

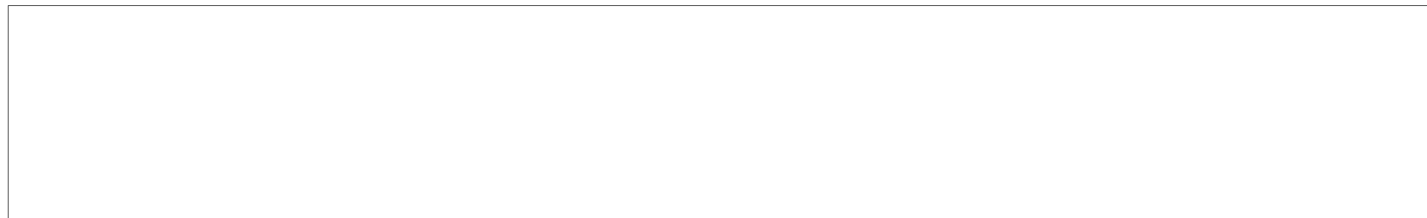
RELEASE IN PART
1.4(B),B1,1.4(D)

From: Sullivan, Jacob J <SullivanJJ@state.gov>
Sent: Thursday, November 17, 2011 9:34 AM
To: H
Subject: Fw: Blair and Tax Revenue

Terrible

From: Rubinstein, Daniel H
Sent: Thursday, November 17, 2011 08:30 AM
To: Hale, David M; Nides, Thomas R; Burns, William J; Sherman, Wendy R; Sullivan, Jacob J; Shapiro, Daniel B (Tel Aviv); Ryu, Rexon Y; Schwartz, Jonathan B; Feltman, Jeffrey D
Cc: Rangaswamy, Roopa; Rudman, Mara (ME/AA)
Subject: RE: Blair and Tax Revenue

B1
1.4(B)
1.4(D)



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European diplomat: Palestinians willing to freeze UN bid if Israel, U.S. resume funds

Classified by DAS, A/GIS, DoS on 10/30/2015 ~ Class: CONFIDENTIAL ~ Reason: 1.4(B), 1.4(D)
~ Declassify on: 11/16/2026

Palestinians are prepared to suspend their efforts to achieve full membership in such agencies as the World Health Organization and the World Trade Organization, a European diplomat says.

By Barak Ravid and DPA. Tags: Palestinians UN Benjamin Netanyahu

The Palestinian Authority has offered the United States a deal, saying it would freeze all moves to achieve full membership for "Palestine" in various UN agencies until the end of January, a European diplomat said, while the United States and Israel would resume transferring it funds.

Prime Minister Benjamin Netanyahu's special envoy Isaac Molho met secretly in London on Tuesday with U.S. administration representatives David Hale and Dennis Ross to discuss the suggestion.

According to a European diplomat whom the PA had updated about the proposal, the PA plans to complete the process of trying to get full UN membership for Palestine recognized by the Security Council. PA President Mahmoud Abbas is expected to ask for a vote by the end of December, although the move is doomed to defeat. Even if the Palestinians muster enough votes, the United States will veto it.

Other than that, however, the Palestinians are prepared to suspend their efforts to achieve full membership in such agencies as the World Health Organization and the World Trade Organization, the diplomat said. Nor will they ask the General Assembly to upgrade their observer status to non-member observer state.

Though the Palestinians offered to temporarily suspend these UN efforts, if a deal is struck that restores the PA's cash flow, it is thought such moves will be stopped for the foreseeable future.

Israeli sources confirmed that Molho had met with the U.S. officials in London, while a British source said Molcho also met with a senior Arab figure.

While the Americans view the PA proposal positively, it isn't clear whether Israel will agree to it. Israel is still refusing to transfer the approximately \$100 million in taxes it collected for the PA in October.

During an inner cabinet meeting on Monday, Netanyahu had planned to pass a decision to release the funds, but he backed down in the face of opposition from several ministers.

Meanwhile, the status of PA Prime Minister Salam Fayyad in a unity government of Hamas and Fatah remained unclear yesterday. Faisal Abu Shahla, a Fatah MP, said that Fayyad is Abbas' choice for prime minister of the transitional government until the general elections expected in May.

Shahla added, however, that a decision would be made at a Cairo meeting next week between Abbas and the head of Hamas' political bureau, Khaled Meshal.

-----Original Message-----

From: Nides, Thomas R

Sent: Thursday, November 17, 2011 2:15 AM

To: Hale, David M; Burns, William J; Sullivan, Jacob J; Sherman, Wendy R; Walles, Jacob; Rubinstein, Daniel H; Shapiro, Daniel B (Tel Aviv); Ryu, Rexon Y; Schwartz, Jonathan B

Cc: Rangaswamy, Roopa

Subject: Re: Blair and Tax Revenue

I believe if they release we can get some ESF as well...

----- Original Message -----

From: Hale, David M

Sent: Wednesday, November 16, 2011 05:27 PM

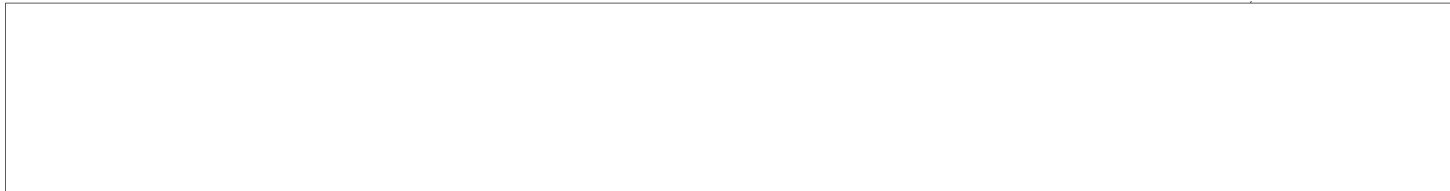
To: Burns, William J; Sullivan, Jacob J; Sherman, Wendy R; Nides, Thomas R; Walles, Jacob; Rubinstein, Daniel H; Shapiro, Daniel B (Tel Aviv); Ryu, Rexon Y; Schwartz, Jonathan B

Cc: Rangaswamy, Roopa

Subject: Blair and Tax Revenue

B1

1.4(D)



Roopa: pls forward to others, including Mara Rudman, whose new address is not on my system. Thanks david

SBU

This email is UNCLASSIFIED