofa.go.jp.)

Oxfam issued a report which stated that international assistance to the Palestinians would not be effective unless Israel eased travel restrictions that had stalled some aid projects. The organization urged donor countries to challenge Israel on its policies at their meeting in Paris next week. "It is not enough simply to pour money into Palestine – foreign Governments and the PA must increase the pressure on the Israeli Government to lift the blockade of Gaza and make it possible for people in the West Bank to go about their business", said Jeremy Hobbs, head of Oxfam. (AP)

15

Tens of thousands of Palestinians rallied in Gaza City to mark the twentieth anniversary of Hamas. Former PA Prime Minister Ismail Haniyeh said that on the "track of negotiations, normalization and bargaining, all can see that it is the consolidating of settlements ... injustice and oppression for the Palestinian people. It is bitter fruits." (AFP)

16

A rocket fired by Palestinian militants from the Gaza Strip wounded a two-year-old boy in Kibbutz Zikim on the Gaza-Israel border. The toddler was hit by shrapnel and taken to a hospital, and his mother was treated for shock. (AP, Ha'aretz)

Palestinians threw a home-made bomb at IDF troops near Tulkarm and six explosive devices at Israeli cars in the West Bank. No one was injured. IDF troops arrested 25 Palestinians across the West Bank in an overnight raid. Those arrested included lawmaker Ahmad al-Haj Ali, as well as a former deputy cabinet minister and two city council representatives, all Hamas members. (AP, DPA, Ha'aretz)

Three members of the Izz ad-Din Al-Qassam Brigades, the military wing of Hamas, were wounded in an Israeli air strike on the Gaza Strip. (AP, Ha'aretz)
Israel allowed around 900 Gaza Strip pilgrims to travel through Israel to Mecca. The pilgrims would leave through the Beit Hanoun (Erez) crossing. (Xinhua)
Egyptian authorities discovered two underground tunnels used for smuggling weapons into the Gaza Strip from the Sinai Peninsula, near a school in Rafah, a security source said. No arrests were made. (AFP)

In a press briefing, US Secretary of State Rice said that the goal of the Donors' Conference in Paris was "capacity building for the Palestinian State, the creation of the institutions, the creation of a financial basis for the Palestinians to be able to move forward, and economic assistance that will help the Palestinians bridge to the day that they actually can have a functioning economy...". (www.state.gov)

17

Israeli forces arrested two Palestinians in the southern West Bank village of Nahalin, near Bethlehem, Palestinian sources said. Israeli sources confirmed that they had arrested two "wanted" Palestinians. (Ma'an News Agency)

Samar Isbaeh, 24, and the 19-month-old child she bore while imprisoned in Israel were released. She had spent 28 months in jail after she was convicted of assisting Hamas in the West Bank by conveying messages to group members in the Gaza Strip. (Ha'aretz)

Officials from some 68 countries attended a one-day Donors' Conference for the Palestinian State, hosted by France in Paris, pledging a total of \$7.4 billion in aid for the Palestinians. At the Conference, statements were made by: French President Nicolas Sarkozy; PA President Mahmoud Abbas; UN Secretary-General Ban Kimoon; Quartet representative Tony Blair; Jonas Gahr Støre, Minister for Foreign Affairs of Norway and Chairman of the Ad Hoc Liaison Committee; European Commissioner for External Relations and the European Neighbourhood Policy Benita Ferrero-Waldner; PA Prime Minister Salam Fayyad; IMF Managing Director Dominique Strauss-Kahn; World Bank Managing Director Juan Jose Daboub; Israeli Foreign Minister Tzipi Livni; Arab League Secretary-General Amre Mouss; and OIC Secretary-General Ekmeleddin Ihsanoglu. Participants called for urgent action, saying that a new chance for an Israeli-Palestinian peace deal must not be missed. Among the pledges made were: European Union: \$650 million in 2008; US: \$555 million in 2008; France: \$300 over three years; Germany: \$290 million over three years; Japan: \$150 million; South Korea: \$13 million over three years; Sweden: \$210 million in 2007 and 2008; and Norway: \$140 million for three years. (BBC, DPA, Reuters, www.diplomatie.gouv.fr.)

PA Prime Minister Salam Fayyad said that freedom of movement was necessary for his economic plan to succeed. Together with PA President Abbas, he called upon Israel to remove the blockade from the Caza Strip as part of the effort to revive the economy there. He said that some 70 per cent of the requested financial aid would go towards the PA's ongoing expenses, such as salaries and welfare payments, with the rest going towards development projects, including industrial parks and factories in the West Bank and the Caza Strip. A large portion of the funds would contribute to the Palestinian Reform and Development Plan. The assistance will be disbursed under a new Palestinian European Aid Management mechanism, known by the French acronym PEGASE. This would channel funds directly to a PA Finance Ministry account. PEGASE would replace the Temporary International Mechanism (TIM), developed by the European Union in 2006. (Ha'aretz)

PA President Abbas said, "I expect a stop of all settlement activities without exception, the demolition of 127 illegal colonies built since 2001 and the reopening of Palestinians institutions shut down in Jerusalem." He also called upon Israel to lift its military roadblocks, to halt the construction of the wall and to free Palestinian prisoners in Israel. Mr. Abbas also said that if an agreement with Israel was reached before one with Hamas, a referendum would be held. (DPA, Ha'aretz)

In his remarks to the morning session of the Donors' Conference, UN Secretary-General Ban Ki-moon said that "it will be critical to ensure that the operations of the Palestinian Authority, in particular the provision of salaries and basic services, are sustained. It will also be important for new investments to be made in education, health and other key areas.... Above all, a new climate of confidence, security and physical mobility must be created on the ground." In his remarks to the afternoon session, the Secretary-General called upon donors to "invest now, to invest generously, and to remain steadfast in their financial commitment over the next 36 months." He added that over 20 UN specialized agencies were on the ground to "provide a broad range of dedicated expertise and rapid implementation

In his statement at the Donors' Conference, French President Nicolas Sarkozy called for the establishment of a Palestinian State before the end of 2008. He also said, "Peace will not be made without Caza. And peace will not be made with groups that do not recognize Israel. This is unacceptable." (DPA, www.diplomatie.gouv.fr)

French Foreign Minister Bernard Kouchner said that donors pledged \$7.4 billion over the next three years for the Palestinians at the Conference. "The real winner today is the Palestinian State," he said. The PA had asked for \$5.6 billion in 2008-2010. PA Prime Minister Fayyad said, "We take it as an endorsement." He called it part of the process for "establishing an independent Palestine." Quartet Representative Tony Blair told donors, "We won't rest until we have a two-State solution." (AP, Ha'aretz)

Members of the Quartet issued a <u>statement</u> after a concurrent meeting with the Donors' Conference in Paris. The Quartet expressed concern about the Israeli plan to launch construction in the settlement of "Har Homa". (*AP*, <u>www.state.gov</u>, <u>Ynetnews</u>)

Israeli Prime Minister Ehud Olmert said that he endorsed the international effort to bolster the Palestinian economy, saying, "We'll do everything to help the development and strengthening of the Palestinian Authority infrastructure, but not at the price of giving up any vital security interests." (AP, Ha'aretz)

Israeli Foreign Minister Tzipi Livni told the Donors' Conference that a three-year Palestinian reform plan was a serious effort to build the foundation of a Palestinian State. She said that Israel was committed to its Road Map obligations, "including in relation to settlement activities." She also said, "We welcome the Palestinian reform plan as a serious effort to build the basis for a responsible Palestinian State and that the Palestinian people so deserve and that peace so needs." Meanwhile, Ms. Livni told reporters that the "Har Homa" settlement construction was not a new undertaking and that it was important to progress towards the shared Palestinian goal rather than getting caught up in mutual accusations. (AP, Ha'aretz)

During a meeting with residents of the western Negev, Israeli Defence Minister Ehud Barak said that he would work towards allocating NIS 320 million for the reinforcement of buildings in communities surrounding the Caza Strip. He also said, "We will find a solution to the rocket problem but in the meantime we have to support each other. For the moment, the army is continuing to carry out ground and air operations. We are applying pressure and sanctions, economic and otherwise, against the population in the Caza Strip." (AFP, Ha'aretz)

Oxfam's Middle East Director Adam Leach said, "Though the generosity of the donors and the extra aid money is always welcome, it is being poured into a leaking bucket ... Due to Israel's movement restrictions and the blockade of Gaza, millions of dollars of aid for Palestinians are being lost." (AFP)

18

Israel killed 13 militants in air strikes in the Caza Strip, including Majed al-Harazin, 38, head of the Saraya Al-Quds (armed wing of Islamic Jihad), injured 7 others from the organization, and several bystanders. Islamic Jihad sources said that Israeli troops had also killed Tariq Abu Ghali, one of their prominent leaders, and injured three others, in the West Bank. (AFP, AP, DPA, Ha'aretz, Ma'an News Agency, Reuters, Ynetnews)

Six Israeli soldiers suffered from shock when a Qassam rocket fired from the Caza Strip landed near an IDF position in the Kibbutz Zikim area of Israel's western Negev region. A few minutes prior to the attack, another Qassam rocket fired towards Sderot landed in an open field north of the city. No injuries or damage were reported. (Ynetnews)

"The most important thing is to manage to apply the agreements [reached in Annapolis], not to substitute their implementation with discussions about new meetings", Russia's Foreign Minister Sergey Lavrov told a press conference with his Egyptian counterpart Ahmed Aboul Gheit. (AFP)

Israeli Vice Premier Minister Haim Ramon told *Israel Radio:* "All building activities are taking place in settlement blocks that we want in the end of the process to see as part of Israel ... What I propose is that we reach an agreement with the Palestinians over the principle of settlement blocks under Israeli sovereignty and in return an exchange of territory ... The Palestinians would not say that this is good, but there is no doubt that the Palestinians understand that in the end of the peace process, the settlement blocks will be under Israeli sovereignty in return an exchange of territory ... It is clear where we build and where we don't build", Mr. Ramon said. PA President Abbas said in Paris that Mr. Ramon's comments "will not help the cause of peace". (AP, Xinhua)

PA President Abbas said that the Israeli settlement expansion posed a serious obstacle to Israeli-Palestinian peace talks. "I hope that these activities stop, and that the trilateral committee will begin its work, in order to implement the commitments of the first phase of the Road Map, whether related to us or to the Israelis, Mr. Abbas said. (AP)

PA President Abbas announced that the PA would agree to the deployment of an international force in the Occupied Palestinian Territory. "International forces are absolutely acceptable for us", President Abbas said, responding to a suggestion made by French President Nicolas Sarkozy. (Ma'an News Agency)

Speaking at a press conference with PA President Abbas at his residence in London, British Prime Minister Gordon Brown said that the United Kingdom would provide \$500 million in aid to help boost development in the Occupied Palestinian Territory as part of a drive for a 2008 peace deal, adding that an investors' conference, co-hosted by the UK and the US, would be held in Bethlehem in March or April 2008. Mr. Brown said he hoped that settlement activity by Israel would end and that attacks on Israel, mostly through rockets launched from the Gaza Strip, would also cease. "2008 is a year of great opportunity - the creation of a viable State of Palestine alongside a secure State of Israel... We stand ready to do everything else that is necessary to promote investment in Palestinian areas to make it possible for unemployment to fall, for poverty to be reduced and for jobs to be created," he said. Mr. Brown cited industrial parks, microcredit and the provision of small business schemes as examples of initiatives that would be supported. (AP, www.number-10.gov.uk)

US Special Envoy for Middle East Security James Jones met Israeli Prime Minister Olmert, Defence Minister Ehud Barak and IDF Chief of Staff Lt.-Gen. Cabi Ashkenazi to start talks about security arrangements that would formpart of any future agreement on Palestinian statehood. "The participants discussed a range of regional, diplomatic and security issues, chiefly how Israel is to cooperate with Gen. Jones," the Defence Ministry said in the statement. (AP, Reuters)

Yesh Gul, an Israeli human rights group, issued a new report which stated that just 9 per cent of investigations of soldiers suspected of criminal offences against Palestinians led to convictions – the conviction rate was less than 7 per cent. "The low number of investigations opened and the minute number of indictments served reveal the [military's] de facto derogation of its duty to protect the civilian population against offences committed by its soldiers … It means that non-enforcement prevails in the Occupied Territory, and there is no doubt that the soldiers that serve there enjoy a feeling of impunity from investigation to prosecution, which leads to a rise in the number of and severity of the offences committed by them", said Michael Sfard, the group's legal counsel. (AP)

The Palestinian Center for Policy and Survey Research said that complete lack of confidence in the Annapolis process was keeping Hamas' popularity stable, despite deteriorating conditions in the Caza Strip. If new legislative elections were held today, Hamas would receive 31 per cent of the vote, and Fatah, 49 per cent. Fifty per cent were satisfied with President Abbas' performance, compared to 45 per cent last September. (Ma'an News Agency)

The White House said that President Bush would travel to Israel, the West Bank, Kuwait, Bahrain, the United Arab Emirates, Saudi Arabia, and Egypt from 8 to 16 January 2008. Mr. Bush would meet with Israeli President Shimon Peres and Prime Minister Olmert, PA President Abbas and Prime Minister Fayyad. "This visit will follow up on the progress made at Annapolis in helping Israelis and Palestinians to advance their efforts toward peace and achievement of the President's vision of two democratic States living side-by-side in peace and security, as well as encourage Israeli-Arab reconciliation," the White House said. (AFP, Reuters, www.whitehouse.gov)

19

Israeli tanks shelled a group of Palestinians east of Beit Lahiya in the northern Gaza Strip, wounding one. (WAFA)

Israeli forces arrested five Palestinians in Nablus, Ramallah and Jenin. (WAFA)

Palestinian gunmen in the central Gaza Strip opened fire towards Israeli troops operating near the border fence. No injuries or damage were reported. (The Jerusalem Post)

Hamas spokesman Taher Nunu confirmed that Hamas leaders were seeking a ceasefire with Israel. Hamas leader Ismail Haniyeh had spoken of a truce in his telephone conversation with a reporter for Israel's *Channel 2* television, and said that Israel must halt its offensive in the Gaza Strip for the cycle of violence to end, according to Mr. Nunu. The reporter quoted Mr. Haniyeh as saying, "I am always trying to stop the rockets from all factions, especially Islamic Jihad, but Israel's

assassinations always catch me off guard and spoil my attempts." (AP)

Israeli Transportation Minister Shaul Mofaz told *Army Radio* that Israel should not rule out indirect negotiations with Hamas in an effort to halt the Qassam rocket fire at southern Israel. "Mediation is something we can think about, but one thing needs to be clear," Mr. Mofaz said. "Israel will not stop its air strikes against the group and other militants that are involved in the incessant rocket fire from the Gaza Strip," he said. Minister without Portfolio Ami Ayalon also said that Israel should not rule out speaking to "anyone" in order to stop rocket attacks from Gaza, but urged caution to ensure a ceasefire would not lead to a strengthening of Hamas. Vice Premier Haim Ramon told *Israel Radio*: "Hamas' calls for a mutual de-escalation does not stem from a desire for a ceasefire... Hamas controls the Strip, and with a single order it can end the firing of Qassam rockets at Israel... We must keep up military pressure and step up the sanctions, and thus undermine Hamas rule in Gaza." (*Ha'aretz, The Jerusalem Post*)

Israel's Minister for Housing and Construction Ze'ev Boim said that Israel was looking into building 10,000 new homes for settlers in East Jerusalem. Prime Minister Olmert distanced himself from the plan. "There has been no decision taken, and there is nothing new," said his spokesman, Mark Regev. Mr. Boim said that the Ministry had carried out a "preliminary check" into building a new settlement at Atarot, near Qalandiya, adding that the move had been motivated by a housing shortage in the settlements. (AP)

The Latin Patriarch of Jerusalem, Michel Sabbah, said in his annual Christmas message that the Israeli-Palestinian conflict had unleashed "forces of evil" across the Middle East and it was up to Israel to make a re-launched peace process work. "I hope we are entering into a new phase with Annapolis... The one who will decide is Israel. If Israel decides for peace, there will be peace," Patriarch Sabbah told a news conference in Jerusalem's Old City. He added that he was concerned about Israeli demands that Israel be recognized as a Jewish State because that would discriminate against Muslims and Christians. "God made this land for all three of us, so a suitable State is one who can adapt itself to the vocation of this land," he said. (Reuters)

20

Several IDF tanks and armoured vehicles pulled out from the central Gaza Strip after killing seven Palestinian militants and wounding nine others, including two local cameramen, witnesses said. Heavy armed clashes had broken out in an area east of the Maghazi refugee camp. The armed groups' sources said that four of the dead were members of Islamic Jihad; two were from Hamas, and one from the Popular Resistance Committees. (Xinhua)

Hamas' armed wing claimed in a leaflet that its members had for the first time fired anti-aircraft guns at Israeli Air Force helicopters providing aerial support for IDF ground troops in the central Caza Strip. Israeli military officials said that they had no report of such an incident, but did acknowledge the possibility that Palestinian armed groups were in possession of anti-aircraft weaponry. (Ynetnews)

Israeli forces seized a Palestinian from the Aida refugee camp near Bethlehem. (Ma'an News Agency)

PA President Abbas confirmed in a message to Palestinian prisoners that there would be no final peace agreement unless all Palestinian prisoners were released from Israeli jails. (WAFA)

US Secretary of State Condoleezza Rice welcomed Israel's decision to shelve plans to construct a new settlement in the Atarot section of East Jerusalem. "I think it's a good step," Ms. Rice said after a Housing and Construction Ministry official made the announcement. (AFP)

Israel was examining a Hamas truce proposal delivered by Egypt, Israeli defence officials said, speaking on condition of anonymity. They said that the Hamas offer was limited to stopping the rocket fire in exchange for a halt to Israeli military operations in the Gaza Strip. (AP)

US Consul General Jacob Walles told *Ma'an News Agency* during a visit to Bethlehem that his visit represented an open invitation for tourists from all over the world to come to Bethlehem. He said he "encouraged investors from outside the Palestinian territories," in line with PA Prime Minister Salam Fayyad's plan to revive the Palestinian economy, and especially that of Bethlehem. (Ma'an News Agency)

21

Two IDF reservists were lightly wounded when Palestinian militants detonated an explosive device near the "Kissufim" crossing on the border with the Gaza Strip. (Ha'aretz)

A Qassam rocket fired from the Gaza Strip struck south of the Israeli city of Ashkelon. No injuries or damage were reported in the incident. (Ha'aretz)

A Hamas militant was killed by Israeli troops near Khan Yunis, the group and medics said. The IDF spokesman's office said that it was not aware of any clashes in the area. (AP)

IDF troops arrested four "wanted" Palestinians in an overnight West Bank raid. (Ha'aretz)

Palestinian health official Mu'awiya Hassanain said that Israel had allowed two seriously ill patients to leave the Caza Strip for emergency treatment in Egypt. (Ma'an News Agency)

Israeli President Shimon Peres said Israel should not agree to a truce with Hamas unless the group first stopped rocket fire from the Caza Strip. "The residents of Caza are not our enemies, and we have no joy when we see children suffering, but we can't ignore the fact that there is not a single Israeli in Caza and despite this, Hamas continues firing rockets on our children. ... The moment the rockets stop, there will be no firing from Israel," Mr. Peres said in a speech during a visit to an Israeli Arab town. (Reuters)

Israeli Housing and Construction Minister Ze'ev Boim had given the assurance that no new Israeli settlements would be built in East Jerusalem, Israeli Government spokesman Mark Regev said. But a project to build in "Har Homa" would continue, he added. Mr. Regev said that Israel "will not outwardly expand existing settlements, and we will not give any special incentives for people to live in settlements." (DPA)

Israeli Vice Premier Haim Ramon said that he was trying to muster support for a bill offering compensation to settlers willing to leave the West Bank voluntarily even before a peace deal. Mr. Ramon said that some 70 lawmakers in the Knesset supported such a bill. (Ha'aretz)

Hamas official Salah Bardawil said: "We are not lovers of war. We love our rights. If we can get them through a truce, that would be an achievement." Hamas spokesman Sami Abu Zuhri said: "To this minute, what we see is Israeli aggression. The occupation is proving that it is not interested in any truce." (AFP)

"If Hamas comes to us with a serious proposal for a long-term truce, in my opinion Israel should not reject it. For that, it would not be vital for Hamas to recognize Israel first," said Israel's National Infrastructures Minister Benjamin Ben-Eliezer. "If a serious offer for a truce from Hamas reached us, I think we should examine it seriously," Transportation and Road Safety Minister Shaul Mofaz told reporters. "Making recognition of Israel a precursor to negotiations would be the best way of torpedoing it from the beginning," he added. "Israel talks to the Palestinian Authority, not with extremists," an official in the Prime Minister's office said. "We will not let terrorist organizations continue to strike or regroup. We will continue to employ all necessary means to stop them from attacking our towns," the official added. Israeli Government spokesman Mark Regev said that "Israel will not talk to groups that refuse to accept the conditions of the international community, refuse to renounce terrorism and refuse to support reconciliation." (AP, Ha'aretz)

If they had the opportunity, 64 per cent of the residents of Sderot would flee because of the Palestinian rocket fire, according to a survey published by the *Yediot Ahronot* newspaper. (AFP)

UN Under-Secretary-General for Political Affairs B. Lynn Pascoe <u>briefed</u> the Security Council on the item entitled "The situation in the Middle East, including the Palestinian question". The Council later issued a <u>press statement</u> welcoming the Paris Donors' Conference, calling it "an important step in a broader process aiming at the realization of the vision of two States living side by side in peace and security," and urging donors to rapidly disburse their pledges. (UN News Centre, UN press releases SC/9214 and SC/9216-PAL/2097)

More than two years after he was sworn in as the Patriarch of the Orthodox Church of Jerusalem, Theophilos III was recognized by the Israeli Government. His predecessor, Irineos I, had been ousted in May 2005 amid allegations that he had leased church land in East Jerusalem to groups interested in expanding the Israeli presence in the area. (AP)

22

Two Palestinians were wounded in a missile attack near the Karni (Al-Muntar) crossing on the border with Israel, according to Palestinian medics. An Israeli army spokesperson said that she was "not familiar" with any military operations in that area, indicating that the missiles might have been errant projectiles launched from the Palestinian side. (AFP)

Israeli media reported that Hamas was drafting terms for a temporary ceasefire with Israel while trying to gain support from other Palestinian factions to accept it.

Israel Radio cited senior Hamas officials as saying the group was working towards a limited truce with Israel and was in talks with other armed Palestinian groups for their support. Sami Abu Zuhri, a Hamas spokesman, said that the reports of a truce draft were "untrue." "There is continuous Israeli aggression, and there is resistance. The ball is still in Israel's court. ... It is up to (Israel) because when they stop all their aggressions, we will then discuss the issue," he said. A senior member of Islamic Jihad said that there had been no discussion between his group and Hamas about a truce. "We don't think the priority should be talking about

a truce," said Islamic Jihad's Nafez Azzam, adding, "Talking about a truce should be directed first to the party that continues the killing and air strikes. Truce is not on the table now in light of the Israeli aggression." (AP)

Ahmad Yousef, a political adviser to Hamas leader Ismail Haniyeh, said that Hamas would be willing to reach a ceasefire with Israel, including an end to the launching of home-made projectiles, if Israel lifted the siege on the Gaza Strip, opened the crossings and ended the humanitarian crisis. Mr. Yousef said, "We do not refuse appearsement aiming to end the boycott; however, that appearsement cannot be for nothing." (Ma'an News Agency)

The London-based newspaper Asharq Al-Awsat reported that a senior Hamas official in the Gaza Strip said that his organization might offer Israel an unconditional truce in the Gaza Strip, but added that such an offer had not been made yet. The official said, "The debate regarding a hudna [ceasefire] has been seriously renewed within Hamas and with the other Palestinian factions, we hope we will be successful in this," adding, "There would be no prior conditions... a truce on our side and a truce on the Israeli side." (Ynetnews)

23

Israeli forces arrested a leader of Fatah's Al-Aqsa Martyrs Brigades south of Jenin. Also, Israeli forces arrested seven Palestinians in Hebron, according to Israeli sources. (Ma'an News Agency)

Three Qassam rockets fired from the Gaza Strip landed in Israel's western Negev region. Another Qassam rocket landed near a factory in the industrial park south of Ashkelon. Later in the evening, a Qassam rocket landed in Sderot near a building but did not explode. Another rocket fired from Gaza at approximately the same time landed in an open field. No injuries or damage were reported in the incidents. (Ynetnews)

Some 500 PA security officers deployed in Bethlehem to reinforce about 1,000 officers already based in the city, a PA security source said. It was the third such deployment since November, after Nablus and Tulkarm, where PA forces had already taken control. (Reuters)

Israeli Prime Minister Olmert said at the start of a Cabinet meeting: "Counter-terrorist operations will continue as they have for months. There is no other way to describe what is happening in the Caza Strip except as a true war between the IDF and terrorist elements. This war will continue even as we take strict care, as we have up to now, to avoid a humanitarian crisis which could harm civilians who are uninvolved in terrorism. The State of Israel has no interest in negotiating with elements that do not accept the Quartet's basic principles. Thus, we have declared and thus, we will continue. This is true regarding Hamas, Islamic Jihad and all other elements. Whoever accepts the Quartet principles will be – in principle – a partner for negotiations. Whoever is unwilling to do so, to our regret, cannot be a partner for dialogue. This policy will not change." (AFP, AP, www.pmo.gov.il)

Israel's Ministry of Construction and Housing said that it had proposed building about 740 new homes in the settlements near East Jerusalem next year. The 740 new homes had been included in the Ministry's budget proposal for 2008, officials at the Ministry said. The proposal would require parliamentary approval and would include about \$25 million for 500 homes at the "Har Homa" settlement and 240 at "Ma'aleh Adumim." Prime Minister Olmert's spokesman Mark Regev said, "We're not aware of any new decision to build in Ma'aleh Adumim." Regarding the construction in "Har Homa," Mr. Regev said that it was inside the existing built-up area and was considered part of Jerusalem. "It has a different legal status," he said. (Reuters)

Ynet reported that Prime Minister Olmert was considering the possibility of releasing Palestinian prisoners "with blood on their hands" in an attempt to bring about the release of kidnapped Israeli soldier Gilad Shalit. The Prime Minister's Office refused to comment on the report. Mr. Olmert met with five of his ministers in order to discuss the matter. Vice Premier Haim Ramon, Foreign Minister Tzipi Livni, Minister without Portfolio Ami Ayalon, Internal Security Minister Avi Dichter and Justice Minister Daniel Friedmann attended the meeting. (Ynetnews)

Israel's Security Cabinet allocated NIS810 million (\$207 million) over five years for a joint project with the US to develop a system to shoot down rockets like the ones fired at Israel from the Caza Strip and Lebanon, Israeli defence officials said. The "Iron Dome" system uses a sophisticated radar to home in on the rockets and automatically fires rounds to destroy the incoming projectiles. (AP)

US and Western officials said that the United States would conduct confidential assessments of whether Israel and the Palestinians were meeting their peacemaking commitments and share the results privately with the parties. The officials said that even though the Bush Administration had decided to keep the assessment process confidential, it reserved the right to go public with its views if necessary. (Reuters)

24

Two Palestinians affiliated with Hamas' Izz ad-Din Al-Qassam Brigades were killed as an Israeli plane launched missiles at a group of fighters in the Al-Bureij refugee camp in the central Gaza Strip. A third Palestinian survived. Separately, Israeli artillery bombed Beit Lahiya in the northern Gaza Strip, causing no casualties. (Ma'an News Agency)

A 59-year-old Palestinian with cancer, from Gaza City, died as he was unable to obtain required treatment a result of the Israeli closure imposed on the Gaza Strip. (WAFA)

Officials said that Israel was considering relaxing its criteria for releasing Palestinian prisoners. The proposed criteria changes were to be discussed at a Government meeting later in the day, according to the officials. Israel's Deputy Defence Minister Matan Vilnai told *Israel Radio* that Fatah leader Marwan Barghouthi could be a candidate for release. (*Reuters*)

Israeli and Palestinian negotiating teams reported no progress after a second round of talks since the Annapolis Conference. The Palestinians had ruled out negotiating substantive issues until Israel committed itself to halting all settlement activity. Israel pressed the Palestinians to meet their own Road Map commitments to curb militants. (Reuters)

25

Two members of the Islamic Jihad were injured in an Israeli air attack in the northern Caza Strip, according to media reports. A spokesman for the IDF confirmed the attack, saying that the operation had destroyed a rocket launcher. (DPA)

Masked Israeli settlers beat and injured Palestinian farmers in a field near Nablus, Palestinian witnesses and doctors said. (AP)

Israel's High Court of Justice reprimanded the State Prosecution for the latter's response to the petitions challenging the legality of limiting the supply of fuel to the Caza Strip. The Court, led by President Dorit Beinish, commented that the "State representatives neglected to examine the facts or to present their findings to the Court." The Court ordered the State to provide answers for the questions at hand and scheduled a hearing for January. (Ynetnews)

26

Israeli armed forces detained 13 Palestinians during operations across the West Bank, Palestinian security sources said. Most of the arrests took place in Nablus where Israeli soldiers stormed several houses at dawn and seized at least 10 residents. Two other Palestinians were arrested in Qalqilya and another was taken from Ramallah, the sources said. (Xinhua)

Egyptian President Hosni Mubarak criticized Israel's decision to continue building settlements in East Jerusalem in talks with Israel's Defence Minister Ehud Barak in Sharm el-Sheikh. "This settlement activity will hijack the only outcome of the Annapolis Conference, which was the re-launching of peace negotiations," Mr. Mubarak told reporters following the meeting. "The failure of two rounds of negotiations between the Israeli and the Palestinian sides this month is due to the Israeli settlement activity," he said. (Ha'aretz, Ynetnews)

PA President Abbas and Israeli Prime Minister Olmert will meet in Jerusalem on 27 December in an effort to resolve the "Har Homa" settlement expansion issue, head of Negotiations Affairs Department of the PLO Saeb Erakat said. Officials in Mr. Olmert's office had confirmed the meeting. (AP)

Seventy four per cent of Israelis and 59 per cent of Palestinians said that the Annapolis Conference was a failure, according to a poll carried out jointly by the Harry S. Truman Institute for the Advancement of Peace at the Hebrew University of Jerusalem and the Palestinian Center for Policy and Survey Research. Some 23 per cent of Palestinians and 8 per cent of Israelis thought that a peace agreement by the end of 2008 was possible. Pollsters asked respondents if they supported an agreement that would see a Palestinian State in the West Bank and Gaza Strip, territorial exchanges between the sides, a compromise on Jerusalem that would see Israel rule Jewish areas and the Palestinians rule Arab areas, and a resettlement of Palestine refugees in the Palestinian State and abroad but not in Israel. A narrow majority of Israelis - 53 per cent - said they would support such a deal; 47 per cent of Palestinians said they would support it. (*The Jerusalem Post, www.pcpsr.org* 

Advancement in a ceasefire agreement between Israel and Hamas and the release of IDF soldier Gilad Shalit depended upon the results of Israeli Defence Minister Ehud Barak's visit to Egypt, Ahmed Yussef a senior aide to Hamas leader Ismail Haniyeh, said. (The Jerusalem Post)

"Hamas is responsible for the presence of Fatah al-Islam in the Gaza Strip," said Ahmed Abdel Rahman, an aide to PA President Abbas. "This is an extremely

dangerous development because Fatah al-Islam, which is not linked to Fatah, is a radical terrorist organization." (The Jerusalem Post)

27

Israeli war planes bombed the city of Khan Yunis in the southern Caza Strip, killing Muhammad Al-Masri and Haytham Abu Al-Ula from the Saraya Al-Quds, the armed wing of Islamic Jihad, and Hani Ramzi, from the Izz ad-Din Al-Qassam Brigades, the armed wing of Hamas, and injuring nine others. (AFP, Ma'an News Agency, Ynetnews)

IDF troops captured Samer al-Saadi, a commander of the Islamic Jihad in Jenin. Israeli troops also arrested seven Palestinians in Nablus. (IMEMC, Ma'an News Agency)

Two Islamic Jihad militants were killed and two wounded in an Israeli air raid in the central Caza Strip, medics said. "The military carried out an air raid in the central Caza Strip against a vehicle, loaded with weapons and carrying terrorists, that was headed to carry out an attack," an Israeli spokesman said. Another Israeli raid killed an Islamic Jihad militant and wounded two more south of Caza City, medical sources said. Islamic Jihad identified the dead man as Mohammed Abdullah, 40, a senior commander of the Saraya Al-Quds, its armed wing. An Israeli army spokesman confirmed an air raid had been carried out. In the fourth raid, a Hamas member was killed near Khan Yunis. Five other people were wounded, medics said. (AFP)

Israeli Prime Minister Olmert and PA President Abbas held their first meeting since the Annapolis Conference. "The meeting will focus on the need to halt settlements in the Palestinian Territory ... up to now, negotiations have been stalled because of Israel," said PA Presidency spokesman Nabil Abu Rudeineh. Head of the Negotiations Affairs Department of the PLO Saeb Erakat said that Mr. Abbas stressed the need to stop all settlement activities in order to facilitate the talks on a final peace accord. Although Mr. Erakat reported no progress on narrowing the gaps between the two sides, both sides described the two-hour meeting, held at Mr. Olmert's official residence, as "positive." Prime Minister Olmert pledged that there would be no new building tenders for construction in the West Bank settlements and the East Jerusalem settlement of "Har Homa", Israel Radio reported. "The Prime Minister has not promised to freeze tenders that have already been published and are already under way", a senior Israeli official said. (AP, Ha'aretz, Jerusalem Post, Reuters)

Hamas spokesman Fawzi Barhoom denounced the statement made by PA Advisor Ahmed Abdel Rahman regarding the presence of the Fatah al-Islam militant group in the Gaza Strip. (BBC)

Physicians for Human Rights, in a new petition filed by with Israel's High Court of Justice, had accused the IDF of deliberately delaying its responses to requests to allow Palestinian patients from the Gaza Strip to enter Israel for life-saving treatment. (The Jerusalem Post)

28

Undercover Israeli forces killed a bodyguard assigned to protect the head of the Palestinian negotiating team, former PA Prime Minister Ahmed Qureia, in Beituniya near Ramallah. Medical sources confirmed that the victim was 22-year-old Mu'tasim Ash-Sharif, an officer in the Presidential Guard. Witnesses said that the soldiers had stormed Mr. Ash-Sharif's house and shot him. The Israeli military said that he had been implicated in armed activity against Israel and had provided weapons to other militants. He opened fire at troops and they fired back, killing him, the military said. PA security officials denied that he had fired at Israeli troops. (AP, Ma'an News Agency)

Israeli aircraft bombarded a group of Palestinians in the town of Abasan, east of Khan Yunis in the southern Gaza Strip, wounding three. (WAFA)

Palestinian militants in the Gaza Strip fired a Qassam rocket at Israel's western Negev region. No injuries or damage were reported. (Ha'aretz)

Israel's Army Radio reported that Israel had given new assurances to the United States on settlement activity in the West Bank ahead of the visit to the region by President Bush in January 2008. Orders had been given to halt construction activity in the settlement of "Ma'aleh Adumim" and the "Ariel" settlement block, the radio said, citing Construction and Housing Ministry officials. Prime Minister Olmert also gave an undertaking that Israel would invite no new tenders for housing units in settlements in East Jerusalem, according to the radio report. (AFP)

PA Foreign Affairs and Information Minister Riyad Malki said that armoured vehicles would be delivered to the PA security forces within the next month. Israel had agreed in November 2007 to allow the Palestinians to receive up to 50 lightly armoured vehicles, but a dispute emerged over a Palestinian request that they have guns mounted on them. Mr. Malki said that the Palestinians had dropped the demand for now, clearing the way for the delivery of the vehicles. Israel agreed to an initial delivery of 25 armoured vehicles and said that an additional 25 could be authorized if PA security forces made progress exerting greater security control in the West Bank. (Reuters)

29

Two Israeli off-duty soldiers were shot dead near Hebron when they were attacked by a group of Palestinian gunmen in a car. One of the gunmen was also killed in the shootout. In a joint statement, the Izz ad-Din Al-Qassam Brigades of Hamas and Islamic Jihad claimed responsibility. Hebron's security commander Samih Al-Sayfi said that the killing was criminally motivated and not an act of political violence, and that the statements were attempts to curry favour with the Palestinian public and confuse the security services. Prime Minister Olmert, speaking before the weekly meeting of Israel's cabinet said, "As long as the PA does not take the necessary steps and act with the necessary vigour against terror organization, Israel won't be able to carry out any change that would expose it to any jeopardy or endanger Israel's security." PA Prime Minister Salam Fayyad said that the security forces had arrested a number of suspects in the killings. (AP, Ma'an News Agency, Reuters)

30

Israeli forces killed two Palestinians near the fence between the southern Gaza Strip and Israel, near the Kerem Shalom crossing. Eyewitness said that Israeli helicopters opened heavy fire at Palestinian vehicles while military vehicles and bulldozers moved slowly into the crossing. Kamil Mahmoud, 19, was injured in his leg, and several other Palestinians were detained in the incident. (AFP, Ma'an News Agency, Xinhua)

Israeli soldiers at the Erezterminal killed Khaldiyeh Hamdan, 55, and wounded seven others. Ms. Hamdan was returning home after making a religious pilgrimage to Saudi Arabia. (AP, Ha'aretz, Ma'an News Agency, Xinhua)

Egyptian President Hosni Mubarak, referring to the 2,300 Palestinian pilgrims, returning from a pilgrimage to Saudi Arabia and stranded in Egyptian territory said, "In order for the Rafah border crossing to be opened, Egyptian, European and Palestinian observers have to be present ... Some of these people are here to do illegal acts," President Mubarak told reporters. One of the pilgrims, an elderly woman, died of a heart attack. The stranded Palestinians were moved to camps in the Sinai. (DPA, Ha'aretz)

Secretary-General of the League of Arab States Amre Moussa said in a press conference, "It has become evident that the question of Israeli settlements will end any hopes for achieving peace, and impedes the progress on the Annapolis pledges." He also said that Arab countries should come up with a different response to Israeli intransigence. The Arab League will hold an emergency meeting in the first week of January to discuss the Israeli-Palestinian peace talks and the Lebanese political crisis. (Ma'an News Agency, Reuters)

A spokesperson for the Izz ad-Din Al-Qassam Brigades, Abu Ubayda, said that if Israel would assassinate former Prime Minister Israel Haniyeh "an earthquake will shake the region... If Israel commits such a criminal act, after getting a criminal [green] light from Washington, we will use all the means which we have not used yet." (BBC, Ma'an News Agency)

The EU condemned what it said was an "abuse of humanitarian aid" after sacks of a chemical used to make explosives had been discovered by the Israeli military in packages disguised as EU sugar. The sacks, confiscated in the West Bank several weeks ago, contained 6.5 tons of potassium nitrate. (AP)

31

Clashes between Fatah supporters and Hamas forces in the Gaza Strip had left eight people killed and some 60 wounded after Fatah supporters celebrated the forty-third anniversary of the founding of their movement, defying a ban on celebrations by Hamas. (Xinhua)

Israeli Prime Minister Olmert sent a letter to the Ministers of Defence, Housing and Agriculture with an order to refrain from authorizing any construction in the West Bank without his and Defence Minister Ehud Barak's prior approval. The letter stated that "construction, new building, expansion, preparation of plans, publication of residency tenders and confiscation of land stemming from other settlement activities in the area will not go forward and will not be implemented without requesting and receiving an advance approval by the Defence Minister and the Prime Minister." However, Israeli Government spokesman Mark Regev said that "these orders do not apply to construction that already been approved. They do not apply to East Jerusalem either, because from the Israeli perspective, the West Bank is not Jerusalem, and Jerusalem is not the West Bank." (AFP, Ha'aretz)

PA President Abbas urged Hamas to agree to early elections and to open a "new page" by ceding control of the Caza Strip and holding reconciliation talks with Fatah. "I renew the option of early elections ... and I pledge that I will do my best to ensure this election will be the product of a deep and brotherly understanding ... I urge all, Fatah and Hamas movements and all other Palestinian factions, to study this alternative and not to rush, as usual, to reject it", President Abbas said. (
Reuters)

B'Tselem - the Israeli Information Center in the Occupied Territories issued a press release which said that in 2007, Israeli soldiers had killed 373 Palestinians, while

Palestinians militants killed 13 Israelis. More than one third of the Palestinians had killed were civilians who were not involved in hostilities. The press release also said that the number of Palestinians and Israelis killed in mutual violence was significantly down and the lowest number of deaths in seven years. (AFP, AP, DPA)