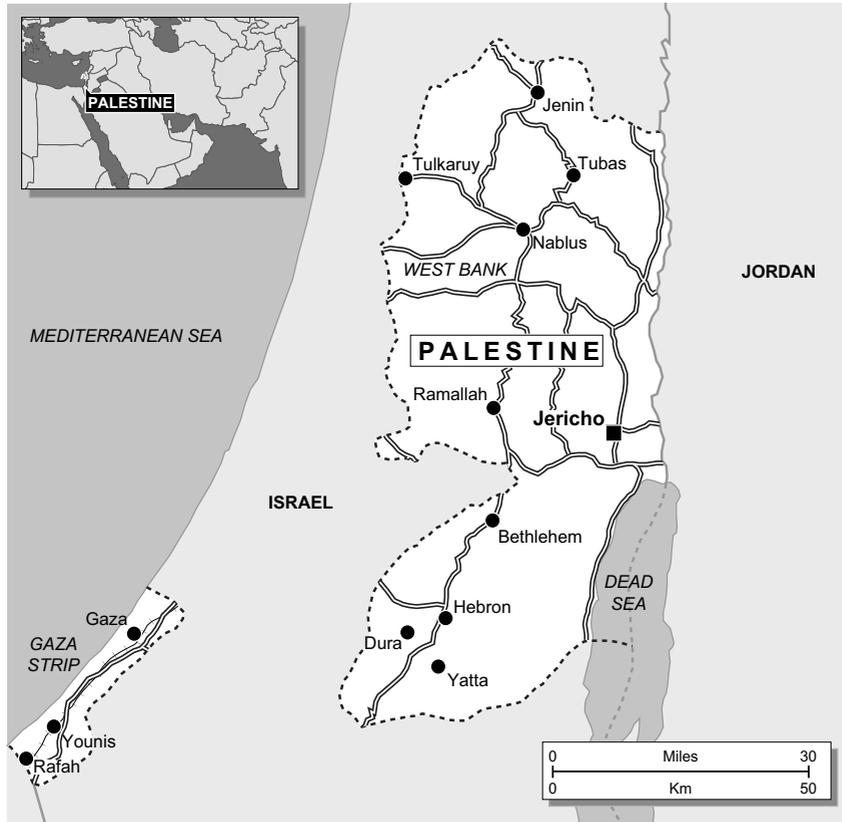


Palestine



The good news in 2013 was that Palestine and Israel were returning to the negotiating table, for the first time in three years. The bad news was that the chances of the talks resulting in any real progress were minimal. The gulf between the two sides is enormous, the possibility of compromise negligible. The first meeting was held in mid-August 2013. Displaying his customary subtlety, the Israeli Prime Minister, Benjamin Netanyahu, announced, hours before the first session of the ‘talks about talks’ the construction of a further 2,000 dwellings in the occupied territory, a development perceived by most Palestinians as yet another obstacle on the road to their own state. In a sop to Palestinian sensitivities, Mr Netanyahu had ordered the release of up to 104 Palestinian prisoners serving long sentences, a number for the murder of Israelis. Opposition to the prisoner release was fierce: thirteen Israeli ministers voted in favour,

seven against. The same session of the Knesset (parliament) also voted that whatever agreement resulted from the talks should be put to the Israeli people in a referendum. Mr Netanyahu was reported to be red eyed and emotional during the prisoner release vote. It was rumoured that the Prime Minister had been read the riot act from Washington. The new settlements were seen as a gesture towards the more radical Israeli settlers who, like many Israelis, were totally opposed to talks of any kind.

Jaw Jaw

Against this less than encouraging backdrop the first session lasted for five hours and ended without any statements or briefings. All that was known for certain was that the two sides had agreed to meet weekly, alternatively in Jerusalem and Jericho, over a period of nine months. Despite the secrecy surrounding the talks the

KEY FACTS

Official name: Palestine

Head of State: Mahmoud Abbas (Fatah) *pro tem* president until national elections can be held (from 2005)

Head of government: Prime Minister Salam Fayyad (Third Way) (from 2007; reappointed May 2009, but disputed by Hamas)

Ruling party: Gaza Strip only: Harakat al Muqawama al Islamia (Hamas) (Islamic Resistance Movement). West Bank only; Harakat al Tahir al Watani al Falistin (Fatah) (Movement for the National Liberation of Palestine) and independents

Area: 6,257 square km

Population: 4.17 million (2011); (Around three million Palestinians live in Jordan)

Official language: Arabic

Currency: New Israeli shekel; Jordanian dinar; Egypt pound (NIS; JD; LE)

GDP per capita: US\$2,186 (2010)

GDP: US\$8.33 billion (2010)

Labour force: 745,600 (2010)

Unemployment: 28.40% (2011)

Inflation: 3.80% (2010)*

Balance of trade: -US\$4.63 billion (2011)

* estimated figure

KEY FACTS

Official name: Gaza Strip

Head of State: Aziz Duwaik (appointed president by Palestinian Legislative Council (PLC)) (Hamas) (from Jun 2009)

Head of government: Prime Minister Ismail Haniyeh (Hamas)

Ruling party: Harakat al Muqawama al Islamia (Hamas) (Islamic Resistance Movement) (from Jan 2006; extended Sep 2012)

Area: 360 square km

Population: 1.59 million (2011)*

Capital: Gaza City

Official language: Arabic

Currency: New Israeli shekel / Egyptian pound (NIS / LE) = 100 agorot / = 100 piastres

Exchange rate: NIS / LE3.81 per US\$ (NIS); 6.11 (LE) (Dec 2012);

GDP: US\$2.15 billion (2010)

Unemployment: 46.90% (youth unemployment (early 2012))

* estimated figure

basic agenda was known. The overall framework was the negotiation of a peace agreement based on the so-called 'two state' solution. This would, in theory, permit the recognition of Palestine as an independent state. But the agenda appeared to be rather long-winded, ambitiously including a number of potential sticking points which included the division of Jerusalem, the re-definition of frontiers, the thorny question of the settlements in the occupied territories, the return of Palestinian refugees.

One unresolved problem seemed to be that of differing priorities. Israel came to the table with a list of questions, for example that Palestine accept the definition of Israel as a Jewish state. This was hard to swallow for the Palestinians, given that there were one and a half million Palestinian Arabs living in Israel. Palestine attached some urgency to an agreement on the frontiers of its hypothetical state and on the dismantling of the illegal settlements. On the plus side, in 2013 Israeli-Palestinian relations were at least going through a calm period. The fraught nature of the region as a whole seemed to have released some of the tensions between the sides.

Above all, there was the US factor. It had been easy to overlook the fact that in his first inauguration speech, President Obama made explicit references to seeking a resolution of the problems affecting the Middle East. The existence of the talks suggested that this lofty ambition had not been discarded. Secretary of State John Kerry was credited not only with getting the parties around the same table but with maintaining pressure on both delegations to make the talks work. The sea change within Israel was that a number of Likud ministers had finally realised what Mr Netanyahu – faced with understandable US impatience – had grasped some months earlier: a paralysed peace progress continued to represent a threat for Israel. Mr Netanyahu looked likely to go down in objective history books as the proverbial in the woodpile. He had chosen to dismiss Mr Kerry's original plan to get talks under way on the basis of land swaps along the border that had divided Israel from Palestine up to 1967. He further rebuffed a US suggestion that Palestinians be permitted to build factories and even townships on that part of the West Bank that was administered solely by Israel. An indicator of Israeli intransigence was the fact that finance minister Yair Lapid, whose Yesh Atid Party had come a surprising second in the January general elections, was on

record as dismissing the possibility of a peace deal as 'unrealistic'. Since becoming minister after the January elections, in the first half of 2013 Mr Lapid had not met a single Palestinian official. The negative climate of opinion was further reinforced by comments made by Israel's minister of industry and commerce Naftali Bennett of the Jewish Home Party, as well as the leader of the extra-parliamentary movement My Israel. As the negotiations got under way, Mr Bennett confronted Israel's National Security Adviser Yaakov Amidror with the comment: 'If we arrest terrorists all we have to do is kill them.' Mr Amidror pointed out that 'was illegal,' whereupon Mr Bennett stated that he 'had killed many Arabs in my lifetime and there is no problem with that.'

For the US, Israel was the party that was more prone to dragging its heels. Domestic politics loomed large, as Prime Minister Netanyahu was more beholden to the 'radical' (that is, opposed to any talks) right wing, than he was to the more 'doveish' left wing. It was the radicals who had ended Mr Netanyahu's first term in government in 1999 when he had gone along with US plans for the withdrawal of a number of Israeli settlements. The more optimistic Palestinian delegates lived with the hope that Mr Netanyahu might be persuaded to withdraw from most of the West Bank that was occupied by Israel after the 1967 war.

For many Palestinians the problem was not one of communities failing to get along, but that of governments failing to deliver the peace that their electorates clearly sought. In mid-2013 there seemed to be developing at grass roots level a number of tentative peace initiatives. One such was the visit to Jordan of a delegation of Israeli and Palestinian businessmen anxious to present their ideas for a future in which cross border trade and joint ventures could flourish. The business initiative was launched in Turkey in 2012 by 30 delegates and within a year had grown to 300. The religious communities were also ahead of their countries' governments. Israel's rabbis and imams had begun to meet within the framework of the 2002 Arab Peace Initiative which would have provided Israel with diplomatic relations with all its neighbours in return for relinquishing all the territory conquered in 1967. In another business initiative several hundred Israeli businessmen met with the Jordanian and Egyptian ambassadors at a Dead sea venue to discuss a mid-2013 Arab League peace initiative.

Perhaps the biggest setback for the talks was the resignation, in April 2013, of the

Palestinian Authority prime minister, Salam Fayyad. Mr Fayyad was a massive asset for the Palestinians, a former International Monetary Fund (IMF) official, Mr Fayyad was seen by many as a safe pair of hands who had transformed Palestinian politics. His presence reassured donors, enabling the creation of something resembling a civil service and the formation of a regular armed force replacing random armed gangs. However, where Mr Fayyad and others had failed was in any meaningful dialogue with Hamas, who ruled Gaza. On the contrary: Mr Fayyad's presence had, if anything, increased the tensions between the West Bank's Fatah and Hamas. Whether Palestinian President Abbas would, in the absence of Mr Fayyad, be able to patch together some sort of rapprochement looked unlikely as the talks got under way.

However much progress was made in the talks, the possibility of a Gaza style withdrawal by illegal settlers looked doubtful. In mid-eviction from West Bank territory that had been suddenly declared a Military Zone a Palestinian shepherd observed that 'Settlers are just off-duty soldiers.' In early 2013 the 60 per cent chunk of West Bank territory known as Area C had seen Arab villagers dislodged as mobile homes for Jewish settlers were installed and Jewish shepherds replaced their Palestinian counterparts. The fact that these displacements had become so common and had become well documented was one reason for Israel's worrying international isolation. The spirit of the welcoming Kibbutz appeared to have been replaced by the hard-line responses of Messrs Bennett and Lapid.

The economy

The principal problem and challenge, for the Palestinian economy, is acknowledged to be the Israeli occupation and presence in Palestinian territories. Check-point delays, the barrier it has constructed along and within the West Bank as well as its land, air and sea blockades in the Gaza strip have placed inevitably severe limitations on any meaningful economic development. The network of checkpoints and roadblocks renders it difficult for Palestinians to travel within their own Territories, whether to go to work, to look for jobs, or even to bank or to trade. The Palestinian farmers separated from their own land by the barrier are required to apply for 'visitor permits' which more often than not are simply rejected by the Israeli authorities. A depressing report from the World Bank estimated that

Israeli restrictions in the West Bank alone cost the Palestinian economy US\$3.4 billion annually, corresponding to 35 per cent of its gross domestic product (GDP).

An excellent October 2013 article in the London *Guardian* by Mona Chalabi pointed out that the Israeli presence in the Palestinian Territories allows it to wield significant power over Palestinian wage-earners. The independent UK based charity Oxfam estimates that some 800,000 olive trees have been uprooted by the Israeli authorities since 1967. Consequently, the 80,000 Palestinian families that the UN estimates to be economically dependent on the olive harvest lose US\$12.3 million each year. Paradoxically, although Israel can hinder and starve the Palestinian economy, it is also the major source of Palestinian livelihoods. Unemployment is exceptionally high in the West Bank and the Gaza strip where almost one in four adults are jobless. According to reports from the Geneva based International Labour Office (ILO), some 87,000 Palestinians aged over 15 (around 10 per cent of all those with jobs) are employed in Israel and its settlements.

The majority of these Palestinians are employed in the construction sector, followed by manufacturing and agriculture – all of which tend to be characterised by insecurity. A survey by Palestine's main trade union found that only 11 per cent of workers in Israeli settlements said they had job security, over half received less than the minimum wage and 65 per cent had been exposed to toxic substances.

Corruption is common inside many of Palestine's institutions. In its latest report, the Coalition for Integrity and Accountability (part of the Transparency International Secretariat) produced a catalogue of corruption cases within Palestine's public bodies. In just over six months, the Corruption Crimes Court received 41 cases, which they say included embezzlement, money laundering, fraud and exploitation of position for personal gain. Those involved in these crimes were often high-level employees, such as heads of government divisions, who were allegedly conspiring with lower and intermediate level employees. Pharmaceutical companies and their agents have also been accused of distributing expired food and medicine – though the risks of obtaining evidence on this means that often these crimes go unpunished.

In a 2012 opinion poll, 40 per cent of Palestinians said they had used various forms of corruption to receive a certain public

KEY FACTS

Official name: West Bank

Head of State: President Mahmoud Abbas (Palestinian National Authority (PNA)) (Fatah) (from 2005; term extended from Jan 2009, but disputed by Hamas)

Head of government: Prime Minister Salam Fayyad (Third Way) (appointed by PNA; from 2007; reappointed 19 May 2009)

Ruling party: Harakat al Tahir al Watani al Falistin (Fatah) (Movement for the National Liberation of Palestine)

Area: 5,860 square km

Population: 2.58 million (2011; of which 389,298 East Jerusalem)

Capital: Ramallah (administrative)

Official language: Arabic

Currency: New Israeli shekel / Jordanian dinar (NIS & JD/) = 100 agorot / = 1,000 fils

Exchange rate: NIS & JD/3.81 per US\$ (NIS); 0.71 (JD) (Dec 2012)

GDP per capita: US\$2,715 (2010)

GDP real growth: 7.00% (2009)*

GDP: US\$6.18 billion (2010)

Unemployment: 29.80% (youth unemployment (early 2012))

Inflation: 2.90% (2011)*

* estimated figure

service. In 2011, 47 thousand traffic tickets had not been paid and tax evasion represented 40 per cent of all tax revenues. The Palestinian economy is dependent on international aid and around 4 in 5 Gazans rely on donations for their survival. As a result, when aid falls short of expectations and stated commitments as it did in 2012 (the Palestinian Authority received 80 per cent of the US\$1 billion it was expecting in direct budget support), the results are deeply felt. The decline in international aid is cited as one of the key reasons that the West Bank's GDP shrank in early 2013, for the first time in a decade. In 2011, the single biggest donor to Palestine was the United States followed by the EU who gave US\$281 million and US\$206 million respectively. The estimated one million Palestinians who have emigrated since 1948 (as well as their children) serve as a vital lifeline for those Palestinians who remain in the West Bank and Gaza Strip. As a percentage of their GDP, the Palestinian territories are one of the most dependent economies in the world on remittances. The latest data from the IMF in 2010 shows US\$431 million being transferred by workers employed abroad.

Recognition

In November 2012 the 193-nation UN General Assembly overwhelmingly approved the *de facto* recognition of the sovereign state of Palestine after Palestinian President Mahmoud Abbas called on the world body to issue its long overdue 'birth certificate'. The vote officially admitted Palestine as a member state with observer status. There were 138 votes in favour, nine against and 41 abstentions. The UN victory for the Palestinians was a diplomatic setback for the United States and Israel which were joined by only a handful of countries in voting against the move to upgrade the Palestinian Authority's observer status at the United Nations to 'non-member state' from 'entity', thus giving it a state of recognition comparable to the Vatican. The US had voted against the motion, but at the same time the Obama administration, which had shown little independent interest in the issue, rather limply called for a revival of direct negotiations. The assembly approved the upgrade despite threats by the United States and Israel to punish the Palestinians by withholding funds for the West Bank government. UN envoys said Israel might not retaliate harshly against the Palestinians over the vote as long as they do not seek to join the International Criminal Court (ICC).

Were the Palestinians eventually to join the ICC, they would be able to file complaints with the court accusing Israel of war crimes, crimes against humanity and other serious crimes. Defending her government's position, then US Secretary of State Hillary Clinton called the vote 'unfortunate and counterproductive', while the Vatican praised the move and called for an internationally guaranteed special status for Jerusalem, a suggestion bound to irritate Israel. What worried the Israelis most was that the vote would be able to challenge Israel legally.

The November vote was a continuation of a process that had seen Palestinian self confidence – at least on the part of the West Bank's Palestinian Administration – steadily increase, notwithstanding the increasingly pro-Israeli stance of the US. A consequence of the Arab Spring uprisings was heightened aspirations on the part of the Palestinians for the end of what they perceived as Israeli occupation. The PA saw the vote as giving Palestinians the possibility of moving from street protests to legally sanctioned protests. The PA also hoped that the protests and Palestinian political energies would become channelled through the UN's fora and less directed confrontationally at the PA itself. In fact, Palestinians had not been deprived of legal instruments before the vote; the problem facing them was not to do with legality, more with the practicalities of *realpolitik*. In short, Palestine was often unable to circumvent the implacable obstacle of the US veto. By mid-2012 the US had used its veto power no less than 41 times in defence of Israel. This scenario was unlikely to change.

The only strategy open to the PA was one of low level harassment of the Israeli government. Its newly granted observer status possibly gave it more clout with UN agencies in adjudicating Israeli contraventions. Another irritation for Israel, is the possibility of Israeli politicians being declared criminals, with a resultant limitation on their international mobility. The hopes raised by President Obama's optimistic speech in Egypt in 2009 had been badly let down. The PA, rightly, felt abandoned by the US, left with a lame peace process that was completely stalled. However much the UN vote might afford the PA increased influence and political power, that power would not extend to East Jerusalem or Gaza.

Other, uncertain consequences of the vote related – importantly – to the status of the Palestine Liberation Organisation (PLO), for decades the flag carrier of

Palestinian independence. The vote meant that – in theory at least – the PLO would cease to represent the Palestinian people at the United Nations and the PA would replace it. Notionally, (although in 1974 the PLO had been recognised as the 'sole representative' of the Palestinian) this included the extensive Palestinian diaspora, making a total of some 12 million people. Before the vote, the PA could only claim to represent West Bank Palestinians.

Doubts also surrounded the effect of the 2012 vote on the 'right of return'. It also raised questions over the situation of Palestinians legally resident in Israel. Palestine's promotion to the status of 'state' meant that the Israeli government could legitimately state that if Israeli Palestinians were unhappy over their position as non-Jewish second class citizens, they always had the option to cross over into the 'state' of Palestine. Palestine statehood, as Israel forcefully pointed out, had its limitations. The new 'state' lacked genuine sovereignty with no army, no control over its borders, no control over its water resources or even the number of refugees it could allow to return. A further complication was the real possibility that Israel, with the US in tow, would insist on the PA abrogating its reconciliation agreement with Hamas. Should the PA not agree to do so, there existed the real possibility that a Republican lead US Congress would add Palestine to its list of 'State Sponsors of Terrorism' alongside Cuba, Iran, Sudan and Syria.

Risk assessment

Politics	Poor
Economy	Poor
Regional stability	Poor

COUNTRY PROFILE

Historical profile

1915 Palestinians accepted the McMahon-Hussein Agreement in October 1915. Under the Agreement the British promised that after the First World War, land previously held by the Turks would be returned to the Arab nationals who lived in that land.

1916 In May two diplomats, Sir Mark Sykes (British) and Georges Picot (French), concluded a secret agreement covering the partition of the Ottoman Empire after the First World War. Officially the Asia Minor Agreement, it is more commonly known as the Sykes-Picot Agreement. In essence the Agreement gave governmental and administrative control of Syria, Lebanon and Turkish Cilicia to the French, and Palestine, Jordan and areas around the Persian Gulf and Baghdad to

the British. The Agreement differed from the McMahon Agreement of 1915, and with statements made by T E Lawrence to the Arabs who had expected to be allowed to govern their own regions after helping the Allies fight the Turks during First World War. The Agreement (which remained secret until released by the Russians after the 1917 Bolshevik Revolution) was never completely fulfilled, and led to deep mistrust of the British and French governments.

1917 The Balfour Declaration suggested the establishment in Palestine of a national home for the Jewish people.

1922 The Council of the League of Nations assigned to Britain a mandate for the Ottoman Arab territory of Palestine, a region that covered present-day Israel and Jordan, plus the Golan Heights region (claimed by Syria). The British divided the mandate into two parts, designating all lands west of the Jordan River as Palestine and those east of the river as Transjordan. The League of Nations mandate also addressed the goal of restoring a Jewish homeland in Palestine.

1929 Riots in Jerusalem between Arab Palestinians and Jews were sparked by a dispute over the use of the western wall of the Al Aqsa Mosque (the site is sacred to Muslims, and Jews claim it as part of their temple).

1936–39 The Arab Higher Committee opposed Jewish immigration to Palestine and the Peel Commission concluded that the mandate was unworkable. Legislation limiting the number of Jewish immigrants was introduced by the British government.

1945 Many of the Jews who had survived the Nazi German Holocaust arrived and Jewish extremists began to oppose Britain's immigration legislation.

1946 Transjordan became independent and was later re-named Jordan.

1947 Britain decided to leave. The UN adopted Resolution 181, which called for the establishment of both Jewish and Arab states within Palestine and a partition plan was drawn up, based solely on population, with Jerusalem as an international zone under UN jurisdiction. The Jews agreed to the partition; the Arabs did not.

1948 Conflict ensued between Arabs and Jews. Jewish leaders announced the formation of the State of Israel, open to the immigration of Jews from all countries. Egypt, Iraq, Lebanon, Syria and Jordan joined Palestinian and other Arab guerrillas and invaded Israel. The armistice agreements extended the territory under Israel's control beyond the UN partition boundaries. Many Arabs became refugees in surrounding Arab countries, ending the Arab majority in the new Jewish state. Palestinians refer to this period as *al Nakkba*, the catastrophe.

1957 Harakat al Tahir al Watani al Falistin (Al Fatah) (Movement for the National Liberation of Palestine) was formed by Arab students, including Yasser Arafat – an Egyptian Palestinian, who grew up in the Gaza Strip.

1964 The Palestine Liberation Organisation (PLO) was founded in Egypt as a Palestinian nationalist umbrella organisation dedicated to the establishment of an independent Palestinian state; later, it operated from Lebanon.

1967 Israel launched and won the Six Day War against Egypt, Jordan and Syria, taking control of the Sinai peninsula and the Gaza Strip, which had been Egyptian territory, together with the Golan Heights, formerly claimed by Syria. Around 300,000 Palestinian Arabs fled to Jordan. After the Six-Day War, control of the PLO devolved to the leadership of the various fedayeen militia groups, the most dominant of which was Yasser Arafat's Al Fatah. Israel's settlement policy started; it occupied the Sinai peninsula (returned to Egypt in 1982), the Golan Heights, the Gaza Strip and the West Bank, including East Jerusalem; the Jews transferred to these areas became known as settlers.

1969 Arafat was appointed chairman of the PLO's Executive Committee.

1970 Civil war (Black September) between the Jordanian army and Palestinians followed airplane hijackings by a Palestinian resistance group. The PLO was forcefully expelled from its bases in Jordan and moved to Lebanon.

1973 Lebanon was used by the Palestinians as a base for activities against Israel. In retaliation, Israeli commandos raided Beirut, killing three associates of Yasser Arafat. Arab states officially recognised the PLO as the representative of the Palestinians.

1981 Israel annexed East Jerusalem.

1982–85 Israel invaded Lebanon to prevent the PLO from carrying out armed resistance to its rule in the occupied territories of the Gaza Strip and the West Bank. A Western multinational force monitored the evacuation of the PLO; it relocated to Tunis, where it stayed until it moved to the Palestinian autonomous areas (Gaza and Jericho) in 1994.

1987 The Palestinians launched an *intifada* (uprising) against the Israelis. The Harakat al Muqawama al Islamia (Hamas) (Islamic Resistance Movement) was formed in the Gaza Strip, with two objectives: armed resistance to Israeli rule in the West Bank and the Gaza Strip and the establishment of a sovereign, independent state located in historic Palestine (present-day Israel, the West Bank, and the Gaza Strip). There was an upsurge in violence as large numbers of Jews from

the Soviet Union began to settle in the West Bank and the Gaza Strip.

1988 The State of Palestine was declared, as outlined in the UN partition plan 181, the new state being recognised only by states that did not recognise Israel.

1993–95 The Oslo Peace Accords laid the basis for transfer of authority from the Israeli military administration to the PLO in the Gaza Strip and an undefined area around the town of Jericho in the West Bank. A follow-up treaty, Oslo II, was signed, which envisaged Palestinian autonomy with Israeli troop units withdrawing from the West Bank.

1996 Yasser Arafat was elected president of the Palestinian Legislative Council (PLC), the assembly of the Palestinian Authority (PA).

1998 The Wye peace agreement between the Israelis and the Palestinians, brokered by the US, ended 19 months of deadlock in the peace process.

2000 Israel agreed to allow the PA to control 39.8 per cent of the West Bank. However, after Israel's right-wing opposition leader, Ariel Sharon, visited the Temple Mount in Jerusalem and reiterated Israel's claims to Muslim holy places in the city, a second *intifada* was launched and a total blockade was imposed by Israel on the West Bank and Gaza.

2001 Israel declared the PA to be a terrorist-supporting organisation and launched Operation 'Defensive Shield', invading the PA-controlled West Bank and Gaza, attacking its institutions and besieging Arafat's headquarters. Deaths in Israel by Palestinian suicide bombers increased.

2002 Saudi Arabia proposed a peace initiative and a UN Security Council resolution endorsed a Palestinian state and called for the cessation of hostilities. Israel besieged Arafat's compound in Ramallah and reoccupied most of the West Bank. For five weeks the Israeli army surrounded militants and civilians taking sanctuary in the Church of the Nativity in Bethlehem; it ended when 13 militants were sent into exile. Israel began building a wall as a barrier between it and Gaza claiming it was the only way to control infiltration of militant terrorists.

2003 The US proposed a *Road Map to Peace*, with a cease-fire and end to Jewish settlements in the occupied territories and the creation of an independent Palestinian state by 2005. Ahmed Qureia became prime minister.

2004 Israel's Sharon, declared he would remove all Jewish settlements in Gaza. President Yasser Arafat became ill and died in Paris.

2005 Mahmoud Abbas was elected president of the Palestinian Authority by an overwhelming majority. He persuaded Hamas and Islamic Jihad to agree an

unofficial cease-fire. At the Sharm el Sheikh summit in Egypt, a truce was signed by Sharon and Abbas, ending four years of violence between Israel and Palestine. President Abbas and the Israeli cabinet approved the removal of Jewish settlers from Gaza and parts of the West Bank.

2006 Parliamentary elections were won convincingly by Hamas with a majority of 74 seats. Ismail Haniya was appointed prime minister and the new Hamas-dominated parliament revoked legislation passed by the previous Fatah-dominated parliament, which had given increased powers to the president, including the right to allocate key administrative posts to Fatah members. Hamas refused to recognise Israel, renounce violence or accept previous agreements made by Fatah. International sanctions were imposed, which caused financial hardship as government benefits and wages went unpaid and supplies to hospitals ran out. The president undertook negotiations with Israel and Hamas in an attempt to broker an accommodation and allow financial aid to resume.

2007 Rival Hamas and Fatah gunmen began a deadly power struggle in the Gaza Strip, killing over 20 people. A new government of unity was announced by President Abbas and Prime Minister Haniya. A new cabinet was approved by the legislative council (83:3). The US and EU continued to withhold recognition of the unity government until it recognised the state of Israel and renounced violence. Violence erupted again and a power struggle resulted in Hamas gaining control of Gaza while local Hamas leaders fled to Egypt. The president, based in the West Bank, dismissed Prime Minister Haniya and appointed Salam Fayyad while announcing that he would rule by presidential decrees; Hamas officials rejected this decision. The president swore in his new cabinet in Ramallah and outlawed a Hamas paramilitary force (the Executive Force) and other allied militia. However presidential rule was not enforced in Gaza. The US signed an agreement to give the PA US\$80 million towards reforming their security services. Israel imposed an economic embargo on Gaza after Hamas gained control of the territory and restricted Gaza Strip entry and exit. The number of humanitarian convoys for Gaza halved from 3,000 to 1,500. Israel imposed further Gaza sanctions on fuel and energy supplies in retaliation for rockets fired into Israel. Palestinian leaders claimed this amounted to collective punishment (a war crime under the Geneva Convention). The Israeli Supreme Court agreed that cutbacks in fuel were legal but that a cut-back in

electricity supplies had to be delayed. A US\$7 billion foreign aid package was agreed by donor countries, to help underpin a viable Palestinian state and avoid bankruptcy. Hamas, which did not attend the conference, rejected the measures and although money was designated for Gaza the territory did not benefit from the aid. The World Bank warned that unless Israel lifted its system of restrictions on the movement of goods, finance and Palestinian people the measures could not rebuild the economy.

2008 Following an Israeli army operation against Hamas forces in Gaza, 200 rockets were fired into Israel and in response, Israel imposed power cuts on Gaza. Petrol for vehicles and fuel for the Hamas-run power plant in the Gaza Strip were reduced. Within days the UNHCR called the situation in Gaza desperate; adding that electricity provided by generators in hospitals was only able to power equipment and could not provide the heating necessary during winter. Following international disquiet Israel eased the blockade of energy supplies while Palestinian militants exploded holes in the border wall near the Rafah crossing between Gaza and Egypt allowing thousands of people to cross and stock up on essential supplies. Israel demanded that the border be closed to prevent the restocking of militant's armouries. Egypt rejected the demand, allowing access on humanitarian grounds. George Habbash, founder of the radical Popular Front for the Liberation of Palestine (PFLP), died. Egypt closed the Rafah border, but other openings elsewhere were made and hundreds more Palestinians continued to cross into Egypt. Hamas and Egyptian officials reached an agreement, whereby all Palestinians would return to Gaza, except those seeking medical treatment in Egypt and those travelling to a third country. Following a speech by US President Bush, President Abbas accused the US of bias towards Israel, as Bush said that the Arab world had to reform and the US was Israel's closest ally. Mahmoud Darwish, Palestine's respected poet and author of its 1988 declaration of independence, died. President Abbas extended his term in office until 2010. Israel began a bombardment of and then an offensive on the Gaza Strip. 2009 Over 1,000 Palestinians were killed and 4,700 wounded in Israel's offensive, with an estimated 35,000 people displaced. UN and EU representatives called for a halt to the military action and for the supply of humanitarian aid to be allowed. Israel agreed to a daily aid convoy during a three-hour cease-fire. After Israel declared a cease-fire, Hamas announced that it would stop launching missiles into Israel. The UN estimated that rebuilding

in the Gaza Strip would cost around US\$1.9 billion.

A large stockpile of 7,000kg of unexploded ordnance (UXO), gathered up and held under the supervision of Gaza-Hamas officials, was stolen. Included in the stockpile were white phosphorus shells and 2,000 pound and 500 pound bombs. The US announced that it would donate US\$900 million in aid towards the recovery of the Gaza Strip; the money would not be given to Hamas, but rather to non-governmental organisations (NGOs) and the PA. By the time of a cease-fire, 90 per cent of Gaza's residents had only intermittent electricity and 50,000 people were without mains water. The border with Israel was closed to all but essential supplies while peace negotiations continued.

At an international donor conference held to support the rebuilding of the Gaza Strip, US\$4.5 billion was pledged. The money was offered to the PA and not Hamas. Following an investigation by the UN Human Rights Council, the legality of Israel's three-week offensive in Gaza was questioned. The Council determined that there had been a disproportionate use of force by Israel – the overall ratio of deaths was 1,434 in Gaza (the Palestinian authorities broke the numbers down as 960 civilians, 239 uniformed police and 235 'fighters') to 13 in Israel. Israel accused the Council of seeking to 'demonise' it and later challenged the number of dead as 1,166, of which 709 were 'terror operatives'. The UN appointed Richard Goldstone, a South African judge and former war crimes prosecutor, as its investigator into alleged violations of international law during Israel's conflict in the Gaza Strip. The UN inquiry into attacks on UN property during the Israeli Gaza offensive accused the Israeli army of six incidents of taking 'inadequate' precautions to protect the premises and causing deaths and injuries of people sheltering inside. Hamas was accused of one attack.

The exiled leader of the Palestinian Hamas in Gaza, Khaled Meshaal, rejected the terms for a Palestinian state as proposed by Israeli Prime Minister Netanyahu. Conditions for the state included demilitarisation and recognition of Israel as a Jewish state. Meshaal said this was 'merely self-governance under the name of a country'.

The International Red Cross reported that 1.5 million people living in Gaza were unable to rebuild their lives as they have no access to building materials and the water supply and sanitation system are near to collapse. Poverty was described as at an 'alarming' level and medical treatment was limited. President Abbas announced that presidential and

parliamentary elections in all Palestinian territories were scheduled for 2010.

Hamas rejected this saying that any ruling by what it saw as an unconstitutionally sitting president could not be legitimate. The elections were postponed. In Gaza Aziz Duwaik

2010 After Israel added the Tomb of the Patriarchs in Hebron to their list of national heritage sites the Palestinian cabinet met in Hebron as a sign of protest. The first commercial and privately-organised convoy of goods (clothes and shoes) since 2005 was allowed into the Gaza Strip, following pressure on the Israeli government by both the UN and EU to lift its blockade.

Nine activists were killed by Israeli security forces when they stormed a ship in international waters; it had been attempting to break the blockade of Gaza. The attack led to UN condemnation. Israel announced that it would ease the Gaza Strip blockade and allow more civilian items into the territory. Palestine and Israel agreed to resume peace talks after a two year gap, which began between Israeli Prime Minister Netanyahu and President Mahmoud Abbas in Washington, hosted by President Obama and chaired by US Secretary of State, Hillary Clinton. The negotiations began with a dinner at the White House, which President Mubarak of Egypt and King Abdullah of Jordan also attended.

2011 In March, thousands joined matching demonstrations of unity in Gaza City and Ramallah (West Bank), calling for an end to the political deadlock between Hamas and Fatah.

A group of 21 prominent Israelis signed an open letter in May calling on the international community to recognise a Palestinian state in Jerusalem, the West Bank and Gaza. From May the Egyptian government relaxed restrictions at the Rafah border crossing with the Gaza Strip, allowing women, children and men over 40 to pass freely. Men aged between 18 and 40 still require a permit, and trade is prohibited.

An agreement was reached between Fatah and Hamas in May, aimed at ending their division. A UN report, published in June, put unemployment in Gaza at 45.2 per cent, one of the world's highest rates. In August, President Abbas announced that in September the Palestinian territories would submit an application to the UN for international recognition of statehood. The recognition would as an independent, sovereign state as the West Bank, Gaza Strip and East Jerusalem. Despite pressure from other members, including US President Obama, President Abbas formally applied for membership of the UN. In October the board of the

cultural agency Unesco agreed to put forward to its member states Palestine's bid for full membership.

A prisoner swap deal between the Hamas and the Israeli government involving the young Israeli soldier, Gilad Shalit, and 'hundreds' of Palestinian prisoners was agreed in the Israeli parliament by 26-3 votes in October. Sergeant Shalit had been held for five years. In November, Hamas and Fatah agreed to parliamentary elections, to be held in May 2012, following power-sharing talks held in Egypt. Members of opposing factions will be released by either side before preparations for the elections are undertaken.

2012 An agreement between the ruling factions of Hamas (Gaza Strip) and Fatah (West Bank) was achieved on 7 February, in which President Abbas would lead a government of unity, ahead of elections in both regions. The first exports of goods from the Gaza Strip since 2007 began on 5 March. The shipment of 13 lorry loads of date bars to the West Bank was deemed a 'one-off pilot project' by the Israeli Army that maintains a blockade of Gaza. On 23 March the US announced it was releasing US\$88.6 million in development aid for the Palestinians that had been frozen for over six months. Local elections were held in May in the West Bank, but not in Gaza where the electoral commission was unable to operate. On 16 May, in Ramallah, President Abbas swore in a new cabinet for the PA, with Salam Fayyad remaining in post as prime minister. However, the expected government of unity, which combined members of the rival Fatah and Hamas factions failed to be formed. A Hamas spokesman considered the makeup of the new cabinet as a 'big error'. On 28 August, a murder inquiry into the death of Palestine and Fatah leader, Yasser Arafat, was opened by French investigators. Arafat had died in a French military hospital and his family claimed the poison polonium-210 had been used to kill him. On 23 October, the Emir of Qatar, Sheikh Hamad bin Khalifa al Thani, was the first head of state to visit the Gaza Strip since 2007 when Hamas took power. The Emir urged unity talks between Hamas and Fatah and pledged US\$400 million on building projects in Gaza. On 1 November, an account by a former (and deceased) Israeli commando admitted that he had killed Abu Jihad (real name Khalil al Wazir) in Tunisia in 1988. Abu Jihad was Yasser Arafat's deputy and together they had set up the PLO. Hamas launched missiles at Israel on 4 November, Israel retaliated with air and artillery weapons on Gaza on 13 November, aimed at the Hamas leadership and weapons dumps. A ceasefire was agreed on 21 November.

The body of Yasser Arafat was exhumed on 27 November for forensic analysis by French, Swiss and Russian experts, looking for evidence of radioactive polonium-120 poisoning. On 29 November, following a vote in the general assembly, the UN granted Palestine non-member observer status.

2013 Prime Minister Salam Fayyad resigned in April; he was replaced by Rami Hamdallah, who himself offered his resignation on 20 June, just two weeks after taking office. Although Mr Abbas accepted his resignation he immediately asked him to stay on as a caretaker premier. Six weeks later, he asked him to form a new government and on 18 September Mr Hamdallah and his 24-member cabinet were sworn in.

On 22 July Mr Netanyahu said he would put any future peace deal with the Palestinians to a referendum. After months of shuttle diplomacy by US secretary of state John Kerry, Israeli and Palestinian negotiators resumed stalled (since 2010) peace talks about talks in Washington. As part of the deal the Israeli cabinet approved (by 13 votes to seven) the release of some 104 long-term Palestinian prisoners. The prisoners will be released in four stages over a number of months and will be linked to progress in the talks. The second of four groups of Palestinians, 26 who had served 19-28 years in prison, was freed on 30 October. On the same day Israel announced approval for the construction of 1,500 housing units at Ramat Shlomo. In November experts at the Vaudois University Hospital Centre (CHUV) in Lausanne said that samples taken from the exhumed body of Yasser Arafat contained 'unexpectedly high' amounts of polonium-210. They could not, however, confirm it had caused his death.

Political structure

Constitution

A provisional framework for the Palestinian state was approved by the Palestinian Legislative Council in a 1996 Draft Basic Law. This law will be fully endorsed when a permanent settlement is achieved.

Independence date

13 September 1993

Form of state

Parliamentary Democracy

The executive

Executive power is vested in the head of the Palestinian National Authority (PNA – also known as the Palestinian Authority (PA)), who is president, elected by direct universal suffrage for up to two four-year terms, and Head of State.

The president is head of armed and security forces, is responsible for initiating and proposing laws and foreign policy. The

president appoints a prime minister, who forms a cabinet.

National legislature

The schism between the Hamas-led Gaza Strip and the Fatah-led West Bank has resulted in two independently operating administrations, with Hamas operating without a Fatah elected executive and Fatah rejecting the authority of the Hamas dominated legislative council.

The unicameral Palestinian Legislative Council (PLC) was established in 1994 and is composed of 132 members plus the president as an *ex officio* member. The PLC's members are elected in 16 multi-seat constituencies for 5-year terms.

Legal system

The Basic Law provides for an independent judiciary.

The High Judicial Council oversees the administration of a hierarchy of courts beginning with the magistrate courts, Courts of first Instance, Courts of Appeal and The Supreme Court.

Last elections

25 January 2006 (parliamentary); 9 January 2005 (presidential).

Results: Presidential: Mahmoud Abbas, also known as Abu Mazen, candidate of the mainstream Fatah, was elected president of the Palestinian council with 62.3 per cent of the vote against independent candidate, Mustafa Barghouti, 19.8 per cent. Turnout was 70 per cent.

Parliamentary: Hamas won 74 seats (out of 132); Fatah won 45 seats. The Popular Front for the Liberation of Palestine (PFLP) won 3 seats. Three groupings (The Alternative, Independent Palestine and Third Way) won 2 seats each. Independents won the 4 remaining seats. Turnout was 78.2 per cent.

Next elections

24 January 2010 (presidential and parliamentary) postponed.

Political parties

Ruling party

Gaza Strip only: Harakat al Muqawama al Islamia (Hamas) (Islamic Resistance Movement). West Bank only; Harakat al Tahir al Watani al Falistin (Fatah) (Movement for the National Liberation of Palestine) and independents

Population

4.17 million (2011); (Around three million Palestinians live in Jordan)

Last census: 1 December 2007:

3,761,646

Population density: 489 inhabitants per square km. Urban population 74 per cent (2010 Unicef).

Annual growth rate: 3.3 per cent, 1990–2010 (Unicef).

Ethnic make-up

Gaza: Palestinians and other Arabs (99.4 per cent), Israelis (0.6 per cent).

West Bank: Palestinians and other Arabs (83 per cent), Israelis (17 per cent).

Religions

The majority of the population is Muslim (mainly Sunni); also Jewish and Christian minorities.

Education

Formal basic education is provided to the majority of those who are of primary school age (94.7 per cent), although the quality of education does not correspond to the rising demand.

The education sector has suffered tremendous decline since the Israeli occupation. Most of the schools in the Gaza Strip are overcrowded and run two to three shifts per day. It is estimated that there are 1,175 schools of which 995 are in the West Bank and 180 in the Gaza Strip.

The education ministry in its five-year reform project (2000–05) is keen on developing a Palestinian curriculum emphasising studies in Palestinian identity and has invested in providing textbooks and improving the teaching methods in schools. It will also encourage the private sector to invest in vocational training, which otherwise concentrates on building and running cultural centres.

There are six universities in the West Bank and two in the Gaza Strip. West Bank Universities include Birzeit, Al Najah, Bethlehem, Al Quds University, Hebron University and Al Quds Open University.

The UN began distributing laptop computers to thousands of children attending school in the Gaza Strip in April 2010, in a measure to improve education in the region's disrupted school system. The laptops include textbooks used in primary school curriculum and teaching aids.

Health

The Israeli occupation has almost paralysed the provision of healthcare to the civilian population. Most hospitals and clinics are unable to operate and as a result 73 per cent of Palestinians in rural areas are deprived of medical treatment. Vaccinations among children have been largely hindered spreading the fear of epidemics. Moreover, elderly people with chronic diseases suffer from acute shortages of medicine.

A hospital in Gaza, funded by the EU, is largely unworkable as staff, patients and supplies are denied access by Israeli authorities during times of trouble.

Life expectancy: 72.8 years (estimate 2010)

Fertility rate/Maternal mortality rate: 4.5 births per woman, 2010 (Unicef)

Birth rate/Death rate: 37.5 births per 1,000 population; 4.1 deaths per 1,000 population (2003).

Child (under 5 years) mortality rate (per 1,000): 23 per 1,000 live births (WHO 2012)

Welfare

The UN World Food Programme (WFP) aims to provide basic food support to 500,000 non-refugee Palestinians, in the West Bank and Gaza Strip. It targets those who have been classified as 'social hardship cases' (360,000 people according to latest estimates) and are eligible for welfare assistance from the PNA. In Jerusalem, an Emergency Food Crisis Group, chaired by WFP, has been established with the help of other UN agencies, non-governmental organisations and donors.

The Israeli occupation has forced the poverty level higher than ever before. While unemployment stands at 30 per cent, an estimated 40 per cent of Palestinian households have a monthly income that is less than US\$200 per month. The percentage is 45 per cent in Gaza and 37 per cent in the West Bank.

Estimates show that 38 per cent of refugees live in the Palestinian territories; 15.8 per cent in the West Bank and 21.9 per cent in the Gaza Strip. The PNA along with other international non-government organisations have been struggling to rehabilitate the housing conditions of people in the refugee camps such as Jenin and Nablus. The Palestinian Housing Council has been active in providing low cost housing. More than 400,000 Palestinians are deprived of electricity and running water.

Main cities

Gaza Strip: Gaza (also called Gaza City) (estimated population 42,185 in 2012), Abasan al Kabira (42,185), Han Yunis (46,070), Rafah (133,701).

West Bank: East Jerusalem (135,506), Jericho (19,806), Ramallah (32,713), Nablus (137,043), Hebron (183,538).

Languages spoken

Arabic. Hebrew is spoken by Israeli settlers. English is widely understood.

Official language/s

Arabic

Media

Press

A number of Palestinian newspapers are based in Nazareth, outside the PNA.

Dailies: In Arabic *Al Quds*, *Al Hayat al Jadidah*, *Al Ayyam Daily Newspaper*. In English, *Palestine Times* and *Bethlehem News*.

Weeklies: Weeklies include *Kul-Alarab*, *Assabeel Weekly*, *Filsteen Almoslima* and *Akhbar Alnaqab*.

Periodicals: In Arabic, *Al Ayyam*.

Broadcasting

The Palestinian Broadcasting Corporation broadcasts from Ramallah.

Radio: In Arabic, the Voice of Palestine, run by Hamas, and Gaza FM.

Television: The official Palestinian Broadcasting Corporation broadcasts television programmes from Ramallah as well as a satellite channel.

In English, Arabic, WAFA Palestine News Agency (<http://english.wafa.ps>), Ma'an News Agency (www.maannews.net/en), Ramattan (www.ramattan.com/default-en.asp).

Economy

Although the West Bank and Gaza Strip make up the combined territory of Palestine, each region has worked autonomously since 2007, following the Hamas victory in parliamentary elections. After violent clashes with Fatah, Hamas took control of the Gaza Strip and a political and economic schism occurred between the two territories. Hamas refused to acknowledge Israel as a legitimate state and renounce violence as a means of opposition to Israel and was subsequently shunned by most foreign governments. The West Bank, home of the rival, Fatah-led president, began negotiations to work with the international community and has since been rewarded with international aid and relations.

Economic statistics for Gaza are limited; however the UNHCR published a report in 2009/10 (*Investing in Human Security for a Future State*), which included some statistics, dated up to 2008. The report concluded that Gaza's economy was severely limited and, due to the destruction incurred during Israel's military action in 2008–09, 'further decline is inevitable.' The composition of the economy in Gaza, which had once been focused on small-scale industries and agriculture, has become driven by 'government and private consumption of donor aid and remittances respectively' and that 'investments have fallen to dangerously low levels, leaving little productive base for a self-sustaining economy.' Remittances from Palestinian migrant workers have averaged US\$1.1 billion (2009–11) and play a major part in sustaining family budgets.

Until 2011, the black economy in Gaza had been centred on the more than 1,200 smuggler's tunnels that lead into Sinai around Rafah and transport goods from Egypt to sustain the population. In August 2012, a Gaza-based economist estimated that the 'trade volume between Gaza and Egypt through the tunnels is up to US\$700 million a year' and that 10,000 workers are employed in the tunnels. Along with vehicles, fuel and people

that are smuggled daily, the Israelis also claim that weapons used to target its citizens come unimpeded across the border. However, the largest trade goods that are smuggled in are construction materials, as Israel still imposes firm restrictions on its legitimate trade.

At an international donor conference held in 2009, to support the rebuilding of the Gaza Strip, US\$4.5 billion was pledged by international governments and organisations. However the money was offered to the Palestinian Authority based in the West Bank and not Hamas.

The UN complained, in 2010, that Israel was blocking 26 of its building projects including homes, schools and health clinics by denying permission for materials to pass through their border controls. Economic activity in the Gaza Strip is almost non-existent. The UN estimated that the economic cost following the 2008–09 Israeli incursion, for rebuilding in the Gaza Strip, would be around US\$1.9 billion, as over 50,000 people were homeless and around 400,000 people were without running water.

The International Monetary Fund (IMF) estimated that the GDP growth of Palestine shrank to 0.5 per cent in 2007 and would only reach 0.8 per cent in 2008, figures much lower than the estimated 3.5 per cent that it could have achieved had the Israeli blockade been fully lifted from the Gaza Strip; from 2010, supplies limited to food and consumer goods were allowed entry to Gaza. The economy of the West Bank has improved as tourists have returned to Bethlehem and freight transport has grown, leading to an increased average daily wage and a fall in unemployment.

On 25 July 2012, the World Bank reported that the economy of the Palestinian territories was 'unsustainable' because it was too heavily reliant on foreign aid, which only provided growth in government services, real estate and the service sector and failed to provide growth in manufacturing and agriculture. It was stated that it was critically necessary to spur private sector growth and increase trade. The report also said that although the PA was in the process of establishing state institutions for Palestine's future viability, without GDP growth its economy would be too weak to support the state bodies.

External trade

Palestine has no operational ports or airports to ship goods directly to markets other than Israel. Since Hamas took control of the Gaza Strip and Israel closed the border, manufacturing has all but collapsed, as 80 per cent of businesses have closed in this region. On the other side of

the border raw materials and goods destined for Gaza began to pile up, stranded in Israel's Ashdod port. The land border with Egypt, at Rafah in southern Gaza, was also closed by Israel.

All import and export information refers to the West Bank territory only.

Imports

Food, consumer goods and construction materials.

Main sources: Israel and Egypt

Exports

Citrus fruit, flowers, olives, fruit, vegetables, furniture and limestone.

Main destinations: Israel, Egypt, Jordan

Agriculture

The sector has been badly damaged by the Israeli-Palestinian conflict since 2000 when agriculture contributed 7 per cent to GDP and employed about 25 per cent of the workforce.

Before the second *intifada* and the Israeli invasion of the West Bank and Gaza, about a quarter of the land area was cultivated and smallholdings of five hectares (ha) or less dominated. Crops, including olives, grapes and almonds, took up 60 per cent of cultivated rain-fed areas and field crops (mainly cereals) about 30 per cent. Olive growing accounted for more than 50 per cent of cultivated land.

The Separation Barrier has led to confiscation and levelling of Palestinian lands and by mid-2004 around 260 square kilometres, or 15 per cent of agricultural land had been lost to production.

Industry and manufacturing

There are proposals by a US-led syndicate to invest US\$500 million in industry and manufacturing after the withdrawal of Israeli troops from Gaza, but only if Israel allows free access of goods through its territory to overseas markets.

A UN report, published in June 2011, put unemployment in Gaza at 45.2 per cent, one of the world's highest rates.

Tourism

The only region open to tourists is the West Bank, which includes parts of Jerusalem and the eastern region of Israel. The Gaza Strip is closed to foreign visitors. The West Bank has many towns that date back to biblical times, such as Jericho, Bethlehem and Nablus. The Qumran National Park, site of the location of the *Dead Seas Scrolls* is close to the Palestinian section of the Dead Sea (the lowest land-point in the world).

Jerusalem is a major world city for culture and religion, with an unbroken link back into antiquity. It has historical buildings that represent all of the invaders that have colonised the city.

Access to the West Bank is via Israel.

On 29 June 2012, the Church of the Nativity in Bethlehem, among the holiest sites for Christians, was added to Unesco's World Heritage List.

Hydrocarbons

Extensive gas reserves were located off the Gaza Strip coastline in 2000. However the ongoing hostilities between Palestine and Israel has hampered any exploitation. A proposal by Israel to pump natural gas from the only two wells in the Gaza Strip's gas field (which contain 33 billion cubic metres of natural gas), to the Israeli terminal at Ashkelon was put on hold when the major UK operator withdrew from negotiations in 2007. However further talks began in June 2008.

All hydrocarbons must be delivered to the Gaza Strip through Israeli borders and are subject to embargo.

Energy

The Gaza Strip has one power station.

On 14 February 2012, the only power station in the Gaza Strip closed when it ran out of diesel fuel, due to the blockade imposed by Israel. The amount of diesel smuggled in from Egypt had fallen during the political turmoil in Egypt. On 23 February, the Red Cross delivered 150,000 litres to the Gaza health ministry to ensure continued power to hospitals and other medical facilities.

A 'comprehensive agreement' was signed between Hamas (Gaza) and Egypt on 23 February 2012 for the supply of Egyptian diesel fuel. The project to end the crisis is planned over three stages: first, Egyptian energy companies will supply diesel to Gaza on a commercial basis, as an interim measure. Second, the Islamic Development Bank (IDB) will fund an upgrade to increase the capacity of the existing Gaza power station by 40MW. The third stage is a proposed integration of Gaza's electricity grid with the Egyptian grid, while converting the diesel-fired turbines to natural gas. The IDB proposal will contribute US\$32.5 million to the project.

Financial markets

The second mobile (cell) operator, Wataniya Palestine Mobile Telecommunications Company began trading on 9 January 2011 on the Palestine Stock Exchange

Stock exchange

Palestine Stock Exchange (PEX)

Commodity exchange

Palestine Securities Exchange (PSE)

Banking and insurance

Central bank

The Palestine Monetary Authority (PMA), was established in 1995, with responsibility for licensing, supervising and inspecting banks; determining the liquidity requirements on all deposits held by

banks operating in the self-rule areas; managing foreign exchange reserves and foreign currency transactions. The PMA also has the power to regulate and supervise capital activities in the self-rule areas including the licensing of capital market institutions, finance companies and investment funds.

Main financial centre

Ramallah

Time

GMT plus two hours (daylight saving GMT plus three hours)

Geography

Palestine consists of the Gaza Strip and the West Bank, which together measure 6,020 square km. The Gaza Strip is level, fertile, coastal land of only 5–12km wide and 45km long to the south-west of Israel and on the Mediterranean sea. It is almost entirely surrounded by Israel but has a short border with Egypt in the south.

The West Bank is 5,655 square km within the demarcation line set up in 1949. It is an area west of the Jordan River, including much of Jerusalem and areas north and south of the city, the borders of which have been in dispute since the 1967 Six Day War. Jordan lies to the east and in the south-east the border runs through the Dead Sea, the lowest lying land on earth at 399 metres below sea level.

The land is generally fertile, although arid.

Hemisphere

Northern

Climate

Summer (Apr–Oct): temperatures range from 23 degrees Celsius (C) to 31 degrees C; humidity 70–75 per cent. Winter (Nov–Mar): temperatures range from 15–20 degrees C. Rainfall: Nov–Mar in periodic downpours.

Entry requirements

Passports

Required by all. The only routes to the Palestinian territories are through Israel and visitors must comply with Israeli requirements before access is allowed to the West Bank or Gaza Strip. Israel imposes tight restrictions and passport holders are advised to contact Israeli authorities for written permission to cross into the Gaza Strip in advance of travelling. At the border crossing it can take at least five working days for the documentation to be verified.

The Israeli Ministry of the Interior insists that Palestinian citizens holding dual nationality must enter and leave Israel on a Palestinian passport; they are required to obtain travel documents to depart. NB An Israeli stamp, or exit stamp from any of the neighbouring countries, will mean entry is barred to almost any other

Arab country. It is possible to request that the passport should not be stamped and a separate form is stamped instead and attached to the passport; the form can be removed when exiting the country.

Visa

Egypt and Jordan have open borders with Palestine, access was via the Allenby bridge (West Bank-Jordan) or the border crossing at Rafah (Gaza-Egypt). However, since Israel commands these access points and limits admission, practical entry can only be gained through Israel. Israel has agreements with 65 countries for visa-free travel, including most citizens from Europe, the Americas, Australasia and some Asian countries (visa applications can be downloaded from: www.mfa.gov.il/mfa and follow link from *About the ministry to Consular affairs*, then *Services for foreign nationals only*). Travel within the West Bank and Gaza usually involves passing through multiple Israeli military checkpoints.

Currency advice/regulations

Most places accept US dollars, Israeli shekels and Jordanian dinars.

Customs

Video cameras and other electronic items must be declared to customs at Israeli points of entry.

Prohibited imports

Fresh meat and fruit and vegetables from Africa are prohibited by Israel.

Hotels

There is a lack of good hotels in the West Bank and Gaza.

Public holidays (national)

Fixed dates

14 Nov (National Day)

Variable dates

Eid al Adha, Islamic New Year, Birth of the Prophet, Ascent of the Prophet, Eid al Fitr.

Islamic year 1435 (5 Nov 2013–24

Oct 2014):: The Islamic year contains 354 or 355 days, with the result that Muslim feasts advance by 10–12 days against the Gregorian calendar. Dates of feasts vary according to the sighting of the new moon, so cannot be forecast exactly.

Working hours

The official weekend is Friday, and the working week varies, to accommodate Muslim, Christian or Jewish religious schedules.

Banking

Sat–Thu: 0800–1230. Some larger bank branches re-open Mon–Thu: 1500–1700.

Business

Sat–Thu: 0800–1430.

Government

Sat–Thu: 0800–1430.

Shops

Sat–Thu: 0800–1900. Christian owned shops open on Friday and close on Sunday.

Telecommunications

Mobile/cell phones

There is a 900 GSM service available throughout the territories.

Security

Foreign nationals are warned not to travel to the West Bank and Gaza Strip, which are subject to terrorist and military activity.

Getting there

Air

International airport/s: Dahaniya Gaza International Airport is not in operation. It is located south of Gaza City near the Egyptian border.

Surface

Gaza is accessible from the Rafah border with Egypt in the south; only women, children and men over 40 to pass freely. Men aged between 18 and 40 require a permit, and trade is prohibited. The Allenby Bridge crossing from the West Bank into Jordan is controlled by Israel.

Road: Private vehicles cannot cross from Israel into the Gaza Strip and may be stopped at checkpoints entering or leaving the West Bank.

The border crossing from Egypt, at Rafah, for foot-traffic, opens from 0900–2100, Saturday–Thursday (excluding public holidays).

Main port/s: An internationally funded port was opened in the late 1990s, with the aim of reducing the need for Palestinian trade to go through Israel before reaching the outside world. However, access to and from the port has become restricted due to the Israeli occupation of the West Bank and Gaza Strip in early 2002. All access to Gaza is via the port of Haifa.

Getting about

National transport

Road: Gaza Strip has a small, poorly developed road network.

West Bank has 4,500km of roads, of which 2,700km are paved; Israel developed many highways to service their settlements.

Buses: Buses run from East Jerusalem to Nablus and between Tel Aviv and Ramallah.

Taxis: Collective taxis regularly commute between Gaza and Ramallah, Jerusalem or Hebron.

City transport

Taxis: Taxis operate in the main cities.

Car hire

Palestinian licence plates are either green or blue, whereas Israeli number plates are yellow. Visitors are advised not to drive vehicles with yellow licence plates in the West Bank or Gaza Strip.

BUSINESS DIRECTORY

The addresses listed below are a selection only. While World of Information makes every endeavour to check these addresses, we cannot guarantee that changes have not been made, especially to telephone numbers and area codes. We would welcome any corrections.

Telephone area codes

The international direct dialling code (IDD) for Palestine is +970, followed by area code and subscriber's number:

Bethlehem	2	Jericho	2
Gaza	7	Jerusalem	2
Hebron	2	Nablus	9
Jenin	6	Ramallah	2

Chambers of Commerce

Bethlehem Chamber of Commerce and Industry, PO Box 59, Bethlehem (tel: 274-2742; fax: 276-4402; e-mail: bcham@palnet.com).

European Palestinian Chamber of Commerce, 19 Nablus Road, PO Box 20185, Jerusalem (tel: 626-4883; fax: 626-4975; e-mail: epcc@palnet.com).

Federation of Palestinian Chambers of Commerce, Industry and Agriculture, Al-Rashid Street, PO Box 54107, Jerusalem (tel: 628-0727; fax: 628-0644; email: fpccia@palnet.com).

Gaza Palestinian Chamber of Commerce, PO Box 33, Gaza (tel: 282-1172; fax: 286-4588; e-mail: gazacham@palnet.com).

Hebron Chamber of Commerce and Industry, King Faisal Street, PO Box 272, Hebron, West Bank (tel: 222-8218; fax: 222-7490; e-mail: hebcham@hebronet.com).

Jenin Chamber of Commerce, Industry and Agriculture, City Centre, Jenin (tel: 250-1107; fax: 250-3388; e-mail: jencham@hally.net).

Jericho Commercial, Industrial and Agricultural Arab Chamber, PO Box 91, Jericho (tel: 232-3313; fax: 232-2394; e-mail: jercom@palnet.com).

Jerusalem Arab Chamber of Commerce, Al-Rashid Street, PO Box 19151, Jerusalem 91191 (tel: 628-2351; fax: 627-2615; e-mail: chamber@alqudsnet.com).

Nablus Chamber of Commerce and Industry, PO Box 35, Nablus (tel: 238-0335; fax: 237-7605; e-mail: nablus@palnet.com).

Qalqilya Chamber of Commerce, Industry and Agriculture, PO Box 13, Qalqilya (tel: 294-1473; fax: 294-0164; e-mail: chamberq@hally.net).

Ramallah and Albeireh Chamber of Commerce and Industry, PO Box 256,

Ramallah (tel: 295-6043; fax: 298-4691; e-mail: ramcom@palnet.com).

Tulkarm Chamber of Commerce and Industry, PO Box 51, Tulkarm (tel: 267-1010; fax: 267-5623; e-mail: tulkarm@palnet.com).

Banking

Al-Ahli Jordan Bank, Al-Quds Street, PO Box 550, Ramallah (tel: 998-6370; fax: 998-6372).

Al-Ittihad Bank for Saving and Investment, Commercial Centre, Al-Barid Street, PO Box 1557, Ramallah (tel: 298-6412/5; fax: 298-6416).

ANZ Grindlays, PO Box 19390, East Jerusalem (tel: 626-3444; fax: 626-3311).

Arab Bank, Al-Harajeh, PO Box 1476, Ramallah (tel: 298-2456; fax: 298-2444).

Arab Land Bank, PO Box 565, Jerusalem/Ramallah Road, Ramallah (tel: 298-5958; fax: 295-8426/5).

Arab Palestinian Investment Bank, Regional Headquarters, Al-Harajeh Building, PO Box 1268, Ramallah (tel: 298-7126; fax: 298-7125).

Bank of Jordan, Al-Quds Street, PO Box 1328, Ramallah (tel: 295-2696; fax: 295-2705).

Bank of Palestine, Al-Rimal Quarter, Omar El-Mukhtar Street, PO Box 50, Gaza (tel: 286-5676; fax: 282-8974).

British Bank of the Middle East, PO Box 2067, Al-Quds Street, Ramallah (tel: 298-7802, 298-1551; fax: 298-7804).

Cairo Amman Bank, Wadi El-Tuffah Street, PO Box 665, Hebron (tel: 993-6768; fax: 993-6770).

Cairo Amman Bank, El-Hussein Circle, Nablus (tel: 238-1301; fax: 238-0188).

Commercial Bank of Palestine, Al-Awdah Street, PO Box 1799, Ramallah (tel: 295-4102; fax: 295-3888).

Jordan Gulf Bank, Al-Sa'ah Circle, Ramallah (tel: 998-7680; fax: 998-7682).

Jordan Housing Bank, Rukab Street, PO Box 1473, Ramallah (tel: 998-6255; fax: 998-6275).

Jordan Kuwait Bank, Commercial Centre, Sufian Street, PO Box 33, Nablus (tel: 237-7223; fax: 237-7181).

Palestinian Construction Bank, Al-Bireh, Al-Silwadi Building, Ramallah (tel: 995-4796; fax: 995-4797).

Palestinian International Bank, PO Box 1244, Gaza (tel: 282-7360; fax: 282-5269).

Palestinian Investment Bank, Midan Al-Nahda, Al-Hilal Street, PO Box 3675,

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Ramallah (tel: 998-7880; fax: 998-7881).

Palestinian Islamic Bank, PO Box 1244, Al-Rimal Quarter, Omar El-Mukhtar Street, Gaza (tel: 282-7360; fax: 282-5269).

Central bank

Palestine Monetary Authority, Nablus Road; PO Box 452,, Ramallah (tel: 240-9920/1; fax: 240-9922/24; e-mail: info@pma.gov.ps).

Stock exchange

Palestine Stock Exchange (PEX)

Commodity exchange

Palestine Securities Exchange (PSE)

www.p-s-e.com

Travel information

The Higher Council for the Arab Tourist Industry, PO Box 19850, East Jerusalem (tel: 628-1805; fax: 628-7981).

Ministry of tourism

Ministry of Tourism and Antiquities, Manger Street; PO Box 534, Bethlehem (tel: 274-1581/2/3; fax: 274-3753; email: mota@pl.org; internet site: www.visit-palestine.com).

Ministries

Ministry of Agriculture, Abu Khadrah Building, Gaza (tel: 286-5990; fax: 286-3926).

Ministry of Economy and Trade, PO Box 1629, Ramallah, West Bank (tel: 298-1214/5; fax: 298-4011).

Ministry of Finance, Omer El-Mokhtar Street, Government Departments

Complex, Gaza (tel: 282-4368; fax: 282-3356).

Ministry of Housing, PO Box 4034, Omer El-Mokhtar Street, Government Departments Complex, Gaza (tel: 282-2233/4; fax: 282-2235).

Ministry of Industry, PO Box 1629, Ramallah, West Bank (tel: 298-7641/2; fax: 298-7440).

Ministry of Planning and International Co-operation, PO Box 4017, Omer El-Mokhtar Street, Government Departments Complex, Gaza (tel: 282-9260; fax: 282-4090).

Ministry of Telecommunications, Gaza (tel: 282-5612; fax: 282-4555).

Other useful addresses

Arab Medical Professions College, Al-Bireh (tel: 995-5611).

Birzeit University, Ramallah (tel: 995-7650; fax: 995-7656).

College of Islamic Studies, PO Box 21402, Beit Hanina (tel: 585-3918).

Fine Arts Institute, Ramallah (tel: 995-5974).

Girls' Arts College, PO Box 19377, Jerusalem (tel: 627-3477; fax: 627-3477).

Hebron Polytechnic College, Hebron (tel: 992-8912; fax: 993-8912).

Hebron University, Hebron (tel: 992-0995).

Higher Council for the Arab Tourist Industry, PO Box 19850, East Jerusalem (tel: 628-1805; fax: 628-3981, 628-7981).

Ibrahimeh Community College PO Box 19014, Jerusalem (tel: 626-4216; fax: 628-2925).

Jerusalem Open University, PO Box 51800, Jerusalem (tel: 581-7237; fax: 581-6734).

Khaduri College, PO Box 7, Tulkarem (tel: 671-026; fax: 672-7733).

Palestine Agricultural Relief Committee (PARC), PO Box 25128, Jerusalem (tel: 583-1897, 583-3818; fax: 582-1898).

Palestinian Economic Council for Development and Reconstruction (PECDAR), PO Box 1629, Dahyet El-Bareed, West Bank (tel: 574-7040; fax: 574-9032).

Palestine Securities Exchange, PO Box 128, Nablus, West Bank (tel: 237-5946; fax: 237-5945).

Palestinian Standards Institute, PO Box 1648, Nablus, West Bank (tel: 238-5721; fax: 237-5745).

Palestine Telecommunications Company Ltd (Patel), PO Box 1570, Al-Adel Street, Nablus (tel: 237-6225; fax: 237-6227; e-mail: paltel@palnet.com).

Internet sites

Palestine and Holy Land Tourism Guide: www.palguide.com

Palestinian National Authority (links to other sites): www.palestine-net.com

Palestinian News Agency: <http://english.wafa.ps>

The Electronic Intifada: <http://electronicintifada.net>