MOVEMENT AND ACCESS RESTRICTIONS IN THE WEST BANK:
UNCERTAINTY AND INEFFICIENCY IN THE PALESTINIAN ECONOMY

Executive Summary

i. Beginning in December 2004, when all parties (including the Government of Israel (GOI) and the Palestinian Authority (PA)) agreed that Palestinian economic revival was essential, that it required a major dismantling of today’s closure regime and that closure needed to be addressed from several perspectives at once, the World Bank has played a leading role in providing balanced analysis and proposals which draw on the Bank’s worldwide experience, but are realistic in the context of the Israeli-Palestinian situation. This note looks, in particular, at the situation within the West Bank which is experiencing severe and expanding restrictions on movement and access, high levels of unpredictability and a struggling economy.

ii. Currently, freedom of movement and access for Palestinians within the West Bank is the exception rather than the norm contrary to the commitments undertaken in a number of Agreements between GOI and the PA. In particular, both the Oslo Accords and the Road Map were based on the principle that normal Palestinian economic and social life would be unimpeded by restrictions. In economic terms, the restrictions arising from closure not only increase transaction costs, but create such a high level of uncertainty and inefficiency that the normal conduct of business becomes exceedingly difficult and stymies the growth and investment which is necessary to fuel economic revival.

iii. The Oslo Accords provided that the movement of people and vehicles in the West Bank “will be free and normal, and shall not need to be effected through checkpoints or roadblocks.” The Roadmap specified that GOI would take measures to improve the humanitarian situation including easing restrictions on movements of persons and goods. The fact that movement restrictions continued apace and resulted in greater economic hardship is evidenced by the need for a third agreement between the parties in November 2005 — the Agreement on Movement and Access (the AMA) — with the sole aim of “facilitating the movement of goods and people within Palestinian Territories”. While recognizing that Israel had legitimate reasons to take steps to protect its citizens from violence, it was likewise recognized that this could not take place against the backdrop of Palestinian economic hardship and collapse. In particular, the AMA provided that, “consistent with security needs Israel will facilitate the movement of people and goods within the West Bank and minimize disruption to Palestinian lives.” The common basis for all these undertakings is the acknowledgement that without efficient and predictable movement of people and goods, there is very little prospect for a sustainable Palestinian economic recovery. Furthermore, it recognizes that the relationship between Palestinian economic growth and stability and Israeli security remain unarguable and of fundamental importance to both societies’ well-being.

iv. In the West Bank, closure is implemented through an agglomeration of policies, practices and physical impediments which have fragmented the territory into ever smaller and more disconnected cantons. While physical impediments are the visible manifestations of closure, the means of curtailing Palestinian movement and access are actually far more complex and are based on a set of administrative practices and permit policies which limit the freedom of Palestinians to move home, obtain work, invest in businesses or construction and move about outside of their municipal jurisdiction. These administrative restrictions, rooted in military orders associated with the occupation of West Bank and Gaza (WB&G), are used to restrict Palestinian access to large segments of the West Bank including all areas within the municipal boundaries of settlements, the “seam zone”,...
the Jordan Valley, East Jerusalem, restricted roads and other ‘closed’ areas. Estimates of the total restricted area are difficult to come by, but it appears to be in excess of 50% of the land of the West Bank. While Israeli security concerns are undeniable and must be addressed, it is often difficult to reconcile the use of movement and access restrictions for security purposes from their use to expand and protect settlement activity and the relatively unhindered movement of settlers and other Israelis in and out of the West Bank.

v. While GOI has shown a willingness to consider a relaxation of specific restrictions, including the provision of several hundred permits to unique categories of Palestinians such as businessmen, or the removal of certain physical impediments, incremental steps are not likely to lead to any sustainable improvement. This is because these incremental steps lack permanence and certainty and can be easily withdrawn or replaced by other restrictions. Moreover, sustainable economic recovery will remain elusive if large areas of the West Bank remain inaccessible for economic purposes and restricted movement remains the norm for the vast majority of Palestinians and expatriate Palestinian investors. Only through a fundamental reassessment of closure, and a restoration of the presumption of movement, as embodied in the many agreements between GOI and the PA, will the Palestinian private sector be able to recover and fuel sustainable growth.
I. INTRODUCTION

1. Restrictions on movement in areas of the West Bank outside of East Jerusalem have traditionally been measured by the number of physical impediments such as checkpoints, roadblocks and gates present at any given time. As monitored by the UN Office for the Coordination of Humanitarian Affairs in the Occupied Territories (OCHA), in the year between the advent of the A MA and November 2006, the number of physical impediments in the West Bank increased by some 44% despite commitments to the contrary. In March 2007, OCHA reported that physical impediments were even slightly higher again (546 in March 2007 vs. 540 in November 2006). Typically, the parties have sought improvement by concentrating efforts to remove certain physical impediments on the basis that a number of them were unnecessary or redundant from a security perspective and created unwarranted hardship on the Palestinian population. However, because of the difficulty in verification and the ease by which physical impediments can be removed in one form and reinstated in another, a count of physical impediments fails to give a full picture of the impact of restrictions. This was underlined by the admission by the IDF in January 2007 that forty-four impediments it claimed to have removed as part of a plan to ease movement did not actually exist. Moreover, analyzing movement restrictions solely on the basis of physical impediments overlooks the imposition of administrative obstacles which are one of the most potent means for restricting Palestinian movement and access.

2. GOI’s control of the Palestinian population registry, which allows it to issue ID cards and determine the place of residence of every Palestinian in WB&G over the age of 16, is at the core of the system of administrative obstacles. The population registry also supports the permit system which can be used to control nearly all facets of Palestinian movement outside of an individual’s immediate village or municipal area. Permits are used to restrict Palestinian access to large areas of the West Bank including East Jerusalem, the Jordan Valley, Settlement Areas, and the “seam zone”, as well as access to and movement between Areas A, B and C.

3. Under occupation, administrative restrictions on movement are defined and implemented by orders of the Military Commander of the West Bank. These orders, which are published and have the effect of law, are then supplemented by ad hoc measures which are communicated verbally to Palestinians, but which are not supported by published rules or procedures. Together, military orders and ad hoc measures create a system of movement restrictions which is non-transparent and highly unpredictable. As shown in maps developed by OCHA (see Annex 1), the combined effect of physical and administrative obstacles is the division of the West Bank into three segments (north, central, south) and additionally ten segments or enclaves, with Palestinians channeled through manned checkpoints in order to move between the trisections and in and out of the enclaves. The practical effect of this shattered economic space is that on any given day the ability to reach work, school, shopping, healthcare facilities and agricultural land is highly uncertain and subject to arbitrary restriction and delay. In economic terms, the restrictions have created a level of uncertainty and inefficiency which has made the normal conduct of business extremely difficult and therefore has stymied the growth and investment which is necessary to fuel economic revival.

II. ADMINISTRATIVE IMPEDIMENTS

Control of the Population Registry

4. In June 1967, GOI carried out a census of residents in WB&G and only those who were present in the territories at that time were registered in the Palestinian population registry, recognized as legal residents and provided with identification cards. From that time to the present, GOI has retained full control of the population registry despite the fact that the Oslo Accords required that GOI transfer control of the population registry, along with other civil matters, to the PA for Areas A and B. In practical terms, this means that any change of residence within the West Bank or Gaza, or
between the two territories, for purposes of marriage, education or employment must be approved by GOI. Even after its disengagement from Gaza, Israel retained control of the registry and uses it to restrict movement. For example, only persons listed in the population registry, or issued permits by GOI, can use the Rafah crossing to enter into Egypt. Gazan residents are almost never allowed to live in the West Bank even in cases of marriage or to attend higher education. For the vast majority of Palestinians, even visiting between Gaza and the West Bank is prohibited. Only those with special permits – normally VIPs, high level government officials and certain business people – can travel between the two Palestinian territories. Approvals for movement between East Jerusalem and the rest of WB&G are likewise problematic.

Permit Regime

5. In addition to holding an ID card, Palestinians are often required to obtain permits for nearly all movement outside of their greater municipal area. Permit requirements are rarely published and are highly changeable. The system operates on two levels – one to control movement within the West Bank itself and another for movement across what GOI defines as “boundaries”. These include mandatory permits for WB&G ID-holders to access East Jerusalem, for East Jerusalem ID-holders to access other areas of WB&G; permits for Gazan residents to access the West Bank and for West Bank residents to access Gaza and for all non-residents of the Jordan Valley to freely access that area. 

6. For movement within the West Bank, permit requirements are more fluid and obstacles can change from day to day. For example, movement in the northern governorates of the West Bank is currently heavily restricted, particularly around Nablus. There have been periods within the past year when GOI instituted a ban on all males between the ages of 16 and 35 from leaving the area. Such requirements are normally ad hoc and lack a formal system for notification. Palestinians typically learn of the restriction only when stopped by IDF soldiers at a given checkpoint, as movement restrictions requiring permits are usually communicated by verbal orders. Moreover, permits are valid only for individuals -- private, public and commercial vehicles need separate permits, whether or not the driver is permitted.

7. The permit system is enforced by physical impediments which funnel Palestinians through permanent and/or “flying” checkpoints where soldiers determine whether a permit is needed or whether a permit held by a Palestinian is valid. Holding a valid permit does not necessarily guarantee the ability to cross a checkpoint. Requirements can be changed without notice at particular checkpoints and comprehensive closures, banning all movement, can be imposed at any time. According to B’Tselem, in 2006 there were 78 days on which comprehensive closures were imposed. While some of these closures occur because of a specific or perceived security threat, others do not. For example, there are typically blanket closures in the West Bank during public holidays in Israel. Unsurprisingly, these restrictions make the movement of people and goods more expensive, inefficient and unpredictable and therefore have a particularly chilling effect on economic activity. Beyond the personal hardship, an economy cannot run effectively if there is significant uncertainty about the ability of workers to reach their jobs, of goods reaching their markets, and of entrepreneurs being present to manage their place of business.

Family Unification and Establishment of Residency

8. Persons not listed in the population registry who wish to legally join their families and permanently reside in the West Bank can only do so through the approval of GOI for family

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1 Recently, a military order rescinded an August 2006 order that barred all non-residents of the Jordan Valley from entering the area. However, full implementation is pending and checkpoints and other restrictions remain in place and Palestinians who do not have residency permits are not allowed to enter the Jordan Valley by car.
unification. However, according to GOI, family unification in the West Bank is not a vested right based on fundamental rights to family, but instead is a “special benevolent act of the Israeli authorities”. Following the start of the second intifada, GOI stopped processing requests for family unification and stopped issuing visitor permits to non-resident family members. The PA Ministry of Civil Affairs estimates that there have been some 120,000 requests for family unification since the start of the second intifada. This is in addition to the thousands of cases which were pending when the freeze began. Since then, requests have only been granted to “exceptional humanitarian cases” although criteria for this category has never been well defined and the wait for a substantive response from GOI concerning residency requests normally takes several years. This treatment of Palestinians in the West Bank is in contrast to the treatment of those who wish to take up residency in West Bank settlements. In the latter case, residency in settlements is open not only to Israeli citizens but to all foreign citizens eligible for citizenship in Israel under the Israeli Law of Return.

GOI has not made public the number of pending family unification applications. However one study estimates that roughly 17% of WB&G families are affected to the extent that a first-degree relative (parent, spouse, sibling or son/daughter) is not registered in the population registry and therefore cannot receive an identification card. Of this 17%, nearly 80% have filed unification requests and are still awaiting an official response. Because no set procedure exists to obtain residency, family members and other Palestinians who return to WB&G have had to depend on continually renewing three-month tourist visas. In some cases, persons have remained with their families for decades by leaving the country every three months to renew and then reenter WB&G on a tourist visa. Beginning in April of 2006, however, even this coping mechanism became more difficult as GOI began denying entry to many overseas Palestinians for family or business purposes even with a visa. This policy was directed at those who had invested in WB&G and who operated businesses there, those working for Palestinian governmental bodies, academic institutions and NGOs, as well as returning or visiting family members. In March 2007 GOI issued new rules which allow family members to extend their visitors permit up to a year, with a maximum coverage of 27 months, during which time the visitor must receive a WB&G ID without which they would have no legal basis to remain. There also remains considerable uncertainty whether a person will be allowed entry even with a valid visitor’s visa.

According to the presidents of eleven Palestinian universities, thousands of foreign passport holders of Palestinian descent, along with non-Palestinian family members, lecturers, NGO workers and international development specialists were affected by these new procedures. Up to fifty percent of foreign instructors at Birzeit University in Ramallah alone were reportedly denied entry between May and September 2006. Foreign students are also at risk since they too have to enter only on tourist visas – and tourist visas do not cover the entire semester. Such limitations risk lowering the high education standards that have historically been an important area of strength for the Palestinian economy.

The US Government lodged a protest with GOI stating that the US Government found it “hard to understand” discrimination against US citizens based on their ethnicity, especially as the US Government encouraged Palestinians to return to, and invest in WB&G in order to facilitate economic growth. Given that the vast majority of new investment in WB&G since the signing of the Oslo Accords has been through overseas Palestinians, such practices and the high degree of uncertainty connected to them will inevitably lead to a loss of foreign investment and knowledge transfer and a further contraction of the Palestinian economy.

III. RESTRICTED AREAS OF THE WEST BANK

Palestinians are barred from freely accessing large segments of the West Bank. These restricted areas include all areas within the municipal boundaries of settlements, the “seam zone”, much of the Jordan Valley, East Jerusalem, restricted roads and other ‘closed’ areas. Estimates of the
total area are difficult to come by, but it appears to be in excess of 50% of the total area of the West Bank. OCHA’s Closure and Access map (Annex 1) identifies those areas that are restricted.

Settlements

13. There are currently some 133 settlements in the West Bank, including twelve in East Jerusalem. (This is following Israel’s 2005 withdrawal from all of the settlements in Gaza and four settlements in a portion of the northern West Bank.) In addition to the settlements, roughly 100 “illegal outposts” exist in the West Bank, many of which lack formal government and planning approval, but which nevertheless have been established with some degree of Israeli governmental support.

There are approximately 250,000 settlers living in the West Bank, excluding those in East Jerusalem. This is roughly twice the 126,900 settlers who lived in the West Bank at the time of the Oslo Accords.

14. According to Phase I of the Roadmap, GOI is obligated to freeze all settlement activity, consistent with the recommendations of the Mitchell Report. The Mitchell Report states that Israel “should freeze all settlement activity, including the 'natural growth' of existing settlements,” and that “the kind of security cooperation desired by [Israel] cannot for long coexist with settlement activity.” The Roadmap also obligates Israel to immediately dismantle settlement outposts erected after March 2001. Yet, from 2001-2005, the settler population grew at a rate of 5.5% annually while the population within Israel increased by only 1.8% annually. Currently there is no formal mechanism for monitoring or implementing the Roadmap as it relates to settlement activities. A one-time plan between GOI and the US Government to demarcate boundaries of current settlements has been cancelled. Nor is there a schedule for dismantling the illegal outposts which was called for in the agreement.

15. The presence of Israeli settlements within the West Bank disrupt the normal functioning of the Palestinian economy in three major ways:

- First, because the areas incorporated into the municipal boundaries of the settlements are designated as “closed areas” under the Israeli occupation of the West Bank, Palestinians are barred from the areas without permits (which are usually reserved for laborers in the settlements themselves). Built up areas of the settlements cover about three percent of the area of the West Bank and the municipal boundaries an additional six percent. In addition, a much larger area is included in the settlement regional jurisdiction which is inaccessible to Palestinians for economic purposes. This area of “regional jurisdiction” includes agricultural and industrial areas, as well as space for future settlement expansion. It also includes “military closed areas” which surround the settlement boundaries themselves and are inaccessible to Palestinians.

- Second, in order to further separate Palestinians from these settlement and other closed areas, while at the same time enhancing the mobility of settlers and others in and out, GOI has instituted a policy of restricting Palestinian access to major West Bank roads. This system of “settler only” roads ensures that settlers can travel between the West Bank and Israel and between settlements with relative ease, but at the same time has forced Palestinians on to an inferior set of roadways which often involve a slow and circuitous route between major Palestinian areas (see paragraph 19). Where settlements and Palestinian populations are in close proximity, restrictions may extend beyond the road system. For example, movement restrictions on Palestinians within the market area of the city of Hebron have been justified as “part of a general operational plan that is designed to provide security to the Jewish settlement bloc in the city”. According to GOI, this separation of the Palestinian and settler populations is “intended to prevent excessive friction between Palestinians and Israelis”. While the principle of preventing friction may be sound from a security perspective, it is not
clear why it should be implemented in a way that the overwhelming onus of control and restriction falls on the Palestinian population.

- Finally, in order to provide border security for Israel and for the majority of settlements and other “closed areas” of the West Bank, Israel has constructed the Separation Barrier and established what it refers to as a “seam zone”. The Barrier and “seam zone” further curtail Palestinian movement, create additional areas of the West Bank that are no longer freely accessible to Palestinians, and fracture Palestinian economic space (see paragraph 21).

16. Another troubling aspect of the settlements is the extent to which they have been constructed on private Palestinian land. Although this practice was declared illegal by the Israeli Supreme Court in 1979, there are few remedies available for Palestinian land-owners. A recent report by the Israeli civil society organization Peace Now, using figures released by the Civil Administration, estimates that nearly one-third of the land incorporated into the settlement jurisdictions is private land owned by Palestinians.

17. The loss of economic space, confiscation of land, and movement restrictions connected with protecting the settlements and settler access are not the only negative impacts of the settlements. The issue of violence committed by settlers is of growing concern, particularly as it impacts the ability of Palestinians to access and farm agricultural land. Beyond physical attacks on persons, there have been acts of violence and vandalism resulting in damage to crops, killing of livestock and poisoning of water wells. Most incidents of settler violence occur in Areas B or C where the PA has no security role and where it is difficult for Palestinians to seek adequate legal redress.

18. Incidents of settler violence against Palestinians and their property have been well-documented for a number of years yet adequate steps to remedy the situation have not been taken. According to the Israeli civil society organization Yesh Din, very few incidents involving violence by settlers result in complaints being filed by Palestinians. It is likely that this is a result of both the inadequacy of legal protection for Palestinians as well as physical impediments. Settlers, whether Israeli citizens or not, are subject to Israeli civil law for almost all purposes. Thus Israeli settlers residing in the West Bank continue to enjoy the full rights and protections afforded Israeli citizens residing in Israel. Palestinian residents of the West Bank, on the other hand, remain subject to occupation and thus are under military orders enacted by the Military Commander of the West Bank. In practical terms, this means that Palestinians are subjected to military courts which provide fewer protections than Israeli civil courts. Moreover, Palestinians find it difficult and intimidating to access police stations in the West Bank in order to file complaints. Police stations are located either within the settlements or on military bases and therefore cannot be accessed by Palestinians without permits and passing through the relevant security procedures. In addition, evidence suggests that Israeli police do not systematically investigate incidents of settler violence directed at Palestinian civilians. According to Yesh Din, police rarely interview Palestinians nor do they regularly take forensic evidence. Even the Attorney General of Israel has noted that the failure to prevent attacks on Palestinian harvesters is an “element of a broader phenomenon of lack of appropriate law enforcement against Israelis” in the West Bank. In more than 90% of cases monitored by Yesh Din, where investigations of settler violence were conducted, the case was closed without any indictment. The failure rate rose to 100% in cases involving property offenses. Lacking legal remedy and physical protection, Palestinians last recourse is often to leave the land, further shrinking the agricultural sector and disrupting the economic and social fabric of Palestinian towns and villages.

Restricted Roads

19. Overall, it is estimated that Palestinians are restricted from some 41 sections of roads in the West Bank covering an approximate distance of 700 km. For the most part, the restricted roads are major north-south and east-west transport routes which are now reserved for the movement of settlers or internationals. Palestinian drivers and vehicles can apply for special permits to use these roads, but “flying checkpoints” (stop and search activities in temporary locations) are routinely in operation and
applied to most Palestinian vehicles (identified by green license plates rather than the yellow plates of Israeli and settlement registered vehicles). Because the delays and other problems associated with the "flying checkpoints" add significant uncertainty, cost and risk to the transportation of goods, they act as a further deterrent to Palestinian economic activity. All non-permitted Palestinian private and commercial traffic are forced onto smaller and less-maintained roads and circuitous routes. Moreover, most new roads constructed in the West Bank over the last several years have restricted use by Palestinians. In general, there are no formal written orders from the Military Commander of the West Bank regarding restrictions on road usage by Palestinians and according to the International Law Department of the IDF, military commanders have the right to restrict road usage for security purposes, and it is sufficient to issue such orders verbally.

20. OCHA has done considerable analysis of road restrictions, including the mapping of West Bank roadways in terms of restrictions. The separation of the West Bank into a series of enclaves (see maps in Annex 1) is reinforced by restrictions on the use of roadways, particularly the closure of major north-south arteries.

The Separation Barrier and the “seam zone”

21. In 2002, GOI took the decision to construct the Separation Barrier for security purposes with a route which significantly departs from the 1967 Armistice Line (the Green Line) and cuts into the territory of the West Bank. With the construction of the barrier wall, GOI has declared the land in between the route of the barrier itself and the Green Line – now referred to by GOI as the “seam zone”-- a “closed area” for an indefinite period of time pursuant to occupation military orders. This “seam zone” accounts for roughly 8.5% of the territory of the West Bank. In addition, another 3.4% of Palestinian land to the east of the barrier is completely or partially surrounded by the Separation Barrier, creating a number of small Palestinian enclaves where special permits are now required even by those who live within. Finally, military orders created a “buffer zone” of 150-200 meters adjacent to the wall on the east side where Palestinian construction is not allowed.

22. Roughly 50,000 Palestinians in 38 villages and towns will find themselves living in “the seam zone” once the construction of the barrier is completed. Another estimated 61,000 Palestinians who are residents of East Jerusalem will be separated by the barrier from family and community networks, employment opportunities and municipal services. Furthermore, approximately half a million Palestinians live within 1 km of the barrier on its eastern side, and many of these people have been negatively affected by a structure that cuts through properties, economic networks, service access routes and neighborhoods.

23. Palestinians who now find themselves residents of the “seam zone” are required to apply for a “permanent resident ID” from the Civil Administration in order to seek permission to remain in their homes and have access to their property. To obtain an ID, they must prove “permanent residence” by providing relevant documentation although there is no definition of “permanent” contained in the order, nor is there a definitive list of documentation necessary to establish proof of residency. In addition, IDs need to be renewed on a periodic basis, thus endangering the test of residence of those who spend time outside of the “seam zone” for educational, professional or family purposes. Palestinians not residing in the “seam zone”, but who own land or businesses there or who work in the area are also required to obtain permits, primarily based on proof of land ownership. Obtaining such permits is complicated by the difficulties inherent in proving ownership and even more difficult for those who work in the “seam zone” or who are family members of land-owners. For Palestinians, entering or residing in the “seam zone” without a permit can result in a five-year prison sentence or heavy fine. “Seam Zone” restrictions apply only to Palestinians; Israeli citizens, residents and settlers are exempted from the regulations prohibiting access and construction.

24. Even if a person holds the appropriate permit, the Separation Barrier acts as a very significant physical hindrance to movement. This is because passage is only available through gates which are operated by the IDF, often on a temporary or ad hoc basis. GOI has created four types of gates: (i)
“seasonal” agricultural gates which are only open during certain times of the year with the goal of facilitating harvesting; (ii) agricultural gates that are supposed to open periodically during the day; (iii) gates that provide access to other parts of the West Bank and (iv) gates that provide entry into East Jerusalem, the “seam zone” or Israel depending on its location. Because the gates are spaced sporadically within the wall, residents may have to travel considerable distances, sometimes over dirt roads, to reach them. Moreover, there are no service standards for gate operations and there appears to be little attention to fixed operating hours (see paragraph 26). The IDF can close gates for security or other unspecified reasons. Gates are routinely closed, for example, on public holidays in Israel. As permits are usually valid only at certain gates, the ad hoc nature of the opening and closing hours of the gates can be particularly difficult as alternative passages do not exist. In general, gates are not open at night which causes complications for the normal conduct of life and business and can be life threatening in cases of medical emergency.

25. The route of the Separation Barrier can be directly linked to Israeli settlements in the West Bank, as the route has been influenced by perceived needs to protect settlers and to provide space for future expansion of settlements. The Israeli Office of State Attorney has stated that part of the route of the Barrier was planned with the aim of providing protection to Israeli settlers and admitted that in some cases expansion of settlements was taken into account in planning the route of sections of the Barrier. Including East Jerusalem settlements, the route of the barrier puts some 87% of the settler population into the “seam zone” according to estimates of the Palestinian Negotiations Support Unit (NSU) based on the 2005 census. In a precedent-setting case, the Israeli Supreme Court ruled that the Separation Barrier could be built inside the West Bank and that protection of Israeli settlers and settlements were legitimate security interests of GOI and could be factored into decisions about the barrier’s route. The Israeli Supreme Court did, however, also state that security requirements would need to be balanced against hardship caused to Palestinians residents of the West Bank in determining the route. An advisory opinion issued by the International Court of Justice in The Hague, on the other hand, stated that construction of the Separation Barrier within the West Bank violated international law, and that settlements themselves were also illegal under international law. Despite this, in January 2007 GOI announced plans to shift the planned route of the Separation Barrier another five kilometers into the West Bank in order to include two settlements near Modiin. In addition, a new settler-only road will be constructed to connect the settlements.

26. In November 2006, OCHA conducted a study of the effects on Palestinian residents of the completed portions of the Separation Barrier in the northern West Bank. The data demonstrates the negative economic impacts from the barrier itself as well as the haphazard operation of the barrier gates:

- Roughly 60% of families owning land in the “seam zone” area of the northern West Bank no longer could access it because they were not provided permits by the GOI.
- More than 50% of the communities surveyed no longer had direct, regular access to their land.
- 22% of land became accessible only by foot, thus no vehicles could be used to transport produce grown there.
- Only 26 of 61 gates located in the Barrier were open year-round and only 64% of the gates operated in accordance with officially-stated opening times.
- Traditional travel routes were severed in 90% of communities.
- Damage or refusal of entry of agricultural produce was experienced by 24% of respondents.

27. These findings are reinforced by another recent study funded by the New Israel Fund and the British Embassy in Tel Aviv and conducted by the Israeli organization, Bimkom, which found that the
current route of the Separation Barrier, “almost totally ignores the daily needs of the Palestinian population” and is “focused almost exclusively on the desire to maintain the fabric of life of Israeli settlers.” It also states the Separation Barrier is cutting employment for Palestinians, isolating farmers from markets, causing “particularly serious damage” to residents' health-care needs and undermining social and family life, and that “there has been no meaningful change in the system of considerations guiding the planners.”

Exclusion from the Jordan Valley

28. Pursuant to military orders that were first issued in August of 2006, much of the Jordan Valley was made off-limits to the majority of Palestinians. The orders introduced a number of new restrictions including the following:

- Only Palestinians officially registered as residents by GOI, or those with work permits to labor in Israeli settlements, will be permitted to enter the area.
- Palestinians who have been living in the Jordan Valley for family or work purposes but who were unable to change their official residency in the population registry will be denied residency (and therefore denied unrestricted access).
- Palestinians owning land or businesses in the area who are not officially registered as residents with GOI can no longer freely access their land or investments.
- Only Jericho residents and Jerusalem ID-holders can exit Jericho through the primary checkpoint without a special permit; other West Bank residents must use secondary roads to access other places in the West Bank.

Very recently, the August 2006 order has been rescinded in part allowing non-residents to enter the area. However, it has yet been implemented and checkpoints and other physical barriers remain in place and Palestinians who do not have residency permits are not allowed to enter the Jordan Valley by car.

29. These exclusions are particularly damaging to the Palestinian economy since the Jordan Valley is a source of valuable agribusiness and tourism development. It is not clear why it should be necessary for Palestinians, including those who own land, businesses and work in the Jordan Valley, to have restricted access to this very large area of the West Bank with important economic and transport links to Jordan. These restrictions are not applicable to Israeli settlers who are expanding agribusinesses in the Jordan Valley and are able to use the main road links.

East Jerusalem

30. East Jerusalem has traditionally been an important hub of Palestinian economic and social activity. However, administrative obstacles, the expansion of settlements and the construction of the separation barrier are further severing East Jerusalem from the remainder of WB&G. This is supported by findings in a World Bank Investment Climate Assessment (ICA) which show that a number of Palestinian enterprises that previously sold in Jerusalem no longer had access. Overall the percentage of West Bank firms selling into East Jerusalem dropped from 21% to 18% between 2000 and 2005 prior to much of the Separation Barrier construction. According to the ICA, Gazan businesses are almost entirely closed out from participating in the Jerusalem economy.

31. Palestinian residents of East Jerusalem live under different regulations than Palestinian residents of the rest of the West Bank due to GOI annexation of East Jerusalem in 1967 which exists in violation of multiple UN Security Council resolutions. Under the Oslo Accords, the status of East Jerusalem was left to final status negotiations and therefore Palestinian residents of East Jerusalem are currently considered neither citizens of Israel nor residents of WB&G. Instead, they have received
Jerusalem identification cards from GOI, but are not necessarily eligible for Israeli passports nor allowed to accept Palestinian passports or travel documents. GOI can revoke Jerusalem IDs if it determines that Jerusalem ceases to be the “center of life” of the ID-holder. As part of this process, checks on official residences are conducted including entering homes to look for signs of residency. Obtaining a foreign passport, or residing in a foreign country for more than three years for purposes other than education, can also result in revocation of Jerusalem IDs. These restrictions and procedures, however, do not apply to Israeli residents of settlements in East Jerusalem. According to statistics of Israel’s Ministry of Interior, between 1967 and 2006 more than 8,200 Palestinians had their Jerusalem ID’s revoked, with the justification for revocation in the vast majority of cases being that the ID-holder had relocated abroad. According to statistics gathered by B’Tselem, over 1360 Palestinians from Jerusalem had their ID cards revoked in 2006 – more than in any previous year since 1967 and a 500% increase over the number of revocations in 2005. Palestinians with IDs from other parts of the West Bank need a special permit to access East Jerusalem and then can enter through only four established “crossings”. Eight crossings have been provided for Israeli citizens or residents, including settlers, who need no permits.

32. There is evidence that the application of zoning and planning provisions and the enforcement of building regulations is discriminatory in the Palestinian areas of East Jerusalem compared with that in Israeli neighborhoods. This has a negative impact not only on housing availability and costs, but has also constrained business activity in what has been an important business center for the Palestinian economy. According to a report released by Bimkom, an Israeli organization with expertise in zoning and planning, “planning in East Jerusalem is based on considerations that do not meet accepted legal, administrative and constitutional norms, such as governmental fairness, reasonability, proportionality and protection of human rights”. The result of these policies is that building and expansion in Palestinian areas of East Jerusalem has been severely constrained by the failure of the Israeli authorities to provide permission for expansion or new construction. Moreover, when construction does take place without permission, the authorities are much more likely to take action against Palestinian violators. In the period of 1996-2000, for example, the number of recorded building violations was four and a half times higher in Israeli neighborhoods of Jerusalem (17,382 violations) than in Palestinian neighborhoods of East Jerusalem (3,846 violations). Nevertheless, during this same period, the number of demolition orders issued in West Jerusalem was four time less (86 orders) than the number in East Jerusalem (348 orders). In other words, while over 80 percent of building violations were recorded in West Jerusalem, 80 percent of actual demolition orders were issued for buildings in Palestinian East Jerusalem. Between 1999 and 2003, 157 Palestinian-owned buildings were demolished, while only 30 Israeli-owned buildings met the same fate. These discriminatory practices have led to both a housing shortage as well as limitations on the development of Palestinian businesses and employment opportunities in East Jerusalem. To adjust to this, many Palestinians built second homes or businesses further into the West Bank. However, with the completion of the Separation Barrier and the enforcement of increasingly draconian permit policies, the ability to maintain these businesses will become ever more difficult.

Restrictions in Area C

33. Similar problems exist in the application of zoning and planning procedures in the rest of the West Bank, particularly in Area C where GOI retains responsibility for providing planning and construction permits. The City, Village and Building Planning Law adopted by the Jordanian Government in 1966 remains the legal basis for planning activities and its provisions are used to determine the size, zoning and location of each unit of land. This affects housing, industry, roads and public institutions. This law was modified by a GOI military order in 1971 and subsequent amendments have transferred the powers of the Jordanian Ministry of Interior to the Military Commander of the West Bank. The amendments also introduced major changes in the planning system particularly by replacing Palestinians on the planning committees with IDF officials and settler representatives. These planning committees have used the modified planning system to establish and expand settlements, while at the same time limiting the growth of Palestinian towns and villages and industrial areas. In the 1990s, the Central Planning Bureau of the Civil Administration
prepared special outline plans for roughly four hundred villages in Area C of the West Bank to substitute for the detailed plans that were required under the Jordanian City, Village and Building Planning Law. These plans did not allow for the expansion of municipal boundaries and any new construction had to be within the current boundaries. Unsurprisingly, this has created a shortage of both housing and industrial land.

34. Within the under-developed areas of Area C, GOI has withheld planning approval on the basis of outdated and inadequate planning regulations dating back to the time of the British Mandate. Unsurprisingly, these mandate-era regional plans have become more inadequate over time as the Palestinian population has grown and the economy has modernized. In general, the plans provide that land can be used only for agricultural development, nature reserves, and coastal reserves. There are no provisions for industrial estates, tourism or quarries. Moreover, housing requirements are out of touch with modern standards – the minimum area for construction of a single housing unit is one thousand square meters and there are no provisions for subdividing plots. According to Amnesty International, between 1996 and 1999 only seventy-nine building permits were issued outside of areas already demarcated for construction. Any construction undertaken by Palestinians in Area C without the proper permit is subject to, and usually results in demolition. GOI applies these regulations only to Palestinians – the construction and expansion of new housing and industrial development has moved apace in Israeli settlement areas which are dealt with under a separate planning and zoning scheme.

35. The restrictions applicable to Palestinians in Area C also have a negative impact on growth in Areas A and B. Because Areas A and B are heavily built up and therefore have little space left for new development, Area C provides the only space for significant new expansion and the provision of industrial land and supporting infrastructure. Since Area C was to be transferred to the PA under the terms of the Oslo Accords, this should not have been a long-term problem for the Palestinian economy. However, since development of Area C for the benefit of residents of Areas A and B remains under Israeli control and is subject to the mandate era zoning and planning restrictions which GOI applies to Palestinians living in the area, the main Palestinian cities are unable to expand to accommodate their growing populations or modernize the economic base. By failing to provide areas for expansion of Palestinian urban areas, serviced industrial land, or waste facilities, GOI’s implementation of zoning policy has pushed up land prices, made housing more scarce and expensive, and limited investment in areas A and B which is necessary for supporting productive activities for creating employment and sustainable growth.

IV. Conclusion

36. The policy of closure, which broadly consists of comprehensive restrictions on the movement of people and goods within the West Bank, highly constricted movement of goods across the border with Israel, and a near total separation of economic and social interaction between the territories of Gaza and the West Bank, has resulted in a highly fragmented Palestinian economy. In economic terms, the restrictions arising from closure have not only increased transaction costs, but have also led to a level of uncertainty and inefficiency which has made the conduct of business difficult and therefore has stymied the growth and investment which is necessary to fuel economic revival.

37. Within the West Bank context, closure is implemented through a complicated agglomeration of policies and practices which has fragmented the territory into ever smaller and more disconnected cantons. While Israeli security concerns are undeniable and must be addressed, it is often difficult to reconcile the use of closure for security purposes from its use to expand and protect settlement activity and the relatively unhindered movement of settlers in and out of the West Bank. Limiting Palestinian access to the important agricultural and tourist potential of the Jordan Valley is one such example. It is also difficult to account for the discriminatory enforcement of zoning and planning regulations which minimize the amount of land available for the normal growth and development of Palestinian areas including the development of new housing, industrial land, waste facilities and other
infrastructure while allowing for expanded construction of settlements and their supporting infrastructure.

38. While GOI has shown a willingness to consider a relaxation of specific restrictions, such as providing several hundred permits to “unique categories” such as businessmen, worker permits, or the removal of certain physical impediments, incremental steps are not likely to lead to any sustainable improvement. This is because these incremental steps lack permanence and certainty and can be easily withdrawn or replaced by other restrictions. This uncertainty applies not only to residents of the West Bank, but also to foreign investors and expatriate professionals who are critical sources of investment and future growth. Moreover, as long as large areas of the West Bank remain inaccessible for economic purposes -- including the settlements and their municipal jurisdiction, the “seam zone”, the Jordan Valley and other “closed areas”, and unpredictable movement remains the norm for the vast majority of Palestinians, sustainable economic recovery will remain elusive. Economic recovery and sustainable growth will require a fundamental reassessment of closure practices, a restoration of the presumption of movement, and review of Israeli control of the population registry and other means of dictating the residency of Palestinians within WB&G as embodied in the existing agreements between GOI and the PLO.
Annex 1: Break-up of Palestinian Economic Space
West Bank Segmented Map (Source: OCHA)
Endnotes

1 The Israeli-Palestinian Interim Agreement on the West Bank and the Gaza Strip, Annex I, Article IX(2)(a).
2 A Performance-Based Roadmap to a Permanent Two-State Solution to the Israeli-Palestinian Conflict, Phase I: Ending Terror and Violence, Normalizing Palestinian Life and Building Palestinian Institutions, Present to May 2003.
3 Agreement on Movement and Access, 15 November 2005.
7 The Israeli-Palestinian Interim Agreement on the West Bank and the Gaza Strip, Annex III, Article 28(1).
11 HCJ (Israeli High Court of Justice) 4494/91, Sarhan et al. v. Commander of IDF Forces in Judea and Samaria et al., Response of the State Attorney’s Office of 18 November 1992, Section 7, as cited in B’Tselem, p. 8.
13 Information provided to B’Tselem on 14 August 2005.
14 HaMoked - Center for the Defense of the Individual, and B’Tselem, “Perpetual Limbo – Israel’s Freeze on Unification of Palestinian Families in the Occupied Territories” (July 2006).
15 Law of Return (5110-1950). According to Amendment No. 2 (5370-1970), the definition of a Jew under this legislation is anyone with a Jewish mother, but family members of Jews, including grandchildren, are also permitted to immigrate to Israel (Article 4A(a)).
16 B’Tselem requested such information from the Civil Administration in September of 2005, and only in March of 2006 received a reply that the Civil Administration did not have the requested information. Letter to B’Tselem from the Legal Advisor to the Military Commander of the West Bank on 14 March 2006.
17 Hamoked and B’Tselem, “Perpetual Limbo”, supra note 14, at p. 18. These statistics are the result of a survey conducted by the Palestine Center for Policy and Survey Research in October 2005 at the request of B’Tselem.
20 The letter was signed by Dr. Ali Zedan (Al-Aqsa University), Brother Daniel Casey (Bethlehem University), Dr. Daoud Zatari (Palestine Polytechnic University), Dr. Fahkri Hasan (Hebron University), Dr. Jawad Wadi (Al-Azhar University), Dr. Kamalain Shaath (Islamic University of Gaza), Dr. Munther Salah (Arab American University), Dr. Nabeel Kassis (Birzeit University), Dr. Rami Hamdalla (Al-Najah University), Dr. Sari Nusaibah (Al Quds University) and Dr. Younis Amro (Al Quds Open University).
21 Meeting with Basel Ayish, Coordinator, Media Committee, Campaign for the Right of Entry/Re-Entry to the Occupied Palestinian Territory on 19 October 2006.
24 “Separation Barrier: Updated Statistics”, B’Tselem (August 9, 2005). Roughly seventy square kilometers of the West Bank were annexed to the expanded Jerusalem municipality by the Government of Israel in July of 1967. This area currently contains about 220,000 Palestinian residents.
25 Peace Now, “Construction in Outposts – October 2005”, available at www.peacenow.org.il. According to a report issued by Talia Sasson, formally an official with the GOI Office of the State’s Attorney, at the request of then Prime Minister Ariel Sharon, the expansion of unauthorized outposts began in the mid-1990’s as a direct response to the slowdown in settlement construction that began during the Rabin Government. See Summary of the Opinion Concerning Unauthorized Outposts, available at www.mideastweb.org. An inter-ministerial committee, headed by the Minister of Justice, was established by a GOI Cabinet decision in response to the report. However, the mandate of the committee is limited to recommending organizational and procedural changes for establishment of new outposts. The committee cannot order the dismantling of outposts deemed illegal.
The Roadmap to Peace also calls for a peace settlement based on the Madrid Conference, UN Security Council Resolutions 242, 338 and 1397 and previous agreements reached by the parties. Resolution 242 calls for the withdrawal of Israeli troops from occupied territory and respect for sovereignty and political independence. Both Resolutions 338 and 1397 call for, *inter alia*, implementation of Resolution 242.


Benn, Aluf, “Washington Backs Down on Demand that Israel Mark Settlement Boundaries”, *Ha'aretz* (August 30, 2005). The plan to mark boundaries began with the report of the Mitchell Committee in 2001, and in 2003 Israel pledged construction would be limited to presently-designated construction lines.

Order Regarding Security (Judea and Samaria) (No. 378), 5730-1970, Declaration of the Closure of an Area (Israeli Communities).

“The West Bank – Facts and Figures – August 2005”, Peace Now, available at [www.peacenow.org.il](http://www.peacenow.org.il). The jurisdictional boundaries of most of the settlements were expanded pursuant to military orders during the 1990’s, with most orders signed after the Oslo I agreement in 1993. Eight such military orders were made after the start of the second intifada, with one order being issued in both 2004 and 2005. See Peace Now, “The Jurisdiction of the Settlements”, at [www.peacenow.org.il](http://www.peacenow.org.il).

Letter from Captain Harel Weinberg, IDF District of Judea and Samaria, Office of the Military Legal Advisor to Attorney Limor Yehuda of the Association of Civil Rights in Israel


Information provided at a meeting with Yesh Din Legal Advisor Michael Sfard in August, 2005.

Section 6B(A) of the *Amendment and Extension of the Validity of the Emergency Regulations (Judea and Samaria, the Gaza Strip, Sinai and South Sinai – Jurisdiction and Legal Assistance) Law*, 5744-1984, Section 6, states in part “the expression “Israeli resident” or any other expression regarding residency, residence or presence in Israel as stated therein, shall be considered also to include a person whose place of residence is in the region and who is an Israeli citizen or who is eligible to immigrate to Israel in accordance with the Law of Return, 5710-1950, and who would fall under the said term were his place of residence in Israel.”


B’Tselem, “Forbidden Roads: Israel’s Discriminatory Road Regime in the West Bank”, pgs. 5-8 (August 2004).

47 Ibid.
48 UN OCHA, “Preliminary Analysis of the Humanitarian Implications of the April 2006 Barrier Projections”.
49 Order Regarding Security Regulations (Judea and Samaria) (No.378), 5730-1970 “General Permit to Enter the Seam zone and Stay in It” and Order Regarding Security Regulations (Judea and Samaria) (No.378), 5730-1970 “Regulations Regarding Entry and Stay Permits to the Seam zone”.
52 Muhammad Khaled Alian et al. v. Prime Minister et al., (High Court of Justice, 4825/04) Response, Section 469, as cited in supra note 24.
53 Beit Sourik Village Council et al. v. Government of Israeli et al. (High Court of Justice 2056/04), Section 80.
54 Ibid.
55 International Court of Justice, “Legal Consequences of the Construction of a Wall in the Occupied Palestinian Territory”, General List No. 131 (9 July 2004).
56 Rapoport, Meron “PM Approves Eastward Move of Section of Separation Barrier”, Haaretz (January 31, 2007).
57 OCHA Special Focus, Occupied Palestinian Territories, November 2006. The survey was conducted in the Barrier communities of the Governorates of Salfit, Qalqilya, Tulkarm and Jenin.
58 Macintyre, Donald and Penketh, Anne “ Israeli separation barrier is cutting off Palestinians from their livelihood”, The Independent (23 January 2007).
59 See West Bank and Gaza Investment Climate Assessment, World Bank, March 2007
63 Bimkom – Planners for Planning Rights “The Planning Deadlock: Planning Policy, Land Regularization, Building Permits and House Demolitions in East Jerusalem”, English Abstract (origin report in Hebrew). The report states further that GOI planning policies in East Jerusalem mirror those in the rest of the West Bank, which is to maximize expansion of Jewish areas while limiting growth in Palestinian neighborhoods. To this end, vast tracts of land in Palestinian areas have been expropriated for settlements, and the placement of settlements in East Jerusalem prevents the urban expansion of Palestinian areas and breaks the contiguity between these areas and villages in the West Bank. Development in Palestinian areas has been limited by policies of planning neglect and issuance of restrictive regulations for new construction.
65 City, Village and Building Planning Law, No. 79 (1966). This Law provides for three levels of plans - regional outline plans, general-local outline plans and detailed plans – and corresponding institutional system – the Supreme Planning Council and district and local planning committees. It also establishes the mechanisms for consultations, public participation, publication and objections.
66 Order Concerning the City, Village and Building Planning Law (Judea and Samaria) (No. 418) 5371-1971. Only the planning authorities of municipal councils – responsible for detailed plans – were left to Palestinians, though there powers were curtailed. See B’Tselem “Land Grab – Israel’s Settlement Policy in the West Bank”, (May 2002), p. 86, citing the Order Concerning the City, Village and Building Planning Law (Judea and Samaria) (No. 418) 5371-1971, Section 2(2)(3). The Supreme Planning Council became a unit of the Civil Administration, which is responsible for administration of the planning system. District planning committees and planning authorities of village councils were eliminated, and their powers transferred to the Supreme Planning Council.
68 Ibid., at p. 86, citing Jerusalem District Outline Regional Scheme RJ/5, approved 1942, and Samaria Regional Planning Scheme S15, deposited in 1945 but not formally approved.
70 Ibid., and B’Tselem, Demolishing Peace.