

London Conference; Outcomes

- **On Security:** Participants in London welcomed a clear and unequivocal Palestinian declaration against violence and terrorism. They underscored the importance of practical action to begin implementing this, including through visible efforts to arrest and disrupt individuals and groups planning and conducting attacks on Israelis anywhere; moves to dismantle the infrastructure that supports terrorism, and further efforts to ensure that all official Palestinian institutions end incitement against Israel. There was clear recognition that without credible Palestinian performance on security, the reform agenda will founder. In this context participants welcomed the continuation of talks in Cairo between Palestinian factions and looked forward to their successful conclusion in agreement on a comprehensive ceasefire. They agreed that security reform was a vital element of the reform programme, on which much else depends. They applauded US/Egyptian/Jordanian commitments to help rebuild Palestinian security institutions, in order to deliver the security which a new Palestinian State will have to offer to its own citizens and its neighbours. The UK stands ready to add our own help and support.
- **On the Realization of a Two-State Solution:** The participants joined the Palestinians in expressing support for a just and comprehensive peace including a final settlement of the Israel-Palestinian conflict, as presented in President Bush's June 24 speech and resulting in the emergence of an independent, sovereign, democratic, and viable Palestinian state living side by side in peace and security with Israel and its other neighbours. This would resolve the Israel-Palestinian conflict, and end the occupation that began in 1967, through a negotiated settlement between the parties, based on the foundations of the Madrid Conference, the principle of land for peace, UNSCRs 242, 338, and 1397, agreements previously reached by the parties, and the initiative of Saudi Crown Prince Abdullah -- endorsed by the Beirut Arab League Summit -- for the acceptance of Israel as a neighbour living in peace and security. Palestinians strongly argued that continuing settlement activity by Israel threatened viability of the two-State solution
- **On Elections:** The Palestinians expressed their unequivocal commitment to developing a realistic timetable for free, fair and open elections. Recognizing that the Palestinians have recently constituted a credible and independent election commission, conference participants urged the Palestinians to ensure a thorough and public review of the electoral framework, to be debated fully and adopted by the Palestinian Legislative Council. Participants noted that the international community had committed significant assistance -- both financial and political -- to ensure that these elections were credible and fair.
- **On Constitutional Reform:** The Palestinians made a commitment to draw up by the end of January a new outline constitution based on the principles of democracy, political pluralism, rule of law, independence of the judiciary and the protection of individual freedoms. They emphasised that the new constitution would provide for a Prime Minister having specified powers and a bill of rights. They outlined the process of consultation, including a referendum, which would take place before finalisation. Participants welcomed this step forward, emphasising the need for real political transformation; the development of credible institutions for an independent Palestinian

state; an empowered Prime Minister; and the transfer of real power to reformed institutions. They committed themselves to supporting the Palestinians' ongoing work including through support to the consultation process.

- **On Economic Reform:** Participants recognized the exceptional work done by both the Finance Minister, Salam Fayyad, and Economy, Trade and Industry Minister, Maher al-Masri, in bringing financial accountability and economic reform to the Palestinian Authority. Participants undertook to continue assistance to help implement the FY 2003 budget, consolidate all public finances, ensure the Ministry of Finance's oversight of all public expenditure and strengthen audit capacity. Participants recognized the progress made toward a resumption of regular transfers of Palestinian revenues and clearance of all arrears this year, and the Palestinians' commitment to continued work with the Israeli government and the US on mechanisms to increase transparency and strengthen the PA's internal audit capabilities. They agreed that the transfer of these revenues was critical to international efforts to ease the dire humanitarian situation in the West Bank and Gaza.
- **On Judicial Reform:** Participants expressed concern at the lack of progress on judicial reform compared with other reform portfolios. It is the area where the credibility of the Palestinian leadership is weakest. They emphasised the need for a strong and independent judiciary, and sought Palestinian commitment to accelerated work. Palestinians committed to establish a new Supreme Judicial Council by the end of June so as to bring it in line with Palestinian law, to ensure that all judicial appointments are consistent with Palestinian law, and to abolish the State Security Courts [within one year].
- **On administrative reform :** Palestinians undertook to present a draft Cabinet paper on the reform of public administration and the civil service within two weeks.
- **On Follow-Up:** Participants agreed on the centrality of the roadmap and the work of the Quartet to implement it. They welcomed the Palestinians' commitment to implementing roadmap, upon its final adoption and presentation, as the path to an independent and viable Palestinian state. Participants recognized that Israel must also take steps to ensure that the Palestinian reform process succeeds, and avoid actions that undermine hope in a political settlement to the conflict. In this context, the Palestinians stated their assessment that the success of their future reform efforts would depend on an easing of current restrictions on movement, including closures and curfews. Participants committed to help build the Palestinian capacity to prepare the necessary institutions of a democratic state able to govern effectively and live at peace with its neighbours. Continuing terror attacks underscore the fragile nature of all these efforts, and demonstrate the need for an immediate, comprehensive ceasefire. The humanitarian situation continues to deteriorate badly in the West Bank and Gaza, and the international community will continue working closely with Israel to ensure that every possible step is taken, consistent with legitimate security concerns, to ease these conditions.

In conclusion: Participants agreed that reform was important both intrinsically and as a means to the end of Palestinian statehood. They urged the Palestinians to enhance

their reform effort by designating and resourcing an empowered focal point for reform efforts. They agreed to feed the conclusions of the London meeting into the Quartet through a meeting in London in early February of the International Task Force on Palestinian Reform, along with a meeting of Quartet envoys.