



## **IR AMIM**

### **Jerusalem, 2014 The Rising Cost of Peace**

**February 2014**

Jerusalem is the symbolic heart of the conflict and as such, it must be embedded at the heart of its resolution. A fair and sustainable political agreement must affirm the city as the capital of two sovereign nations—Israeli and Palestinian. Assertion of this principle is imperative to the achievement of a two-state solution and avoidance of a corollary one-state scenario; as well as being vital to sustaining the support of the Palestinian leadership, Arab world and international community in working toward its realization.

The necessity of a strong affirmative position on Jerusalem is incontrovertible. The goal of this paper is to analyze the factors that will contribute to shaping a resolution on Jerusalem and to evaluate the relative feasibility of achieving a political solution to the conflict at this specific juncture in time. Using the Clinton Parameters as a base point, we outline actions taken on the ground since 2000 on three interdependent levels: within the Jerusalem Municipality, in neighborhoods within the annexation line; within the Historic Basin surrounding the Old City and the Temple Mount/Haram al-Sharif; and within Greater Jerusalem. We look at the state of affairs in 2000, actions taken between 2000 and 2012 and developments occurring within the most recent two-year period.

The import of plans advanced in the past two years and the accompanying intensification of policies designed to loosen Palestinians' grasp on the city lies not only in their scope but also in their strategic integration. The settlement enterprise is not limited to housing units; it combines infrastructure building, the development of national parks, touristic settlement, the maintenance of gross disparities in allocation of municipal resources, wide scale permanent residency revocations and systemic exclusion of Palestinians from the planning process. The following analysis illustrates how these factors interact and what their collective impact will be on the realization of a two-state solution.

#### **THE JERUSALEM MUNICIPALITY**

At the end of 2000, there were 41,324 housing units in Israeli settlements in East Jerusalem. By 2012, that number had risen to 54,216. Demographically, the swell in housing units represented a 20% increase in the Jewish population in East Jerusalem, from 164,188 in 2000 to 197,365 in 2012.

The following data demonstrates that in terms of territorial impact, most Israeli neighborhoods/settlements along the annexation line in East Jerusalem have not expanded significantly since 2000 and some of the building—construction in built-up areas, for example—has had no marked geo-political relevance for a political settlement on the city. The pronounced exception is Har Homa, which has undergone remarkable expansion over the last decade.

## **Building and Construction, 2000 - 2012**

### *The Southern Perimeter*

- **Har Homa** has grown from a community of 274 housing units in 2,000 to 4,573 in 2013. It is now a self-contained neighborhood of 13,887 people and the wedge it creates between Bethlehem and Beit Sahur in the West Bank and Um Tuba/Sur Baher in East Jerusalem has widened exponentially. The growth of Har Homa represents the most significant and threatening fact established on the ground in the past decade.
- **Gilo:** During the same time period, there has been a modest increase of 256 housing units in Gilo, which now contains a total of 9,121 housing units.

### *The Eastern Perimeter*

- **Armon Hanatziv:** A total of 331 housing units out of the 440 marketed on a tender six years ago have now been built. Overall, there are 4,634 housing units in the neighborhood.

### *The Northern Perimeter*

- **Pisgat Ze'ev:** Since 2000, a total of 1,151 housing units have been built, mostly in the direction of Anata and the Shuafat Refugee Camp. There are more than 11,300 housing units in the neighborhood today.
- **Neve Ya'akov:** The number of units stands at 4,769 (no expansion since 2000)
- **Ramat Shlomo:** In Ramat Shlomo, 272 housing units have been built, expanding the neighborhood northward into East Jerusalem and suffocating the narrow space still remaining between the settlement and the adjacent Palestinian neighborhoods of Beit Hanina and Shuafat. The neighborhood comprises a total of 2,246 housing units today.
- **Ramot:** In Ramot, 540 housing units in the built-up area of the neighborhood have been added. The neighborhood holds a total of 9,180 housing units.
- **French Hill:** There were 5,367 units in the neighborhood in 2000. Since then, 3,010 units have been built for a current total of 8,377, significantly expanding the neighborhood in the direction of the Shuafat Refugee Camp.

While Har Homa has had a significant impact on the political landscape, collectively these plans do not fatally threaten the viability of a two state solution. The real danger lies in those plans that have yet to be realized—more than 10,000 units under approved plans yet to be built, 4,474 of which have already been tendered— that would dramatically rewrite the potential for a Palestinian state. It is not just the bulk but the timing of these developments that are cause for alarm. A total of 6,431 of those approvals were made— and all of the 4,474 tenders issued— since 2012.

## **Promotion of Building and Construction Plans since 2012**

### ***The Southern Perimeter***

- In **Har Homa**, there are town planning schemes for roughly 1,500 housing units, out of which 1,082 were tendered in 2012. Most of the tendered units will be built in Har Homa C, located south of the built-up area of Har Homa. Although construction has yet to begin, work is advancing on infrastructure and building permits for 314 housing units were approved in February. Har Homa C will expand Har Homa southeast, further deepening the wedge between south Bethlehem/Beit Sahur and East Jerusalem.
- If built, **Givat Hamatos**, located adjacent to Beit Safafa, would represent the first new neighborhood/settlement in Jerusalem since initial construction of Har Homa in the late 1990s. Its development would complete the isolation of Beit Safafa by Israeli neighborhoods, creating an uninterrupted Israeli presence along the southern border of Jerusalem and breaking land contiguity between East Jerusalem and Bethlehem.
  - The plan for parcel A was approved at the end of 2012; if tendered, it will allow construction of 2,610 housing units on an area of 411 dunams between Beit Safafa and Hebron Road.
  - Parcel D, which calls for construction of 1,081 hotel rooms on an area of 171 dunams, reached the advanced stages of the approval process but was halted, most likely due to planners' realigning their interests toward residential building.
  - Parcel C, which was rejected, called for 805 units on an area of 416 dunam. In the last year, the Municipality has initiated preparation of a new plan.
  - Even without Givat Hamatos C and D, Givat Hamatos A can be used to enhance a contiguous Israeli presence along the southern border of Jerusalem.
- In **Gilo**, two plans were approved in 2012 for a total of 2,039 housing units that would expand the neighborhood westward in the direction of Walajeh and southwest in the direction of Beit Jala. A third plan for the neighborhood, comprising 100 housing units next to the neighborhood of Beit Safafa, was also approved. Together, these three plans represent a potential increase of 23.5% in the number of housing units in the neighborhood. Tenders were released for 708 units on the western slopes of Gilo (one of the plans mentioned above) at the end of 2013 but failed to draw bids.

### *The Northern Perimeter*

- **Ramat Shlomo:** At the end of 2012, a plan to expand the neighborhood by 1,531 housing units was approved. Tenders were released for 987 of those units at the end of 2013 and beginning of 2014.
- **Ramot:** In 2013, tenders were released for 312 housing units and at the beginning of 2014, for an additional 294 units.
- **Pisgat Ze'ev:** Tenders for 630 housing units have been released since 2012, with construction expected to launch soon. Most of the apartments are slated for construction on the narrow wedge of land still remaining between Pisgat Ze'ev and Beit Hanina.
- **Neve Ya'akov:** At the beginning of 2014, tenders were released for 56 additional housing units.

### *The Eastern Perimeter*

- In 2012, a plan for 180 housing units was approved in **Armon Hanatziv** in an area adjacent to Sur Baher.

The plans and tenders advanced since 2012 hold the potential to substantially alter the ground in Jerusalem. Along the southern perimeter, implementation of approved plans—particularly Givat Hamatos— would irreversibly cut East Jerusalem off from Bethlehem. In the north of the city, planned expansion of Pisgat Ze'ev and Neve Ya'akov would swell their boundaries almost to the edges of Beit Hanina and Shuafat. These changes could take effect within the next two years, inflicting irreversible damage to the viability of a two-state solution.

## **HISTORIC BASIN**

Though development in the Historic Basin around the Old City of Jerusalem has been much less significant in volume, it has resounding implications for the future of the city. Around the highly coveted swath of neighborhoods encompassing the Old City and Mount of Olives there are roughly 2,000 settlers in 8-10 compounds, living not in areas adjacent to Palestinian neighborhoods but directly within their centers. This bold and inflammatory declaration of an Israeli presence creates demographic and territorial chaos in these communities. Over the last decade and a half, the symbiosis between settlers and the state has become wide-scale, bold and overt.

### *Temple Mount/Haram al-Sharif*

There is arguably no more volatile flashpoint in the city than the Temple Mount/Haram al-Sharif. Over the past decade, and increasingly over the last several years, there has been a surge in the growth of temple movements—groups and organizations that share the overriding objective of ascending the Mount, advancing construction of the Third Temple while harming Islamic holy sites, or working, as an interim goal, toward a unilateral change of arrangements on the Temple Mount/Haram al-Sharif. Recent tensions are not isolated events but part of the growing rise of these

well-organized and subsidized movements. Despite Israel's chief rabbis recently reinstating the ban on Jews ascending the Mount, ascents are on the rise, along with a range of activities to realize the Mount as the site of the Third Temple. The steady advance of these movements—and the permeation of their values into the public discourse—represents one of the most volatile issues in the Middle East conflict today. Most troubling is the increasing acceptance of these movements in Israel's political center and the nature and depth of political and financial ties between Temple groups and the Israeli political establishment.

## ***Planning and Building***

### ***The Old City***

- There are roughly 1,000 settlers living in approximately 58 structures in the Muslim and Christian Quarters of the Old City and 5-10 open legal challenges to evict Palestinian tenants from their homes as a means of transferring housing units to settler organizations.
- Outside the **Damascus Gate**, 5 housing units have been handed over to settlers.
- During 2013, the Ministry of Housing and Construction attempted to advance a plan for a 21 unit Jewish compound and several public structures in a 3-dunam area next to **Herod's Gate**.
- In 2005, the government allocated 400 million NIS for the development of projects in the Old City and on the Mount of Olives.

### ***Silwan***

- Approximately seventy-five settler families live in Silwan, most in properties controlled by the radical settler group Elad.
- In 2002, the Israel Nature and Parks Authority renewed an agreement with Elad to manage the **City of David**—one of the city's major archeological sites—after its first contract in 1997 with the Jerusalem Municipality. Elad now operates the site and its information center, located at the entrance of Silwan—one example of settlement tourism that enables the imposition of a singular nationalist Jewish narrative onto the city and into the consciousness of Israelis and visitors from around the world.
- Within the last two months another Elad promoted plan was fast tracked through the planning process and is now awaiting discussion of objections in the District Planning and Building Committee. The plan for the **Kedem Compound** visitor center calls for the erection of a multi-story structure on more than 17,000 square meters at the entrance to Silwan, only 20 meters shy of the Old City walls and the Temple Mount/Haram al-Sharif. Despite the extreme sensitivity of the location and the plan's violation of the master plan for the surroundings of the Old City, Elad has gained the vigorous support of the Jerusalem Municipality, the Israel Nature and Parks Authority and the

Prime Minister's Office.

- **Budgetary allocations:** In 2013, budgets of 20 million NIS were approved for touristic development in Silwan at sites operated by Elad and in 2014, the Israel Lands Administration approved a budget of 6 million NIS for the development of the Samboski Cemetery area on the western edge of Silwan.

### *Ras al Amud*

- The adjacent settlements of **Ma'ale Zeitim** and **Ma'ale David** now dominate the entrance to Ras al Amud; if connected, as anticipated, they will represent the largest settlement in the heart of a Palestinian neighborhood.
- Construction on **Ma'ale Zeitim** began in 2003. The compound holds just over 100 units.
- An additional 30 units stand to be built on the property of the **Hamdallah family**, located just beyond the periphery of Ma'ale Zeitim. Following a court decision in 2012, settlers from Ma'ale Zeitim were granted permission to take possession of the yard and one of the rooms in the Hamdallah family's home. Settlers continue to apply pressure to evict the remaining family members.
- **Ma'ale David** sits in the abandoned headquarters of the Judea and Samaria police station. The compound has a total capacity of 104 units. Fourteen of them were constructed in 2010.
- The **Kidmat Zion** plan would add 200 housing units between Ras al-Amud and Abu Dis, in an area directly abutting the separation barrier.

### *A-Tur*

- **Beit Orot Yeshiva/settlement:** Approximately 150 students and staff now live on the site of the yeshiva. In 2013, settlers advanced a plan to add 8 housing units next to the 24 currently existing on a plot of land directly adjacent to the yeshiva. Billboards in the city market these units in the "neighborhood of Beit Orot".
- At the end of 2012, a plan for a **military academy** for training of high level national security officers was deposited for objections at the District Planning and Building Committee. The site is adjacent to Mount Scopus and separated from the Beit Arot settlement on Mount of Olives by an open field; its construction can be seen as a step toward creating a continuous land connection between the two.
- **The Mount Scopus Slopes National Park** (see section on national parks below), approved at the end of 2013, would consume the only remaining land for development in A-Tur.

### *Jabal Mukaber*

- The approved plan of Nof Zion consists of 304 housing units on the northern edge of Jabal Mukaber, 91 of which were built in 2005. Approximately 75 of those built are occupied. The Elad settler group holds 2 more buildings in the neighborhood.

### *Sheikh Jarrah*

- Today, roughly 70 settlers live in 10 structures in the neighborhood, having gained 4 since 2000. Continued legal claims threaten the evictions of tens of Palestinian families.
- The land for the **Shepherd Hotel** was sold to settler patron Irving Moskowitz by the Custodian of Absentee Property in the 1980s. A plan for new construction on the site calls for 120 units of housing; in 2009, the Jerusalem Municipality approved a plan for 20 of the units. There is currently no construction being carried out despite demolition work conducted in 2011.
- The plot of land known as the **Mufti's Grove** is an olive grove that sits opposite the hotel. In April 2007, the Israel Lands Administration conveyed a long term lease for 30 dunams of land to the Ateret Cohanim settler organization "for agricultural purposes" at the cost of 42.7 shekels per year. Future plans include construction of 250 housing units.
- The **Glassman Campus** plan calls for a new 12-story building at the entrance of Sheikh Jarrah designed to serve as a yeshiva and dormitories. This February, the plan advanced through the planning process toward deposit for objections.
- Construction is slated to resume soon on the **Bituach Leumi Building**. The site, located at the southern entrance to Sheikh Jarrah, is situated approximately 50 meters from the Glassman Campus.
- Roughly two months ago, settlers requested building permits for **Beit Amana**, indicating the probable launch of construction. The building would house the offices of the Amana settler group, most of whose housing activities are focused in the West Bank.

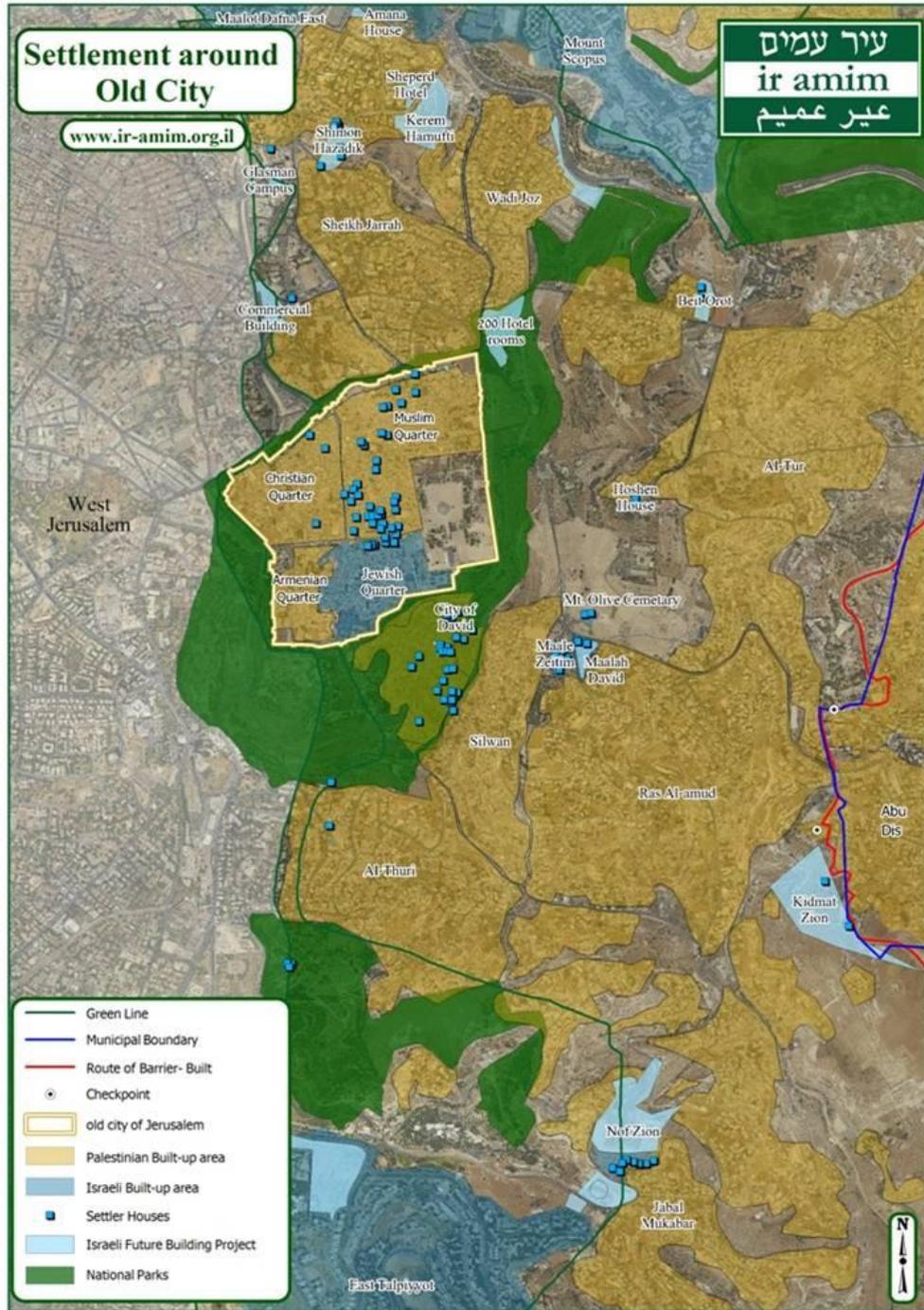
The proximity of Sheikh Jarrah to West Jerusalem increases the danger that implementation of these building plans will allow Israel to demand its continued control of the neighborhood when the construction of planned office structures connects the settlement areas to West Jerusalem.

### *National Parks*

Over the past decade, the government has increasingly appropriated land in East Jerusalem for the development of "national parks", enabling it to advance its political and demographic interests. In addition to two existing national parks (the national park around the Old City Walls, declared in 1974, and the Emek Tzurim National

Park in 2000), three are currently in advanced stages of the planning process:

- **The Emek Refaim National Park** was approved by the District Planning and Building Committee approximately one month before the renewal of negotiations. While most of the park is slated to be built on land within the Green Line, the plan also includes declaration of a national park on 1,200 dunams of land in East Jerusalem adjacent to the village of Walajeh. The park would connect Jerusalem to the Gush Etzion settlement bloc, isolate Walajeh and punctuate a series of building developments on the southern perimeter of East Jerusalem threatening to fatally break its contiguity with the West Bank.
- **The Mount Scopus Slopes National Park:** In November, the District Planning and Building Committee approved this contentious plan, which would allow for development of a 732 dunam park between the neighborhoods of Issawiya and A-Tur. The park is designed to serve as a land bridge between Jerusalem and E-1, while at the same time blocking community development of Issawiya and A-Tur. An appeal of its approval currently stands before the National Planning Committee.
- **The King's Garden** is one in a series of development plans for the Historic Basin. Targeting an area of 50 dunams in the al-Bustan section of Silwan, construction of the park would require the demolition of up to 56 homes in the neighborhood. The plan was approved in the Local Planning Committee in 2010 and now awaits a hearing in the District Planning and Building Committee. [Please see map on page 9]
- An additional three national parks are currently in the early stages of the planning process (appearing in the Jerusalem 2000 master plan, in the national parks version): one on the Mount of Olives, a national park in Sheikh Jarrah and the Bab a-Zahara National Park, which would be developed north of the Old City.



## **GREATER JERUSALEM**

The idea of a Greater Jerusalem—an expanded metropolis absorbing the three major settlement blocs of Gush Etzion in the south, Ma’ale Adumim/E-1 in the east and Givat Ze’ev in the north—is not a new paradigm. What has changed over the past 10 years is the degree to which the landscape has been redrawn to accommodate the vision of Greater Jerusalem—most emphatically, by construction of the separation barrier. The expanding municipal road system serves to deepen the barrier’s impacts and though still frozen, at the end of 2012 the Israeli government made threatening moves to advance E-1.

### ***The Separation Barrier***

Consulting the attached map of Jerusalem, the hollow line demarcating the anticipated path of the separation barrier announces Israel’s goal of redrawing the boundaries of the city to consume significant portions of the land still remaining on which to build a future Palestinian state. The separation barrier not only documents but actually maps the exact contours of Greater Jerusalem. It has imposed intolerable stress on the economy of East Jerusalem; placed crushing restrictions on mobility and access to education, healthcare and religious sites; and politically isolated East Jerusalem from the rest of the West Bank.

- Work on the barrier began in 2002, against a background of severe terrorist attacks. It is now clear from political choices about where to locate the barrier that considerations beyond the security of the population have played a key role in its construction.
- The barrier has been designed to both absorb the three adjacent settlement blocs in the West Bank and to excise the Palestinian population, as it does the eight neighborhoods located within the municipal boundary of Jerusalem but outside the separation barrier.
- Since 2000, near complete denial of access to building permits in East Jerusalem has driven roughly 30,000 more Palestinians to these isolated enclaves on the outskirts of the city, where they live in a no man’s land all but completely deprived of municipal services. Residents must pass through a checkpoint in their own city to access workplaces, schools and services. Roughly 80,000 Palestinians now live in these neighborhoods, including four in the Shuafat area and four in and around Kufr Aqab.
- The separation barrier effectively cuts East Jerusalem off from the Palestinian population centers around it and from the West Bank as a whole, economically, culturally and politically. Decimation of East Jerusalem as the Palestinian economic center has driven the poverty rate from 60% in 2000 to a rate of 80% today for the general population and 83% for children in East Jerusalem.

### *Construction status*

- The barrier already surrounds the **Givat Ze'ev** settlement bloc in the north, where building of the barrier was launched. Within this area, the barrier was used to squeeze out the community of **Bir Nabala**, completely encircled by the wall. It has effectively drained the population from 10,000 before construction of the barrier to 5,140 today.
- There is a similar intention to displace 2,000 Beduin living around **Ma'ale Adumim**.
- The village of **Nabi Samuel**, located 1 km north of East Jerusalem, is locked inside the Israeli side of the barrier in the Givat Ze'ev enclave. In 1995 the village and its lands were declared a national park on an area of 3,500 dunams. A plan for development of the national park was deposited for objections in 2013.
- Construction of the barrier in **Gush Etzion** in the south, delayed for many years, was scheduled to resume last year. Resumption of building is currently stalled pending a decision on a Supreme Court appeal by the village of **Battir** against the route of the barrier on their land.
- The initial phase of construction is all but complete around the village of **Al Walajeh**, which challenges the Greater Jerusalem plan by posing an unwelcome interruption of land contiguity between Gush Etzion and Jerusalem along the southern perimeter.

### *Roads*

Together, most of the new roads built since 2000 clearly evidence the government's ultimate vision for the city. The expanded highway system—what has been completed and what is currently in the process of being paved—connects the three outlying settlement blocs to the city and to one another, securing the goal of a "Greater Jerusalem" that penetrates deep into the Palestinian territories. By linking the blocs and controlling access to and from the city, infrastructure helps to redefine the city's borders; and by creating a seamless continuity of roadways, the government is able to inspire a seamless impression of one municipal space.

Since 2000, new road construction has effectively attached the outlying settlement blocs to the city in the following ways:

#### *The Northern Perimeter*

- In the early 2000s, the northern section of the Begin Highway was connected to Highway 443—one of the most controversial roads in the West Bank given its history of restricted access to Palestinians—toward the northern settlement bloc of Givat Ze'ev.
- Highway 20 cuts through Beit Hanina, connecting traffic from the settlements outside the main settlement blocs and beyond the barrier in the north of East

Jerusalem to the Begin Highway. The highway was opened to traffic in May 2013.

- The paving of Highway 21 between Shuafat and Ramat Shlomo began in 2013. It is expected to connect Ramat Shlomo to Highway 20 through Beit Hanina.

### *The Southern Perimeter*

- Currently, the southern extension of the Begin Highway is being excavated in **Beit Safafa** to connect the highway to the Tunnel Road leading to the southern settlement bloc of Gush Etzion. At the same time, what is planned to be a 6-lane highway in a residential zone will bifurcate the Palestinian neighborhood, break its contiguity with the West Bank and impose grave communal and environmental impacts.
- The paving of the highways through Beit Safafa (and Beit Hanina in the north) "weaves" the neighborhood into the Israeli parts of East Jerusalem, further complicating a political resolution of Jerusalem.

### *The Eastern Perimeter toward Ma'ale Adumim and E-1:*

- In 2003, the Mount Scopus Tunnel Road was opened, providing an additional route from Jerusalem to Ma'ale Adumim.
- The Eastern Ring Road will serve the settlements east of Jerusalem and outside the separation barrier, easing their connection to the city. Most of the sections of the Eastern Ring Road are already approved, with the last section expected to be approved in the near future.
- The northern section of the Eastern Ring Road was completed several years ago but has not yet been opened to traffic. The road connects Jerusalem to the settlements outside the major settlement blocs on the "Palestinian" side of the barrier. Known as "the Apartheid Road", it is divided by a wall to separate future Israeli and Palestinian traffic and would allow no access to the city for Palestinians in the West Bank.
- The opening of the northern section of the Eastern Ring Road and its connection to the Zeitim Interchange, which was approved in 2013, would enable the advancement of building plans in E-1 by creating two separate transportation systems for Israelis and Palestinians east of Jerusalem and closing off the E-1 area to Palestinian vehicles.
- Given logistical and budgetary holdups, it is unclear if the road will advance in the next few years.

### *E-1*

Widely known as the "nail in the coffin of the two state solution", the plan for E-1 calls for development of at least 3,700 housing units on 53,000 dunams of land

adjacent to Ma'ale Adumim. The project would drive a wedge between East Jerusalem and the West Bank, breaking requisite contiguity of land for establishment of a Palestinian state, while splitting the West Bank into northern and southern cantons. Construction of the Judea and Samaria Police Station, formerly located in Ras al Amud, started in 2006 and was completed in 2008. In late 2012, the High Committee of the Civil Administration announced its approval of plans in E-1 for public review, including plans for 3,650 housing units.

## **EROSION OF PALESTINIAN HOLD ON THE CITY**

Deepening and consolidating the effects of building and construction in East Jerusalem is Israel's sustained attack on the Palestinian community, realized via a range of strategies designed to limit the demographic threat the Palestinian population poses to Israel's control of the city. These policies place severe demographic pressure on the community and erode its collective political, economic and cultural rights to the city.

- Israel has conducted wide scale **permanent residency revocations** as a major tool in displacing Palestinians from the city. A total of 14,000 revocations have been executed since 1967, with 8,149 since 2000 alone.
- Such factors as unsustainable **socio-economic pressures** exerted through gross disparities in allocation of municipal resources and the economically devastating effects of the separation barrier have driven a staggering **increase in poverty** in East Jerusalem, from 45% in 2000 to 80% today.
- As described above, the combination of pressure created by severe planning restrictions in East Jerusalem and the persistent anxiety around loss of permanent residency has fueled the “**silent transfer**” of Palestinians away from neighborhoods where building is effectively denied to those enclaves beyond the separation barrier where building is tacitly overlooked, drawing roughly 30,000 Palestinians since 2000.
- Severe constraints on the development of Palestinian civil society further undermine Palestinians' capacity to maintain life in the city. Closure of the Orient House and cultural and commercial institutions soon after the start of the Second Intifada has had a profound effect on the community's cohesiveness and sustainability.

## **CONCLUSION**

Since 2000, Israeli control over East Jerusalem has deepened significantly. The cumulative consequences of Israeli policies pose a real threat for the viability of a political resolution in Jerusalem. At the same time, they present varying degrees of severity and reversibility. The separation barrier can be dismantled, for instance, but it has already done severe damage to the Palestinian population and its deconstruction must be accompanied by intensive and long-term restorative efforts. Likewise, evacuations of Israeli outposts in Israeli neighborhoods are still possible, but perhaps at a high cost to Israel proper.

Carefully weighing all of the changes that have taken place on the ground in Jerusalem and its surroundings since 2000, this report makes the cautious claim that the solution of two capitals in Jerusalem in the spirit of the Clinton Parameters is still implementable, despite significant modifications to the parameters that may be required. These changes depend not only on physical conditions on the ground but also on political will and capacity.

Based on an analysis of deliberations that have been conducted up to the present time, and intervening changes on the ground, parameters for a solution in Jerusalem in the framework of a two-state resolution must be based on the following considerations:

- Jerusalem, as defined by its municipal boundaries, must be the capital of Israel and the capital of Palestine
- Division of sovereignty in Jerusalem: Palestinian neighborhoods in East Jerusalem will be administered under the sovereignty of Palestine. Israeli neighborhoods in East Jerusalem will remain predominantly under Israeli sovereignty in the framework of land swaps according to agreed upon criteria.
- The character of the division of sovereignty will be based on the concept of an "open city" within agreed upon borders.
- Arrangements for the holy sites must be acceptable to both sides, with some sites expected to be placed under international supervision.
- The future of the settlements and infrastructure outside of Jerusalem (Greater Jerusalem) will be discussed in the framework of deliberations on the future of settlements in the West Bank.

In light of the numerous changes on the ground in the past several years, and the serious changes slated to take place in the next year or two should approvals being made even at the time of writing be advanced to final building stages, conditions must be determined immediately to prevent the sabotage of agreed upon parameters in the future:

- A complete and immediate halt on all building plans in the planning process and projects yet to be constructed
- Prevention of any changes to the status quo on the Temple Mount/Haram al-Sharif
  - The guarantee of civil and communal life for Palestinians in Jerusalem; and the realization of their right to establish and consolidate political, cultural, social and economic institutions
  - Proposals for deconstruction of the separation barrier or its reconstruction according to a route acceptable to both sides
  - Design of a solution to the geo-political problem of Har Homa acceptable to both parties
- Dismantling of the Greater Jerusalem vision, which would entail a return to the Clinton Parameters and specifically, a commitment to a division of the city within its municipal borders