

MEMORANDUM

February 12, 2020

Subject: Israel and the Palestinians: Background Memorandum on U.S. Peace Plan

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This memorandum was prepared to enable distribution to more than one congressional office.

Issue Overview

President Trump released a long-promised “Peace to Prosperity” plan for Israel and the Palestinians on January 28, 2020,¹ after obtaining expressions of support from Israeli Prime Minister Binyamin Netanyahu and Netanyahu’s main political rival Benny Gantz. The release and Netanyahu’s announced intention to annex parts of the West Bank might affect a closely-contested Israeli election scheduled for March 2—the third in the past year pitting Netanyahu (who has been indicted on corruption charges) and Gantz against one another (see “Possible Annexation and Israeli Domestic Politics” below).² The West Bank has been subject to Israeli military administration since its capture from Jordan in the 1967 Arab-Israeli war. Members of Congress have had mixed reactions to the plan,³ which has been widely seen as favoring Israeli positions more than past U.S. efforts on core issues of Israeli-Palestinian dispute.⁴ For a summary of previous U.S. efforts on peace, see **Appendix A**.

Prospects for holding negotiations seem dim given concerted opposition from Palestinian leaders. President Trump has said that the Palestinians would have four years to satisfy the plan’s conditions for

¹ White House, *Peace to Prosperity: A Vision to Improve the Lives of the Palestinian and Israeli People*, January 2020, available at <https://www.whitehouse.gov/wp-content/uploads/2020/01/Peace-to-Prosperity-0120.pdf>. See also White House fact sheet, President Donald J. Trump’s Vision for Peace, Prosperity, and a Brighter Future for Israel and the Palestinian People, January 28, 2020.

² For background on Israel’s domestic political situation, see CRS Report R44245, *Israel: Background and U.S. Relations in Brief*, by Jim Zanotti.

³ Laura Kelly, “Democrats offer mixed reactions to Trump’s Mideast peace plan,” *thehill.com*, January 28, 2020; Letter to President Trump from 12 Senators at <https://www.vanhollen.senate.gov/imo/media/doc/Van%20Hollen%20Letter%20MidEast%20Peace%20Plan.pdf>; Letter to the President from 107 Representatives at <https://andylevin.house.gov/sites/andylevin.house.gov/files/020620%20House%20letter%20to%20POTUS%20on%20Israeli-Palestinian%20conflict.pdf>.

⁴ See, e.g., Britain Israel Communications and Research Centre, *Breaking the Paradigm? The Trump Plan in Historical Perspective*, February 2020; David B. Green, “Oslo vs. Trump’s Vision: How U.S. Mideast Plan Differs from Its Predecessors,” *haaretz.com*, January 31, 2020; Ian Bremmer, “How the Trump Administration’s Israel-Palestine Peace Plan Will Change the Middle East,” *Time*, January 28, 2020.

obtaining statehood (see below).⁵ The Administration is seeking Arab state support for Palestinian engagement with the plan. Amid a variety of regional and international reactions, a number of Arab states signaled qualified openness to the plan as a basis for negotiations.⁶ However, after a meeting of the foreign ministers of the League of Arab States on February 1, the Arab League issued a communique saying that it would not cooperate with the United States to implement the plan and that Israel should not forcibly carry it out.⁷

Key Points of the Plan

The plan suggests the following key outcomes as the basis for future Israeli-Palestinian negotiations:⁸

- **Borders and settlements.** Israel would acquire sovereignty over about 30% of the West Bank (see **Figure B-1**), including settlements and most of the Jordan Valley.⁹ The Palestinians could eventually acquire a limited form of sovereignty (as described below) over the remaining territory—including areas that the Palestinian Authority (PA) currently administers, along with some territory currently belonging to Israel (with few Jewish residents) that the Palestinians would acquire via swaps to compensate for West Bank territory taken by Israel. Some areas with minimal contiguity would be connected by roads, bridges, and tunnels (see **Figure B-2** and **Figure B-3**). Neither Israeli settlers nor Palestinian West Bank residents would be forced to move. The plan anticipates that an agreement could transfer some largely Israeli Arab communities—including an area called the “Arab Triangle”—to a future Palestinian state. In the days after the plan’s release, hundreds of residents of the Triangle communities protested the possibility that their citizenship could change, prompting senior Israeli officials to state that the Triangle communities would not be involved in any border revision.¹⁰
- **Jerusalem and its holy sites.** Israel would have sovereignty over nearly all of Jerusalem, with the Palestinians able to obtain some small East Jerusalem areas on the other side of an Israeli separation barrier.¹¹ Taken together, the plan and its accompanying White House fact sheet say that the “status quo” on the Temple Mount/Haram al Sharif—which prohibits non-Muslim worship there—would continue, along with Jordan’s custodial role regarding Muslim holy sites.¹² However, the plan also says, “People of every faith should be permitted to pray on the Temple Mount/Haram al-Sharif, in a manner that is fully respectful to their religion, taking into account the times of each religion’s prayers and holidays, as well as other religious factors.” A day after the plan’s release, U.S. Ambassador to Israel David Friedman clarified that the status quo would

⁵ White House, Remarks by President Trump and Prime Minister Netanyahu of the State of Israel in Joint Statements, January 28, 2020. During that time, the plan and President Trump’s remarks—taken together—anticipate that Israel would refrain from building or expanding Jewish settlements in West Bank areas earmarked for a future Palestinian state, and from demolishing existing structures in those areas—subject to exceptions for safety and responses to acts of terrorism.

⁶ Heba Saleh, “Palestinians sever ties with US and Israel,” *ft.com*, February 2, 2020.

⁷ “Arab League rejects Trump’s Israeli-Palestinian peace plan,” *Deutsche Welle*, February 1, 2020.

⁸ See footnote 1.

⁹ For background information on settlements and U.S. policy, see CRS Report RL33476, *Israel: Background and U.S. Relations*, by Jim Zanotti. For information on the Jordan Valley, see Ben Sales, “Netanyahu’s push to annex the Jordan Valley, explained,” *Jewish Telegraphic Agency*, September 10, 2019.

¹⁰ “Israel rejects Trump’s idea of redrawing borders, moving Arab towns to Palestine,” *Times of Israel*, February 2, 2020.

¹¹ David M. Halbfinger and Isabel Kershner, “Trump’s Would-Be Palestinian Capital: Dangerous, Scattered Slums,” *New York Times*, February 1, 2020. For background information on and maps of Jerusalem, see CRS Report RL33476, *Israel: Background and U.S. Relations*, by Jim Zanotti. The East Jerusalem areas earmarked for the Palestinians were added to the Jerusalem municipality after Israel captured East Jerusalem and the West Bank from Jordan in 1967.

¹² For more information on the “status quo,” see CRS Report RL33476, *Israel: Background and U.S. Relations*, by Jim Zanotti.

not change absent the agreement of all parties, while adding that the Administration hoped that an eventual accord would allow Jews to pray on the Temple Mount as part of greater openness “to religious observance everywhere.”¹³

- **Security.** Israel would retain overall security control over the entire West Bank permanently, though Palestinians would potentially assume more security responsibility, over time, in territory they administer.¹⁴
- **Palestinian refugees.** Palestinian refugee claims would be satisfied through internationally-funded compensation and resettlement outside of Israel (i.e., no “right of return”) in the West Bank, Gaza, and third-party states.
- **Palestinian statehood.** The Palestinians could obtain a demilitarized state within the areas specified in **Figure B-2** and **Figure B-3**, with a capital in Abu Dis or elsewhere straddling the East Jerusalem areas mentioned above and their outskirts.¹⁵ Statehood would depend on the Palestinians meeting specified criteria that present considerable domestic challenges, including but not limited to disarming Hamas in Gaza, ending certain international initiatives and financial incentives for violence, and recognizing Israel as “the nation state of the Jewish people.”¹⁶

Possible Annexation and Israeli Domestic Politics

Shortly after the release of the plan, Prime Minister Netanyahu announced an intention to move toward annexation of West Bank territory in line with the plan. Such moves could have serious implications, including for Israel’s March 2 election and the subsequent government formation process. In that context, Trump Administration statements appear to have influenced Israeli domestic political developments. On the day of the plan’s release (January 28), Netanyahu indicated that his government would act within the week to begin annexing Israeli West Bank settlements and the Jordan Valley.¹⁷ That same day, Ambassador Friedman said that Israel was free to immediately begin annexing territory, and that so long as a proposal was consistent with the plan’s conceptual maps, the United States would recognize it.¹⁸

¹³ “US envoy: We won’t impose change to status quo to let Jews pray at Temple Mount,” *Times of Israel*, January 29, 2020.

¹⁴ For background information on Palestinian self-governance, see CRS In Focus IF10644, *The Palestinians: Overview and Key Issues for U.S. Policy*, by Jim Zanotti.

¹⁵ See footnote 11.

¹⁶ Other specified criteria for Palestinian statehood include reforms in governance and rule of law, and anti-incitement in educational curricula. Israeli insistence on Palestinian recognition of Israel as the nation state of the Jewish people was reportedly introduced into an Israeli-Palestinian negotiating context by Tzipi Livni when she was Israeli foreign minister during the 2007-2008 Annapolis negotiations. “The Pursuit of Middle East Peace: A Status Report,” Ambassador Martin Indyk, Washington Institute for Near East Policy, May 8, 2014.

¹⁷ Raphael Ahren, “Cheering Trump plan, Netanyahu says he will start annexation process Sunday,” *Times of Israel*, January 28, 2020.

¹⁸ Eric Cortellessa, “US envoy: Israel ‘does not have to wait’ to annex settlements,” *Times of Israel*, January 28, 2020.

Annexation Under Israeli Law

Since Israel's founding in 1948, it has effectively annexed two territories: East Jerusalem and the Golan Heights, both of which Israel captured in the 1967 Arab-Israeli war. Shortly after the war, the Israeli government expanded Jerusalem's municipal boundaries to include all of the previously Jordanian-held East Jerusalem and some surrounding West Bank territory, and proclaimed the municipality to be Israel's capital. The Knesset passed a Basic Law in July 1980 stating that the jurisdiction of Jerusalem runs throughout the expanded municipal boundaries. In December 1981, the Knesset passed a law stating that the "Law, jurisdiction and administration of the state [of Israel] shall apply to the Golan Heights."¹⁹ The U.N. Security Council, in Resolutions 478 (1980) and 497 (1981), respectively, affirmed that both Knesset laws were violations of international law.

According to one Israeli legal scholar, under domestic law Israel can apply its law to new territory via governmental decree (if the territory was previously part of the British Mandate of Palestine) or Knesset legislation.²⁰ Some norms of Israeli law already apply to West Bank settlements, "either through application of personal jurisdiction over the settlers, or through military decrees that incorporated Israeli law into the law applicable to all or parts of the West Bank."²¹

According to one article citing various Israeli legal experts, Israel could take various approaches to annexation or applying its law to West Bank areas.²² The full application of Israeli law to settlements could necessitate significant adaptation in matters such as property registry and land-use planning. Also, if Israel applies its civilian law to the Jordan Valley or other West Bank areas with Palestinian populations currently subject to Jordanian and military law, how the legal transition happens could impact individual property rights and business licenses.²³ Since 2016, various Knesset members have reportedly proposed bills that would apply Israeli law, jurisdiction, administration, and formal sovereignty in specified West Bank areas.²⁴

From an international standpoint, annexation may be contrary to various U.N. Security Council resolutions and existing Israeli-Palestinian agreements (the Oslo Accords of the 1990s) that provide for resolving the status of the West Bank and Gaza Strip via negotiations.²⁵ Additionally, U.N. Security Council Resolution 2334, adopted in December 2016 with the United States (under the Obama Administration) abstaining, stated that settlements established by Israel in "Palestinian territory occupied since 1967, including East Jerusalem," constitute "a flagrant violation under international law" and a "major obstacle" to a two-state solution and a "just, lasting and comprehensive peace."²⁶ In December

¹⁹ Text of Golan Heights Law, December 14, 1981, available at <https://mfa.gov.il/mfa/foreignpolicy/peace/guide/pages/golan%20heights%20law.aspx>

²⁰ Yuval Shany, "Israel's New Plan to Annex the West Bank: What Happens Next?" Lawfare Blog, May 6, 2019.

²¹ Ibid.

²² Hagar Shezaf, "Annexation for Dummies: Making Sense of Netanyahu and Gantz's Declarations," *haaretz.com*, January 26, 2020.

²³ Ibid.

²⁴ See footnote 20.

²⁵ The 1993 Declaration of Principles (Oslo I) and the 1995 Interim Agreement on the West Bank and Gaza Strip (Oslo II) between Israel and the Palestine Liberation Organization (PLO) both contemplated that the parties would negotiate a "permanent settlement based on [U.N.] Security Council Resolutions 242 [1967] and 338 [1973]," which support the principle of Israel withdrawing from territories that its military captured during the June 1967 war in exchange for "just and lasting peace" with its Arab adversaries. The text of the Declaration of Principles is available at <https://mfa.gov.il/mfa/foreignpolicy/peace/guide/pages/declaration%20of%20principles.aspx>, and the text of the Interim Agreement is available at <https://mfa.gov.il/mfa/foreignpolicy/peace/guide/pages/the%20israeli-palestinian%20interim%20agreement.aspx>.

²⁶ An oft-cited international law provision pertaining to Israeli settlements is the Fourth Geneva Convention, Part III, Section III, Article 49 Relative to the Protection of Civilian Persons in Time of War, August 12, 1949, which states in its last sentence, "The Occupying Power shall not deport or transfer parts of its own civilian population into the territory it occupies." Israel insists that the West Bank does not fall under the international law definition of "occupied territory," but is rather "disputed territory" because the previous occupying power (Jordan) did not have an internationally recognized claim to it, and given the demise of the Ottoman Empire at the end of World War I and the end of the British Mandate in 1948, Israel claims that no international

2019, the House (by a vote of 226-188, with two voting present) passed H.Res. 326, which called for any future U.S. peace proposal to expressly endorse a two-state solution and discouraged steps such as “unilateral annexation of territory or efforts to achieve Palestinian statehood status” outside negotiations.

On January 30, White House Senior Advisor Jared Kushner said that technical discussions involving a U.S.-Israel committee to pinpoint areas earmarked for eventual Israeli sovereignty could begin immediately, but that finalizing them would take “a couple of months.” Kushner said that an Israeli government would need to be in place “in order to move forward.”²⁷ Some observers have speculated that Kushner wants to give the plan an opportunity to garner international support before annexation takes place.²⁸

In the wake of U.S. statements, Netanyahu slowed the Israeli timeline for annexation. On February 4, he said that he would only seek government approval for annexation after the March 2 election, and called for voter support.²⁹ On February 8, he said that Israel had begun its efforts at mapping areas eligible for possible annexation, claiming that President Trump would go along with his proposals.³⁰ On February 9, Ambassador Friedman seemed to reinforce Kushner’s earlier remarks by saying, “Any unilateral action in advance of the completion of the committee process endangers the [plan and] American recognition.”³¹

Without a U.S. green light for annexing territory before the election, Netanyahu may face the prospect of diminished support from key nationalist and pro-settler constituencies—many of whom negatively regard the plan’s mention of possible Palestinian statehood.³² Other Israeli public sentiments toward the plan appear to be mixed, with the appeal of provisions favoring long-standing Israeli positions on core issues offset by some concerns about possible negative consequences from the level of Israeli-Palestinian entanglement that could result in the West Bank.³³

Palestinian Response

Palestine Liberation Organization (PLO) Chairman and PA President Mahmoud Abbas categorically rejected the U.S. plan, saying that Palestinians “would not surrender” but would resist the plan through “peaceful, popular means.”³⁴ Abbas’s rejection was in line with previous PLO/PA statements asserting that Trump Administration actions have undermined Palestinian positions.³⁵ A poll taken after the plan’s release and Abbas’s initial reaction to it has suggested that there is strong popular Palestinian opposition to U.S. efforts.³⁶ Earlier, in June 2019, PLO/PA leaders rejected an economic framework that the

actor has superior legal claim to it.

²⁷ “Kushner on Israeli annexation plans: not now,” GZERO Media, January 30, 2020.

²⁸ Ben Caspit, “Netanyahu wants/needs annexation before elections,” Al-Monitor, January 31, 2020; Lahav Harkov, “Applying ‘Deal of the Century’ and annexation put on ice – analysis,” jpost.com, January 30, 2020; Noa Landau, “Friedman Pushed Netanyahu to Annex, Then Kushner Stepped In,” haaretz.com, January 30, 2020.

²⁹ Chaim Levinson, “Netanyahu Says Cabinet Will Vote on Settlement Annexation Only After Israel’s Election,” haaretz.com, February 4, 2020.

³⁰ “Netanyahu says Israel has started mapping West Bank areas to annex,” *Times of Israel*, February 8, 2020.

³¹ Twitter, David M. Friedman, February 9, 2020, 3:22 AM.

³² See footnote 28.

³³ Amir Tibon, “How Trump’s Mideast Plan Is Angering Both Annexationists and Peaceniks,” haaretz.com, February 5, 2020.

³⁴ “Palestinians angrily reject Trump Mideast peace plan,” Associated Press, January 28, 2020.

³⁵ Adam Rasgon, “Savaging Trump peace plan, Palestinians again threaten to dissolve PA,” *Times of Israel*, January 26, 2020.

³⁶ According to a February 5-8, 2020, poll of Palestinians in the West Bank and Gaza, 94% rejected the U.S. plan, with 65% endorsing Abbas ending relations—including on security—with Israel and the United States, but 68% believing that Abbas would not actually end security coordination with Israel.

Administration rolled out in connection with the anticipated peace plan.³⁷ The framework envisions economic investment for Palestinians after a peace agreement, leading Palestinian leaders to insist that they would not bargain away their core national demands.³⁸ In December 2017, the PLO/PA had suspended high-level contacts with the Administration after President Trump recognized Jerusalem as Israel's capital. Since then, U.S.-Palestinian relations have worsened as the Administration has suspended U.S. aid, downgraded U.S.-Palestinian diplomatic ties, and boosted Israeli claims to Jerusalem, the Golan Heights, and West Bank territory.³⁹

Abbas is seeking international support for his opposition to the Trump plan. In a February 1 address before the Arab League, Abbas declared, "We still believe in peace and want an international mechanism that will implement the decisions of the international community. We're not asking for the impossible, we don't want to go against the United States, we want them to adopt our position."⁴⁰ On February 11, he criticized the plan at the U.N. Security Council, saying, "This is an Israeli-American pre-emptive plan in order to put an end to the question of Palestine," and that the territory earmarked for a Palestinian state is a "Swiss cheese."⁴¹ He also stated that the United States could not be the sole mediator of the conflict, and that an international conference should take place to buttress an effort to reach a two-state solution.⁴² Moreover, Abbas expressed concern that unrest could break out among the Palestinian people, but stated that they would not resort to terrorism.⁴³ Immediately following his Security Council remarks, Abbas appeared beside former Israeli Prime Minister Ehud Olmert and proposed resuming internationally-sponsored negotiations based on terms that Abbas and Olmert had discussed during their 2008 talks.⁴⁴

Reportedly, the PLO/PA had worked through Tunisia and Indonesia to introduce a draft Security Council resolution during the week of February 11 that would have criticized the U.S. plan as "departing from internationally-endorsed terms of reference" for resolving the conflict.⁴⁵ However, in light of insufficient support for the draft within the Council—due partly to U.S. diplomatic efforts—the Palestinians apparently decided to withdraw the draft from consideration.⁴⁶ It is unclear whether the PLO/PA will seek U.N. Security Council or General Assembly action going forward, or drop the matter altogether.⁴⁷

Abbas reportedly sent a letter to Netanyahu after the plan's release and Netanyahu's statement of intent to annex West Bank territory. In the letter, Abbas reportedly said that the U.S. plan constituted a U.S. and

³⁷ White House, *Peace to Prosperity: The Economic Plan: A New Vision for the Palestinian People*, June 2019, available at https://www.whitehouse.gov/wp-content/uploads/2019/06/MEP-narrative-document_FINAL.pdf. For more discussion of the economic framework and its rollout, see CRS Report R44245, *Israel: Background and U.S. Relations in Brief*, by Jim Zanotti.

³⁸ Nabil Sha'ath, "We Palestinians Say to Trump: No to Bahrain, Bribes and Never-ending Occupation," *haaretz.com*, May 23, 2019.

³⁹ CRS Report R44245, *Israel: Background and U.S. Relations in Brief*, by Jim Zanotti.

⁴⁰ "Abbas Says Will Cut Security Ties with U.S., Israel, as Arab League Rejects Trump Plan," *haaretz.com* (citing Associated Press), February 1, 2020.

⁴¹ Rick Gladstone, "Abbas Rejects U.S. Proposal On Mideast As One-Sided," *New York Times*, February 12, 2020.

⁴² "Palestinians' Abbas, at U.N., Says U.S. Offers Palestinians 'Swiss Cheese' State," Reuters, February 11, 2020; "Palestinian Chief and Ex-Israeli PM Show 2 Sides Can Talk," Associated Press, February 11, 2020.

⁴³ "Palestinians' Abbas, at U.N., Says U.S. Offers Palestinians 'Swiss Cheese' State," op. cit., footnote 42.

⁴⁴ "Palestinian Chief and Ex-Israeli PM Show 2 Sides Can Talk," op. cit., footnote 42. For more details on the 2008 talks, see **Appendix A**.

⁴⁵ "Palestinians' Abbas, at U.N., Says U.S. Offers Palestinians 'Swiss Cheese' State," op. cit., footnote 42; "Criticism of US Mideast plan softened in UN draft resolution," *Agence France Presse*, February 9, 2020.

⁴⁶ Colum Lynch and Robbie Gramer, "Trump Pressures Palestinians and Allies Over Peace Plan," *foreignpolicy.com*, February 11, 2020.

⁴⁷ *Ibid*.

Israeli abandonment of the Oslo Accords,⁴⁸ and implied that Israeli activation of the plan's provisions would give the PA justification to abandon all Israeli-Palestinian agreements, including those governing security coordination with Israel.⁴⁹ Israel and the PA have coordinated on security under the Oslo Accords, with disruptions during the second Palestinian *intifada* (or uprising, which took place from 2000-2005) and at other times of high tension. Security coordination in the West Bank has been generally close since the West Bank came under Abbas's unchallenged authority in 2007 after Hamas seized Gaza.⁵⁰

Some protests and violence have occurred in the West Bank and Gaza since the plan's release. During a two-day period in early February, Israeli forces killed two Palestinian teens and one PA policeman amid West Bank protests, and two attacks against Israelis took place in Jerusalem, including one from a car that wounded 12 Israeli soldiers.⁵¹ Hamas has called for additional confrontations.⁵² Israel and Hamas also have engaged in some cross-border fire in and around Gaza.⁵³ It is unclear what type of popular Palestinian responses might follow Israeli annexation steps.⁵⁴

Regional and International Reactions and Impact

The U.S. plan has elicited various regional and international reactions. While some key actors have voiced hope that the plan's release can lead to the resumption of Israeli-Palestinian talks, others have expressed caution or criticism about the plan.

As mentioned above, on February 1 the Arab League denounced the U.S. plan and warned against unilateral Israeli moves. It stated its view that the Arab Peace Initiative of 2002 remains the proper basis for a negotiated Israeli-Palestinian peace.⁵⁵ In the days before the Arab League meeting, Saudi Arabia, Egypt, and the United Arab Emirates expressed qualified openness to supporting a negotiating process based on the plan.⁵⁶ Some observers surmise that some key Arab states' shared interests with Israel on Iran and other matters may lead them to be less insistent than in the past on Israel meeting Palestinian demands.⁵⁷

The impact of the plan or possible Israeli annexation on Jordan is an important issue.⁵⁸ Israeli security officials regard Jordan, with which Israel has a peace treaty, as a key regional buffer for Israel. Jordan also

⁴⁸ Article XXXI, Clause 7 of the 1995 Interim Agreement (Oslo II) reads, "Neither side shall initiate or take any step that will change the status of the West Bank and the Gaza Strip pending the outcome of the permanent status negotiations."

⁴⁹ "Abbas to Netanyahu: We are free to end security coordination at any time," *jpost.com* (translating from Maariv Online), January 30, 2020.

⁵⁰ CRS Report RS22967, *U.S. Foreign Aid to the Palestinians*, by Jim Zanotti.

⁵¹ "Three Palestinians Killed in Clashes with Israeli Forces in 24 Hours," *haaretz.com*, February 6, 2020.

⁵² Adam Rasgon, "Hamas calls for more confrontations with Israel and settlers," *Times of Israel*, February 6, 2020.

⁵³ Yaniv Kubovich, "After Week of Escalation, Israel Limits Gaza Fishing Zone," *haaretz.com*, February 5, 2020.

⁵⁴ Amos Harel, "The Arab Spring's Lesson for Trump's 'Deal of the Century,'" *haaretz.com*, January 31, 2020.

⁵⁵ See footnote 7. The initiative offers a comprehensive Arab peace with Israel if Israel were to withdraw fully from the territories it occupied in 1967, agree to the establishment of a Palestinian state with a capital in East Jerusalem, and provide for the "[a]chievement of a just solution to the Palestinian Refugee problem in accordance with UN General Assembly Resolution 194." The initiative was proposed by Saudi Arabia, adopted by the 22-member Arab League (which includes the PLO), and later accepted by the 56-member Organization of the Islamic Conference (now the Organization of Islamic Cooperation) at its 2005 Mecca summit. The text of the initiative is available at <http://www.bitterlemons.org/docs/summit.html>.

⁵⁶ See footnote 6.

⁵⁷ Dion Nissenbaum, "Arab Support for Peace Plan Marks a Shift," *Wall Street Journal*, January 30, 2020.

⁵⁸ For background information on Jordan, see CRS Report RL33546, *Jordan: Background and U.S. Relations*, by Jeremy M. Sharp.

hosts key U.S. military assets. While Jordan's monarchy maintains discreet security cooperation with Israel, much of its population—a majority of which is of Palestinian origin—holds negative views about Israel-Jordan relations,⁵⁹ which have become strained over the past year.⁶⁰ Additionally, Palestinians might look to Jordan to take greater responsibility for them if their own national aspirations remain unfulfilled.⁶¹ After the plan's release, Jordanian Foreign Minister Ayman Safadi warned against the “dangerous consequences of unilateral Israeli measures, such as the annexation of Palestinian lands, the building and expansion of illegal Israeli settlements on occupied Palestinian lands and encroachments on the Holy Sites in Jerusalem, that aim at imposing new realities on the ground.”⁶²

Other international reactions have encouraged resuming Israeli-Palestinian negotiations, but raised concerns about parts of the U.S. plan or possible Israeli annexation. For example, Josep Borrell, the European Union High Representative for Foreign Affairs, said on February 4 that the plan departs from internationally agreed parameters for a two-state solution and that Israeli annexation steps “could not pass unchallenged.”⁶³ Additionally, annexation could come under investigation by the International Criminal Court (ICC),⁶⁴ given that the ICC prosecutor has announced her intention to investigate possible war crimes in the West Bank and Gaza if a pre-trial chamber decides that the ICC has jurisdiction there.⁶⁵

⁵⁹ Amos Harel, “Senior Defense Officials Warn Annexation Would Endanger Israel's Peace with Jordan,” *haaretz.com*, January 30, 2020.

⁶⁰ “Jordanian king expresses reservations over Trump peace plan,” *Times of Israel*, January 27, 2020.

⁶¹ See, e.g., *Ibid.*

⁶² “‘Palestinian state with East Jerusalem as its capital irreversible Jordanian stance,’” *Jordan Times*, January 28, 2020.

⁶³ “EU rejects Trump Mideast plan amid annexation concerns,” Associated Press, February 4, 2020.

⁶⁴ “Israel Poised to Clash With the International Criminal Court Over West Bank Settlements,” Associated Press, January 29, 2020.

⁶⁵ ICC, Statement of ICC Prosecutor, Fatou Bensouda, on the conclusion of the preliminary examination of the Situation in Palestine, and seeking a ruling on the scope of the Court's territorial jurisdiction, December 20, 2019.

Possible Questions

- **Israeli political outcomes.** What Israeli political outcomes are most likely in Israel's March 2 election and the subsequent government formation process? To what extent, if at all, might the U.S. plan and the prospect of Israeli annexation influence those domestic political outcomes? To what extent, if at all, might indictments against Prime Minister Netanyahu influence those outcomes?
 - **Role of Congress.** In response to the plan or possible Israeli annexation, should Congress take actions that could influence the Administration, Israel, the Palestinians, or other actors? If so, what binding or non-binding actions should it take?
 - **U.S. role and changes over time.** How have regional and global changes during the decades since U.S. peace efforts started in 1993 affected U.S. interests and priorities? Should these developments affect U.S. approaches to Israeli-Palestinian diplomacy, and if so, how?
 - **The plan.** To what extent might the Trump Administration's plan, including its economic component, offer a viable solution to the Israeli-Palestinian conflict?
 - **Specific provisions compared with past efforts.** How do the plan's provisions on the following issues compare with proposals on those issues from past U.S.-backed Israeli-Palestinian negotiations: the amount and nature of West Bank territory earmarked for Israel, compensatory land swaps for the Palestinians, the Jordan Valley's status, Palestinian sovereignty in East Jerusalem, sovereignty and control over Jerusalem's holy sites, and criteria for Palestinian statehood? To the extent that the plan's provisions are different from past proposals, are those differences justified?
 - **Settlements and outposts.** According to the plan, are all Israeli settlements anticipated to be part of Israel? What is the anticipated status of Jewish outposts that are illegal under Israeli law?
 - **Unilateral Israeli implementation of the plan.** Should the Administration support unilateral Israeli implementation of the plan or parts of it—including possible West Bank annexation? If so, under what circumstances? If not, why not? Would such support be compatible with past U.S. policy? Is it justified by changed circumstances over time?
 - **Annexation.** What political and legal steps might Israel take to extend its sovereignty and/or law to West Bank territory, and what specific territory would it annex? How would annexation affect the rights, living situations, and interactions of Israeli settlers and Palestinians in affected territory? How would it affect the viability of reaching a negotiated two-state solution? What precedent might annexation have for other territorial disputes?
 - **Immediate consequences.** How will Palestinians in the West Bank and Gaza respond to the plan or to any possible Israeli annexation in the West Bank? Will the PA continue to coordinate with Israel on West Bank security, and if so, under what circumstances? Are protests and violence in the West Bank and Jerusalem likely to intensify, and what key factors could determine whether they do?
 - **U.S. aid to the Palestinians.** Can and should the Trump Administration resume security assistance to the PA and/or economic assistance to the Palestinian people, based on congressional appropriations for FY2020 enacted in December 2019? If so, why and under what conditions? Why did the Administration not include security assistance for the PA in the FY2021 budget documentation it released in early February? How might the Administration's proposal in the FY2021 documentation to permit possible security
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assistance via a “Diplomatic Progress Fund” address current needs as assessed by U.S., Israeli, and Palestinian security professionals?⁶⁶

- **Arab state responses.** How are key Arab states responding to the plan or possible annexation, and how is public opinion influencing leaders’ stances?
- **Impact on Jordan.** What would the impact of the plan or possible annexation be on Jordan, its relations and peace treaty with Israel, the Palestinians that make up the majority of its population, the stability of its monarchy, and its support for U.S. military and political goals?
- **International responses.** How will other countries and international organizations, including the United Nations and International Criminal Court, respond to the plan or possible annexation?
- **Diplomatic prospects.** Can the plan, or parts of it, serve as a basis for future negotiations? How might the plan affect U.S. political influence on Israeli-Palestinian matters and other global issues going forward?
- **Palestinian domestic politics.** How will the plan or possible annexation affect leadership and succession in the West Bank and Gaza—including the possibility of future elections?

⁶⁶ See Congressional Budget Justification, Department of State, Foreign Operations, and Related Programs, “International Narcotics Control and Law Enforcement,” Fiscal Year 2021, pp. 88-91, 123-124, available at <https://www.state.gov/wp-content/uploads/2020/02/FY-2021-CBJ-Final.pdf>.

Appendix A. Past U.S. Administrations' Efforts

Since Israel and the PLO signed the Declaration of Principles (Oslo I) in 1993, various U.S. Administrations have sought to facilitate peace negotiations between Israel and the Palestinians, generally with the support of key Arab states such as Egypt and Jordan, Western allies, and other international actors. For a side-by-side comparison of selected proposals from past efforts with the U.S. plan, see **Table A-1**. For additional information, see CRS In Focus IF11237, *Israel and the Palestinians: Chronology of a Two-State Solution*, by Jim Zanotti; and archived CRS Report RL33530, *Israeli-Arab Negotiations: Background, Conflicts, and U.S. Policy*, by Jim Zanotti.

Clinton Administration

Under President Clinton, U.S. officials helped create the framework for the Oslo peace process and tried to facilitate a conflict-ending agreement. They brokered a number of Israel-PLO agreements throughout the 1990s that provided for limited Palestinian self-rule in Gaza and parts of the West Bank, and laid out principles for security and governance in sensitive areas. The 1995 Interim Agreement (Oslo II) established a five-year timeline for negotiations on core final-status issues, including borders, security, Palestinian refugees, and the status of Jerusalem. Acts of terrorism and political opposition on both sides, the November 1995 assassination of Israeli Prime Minister Yitzhak Rabin, and the 1996-1999 prime ministership of Binyamin Netanyahu (who was skeptical of the peace process) complicated efforts and eroded general public support for peace among Israelis and Palestinians. The July 2000 Camp David summit featured detailed negotiations on core issues, but did not conclude with a deal. As Israeli-Palestinian tensions rose in the wake of the summit and the second *intifada* broke out, President Clinton continued efforts to mediate a peace agreement. He shared basic parameters on the core issues for both sides to consider in December 2000,⁶⁷ but the parties did not come to agreement, perhaps partly due to concerns about domestic opposition to sensitive concessions.

Bush Administration

Under President George W. Bush, U.S. officials sought to help improve security and reciprocal Israeli-Palestinian confidence, and then brokered another inconclusive round of negotiations. The Administration publicly offered eventual statehood to Palestinians as an incentive for them to reform their governing institutions and counter security threats to Israel.⁶⁸ In 2004, President Bush sent a letter to Israeli Prime Minister Ariel Sharon implying that Israel would probably keep some settlements via land swaps as part of a final agreement.⁶⁹ In light of the *intifada* and a diplomatic stalemate, Israeli leaders took some unilateral measures, such as disengaging from Gaza in 2005 and constructing a separation barrier in and around the West Bank. Palestinian infighting led to a territorial split in 2007, with PLO Chairman and PA President Mahmoud Abbas in charge of the West Bank and the Islamist group Hamas (a U.S.-designated terrorist organization) in control of Gaza. Some subsequent Palestinian progress on West Bank reform and

⁶⁷ The text of the parameters is available at <https://mfa.gov.il/mfa/foreignpolicy/mfadocuments/yearbook13/pages/226%20the%20clinton%20peace%20plan-%2023%20december%202000.aspx>. Its five headings covered (1) territory (borders), (2) security (with a non-militarized Palestinian state), (3) Jerusalem, (4) refugees, and (5) end of conflict.

⁶⁸ See, e.g., A Performance-Based Roadmap to a Permanent Two-State Solution to the Israeli-Palestinian Conflict, April 30, 2003, available at <https://israelipalestinian.procon.org/sourcefiles/2003-Roadmap-full-text.pdf>.

⁶⁹ The text of the April 24, 2004, letter is available at <https://georgewbush-whitehouse.archives.gov/news/releases/2004/04/20040414-3.html>.

security led to the U.S.-assisted Annapolis negotiations between Israel and the PLO in 2007-2008, with the parties again unable to bridge their differences on domestically sensitive issues.⁷⁰

Obama Administration

Under President Obama, U.S. officials sought to help restart negotiations quickly, and eventually did so during his second term, though the parties again could not reach agreement. His first term included some disagreements with Israel on curbing settlement activity and with Palestinians on their diplomatic initiatives to garner international support for statehood. With facilitation from Secretary of State John Kerry, Israel and the PLO relaunched negotiations in 2013 at the ministerial level, but disagreements on the core issues contributed to derailing the talks in 2014. Reportedly, the sides could not agree on security arrangements for the Jordan Valley, despite U.S. efforts to demonstrate technologically advanced means of patrolling the area. Moreover, Abbas was unwilling to accept Israel's demand that the Palestinians recognize Israel as "the nation state of the Jewish people," citing potentially negative implications for Palestinian refugees and Arab citizens of Israel. Subsequently, Secretary Kerry explored leveraging Israel's already improving relations with Arab states toward a diplomatic solution—an effort the Trump Administration has continued in its own way—and in December 2016 he presented six principles as reference points for future Israeli-Palestinian negotiations.⁷¹

⁷⁰ For a description of the parties' positions on core issues, including U.S. influence, see Bernard Avishai, "The Plan for Peace That Still Could Be," *New York Times Magazine*, February 7, 2011.

⁷¹ Secretary of State John Kerry, Remarks on Middle East Peace, December 28, 2016, available at <https://2009-2017.state.gov/secretary/remarks/2016/12/266119.htm>. The six principles covered (1) borders and land swaps, (2) a Palestinian state alongside Israel as a Jewish state, (3) a comprehensive solution for Palestinian refugees that does not affect Israel's fundamental character, (4) the status of Jerusalem as the capital of both states, (5) security and the non-militarized nature of a Palestinian state, and (6) end of conflict, including with Arab states.

Table A-I. Side-by-Side Comparison of Selected Key Proposals

	Clinton parameters (December 2000)	Annapolis negotiations (2007-2008)	Kerry principles (December 2016)	Trump plan (January 2020)
Borders/Territory	<ul style="list-style-type: none"> • Israel receives 4-6% of West Bank • Palestinian state receives 1-3% back in land swaps from Israel 	<ul style="list-style-type: none"> • Israeli map: 6.3% of West Bank to Israel; Palestinian map: 1.9% • Land swaps anticipated • Disagreement on specifics 	<ul style="list-style-type: none"> • Unspecified mutual agreement on land swaps, based on the 1949-1967 Israel-Jordan armistice line 	<ul style="list-style-type: none"> • About 30% of West Bank (including settlement enclaves and Jordan Valley) to Israel • Land swaps to Palestinian state
Security	<ul style="list-style-type: none"> • International force to monitor agreement • Israel in Jordan Valley locations for up to 3 years, with specified security privileges after • “Non-militarized” Palestinian state with internal, border, and deterrent forces 	<ul style="list-style-type: none"> • International force to guarantee agreement and patrol West Bank-Jordan border, with some specified Israeli security privileges • “Non-militarized” Palestinian state with internal security forces 	<ul style="list-style-type: none"> • Unspecified mutual agreement on transition away from standing Israeli military presence, with some specified Israeli security privileges after • “Non-militarized” Palestinian state with internal security forces 	<ul style="list-style-type: none"> • Overall Israeli control over security in West Bank • “Demilitarized” Palestinian state with internal security forces
Status of Jerusalem	<ul style="list-style-type: none"> • General principle: Arab areas are Palestinian, Jewish areas are Israeli • Palestinian sovereignty over Temple Mount/Haram al Sharif, Israeli sovereignty over Western Wall 	<ul style="list-style-type: none"> • General principle: Arab areas are Palestinian, Jewish areas are Israeli • Holy sites controlled by custodial committee of countries with international force; disagreement on geography 	<ul style="list-style-type: none"> • Unspecified mutual agreement providing for Jerusalem to be capital of both states, and freedom of access to holy sites consistent with the “status quo” 	<ul style="list-style-type: none"> • Israeli sovereignty over nearly all of Jerusalem, with “status quo” intact at Temple Mount/Haram al Sharif • Palestinian capital can include small areas of East Jerusalem outside separation barrier
Palestinian refugees	<ul style="list-style-type: none"> • No specific right of return to Israel • Right to settle in Palestinian state with other possible regional options 	<ul style="list-style-type: none"> • Agreement on principle that some refugees would return to Israel; disagreement on how many • International fund to compensate refugees 	<ul style="list-style-type: none"> • International compensation and assistance in finding permanent solution • Cannot affect fundamental Jewish character of Israel 	<ul style="list-style-type: none"> • No right of return to Israel; various options to settle in Palestinian state or elsewhere • International fund to compensate refugees

Sources: Clinton parameters: <https://mfa.gov.il/mfa/foreignpolicy/mfadocuments/yearbook13/pages/226%20the%20clinton%20peace%20plan-%2023%20december%202000.aspx>; Annapolis negotiations: Bernard Avishai, “The Plan for Peace That Still Could Be,” *New York Times Magazine*, February 7, 2011; Kerry principles: <https://2009-2017.state.gov/secretary/remarks/2016/12/266119.htm>; Trump plan: <https://www.whitehouse.gov/wp-content/uploads/2020/01/Peace-to-Prosperity-0120.pdf>.

Notes: The descriptions of the proposals are derived from the source material, and may not fully account for multiple perspectives or other contextual factors shaping the situation surrounding each set of proposals as those situations existed at the time, including the sequencing of negotiations and implementation.

Appendix B. Maps

Figure B-1. Conceptual Map of Israel



Source: White House, *Peace to Prosperity: A Vision to Improve the Lives of the Palestinian and Israeli People*, January 2020.

Figure B-2. Conceptual Map of Future Palestinian State



Source: White House, *Peace to Prosperity: A Vision to Improve the Lives of the Palestinian and Israeli People*, January 2020.

Figure B-3. Unofficial Map with Green Line



Notes: Green lines on map represent 1949-1967 Israel-Jordan armistice line (for West Bank) and 1950-1967 Israel-Egypt armistice line (for Gaza). All borders are approximate.