

## **Draft Permanent Status Agreement**

### **Preamble**

The State of Israel (hereinafter "Israel") and the Palestine Liberation Organization (hereinafter "PLO"), the representative of the Palestinian people (hereinafter the "Parties"):

*Reaffirming* their determination to put an end to decades of confrontation and conflict, and to live in peaceful coexistence, mutual dignity and security based on a just, lasting, and comprehensive peace and achieving historic reconciliation;

*Recognizing* that peace requires the transition from the logic of war and confrontation to the logic of peace and cooperation, and that acts and words characteristic of the state of war are neither appropriate nor acceptable in the era of peace;

*Affirming* their deep belief that the logic of peace requires compromise, and that the only viable solution is a two-state solution based on UNSC Resolution 242 and 338;

*Affirming* that this agreement marks the recognition of the right of the Jewish people to statehood and the recognition of the right of the Palestinian people to statehood, without prejudice to the equal rights of the Parties' respective citizens;

*Recognizing* that after years of living in mutual fear and insecurity, both peoples need to enter an era of peace, security and stability, entailing all necessary actions by the parties to guarantee the realization of this era;

*Recognizing* each other's right to peaceful and secure existence within secure and recognized boundaries free from threats or acts of force;

*Determined* to establish relations based on cooperation and the commitment to live side by side as good neighbors aiming both separately and jointly to contribute to the well-being of their peoples;

*Reaffirming* their obligation to conduct themselves in conformity with the norms of international law and the Charter of the United Nations;

*Confirming* that this Agreement is concluded within the framework of the Middle East peace process initiated in Madrid in October 1991, the Declaration of Principles of September 13, 1993, the subsequent agreements including the Interim Agreement of September 1995, the Wye River Memorandum of October 1998 and the Sharm El-Sheikh Memorandum of September 4, 1999, and the permanent status negotiations including the Camp David Summit of July 2000, the Clinton Ideas of December 2000, and the Taba Negotiations of January 2001;

*Reiterating* their commitment to United Nations Security Council Resolutions 242, 338 and 1397 and confirming their understanding that this Agreement is based on, will lead to, and - by its fulfillment - will constitute the full implementation of these resolutions and to the settlement of the Israeli-Palestinian conflict in all its aspects;

*Declaring* that this Agreement constitutes the realization of the permanent status peace component envisaged in President Bush's speech of June 24, 2002 and in the Quartet Roadmap process;

*Declaring* that this Agreement marks the historic reconciliation between the Palestinians and Israelis, and paves the way to reconciliation between the Arab World and Israel and the establishment of normal, peaceful relations between the Arab states and Israel in accordance with the relevant clauses of the Beirut Arab League Resolution of March 28, 2002; and

*Resolved* to pursue the goal of attaining a comprehensive regional peace, thus contributing to stability, security, development and prosperity throughout the region;

Have agreed on the following:

### **Article 1 - Purpose of the Permanent Status Agreement**

1. The Permanent Status Agreement (hereinafter "this Agreement") ends the era of conflict and ushers in a new era based on peace, cooperation, and good neighborly relations between the Parties.
2. The implementation of this Agreement will settle all the claims of the Parties arising from events occurring prior

to its signature. No further claims related to events prior to this Agreement may be raised by either Party.

## **Article 2 - Relations between the Parties**

1. The state of Israel shall recognize the state of Palestine (hereinafter "Palestine") upon its establishment. The state of Palestine shall immediately recognize the state of Israel.
2. The state of Palestine shall be the successor to the PLO with all its rights and obligations.
3. Israel and Palestine shall immediately establish full diplomatic and consular relations with each other and will exchange resident Ambassadors, within one month of their mutual recognition.
4. The Parties recognize Palestine and Israel as the homelands of their respective peoples. The Parties are committed not to interfere in each other's internal affairs.
5. This Agreement supercedes all prior agreements between the Parties.
6. Without prejudice to the commitments undertaken by them in this Agreement, relations between Israel and Palestine shall be based upon the provisions of the Charter of the United Nations.
7. With a view to the advancement of the relations between the two States and peoples, Palestine and Israel shall cooperate in areas of common interest. These shall include, but are not limited to, dialogue between their legislatures and state institutions, cooperation between their appropriate local authorities, promotion of non-governmental civil society cooperation, and joint programs and exchange in the areas of culture, media, youth, science, education, environment, health, agriculture, tourism, and crime prevention. The Israeli-Palestinian Cooperation Committee will oversee this cooperation in accordance with Article 8.
8. The Parties shall cooperate in areas of joint economic interest, to best realize the human potential of their respective peoples. In this regard, they will work bilaterally, regionally, and with the international community to maximize the benefit of peace to the broadest cross-section of their respective populations. Relevant standing bodies shall be established by the Parties to this effect.
9. The Parties shall establish robust modalities for security cooperation, and engage in a comprehensive and uninterrupted effort to end terrorism and violence directed against each others persons, property, institutions or territory. This effort shall continue at all times, and shall be insulated from any possible crises and other aspects of the Parties' relations.
10. Israel and Palestine shall work together and separately with other parties in the region to enhance and promote regional cooperation and coordination in spheres of common interest.
11. The Parties shall establish a ministerial-level Palestinian-Israeli High Steering Committee to guide, monitor, and facilitate the process of implementation of this Agreement, both bilaterally and in accordance with the mechanisms in Article 3 hereunder.

## **Article 3: Implementation and Verification Group**

### *1. Establishment and Composition*

(a) An Implementation and Verification Group (IVG) shall hereby be established to facilitate, assist in, guarantee, monitor, and resolve disputes relating to the implementation of this Agreement.

(b) The IVG shall include the U.S., the Russian Federation, the EU, the UN, and other parties, both regional and international, to be agreed on by the Parties.

(c) The IVG shall work in coordination with the Palestinian-Israeli High Steering Committee established in Article 2/11 above and subsequent to that with the Israeli-Palestinian Cooperation Committee (IPCC) established in Article 8 hereunder.

(d) The structure, procedures, and modalities of the IVG are set forth below and detailed in Annex X.

### *2. Structure*

(a) A senior political-level contact group (Contact Group), composed of all the IVG members, shall be the highest authority in the IVG.

(b) The Contact Group shall appoint, in consultation with the Parties, a Special Representative who will be the

principal executive of the IVG on the ground. The Special Representative shall manage the work of the IVG and maintain constant contact with the Parties, the Palestinian-Israeli High Steering Committee, and the Contact Group.

(c) The IVG permanent headquarters and secretariat shall be based in an agreed upon location in Jerusalem.

(d) The IVG shall establish its bodies referred to in this Agreement and additional bodies as it deems necessary. These bodies shall be an integral part of and under the authority of the IVG.

(e) The Multinational Force (MF) established under Article 5 shall be an integral part of the IVG. The Special Representative shall, subject to the approval of the Parties, appoint the Commander of the MF who shall be responsible for the daily command of the MF. Details relating to the Special Representative and MF Force Commander are set forth in Annex X.

(f) The IVG shall establish a dispute settlement mechanism, in accordance with Article 16.

### *3. Coordination with the Parties*

A Trilateral Committee composed of the Special Representative and the Palestinian-Israeli High Steering Committee shall be established and shall meet on at least a monthly basis to review the implementation of this Agreement. The Trilateral Committee will convene within 48 hours upon the request of any of the three parties represented.

### *4. Functions*

In addition to the functions specified elsewhere in this Agreement, the IVG shall:

- (a) Take appropriate measures based on the reports it receives from the MF,
- (b) Assist the Parties in implementing the Agreement and preempt and promptly mediate disputes on the ground.

### *5. Termination*

In accordance with the progress in the implementation of this Agreement, and with the fulfillment of the specific mandated functions, the IVG shall terminate its activities in the said spheres. The IVG shall continue to exist unless otherwise agreed by the Parties.

## **Article 4 - Territory**

### *1. The International Borders between the States of Palestine and Israel*

(a) In accordance with UNSC Resolution 242 and 338, the border between the states of Palestine and Israel shall be based on the June 4th 1967 lines with reciprocal modifications on a 1:1 basis as set forth in attached Map 1.

(b) The Parties recognize the border, as set out in attached Map 1, as the permanent, secure and recognized international boundary between them.

### *2. Sovereignty and Inviolability*

(a) The Parties recognize and respect each other's sovereignty, territorial integrity, and political independence, as well as the inviolability of each others territory, including territorial waters, and airspace. They shall respect this inviolability in accordance with this Agreement, the UN Charter, and other rules of international law.

(b) The Parties recognize each other's rights in their exclusive economic zones in accordance with international law.

### *3. Israeli Withdrawal*

(a) Israel shall withdraw in accordance with Article 5.

(b) Palestine shall assume responsibility for the areas from which Israel withdraws.

(c) The transfer of authority from Israel to Palestine shall be in accordance with Annex X.

(d) The IVG shall monitor, verify, and facilitate the implementation of this Article.

### *4. Demarcation*

(a) A Joint Technical Border Commission (Commission) composed of the two Parties shall be established to conduct the technical demarcation of the border in accordance with this Article. The procedures governing the work of this Commission are set forth in Annex X.

(b) Any disagreement in the Commission shall be referred to the IVG in accordance with Annex X.

(c) The physical demarcation of the international borders shall be completed by the Commission not later than nine months from the date of the entry into force of this Agreement.

### *5. Settlements*

- (a) The state of Israel shall be responsible for resettling the Israelis residing in Palestinian sovereign territory outside this territory.
- (b) The resettlement shall be completed according to the schedule stipulated in Article 5.
- (c) Existing arrangements in the West Bank and Gaza Strip regarding Israeli settlers and settlements, including security, shall remain in force in each of the settlements until the date prescribed in the timetable for the completion of the evacuation of the relevant settlement.
- (d) Modalities for the assumption of authority over settlements by Palestine are set forth in Annex X. The IVG shall resolve any disputes that may arise during its implementation.
- (e) Israel shall keep intact the immovable property, infrastructure and facilities in Israeli settlements to be transferred to Palestinian sovereignty. An agreed inventory shall be drawn up by the Parties with the IVG in advance of the completion of the evacuation and in accordance with Annex X.
- (f) The state of Palestine shall have exclusive title to all land and any buildings, facilities, infrastructure or other property remaining in any of the settlements on the date prescribed in the timetable for the completion of the evacuation of this settlement.

### *6. Corridor*

- (a) The states of Palestine and Israel shall establish a corridor linking the West Bank and Gaza Strip. This corridor shall:
- i. Be under Israeli sovereignty.
  - ii. Be permanently open.
  - iii. Be under Palestinian administration in accordance with Annex X of this Agreement. Palestinian law shall apply to persons using and procedures appertaining to the corridor.
  - iv. Not disrupt Israeli transportation and other infrastructural networks, or endanger the environment, public safety or public health. Where necessary, engineering solutions will be sought to avoid such disruptions.
  - v. Allow for the establishment of the necessary infrastructural facilities linking the West Bank and the Gaza Strip. Infrastructural facilities shall be understood to include, inter alia, pipelines, electrical and communications cables, and associated equipment as detailed in Annex X.
  - vi. Not be used in contravention of this Agreement.
- (b) Defensive barriers shall be established along the corridor and Palestinians shall not enter Israel from this corridor, nor shall Israelis enter Palestine from the corridor.
- (c) The Parties shall seek the assistance of the international community in securing the financing for the corridor.
- (d) The IVG shall guarantee the implementation of this Article in accordance with Annex X.
- (e) Any disputes arising between the Parties from the operation of the corridor shall be resolved in accordance with Article 16.
- (f) The arrangements set forth in this clause may only be terminated or revised by agreement of both Parties.

## **Article 5 - Security**

### *1. General Security Provisions*

- (a) The Parties acknowledge that mutual understanding and co-operation in security-related matters will form a significant part of their bilateral relations and will further enhance regional security. Palestine and Israel shall base their security relations on cooperation, mutual trust, good neighborly relations, and the protection of their joint interests.
- (b) Palestine and Israel each shall:
- i. Recognize and respect the other's right to live in peace within secure and recognized boundaries free from the threat or acts of war, terrorism and violence;
  - ii. refrain from the threat or use of force against the territorial integrity or political independence of the other and shall settle all disputes between them by peaceful means;
  - iii. refrain from joining, assisting, promoting or co-operating with any coalition, organization or alliance of a military or security character, the objectives or activities of which include launching aggression or other acts of

hostility against the other;

iv. refrain from organizing, encouraging, or allowing the formation of irregular forces or armed bands, including mercenaries and militias within their respective territory and prevent their establishment. In this respect, any existing irregular forces or armed bands shall be disbanded and prevented from reforming at any future date;

v. refrain from organizing, assisting, allowing, or participating in acts of violence in or against the other or acquiescing in activities directed toward the commission of such acts.

(c) To further security cooperation, the Parties shall establish a high level Joint Security Committee that shall meet on at least a monthly basis. The Joint Security Committee shall have a permanent joint office, and may establish such sub-committees as it deems necessary, including sub-committees to immediately resolve localized tensions.

## 2. Regional Security

i. Israel and Palestine shall work together with their neighbors and the international community to build a secure and stable Middle East, free from weapons of mass destruction, both conventional and non-conventional, in the context of a comprehensive, lasting, and stable peace, characterized by reconciliation, goodwill, and the renunciation of the use of force.

ii. To this end, the Parties shall work together to establish a regional security regime.

## 3. Defense Characteristics of the Palestinian State

(a) No armed forces, other than as specified in this Agreement, will be deployed or stationed in Palestine.

(b) Palestine shall be a non-militarized state, with a strong security force. Accordingly, the limitations on the weapons that may be purchased, owned, or used by the Palestinian Security Force (PSF) or manufactured in Palestine shall be specified in Annex X. Any proposed changes to Annex X shall be considered by a trilateral committee composed of the two Parties and the MF. If no agreement is reached in the trilateral committee, the IVG may make its own recommendations.

i. No individuals or organizations in Palestine other than the PSF and the organs of the IVG, including the MF, may purchase, possess, carry or use weapons except as provided by law.

(c) The PSF shall:

- i. Maintain border control;
- ii. Maintain law-and-order and perform police functions;
- iii. Perform intelligence and security functions;
- iv. Prevent terrorism;
- v. Conduct rescue and emergency missions; and
- vi. Supplement essential community services when necessary.

(d) The MF shall monitor and verify compliance with this clause.

## 4. Terrorism

(a) The Parties reject and condemn terrorism and violence in all its forms and shall pursue public policies accordingly. In addition, the parties shall refrain from actions and policies that are liable to nurture extremism and create conditions conducive to terrorism on either side.

(b) The Parties shall take joint and, in their respective territories, unilateral comprehensive and continuous efforts against all aspects of violence and terrorism. These efforts shall include the prevention and preemption of such acts, and the prosecution of their perpetrators.

(c) To that end, the Parties shall maintain ongoing consultation, cooperation, and exchange of information between their respective security forces.

(d) A Trilateral Security Committee composed of the two Parties and the United States shall be formed to ensure the implementation of this Article. The Trilateral Security Committee shall develop comprehensive policies and guidelines to fight terrorism and violence.

## 5. Incitement

(a) Without prejudice to freedom of expression and other internationally recognized human rights, Israel and Palestine shall promulgate laws to prevent incitement to irredentism, racism, terrorism and violence and vigorously enforce them.

(b) The IVG shall assist the Parties in establishing guidelines for the implementation of this clause, and shall monitor the Parties' adherence thereto.

#### *6. Multinational Force*

(a) A Multinational Force (MF) shall be established to provide security guarantees to the Parties, act as a deterrent, and oversee the implementation of the relevant provisions of this Agreement.

(b) The composition, structure and size of the MF are set forth in Annex X.

(c) To perform the functions specified in this Agreement, the MF shall be deployed in the state of Palestine. The MF shall enter into the appropriate Status of Forces Agreement (SOFA) with the state of Palestine.

(d) In accordance with this Agreement, and as detailed in Annex X, the MF shall:

i. In light of the non-militarized nature of the Palestinian state, protect the territorial integrity of the state of Palestine.

ii. Serve as a deterrent against external attacks that could threaten either of the Parties.

iii. Deploy observers to areas adjacent to the lines of the Israeli withdrawal during the phases of this withdrawal, in accordance with Annex X.

iv. Deploy observers to monitor the territorial and maritime borders of the state of Palestine, as specified in clause 5/13.

v. Perform the functions on the Palestinian international border crossings specified in clause 5/12.

vi. Perform the functions relating to the early warning stations as specified in clause 5/8.

vii. Perform the functions specified in clause 5/3.

viii. Perform the functions specified in clause 5/7.

ix. Perform the functions specified in Article 10.

x. Help in the enforcement of anti-terrorism measures.

xi. Help in the training of the PSF.

(e) In relation to the above, the MF shall report to and update the IVG in accordance with Annex X.

(f) The MF shall only be withdrawn or have its mandate changed by agreement of the Parties.

#### *7. Evacuation*

(a) Israel shall withdraw all its military and security personnel and equipment, including landmines, and all persons employed to support them, and all military installations from the territory of the state of Palestine, except as otherwise agreed in Annex X, in stages.

(b) The staged withdrawals shall commence immediately upon entry into force of this Agreement and shall be made in accordance with the timetable and modalities set forth in Annex X.

(c) The stages shall be designed subject to the following principles:

i. The need to create immediate clear contiguity and facilitate the early implementation of Palestinian development plans.

ii. Israel's capacity to relocate, house and absorb settlers. While costs and inconveniences are inherent in such a process, these shall not be unduly disruptive.

iii. The need to construct and operationalize the border between the two states.

iv. The introduction and effective functioning of the MF, in particular on the eastern border of the state of Palestine.

(d) Accordingly, the withdrawal shall be implemented in the following stages:

i. The first stage shall include the areas of the state of Palestine, as defined in Map X, and shall be completed within 9 months.

ii. The second and third stages shall include the remainder of the territory of the state of Palestine and shall be completed within 21 months of the end of the first stage.

(e) Israel shall complete its withdrawal from the territory of the state of Palestine within 30 months of the entry into force of this Agreement, and in accordance with this Agreement.

(f) Israel will maintain a small military presence in the Jordan Valley under the authority of the MF and subject to the MF SOFA as detailed in Annex X for an additional 36 months. The stipulated period may be reviewed by the Parties in the event of relevant regional developments, and may be altered by the Parties' consent.

(g) In accordance with Annex X, the MF shall monitor and verify compliance with this clause.

#### *8. Early Warning Stations*

(a) Israel may maintain two EWS in the northern, and central West Bank at the locations set forth in Annex X.

(b) The EWS shall be staffed by the minimal required number of Israeli personnel and shall occupy the minimal amount of land necessary for their operation as set forth in Annex X.

(c) Access to the EWS will be guaranteed and escorted by the MF.

(d) Internal security of the EWS shall be the responsibility of Israel. The perimeter security of the EWS shall be the responsibility of the MF.

(e) The MF and the PSF shall maintain a liaison presence in the EWS. The MF shall monitor and verify that the EWS is being used for purposes recognized by this Agreement as detailed in Annex X.

(f) The arrangements set forth in this Article shall be subject to review in ten years, with any changes to be mutually agreed. Thereafter, there will be five-yearly reviews whereby the arrangements set forth in this Article may be extended by mutual consent.

(g) If at any point during the period specified above a regional security regime is established, then the IVG may request that the Parties review whether to continue or revise operational uses for the EWS in light of these developments. Any such change will require the mutual consent of the Parties.

#### *9. Airspace*

##### *(a) Civil Aviation*

i. The Parties recognize as applicable to each other the rights, privileges and obligations provided for by the multilateral aviation agreements to which they are both party, particularly by the 1944 Convention on International Civil Aviation (The Chicago Convention) and the 1944 International Air Services Transit Agreement.

ii. In addition, the Parties shall, upon entry into force of this Agreement, establish a trilateral committee composed of the two Parties and the IVG to design the most efficient management system for civil aviation, including those relevant aspects of the air traffic control system. In the absence of consensus the IVG may make its own recommendations.

##### *(b) Training*

i. The Israeli Air Force shall be entitled to use the Palestinian sovereign airspace for training purposes in accordance with Annex X, which shall be based on rules pertaining to IAF use of Israeli airspace.

ii. The IVG shall monitor and verify compliance with this clause. Either Party may submit a complaint to the IVG whose decision shall be conclusive.

iii. The arrangements set forth in this clause shall be subject to review every ten years, and may be altered or terminated by the agreement of both Parties.

#### *10. Electromagnetic Sphere*

(a) Neither Party's use of the electromagnetic sphere may interfere with the other Party's use.

(b) Annex X shall detail arrangements relating to the use of the electromagnetic sphere.

(c) The IVG shall monitor and verify the implementation of this clause and Annex X.

(d) Any Party may submit a complaint to the IVG whose decision shall be conclusive.

#### *11. Law Enforcement*

The Israeli and Palestinian law enforcement agencies shall cooperate in combating illicit drug trafficking, illegal

trafficking in archaeological artifacts and objects of arts, cross-border crime, including theft and fraud, organized crime, trafficking in women and minors, counterfeiting, pirate TV and radio stations, and other illegal activity.

#### *12. International Border Crossings*

(a) The following arrangements shall apply to borders crossing between the state of Palestine and Jordan, the state of Palestine and Egypt, as well as airport and seaport entry points to the state of Palestine.

(b) All border crossings shall be monitored by joint teams composed of members of the PSF and the MF. These teams shall prevent the entry into Palestine of any weapons, materials or equipment that are in contravention of the provisions of this Agreement.

(c) The MF representatives and the PSF will have, jointly and separately, the authority to block the entry into Palestine of any such items. If at any time a disagreement regarding the entrance of goods or materials arises between the PSF and the MF representatives, the PSF may bring the matter to the IVG, whose binding conclusions shall be rendered within 24 hours.

(d) This arrangement shall be reviewed by the IVG after 5 years to determine its continuation, modification or termination. Thereafter, the Palestinian party may request such a review on an annual basis.

(e) In passenger terminals, for thirty months, Israel may maintain an unseen presence in a designated on-site facility, to be staffed by members of the MF and Israelis, utilizing appropriate technology. The Israeli side may request that the MF-PSF conduct further inspections and take appropriate action.

(f) For the following two years, these arrangements will continue in a specially designated facility in Israel, utilizing appropriate technology. This shall not cause delays beyond the procedures outlined in this clause.

(g) In cargo terminals, for thirty months, Israel may maintain an unseen presence in a designated on-site facility, to be staffed by members of the MF and Israelis, utilizing appropriate technology. The Israeli side may request that the MF-PSF conduct further inspections and take appropriate action. If the Israeli side is not satisfied by the MF-PSF action, it may demand that the cargo be detained pending a decision by an MF inspector. The MF inspector's decision shall be binding and final, and shall be rendered within 12 hours of the Israeli complaint.

(h) For the following three years, these arrangements will continue from a specially designated facility in Israel, utilizing appropriate technology. This shall not cause delays beyond the timelines outlined in this clause.

(i) A high level trilateral committee composed of representatives of Palestine, Israel, and the IVG shall meet regularly to monitor the application of these procedures and correct any irregularities, and may be convened on request.

(j) The details of the above are set forth in Annex X.

#### *13. Border Control*

(a) The PSF shall maintain border control as detailed in Annex X.

(b) The MF shall monitor and verify the maintenance of border control by the PSF.

### **Article 6 - Jerusalem**

#### *1. Religious and Cultural Significance:*

(a) The Parties recognize the universal historic, religious, spiritual, and cultural significance of Jerusalem and its holiness enshrined in Judaism, Christianity, and Islam. In recognition of this status, the Parties reaffirm their commitment to safeguard the character, holiness, and freedom of worship in the city and to respect the existing division of administrative functions and traditional practices between different denominations.

(b) The Parties shall establish an inter-faith body consisting of representatives of the three monotheistic faiths, to act as a consultative body to the Parties on matters related to the city's religious significance and to promote inter-religious understanding and dialogue. The composition, procedures, and modalities for this body are set forth in Annex X.

#### *2. Capital of Two States*

The Parties shall have their mutually recognized capitals in the areas of Jerusalem under their respective sovereignty.

### *3. Sovereignty*

Sovereignty in Jerusalem shall be in accordance with attached Map 2. This shall not prejudice nor be prejudiced by the arrangements set forth below.

### *4. Border Regime*

The border regime shall be designed according to the provisions of Article 11, and taking into account the specific needs of Jerusalem (e.g., movement of tourists and intensity of border crossing use including provisions for Jerusalemites) and the provisions of this Article.

### *5. al-Haram al-Sharif/Temple Mount (Compound)*

#### *(a) International Group*

i. An International Group, composed of the IVG and other parties to be agreed upon by the Parties, including members of the Organization of the Islamic Conference (OIC), shall hereby be established to monitor, verify, and assist in the implementation of this clause.

ii. For this purpose, the International Group shall establish a Multinational Presence on the Compound, the composition, structure, mandate and functions of which are set forth in Annex X.

iii. The Multinational Presence shall have specialized detachments dealing with security and conservation. The Multinational Presence shall make periodic conservation and security reports to the International Group. These reports shall be made public.

iv. The Multinational Presence shall strive to immediately resolve any problems arising and may refer any unresolved disputes to the International Group that will function in accordance with Article 16.

v. The Parties may at any time request clarifications or submit complaints to the International Group which shall be promptly investigated and acted upon.

vi. The International Group shall draw up rules and regulations to maintain security on and conservation of the Compound. These shall include lists of the weapons and equipment permitted on the site.

#### *(b) Regulations Regarding the Compound*

i. In view of the sanctity of the Compound, and in light of the unique religious and cultural significance of the site to the Jewish people, there shall be no digging, excavation, or construction on the Compound, unless approved by the two Parties. Procedures for regular maintenance and emergency repairs on the Compound shall be established by the IG after consultation with the Parties.

ii. The state of Palestine shall be responsible for maintaining the security of the Compound and for ensuring that it will not be used for any hostile acts against Israelis or Israeli areas. The only arms permitted on the Compound shall be those carried by the Palestinian security personnel and the security detachment of the Multinational Presence.

iii. In light of the universal significance of the Compound, and subject to security considerations and to the need not to disrupt religious worship or decorum on the site as determined by the Waqf, visitors shall be allowed access to the site. This shall be without any discrimination and generally be in accordance with past practice.

#### *(c) Transfer of Authority*

i. At the end of the withdrawal period stipulated in Article 5/7, the state of Palestine shall assert sovereignty over the Compound.

ii. The International Group and its subsidiary organs shall continue to exist and fulfill all the functions stipulated in this Article unless otherwise agreed by the two Parties.

### *6. The Wailing Wall*

The Wailing Wall shall be under Israeli sovereignty.

### *7. The Old City*

#### *(a) Significance of the Old City*

i. The Parties view the Old City as one whole enjoying a unique character. The Parties agree that the preservation of this unique character together with safeguarding and promoting the welfare of the inhabitants should guide the administration of the Old City.

ii. The Parties shall act in accordance with the UNESCO World Cultural Heritage List regulations, in which the Old City is a registered site.

(b) IVG Role in the Old City

i. Cultural Heritage

1. The IVG shall monitor and verify the preservation of cultural heritage in the Old City in accordance with the UNESCO World Cultural Heritage List rules. For this purpose, the IVG shall have free and unimpeded access to sites, documents, and information related to the performance of this function.

2. The IVG shall work in close coordination with the Old City Committee of the Jerusalem Coordination and Development Committee (JCDC), including in devising a restoration and preservation plan for the Old City.

ii. Policing

1. The IVG shall establish an Old City Policing Unit (PU) to liaise with, coordinate between, and assist the Palestinian and Israeli police forces in the Old City, to defuse localized tensions and help resolve disputes, and to perform policing duties in locations specified in and according to operational procedures detailed in Annex X.

2. The PU shall periodically report to the IVG.

iii. Either Party may submit complaints in relation to this clause to the IVG, which shall promptly act upon them in accordance with Article 16.

(c) Free Movement within the Old City

Movement within the Old City shall be free and unimpeded subject to the provisions of this article and rules and regulations pertaining to the various holy sites.

(d) Entry into and Exit from the Old City

i. Entry and exit points into and from the Old City will be staffed by the authorities of the state under whose sovereignty the point falls, with the presence of PU members, unless otherwise specified.

ii. With a view to facilitating movement into the Old City, each Party shall take such measures at the entry points in its territory as to ensure the preservation of security in the Old City. The PU shall monitor the operation of the entry points.

iii. Citizens of either Party may not exit the Old City into the territory of the other Party unless they are in possession of the relevant documentation that entitles them to. Tourists may only exit the Old City into the territory of the Party which they possess valid authorization to enter.

(e) Suspension, Termination, and Expansion

i. Either Party may suspend the arrangements set forth in Article 6.7.iii in cases of emergency for one week. The extension of such suspension for longer than a week shall be pursuant to consultation with the other Party and the IVG at the Trilateral Committee established in Article 3/3.

ii. This clause shall not apply to the arrangements set forth in Article 6/7/vi.

iii. Three years after the transfer of authority over the Old City, the Parties shall review these arrangements. These arrangements may only be terminated by agreement of the Parties.

iv. The Parties shall examine the possibility of expanding these arrangements beyond the Old City and may agree to such an expansion.

(f) Special Arrangements

i. Along the way outlined in Map X (from the Jaffa Gate to the Zion Gate) there will be permanent and guaranteed arrangements for Israelis regarding access, freedom of movement, and security, as set forth in Annex X.

1. The IVG shall be responsible for the implementation of these arrangements.

ii. Without prejudice to Palestinian sovereignty, Israeli administration of the Citadel will be as outlined in Annex X.

(g) Color-Coding of the Old City

A visible color-coding scheme shall be used in the Old City to denote the sovereign areas of the respective Parties.

(h) Policing

i. An agreed number of Israeli police shall constitute the Israeli Old City police detachment and shall exercise responsibility for maintaining order and day-to-day policing functions in the area under Israeli sovereignty.

ii. An agreed number of Palestinian police shall constitute the Palestinian Old City police detachment and shall exercise responsibility for maintaining order and day-to-day policing functions in the area under Palestinian sovereignty.

iii. All members of the respective Israeli and Palestinian Old City police detachments shall undergo special training, including joint training exercises, to be administered by the PU.

iv. A special Joint Situation Room, under the direction of the PU and incorporating members of the Israeli and Palestinian Old City police detachments, shall facilitate liaison on all relevant matters of policing and security in the Old City.

(i) Arms

No person shall be allowed to carry or possess arms in the Old City, with the exception of the Police Forces provided for in this agreement. In addition, each Party may grant special written permission to carry or possess arms in areas under its sovereignty.

(j) Intelligence and Security

i. The Parties shall establish intensive intelligence cooperation regarding the Old City, including the immediate sharing of threat information.

ii. A trilateral committee composed of the two Parties and representatives of the United States shall be established to facilitate this cooperation.

*8. Mount of Olives Cemetery*

(a) The area outlined in Map X (the Jewish Cemetery on the Mount of Olives) shall be under Israeli administration; Israeli law shall apply to persons using and procedures appertaining to this area in accordance with Annex X.

i. There shall be a designated road to provide free, unlimited, and unimpeded access to the Cemetery.

ii. The IVG shall monitor the implementation of this clause.

iii. This arrangement may only be terminated by the agreement of both Parties.

*9. Special Cemetery Arrangements*

Arrangements shall be established in the two cemeteries designated in Map X (Mount Zion Cemetery and the German Colony Cemetery), to facilitate and ensure the continuation of the current burial and visitation practices, including the facilitation of access.

*10. The Western Wall Tunnel*

(a) The Western Wall Tunnel designated in Map X shall be under Israeli administration, including:

i. Unrestricted Israeli access and right to worship and conduct religious practices.

ii. Responsibility for the preservation and maintenance of the site in accordance with this Agreement and without damaging structures above, under IVG supervision.

iii. Israeli policing.

iv. IVG monitoring

v. The Northern Exit of the Tunnel shall only be used for exit and may only be closed in case of emergency as stipulated in Article 6/7.

(b) This arrangement may only be terminated by the agreement of both Parties.

*11. Municipal Coordination*

(a) The two Jerusalem municipalities shall form a Jerusalem Co-ordination and Development Committee ("JCDC") to oversee the cooperation and coordination between the Palestinian Jerusalem municipality and the Israeli Jerusalem municipality. The JCDC and its sub-committees shall be composed of an equal number of representatives from Palestine and Israel. Each side will appoint members of the JCDC and its subcommittees in accordance with its own modalities.

(b) The JCDC shall ensure that the coordination of infrastructure and services best serves the residents of Jerusalem, and shall promote the economic development of the city to the benefit of all. The JCDC will act to encourage cross-community dialogue and reconciliation.

(c) The JCDC shall have the following subcommittees:

i. A Planning and Zoning Committee: to ensure agreed planning and zoning regulations in areas designated in Annex X.

ii. A Hydro Infrastructure Committee: to handle matters relating to drinking water delivery, drainage, and wastewater collection and treatment.

iii. A Transport Committee: to coordinate relevant connectedness and compatibility of the two road systems and

other issues pertaining to transport.

iv. An Environmental Committee: to deal with environmental issues affecting the quality of life in the city, including solid waste management.

v. An Economic and Development Committee: to formulate plans for economic development in areas of joint interest, including in the areas of transportation, seam line commercial cooperation, and tourism.

vi. A Police and Emergency Services Committee: to coordinate measures for the maintenance of public order and crime prevention and the provision of emergency services;

vii. An Old City Committee: to plan and closely coordinate the joint provision of the relevant municipal services, and other functions stipulated in Article 6/7.

viii. Other Committees as agreed in the JCDC.

### *12. Israeli Residency of Palestinian Jerusalemites*

Palestinian Jerusalemites who currently are permanent residents of Israel shall lose this status upon the transfer of authority to Palestine of those areas in which they reside.

### *13. Transfer of authority*

The Parties will apply in certain socio-economic spheres interim measures to ensure the agreed, expeditious, and orderly transfer of powers and obligations from Israel to Palestine. This shall be done in a manner that preserves the accumulated socio-economic rights of the residents of East Jerusalem.

## Article 7 - Refugees

### *1. Significance of the Refugee Problem*

(a) The Parties recognize that, in the context of two independent states, Palestine and Israel, living side by side in peace, an agreed resolution of the refugee problem is necessary for achieving a just, comprehensive and lasting peace between them.

(b) Such a resolution will also be central to stability building and development in the region.

### *2. UNGAR 194, UNSC Resolution 242, and the Arab Peace Initiative*

(a) The Parties recognize that UNGAR 194, UNSC Resolution 242, and the Arab Peace Initiative (Article 2.ii.) concerning the rights of the Palestinian refugees represent the basis for resolving the refugee issue, and agree that these rights are fulfilled according to Article 7 of this Agreement.

### *3. Compensation*

(a) Refugees shall be entitled to compensation for their refugeehood and for loss of property. This shall not prejudice or be prejudiced by the refugee's permanent place of residence.

(b) The Parties recognize the right of states that have hosted Palestinian refugees to remuneration.

### *4. Choice of Permanent Place of Residence (PPR)*

The solution to the PPR aspect of the refugee problem shall entail an act of informed choice on the part of the refugee to be exercised in accordance with the options and modalities set forth in this agreement. PPR options from which the refugees may choose shall be as follows;

(a) The state of Palestine, in accordance with clause a below.

(b) Areas in Israel being transferred to Palestine in the land swap, following assumption of Palestinian sovereignty, in accordance with clause a below.

(c) Third Countries, in accordance with clause b below.

(d) The state of Israel, in accordance with clause c below.

(e) Present Host countries, in accordance with clause d below.

i. PPR options i and ii shall be the right of all Palestinian refugees and shall be in accordance with the laws of the State of Palestine.

ii. Option iii shall be at the sovereign discretion of third countries and shall be in accordance with numbers that each third country will submit to the International Commission. These numbers shall represent the total number of Palestinian refugees that each third country shall accept.

iii. Option iv shall be at the sovereign discretion of Israel and will be in accordance with a number that Israel will submit to the International Commission. This number shall represent the total number of Palestinian refugees that Israel shall accept. As a basis, Israel will consider the average of the total numbers submitted by the different third

countries to the International Commission.

iv. Option v shall be in accordance with the sovereign discretion of present host countries. Where exercised this shall be in the context of prompt and extensive development and rehabilitation programs for the refugee communities.

Priority in all the above shall be accorded to the Palestinian refugee population in Lebanon.

#### *5. Free and Informed Choice*

The process by which Palestinian refugees shall express their PPR choice shall be on the basis of a free and informed decision. The Parties themselves are committed and will encourage third parties to facilitate the refugees' free choice in expressing their preferences, and to countering any attempts at interference or organized pressure on the process of choice. This will not prejudice the recognition of Palestine as the realization of Palestinian self-determination and statehood.

#### *6. End of Refugee Status*

Palestinian refugee status shall be terminated upon the realization of an individual refugee's permanent place of residence (PPR) as determined by the International Commission.

#### *7. End of Claims*

This agreement provides for the permanent and complete resolution of the Palestinian refugee problem. No claims may be raised except for those related to the implementation of this agreement.

#### *8. International Role*

The Parties call upon the international community to participate fully in the comprehensive resolution of the refugee problem in accordance with this Agreement, including, inter alia, the establishment of an International Commission and an International Fund.

#### *9. Property Compensation*

(a) Refugees shall be compensated for the loss of property resulting from their displacement.

(b) The aggregate sum of property compensation shall be calculated as follows:

i. The Parties shall request the International Commission to appoint a Panel of Experts to estimate the value of Palestinians' property at the time of displacement.

ii. The Panel of Experts shall base its assessment on the UNCCP records, the records of the Custodian for Absentee Property, and any other records it deems relevant. The Parties shall make these records available to the Panel.

iii. The Parties shall appoint experts to advise and assist the Panel in its work.

iv. Within 6 months, the Panel shall submit its estimates to the Parties.

v. The Parties shall agree on an economic multiplier, to be applied to the estimates, to reach a fair aggregate value of the property.

(c) The aggregate value agreed to by the Parties shall constitute the Israeli "lump sum" contribution to the International Fund. No other financial claims arising from the Palestinian refugee problem may be raised against Israel.

(d) Israel's contribution shall be made in installments in accordance with Schedule X.

(e) The value of the Israeli fixed assets that shall remain intact in former settlements and transferred to the state of Palestine will be deducted from Israel's contribution to the International Fund. An estimation of this value shall be made by the International Fund, taking into account assessment of damage caused by the settlements.

#### *10. Compensation for Refugeehood*

(a) A "Refugeehood Fund" shall be established in recognition of each individual's refugeehood. The Fund, to which Israel shall be a contributing party, shall be overseen by the International Commission. The structure and financing of the Fund is set forth in Annex X.

(b) Funds will be disbursed to refugee communities in the former areas of UNRWA operation, and will be at their disposal for communal development and commemoration of the refugee experience. Appropriate mechanisms will be devised by the International Commission whereby the beneficiary refugee communities are empowered to determine and administer the use of this Fund.

## *11. The International Commission (Commission)*

### *(a) Mandate and Composition*

i. An International Commission shall be established and shall have full and exclusive responsibility for implementing all aspects of this Agreement pertaining to refugees.

ii. In addition to themselves, the Parties call upon the United Nations, the United States, UNRWA, the Arab host countries, the EU, Switzerland, Canada, Norway, Japan, the World Bank, the Russian Federation, and others to be the members of the Commission.

iii. The Commission shall:

1. Oversee and manage the process whereby the status and PPR of Palestinian refugees is determined and realized.
2. Oversee and manage, in close cooperation with the host states, the rehabilitation and development programs.
3. Raise and disburse funds as appropriate.

iv. The Parties shall make available to the Commission all relevant documentary records and archival materials in their possession that it deems necessary for the functioning of the Commission and its organs. The Commission may request such materials from all other relevant parties and bodies, including, inter alia, UNCCP and UNRWA.

### *(b) Structure*

i. The Commission shall be governed by an Executive Board (Board) composed of representatives of its members.

ii. The Board shall be the highest authority in the Commission and shall make the relevant policy decisions in accordance with this Agreement.

iii. The Board shall draw up the procedures governing the work of the Commission in accordance with this Agreement.

iv. The Board shall oversee the conduct of the various Committees of the Commission. The said Committees shall periodically report to the Board in accordance with procedures set forth thereby.

v. The Board shall create a Secretariat and appoint a Chair thereof. The Chair and the Secretariat shall conduct the day-to-day operation of the Commission.

### *(c) Specific Committees*

i. The Commission shall establish the Technical Committees specified below.

ii. Unless otherwise specified in this Agreement, the Board shall determine the structure and procedures of the Committees.

iii. The Parties may make submissions to the Committees as deemed necessary.

iv. The Committees shall establish mechanisms for resolution of disputes arising from the interpretation or implementation of the provisions of this Agreement relating to refugees.

v. The Committees shall function in accordance with this Agreement, and shall render binding decisions accordingly.

vi. Refugees shall have the right to appeal decisions affecting them according to mechanisms established by this Agreement and detailed in Annex X.

### *(d) Status-determination Committee:*

i. The Status-determination Committee shall be responsible for verifying refugee status.

ii. UNRWA registration shall be considered as rebuttable presumption (prima facie proof) of refugee status.

### *(e) Compensation Committee:*

i. The Compensation Committee shall be responsible for administering the implementation of the compensation provisions.

ii. The Committee shall disburse compensation for individual property pursuant to the following modalities:

1. Either a fixed per capita award for property claims below a specified value. This will require the claimant to only prove title, and shall be processed according to a fast-track procedure, or
2. A claims-based award for property claims exceeding a specified value for immovables and other assets. This will require the claimant to prove both title and the value of the losses.

iii. Annex X shall elaborate the details of the above including, but not limited to, evidentiary issues and the use of UNCCP, “Custodian for Absentees' Property”, and UNRWA records, along with any other relevant records.

(f) Host State Remuneration Committee:

There shall be remuneration for host states.

(g) Permanent Place of Residence Committee (PPR Committee):

The PPR Committee shall,

i. Develop with all the relevant parties detailed programs regarding the implementation of the PPR options pursuant to Article 7/4 above.

ii. Assist the applicants in making an informed choice regarding PPR options.

iii. Receive applications from refugees regarding PPR. The applicants must indicate a number of preferences in accordance with article 7/4 above. The applications shall be received no later than two years after the start of the International Commission's operations. Refugees who do not submit such applications within the two-year period shall lose their refugee status.

iv. Determine, in accordance with sub-Article (a) above, the PPR of the applicants, taking into account individual preferences and maintenance of family unity. Applicants who do not avail themselves of the Committee's PPR determination shall lose their refugee status.

v. Provide the applicants with the appropriate technical and legal assistance.

vi. The PPR of Palestinian refugees shall be realized within 5 years of the start of the International Commission's operations.

(h) Refugeehood Fund Committee

The Refugeehood Fund Committee shall implement Article 7/10 as detailed in Annex X.

(i) Rehabilitation and Development Committee

In accordance with the aims of this Agreement and noting the above PPR programs, the Rehabilitation and Development Committee shall work closely with Palestine, Host Countries and other relevant third countries and parties in pursuing the goal of refugee rehabilitation and community development. This shall include devising programs and plans to provide the former refugees with opportunities for personal and communal development, housing, education, healthcare, re-training and other needs. This shall be integrated in the general development plans for the region.

#### *12. The International Fund*

(a) An International Fund (the Fund) shall be established to receive contributions outlined in this Article and additional contributions from the international community. The Fund shall disburse monies to the Commission to enable it to carry out its functions. The Fund shall audit the Commission's work.

(b) The structure, composition and operation of the Fund are set forth in Annex X.

#### *13. UNRWA*

(a) UNRWA should be phased out in each country in which it operates, based on the end of refugee status in that country.

(b) UNRWA should cease to exist five years after the start of the Commission's operations. The Commission shall draw up a plan for the phasing out of UNRWA and shall facilitate the transfer of UNRWA functions to host states.

#### *14. Reconciliation Programs*

(a) The Parties will encourage and promote the development of cooperation between their relevant institutions and civil societies in creating forums for exchanging historical narratives and enhancing mutual understanding regarding the past.

(b) The Parties shall encourage and facilitate exchanges in order to disseminate a richer appreciation of these respective narratives, in the fields of formal and informal education, by providing conditions for direct contacts between schools, educational institutions and civil society.

(c) The Parties may consider cross-community cultural programs in order to promote the goals of conciliation in relation to their respective histories.

(d) These programs may include developing appropriate ways of commemorating those villages and communities that existed prior to 1949.

### **Article 8 - Israeli-Palestinian Cooperation Committee (IPCC)**

1. The Parties shall establish an Israeli-Palestinian Cooperation Committee immediately upon the entry into force of this agreement. The IPCC shall be a ministerial-level body with ministerial-level Co-Chairs.
2. The IPCC shall develop and assist in the implementation of policies for cooperation in areas of common interest including, but not limited to, infrastructure needs, sustainable development and environmental issues, cross-border municipal cooperation, border area industrial parks, exchange programs, human resource development, sports and youth, science, agriculture and culture.
3. The IPCC shall strive to broaden the spheres and scope of cooperation between the Parties.

### **Article 9 - Designated Road Use Arrangements**

1. The following arrangements for Israeli civilian use will apply to the designated roads in Palestine as detailed in Map X (Road 443, Jerusalem to Tiberias via Jordan Valley, and Jerusalem –Ein Gedi).
2. These arrangements shall not prejudice Palestinian jurisdiction over these roads, including PSF patrols.
3. The procedures for designated road use arrangements will be further detailed in Annex X.
4. Israelis may be granted permits for use of designated roads. Proof of authorization may be presented at entry points to the designated roads. The sides will review options for establishing a road use system based on smart card technology.
5. The designated roads will be patrolled by the MF at all times. The MF will establish with the states of Israel and Palestine agreed arrangements for cooperation in emergency medical evacuation of Israelis.
6. In the event of any incidents involving Israeli citizens and requiring criminal or legal proceedings, there will be full cooperation between the Israeli and Palestinian authorities according to arrangements to be agreed upon as part of the legal cooperation between the two states. The Parties may call on the IVG to assist in this respect.
7. Israelis shall not use the designated roads as a means of entering Palestine without the relevant documentation and authorization.
8. In the event of regional peace, arrangements for Palestinian civilian use of designated roads in Israel shall be agreed and come into effect.

### **Article 10 - Sites of Religious Significance**

1. The Parties shall establish special arrangements to guarantee access to agreed sites of religious significance, as will be detailed in Annex X. These arrangements will apply, inter alia, to the Tomb of the Patriarchs in Hebron and Rachel's Tomb in Bethlehem, and Nabi Samuel.
2. Access to and from the sites will be by way of designated shuttle facilities from the relevant border crossing to the sites.
3. The Parties shall agree on requirements and procedures for granting licenses to authorized private shuttle operators.
4. The shuttles and passengers will be subject to MF inspection.
5. The shuttles will be escorted on their route between the border crossing and the sites by the MF.
6. The shuttles shall be under the traffic regulations and jurisdiction of the Party in whose territory they are traveling.
7. Arrangements for access to the sites on special days and holidays are detailed in Annex X.

8. The Palestinian Tourist Police and the MF will be present at these sites.

9. The Parties shall establish a joint body for the religious administration of these sites.

10. In the event of any incidents involving Israeli citizens and requiring criminal or legal proceedings, there will be full cooperation between the Israeli and Palestinian authorities according to arrangements to be agreed upon. The Parties may call on the IVG to assist in this respect.

11. Israelis shall not use the shuttles as a means of entering Palestine without the relevant documentation and authorization.

12. The Parties shall protect and preserve the sites of religious significance listed in Annex X and shall facilitate visitation to the cemeteries listed in Annex X.

### **Article 11 - Border Regime**

1. There shall be a border regime between the two states, with movement between them subject to the domestic legal requirements of each and to the provisions of this Agreement as detailed in Annex X.

2. Movement across the border shall only be through designated border crossings.

3. Procedures in border crossings shall be designed to facilitate strong trade and economic ties, including labor movement between the Parties.

4. Each Party shall each, in its respective territory, take the measures it deems necessary to ensure that no persons, vehicles, or goods enter the territory of the other illegally.

5. Special border arrangements in Jerusalem shall be in accordance with Article 6 above.

**Article 12 - Water:** still to be completed

**Article 13 - Economic Relations:** still to be completed

**Article 14 - Legal Cooperation:** still to be completed

### **Article 15 - Palestinian Prisoners and Detainees**

1. In the context of this Permanent Status Agreement between Israel and Palestine, the end of conflict, cessation of all violence, and the robust security arrangements set forth in this Agreement, all the Palestinian and Arab prisoners detained in the framework of the Israeli-Palestinian conflict prior to the date of signature of this Agreement, DD/MM/2003, shall be released in accordance with the categories set forth below and detailed in Annex X.

(a) Category A: all persons imprisoned prior to the start of the implementation of the Declaration of Principles on May 4, 1994, administrative detainees, and minors, as well as women, and prisoners in ill health shall be released immediately upon the entry into force of this Agreement.

(b) Category B: all persons imprisoned after May 4, 1994 and prior to the signature of this Agreement shall be released no later than eighteen months from the entry into force of this Agreement, except those specified in Category C.

(c) Category C: Exceptional cases - persons whose names are set forth in Annex X - shall be released in thirty months at the end of the full implementation of the territorial aspects of this Agreement set forth in Article 5/7/v.

### **Article 16 - Dispute Settlement Mechanism**

1. Disputes related to the interpretation or application of this Agreement shall be resolved by negotiations within a bilateral framework to be convened by the High Steering Committee.

2. If a dispute is not settled promptly by the above, either Party may submit it to mediation and conciliation by the IVG mechanism in accordance with Article 3.

3. Disputes which cannot be settled by bilateral negotiation and/or the IVG mechanism shall be settled by a mechanism of conciliation to be agreed upon by the Parties.

4. Disputes which have not been resolved by the above may be submitted by either Party to an arbitration panel. Each Party shall nominate one member of the three-member arbitration panel. The Parties shall select a third arbiter from the agreed list of arbiters set forth in Annex X either by consensus or, in the case of disagreement, by rotation.

**Article 17 - Final Clauses**

Including a final clause providing for a UNSCR/UNGAR resolution endorsing the agreement and superceding the previous UN resolutions.

**The English version of this text will be considered authoritative.**