23 January 2001

### Draft 2

# Non-Paper

Private response to Palestinian refugee paper of January 22, 2001:

# The significance of resolving the refugee problem

The issue of the Palestinian refugees is central to Israeli-Palestinian relations. Its
comprehensive and just resolution is essential to creating a lasting and morally
scrupulous peace.

### **Narrative**

- 2. The State of Israel solemnly expresses its sorrow for the tragedy of the Palestinian refugees, their suffering and losses, and will be an active partner in ending this terrible chapter that was opened 53 years ago, contributing its part to the attainment of a comprehensive and fair solution to the Palestinian refugee problem.
- 3. For all those parties directly or indirectly responsible for the creation of the status of Palestinian refugeeism, as well as all those for whom a just and stable peace in the region is an imperative, it is incumbent to take upon themselves responsibility to assist in resolving the Palestinian refugee problem of 1948.
- 4. Despite accepting the UNGAR 181 of November 1947, the emergent State of Israel became embroiled in the war and bloodshed of 1948-1949, that led to victims and suffering on both sides, including the displacement and dispossession of the Palestinian civilian population who became refugees. These refugees spent decades without dignity, citizenship and property ever since.
- 5. Consequently, the solution to the refugee issue must address the needs and aspirations of the refugees, while accounting for the realities since the 1948-49 war. Thus, the wish to return shall be implemented in a manner consistent with the existence of the State of Israel as the homeland for Jewish people, and the establishment of the State of Palestine as the homeland of the Palestinian people.

### Basis

 A just settlement of the refugee problem in accordance with UNSCR 242 must lead to the implementation of UNGAR 194 (P Position).

# Return, Repatriation, and Relocation

 Since 1948, the Palestinian yearning has been enshrined in the twin principles of the "Right of Return" and the establishment of an independent Palestinian State, deriving their basis from an interpretation of International Law. The realization of the aspirations of the Palestinian people, as recognized in this agreement, includes the exercise of their right to self-determination and a comprehensive and just solution for the Palestinian refugees, based on UNGAR 194, providing for their return and guaranteeing the future welfare and wellbeing of the refugees, thereby addressing the refugee problem in all its aspects.

- 8. Regarding return, repatriation and relocation, each refugee may apply to one of the following programs, thus fulfilling the relevant clause of UNGAR 194:
- a. To Israel capped to an agreed limit of XX refugees, and with priority being accorded to those Palestinian refugees currently resident in Lebanon. The State of Israel notes its moral commitment to the swift resolution of the plight of the refugee population of the Sabra and Shatila camps.
- b. To Israeli swapped territory. For this putpose, the infrastructure shall be prepared for the absorption of refugees in the sovereign areas of the State of Israel that shall be turned over to Palestinian sovereignty in the context of an overall-development program.
- c. To the State of Palestine: the Palestinian refugees may exercise their return in an unrestricted manner to the State of Palestine, as the homeland of the Palestinian people, in accordance with its sovereign laws and legislation.
- d. Rehabilitation within existing Host Countries. Where this option is exercised the rehabilitation shall be immediate and extensive.
- e. Relocation to third countries: voluntary relocation to third countries expressing a willingness and capacity to absorb Palestinian refugees.

# Definition of a Refugee

9. See Article 6 of Palestinian paper as a P Position.

## Compensation and Rehabilitation

- 10. Each refugee may apply for compensation programs and rehabilitation assistance as shall be detailed in Articles XX. For this purpose an International Commission and an International Fund shall be established (Articles XX below) that shall have full and exclusive responsibility for the implementation of the resolution of the refugee problem in all its aspects, including the gathering and verification of claims, and allocation and disbursement of resources, to be conducted in accordance with the following principles:
- a. These programs shall address financial and in-kind compensation for displacement {moral suffering P based position} and material loss, as well as the economic growth of the relevant communities. The dual objectives of individual historic justice and communal economic development shall guide the elaboration of these programs.
- b. Programs of a compensatory nature shall be devised on both per-capita and claims based criteria, the former being of a fast-track nature (as detailed in Article XX below), and shall be managed according to a definitive and complete register of

property claims to be compiled by an appropriate arm of the International
Commission and Fund. and be based up uncel pel - curled

The Rehabilitation Assistance and Compensation Programs shall form an integral part of efforts to promote economic development and social regeneration of both the individuals concerned and the communities and societies in which they live or resettle, thus incorporating options or baskets of assistance (to be detailed).

- d. Compensation for Host Countries will be in accordance with Article XX below.
- e. The international community and the State of Israel shall be the principal contributors to the International Fund up to an agreed ceiling respectively. Israeli fixed assets that will remain in the State of Palestine following the Israeli withdrawal will be transferred to become assets of the International Fund in lieu of an amount of \$XX, constituting an integral part of the overall lump-sum of \$XX.

### Host Countries

11. The refugees host countries shall receive compensation for the significant costs they bore in hosting the refugees. Future rehabilitation costs and investments shall be addressed according to the details of this agreement, via bilateral arrangements between the host countries and the International Commission.

## International Commission

12. The International Commission shall consist of the Palestinian State, Host Countries, Israel and members of the international community, including the United Nations, the World Bank, the European Union and the G8, as well as other relevant international institutions. The International Commission shall have full and exclusive responsibility for implementing the resolution of the refugee issue in all its aspects. The mandate, structure and mode of operation of the International Commission shall be detailed in this agreement.

#### UNRWA

13. The phased termination of UNRWA shall be in accordance with a timetable to be agreed upon between the parties, and shall not exceed five years. The scope of UNRWA's services should change appropriately as the implementation of this agreement proceeds (whereby the first phase shall include the transfer of the service and administrative functions of UNRWA to host governments and modalities for the transfer of relevant functions to the International Commission, as well as the discontinuation of the status of Palestinian refugee camp – new P text to be suggested).

# Priority to Lebanese refugees

14. Preference in all the above programs shall be accorded to the Palestinian refugee population in Lebanon.

## Former Jewish refugees

15. Although the issue of compensation to former Jewish refugees from Arab countries is not part of the bilateral Israeli-Palestinian agreement, in recognition of their suffering and losses, the Parties pledge to cooperate in pursuing an equitable and just resolution to the issue.

### End of claims

16. The Parties agree that the above constitutes a complete and final implementation of Article 11 of UNGAR 194 of 11<sup>th</sup> December 1948, and consider the implementation of the agreed programs and measures as detailed above to constitute a full, final and irrevocable settlement of the Palestinian refugee issue in all its dimensions. No additional claims or demands arising from this issue shall be made by either Party. With the implementation of these articles there shall be no individuals qualified for the status of a Palestinian Refugee.