

## **Speeches, Including the Joint Statement, at the International Meeting Annapolis (MD) 27 November 2007**

### **US-President Bush:**

Thank you for coming. Prime Minister Olmert, President Abbas, Secretary General Ban, former Prime Minister Blair, distinguished guests: Welcome to one of the finest institutes we have in America, the United States Naval Academy. We appreciate you joining us in what I believe is an historic opportunity to encourage the expansion of freedom and peace in the Holy Land.

We meet to lay the foundation for the establishment of a new nation – a democratic Palestinian state that will live side by side with Israel in peace and security. We meet to help bring an end to the violence that has been the true enemy of the aspirations of both the Israelis and Palestinians.

We're off to a strong start. I'm about to read a statement that was agreed upon by our distinguished guests:

### **(JOINT UNDERSTANDING READ BY PRESIDENT BUSH AT ANNAPOLIS CONFERENCE)**

**The representatives of the government of the state of Israel and the Palestinian Liberation Organization, represented respectively by Prime Minister Ehud Olmert, and President Mahmoud Abbas in his capacity as Chairman of the PLO Executive Committee and President of the Palestinian Authority, have convened in Annapolis, Maryland, under the auspices of President George W. Bush of the United States of America, and with the support of the participants of this international conference, having concluded the following joint understanding.**

**We express our determination to bring an end to bloodshed, suffering and decades of conflict between our peoples; to usher in a new era of peace, based on freedom, security, justice, dignity, respect and mutual recognition; to propagate a culture of peace and non-violence; to confront terrorism and incitement, whether committed by Palestinians or Israelis. In furtherance of the goal of two states, Israel and Palestine living side by side in peace and security, we agree to immediately launch good-faith bilateral negotiations in order to conclude a peace treaty, resolving all outstanding issues, including all core issues, without exception, as specified in previous agreements.**

**We agree to engage in vigorous, ongoing and continuous negotiations, and shall make every effort to conclude an agreement before the end of 2008. For this purpose, a steering committee, led jointly by the head of the delegation of each party, will meet continuously, as agreed. The steering committee will develop a joint work plan and establish and oversee the work of negotiations teams to address all issues, to be headed by one lead representative from each party. The first session of the steering committee will be held on 12 December 2007.**

**President Abbas and Prime Minister Olmert will continue to meet on a bi-weekly basis to follow up the negotiations in order to offer all necessary assistance for their advancement.**

**The parties also commit to immediately implement their respective obligations under the performance-based road map to a permanent two-state solution to the Israel-Palestinian conflict, issued by the Quartet on 30 April 2003 – this is called the road map – and agree to form an American, Palestinian and Israeli mecha-**

nism, led by the United States, to follow up on the implementation of the road map.

**The parties further commit to continue the implementation of the ongoing obligations of the road map until they reach a peace treaty. The United States will monitor and judge the fulfillment of the commitment of both sides of the road map. Unless otherwise agreed by the parties, implementation of the future peace treaty will be subject to the implementation of the road map, as judged by the United States.**

Congratulations for your strong leadership. (Applause.)

The Palestinian people are blessed with many gifts and talents. They want the opportunity to use those gifts to better their own lives and build a better future for their children. They want the dignity that comes with sovereignty and independence. They want justice and equality under the rule of law. They want freedom from violence and fear.

The people of Israel have just aspirations, as well. They want their children to be able to ride a bus or to go to school without fear of suicide bombers. They want an end to rocket attacks and constant threats of assault. They want their nation to be recognized and welcomed in the region where they live.

Today, Palestinians and Israelis each understand that helping the other to realize their aspirations is key to realizing their own aspirations – and both require an independent, democratic, viable Palestinian state. Such a state will provide Palestinians with the chance to lead lives of freedom and purpose and dignity. Such a state will help provide the Israelis with something they have been seeking for generations: to live in peace with their neighbors.

Achieving this goal is not going to be easy – if it were easy, it would have happened a long time ago. To achieve freedom and peace, both Israelis and Palestinians will have to make tough choices. Both sides are sober about the work ahead, but having spent time with their leaders, they are ready to take on the tough issues. As Prime Minister Olmert recently put it, "We will avoid none of [the historic questions], we will not run from discussing any of them." As President Abbas has said: "I believe that there is an opportunity not only for us but for the Israelis, too. We have a historic and important opportunity that we must benefit from." It is with that spirit that we concluded – that they concluded this statement I just read.

Our purpose here in Annapolis is not to conclude an agreement. Rather, it is to launch negotiations between the Israelis and the Palestinians. For the rest of us, our job is to encourage the parties in this effort – and to give them the support they need to succeed.

In light of recent developments, some have suggested that now is not the right time to pursue peace. I disagree. I believe now is precisely the right time to begin these negotiations – for a number of reasons:

First, the time is right because Palestinians and Israelis have leaders who are determined to achieve peace. President Abbas seeks to fulfill his people's aspirations for statehood, dignity and security. President Abbas understands that a Palestinian state will not be born of terror, and that terrorism is the enemy standing in the way of a state. He and Prime Minister Fayyad have both declared, without hesitation, that they are opposed to terrorism and committed to peace. They're committed to turning these declarations into actions on the ground to combat terror.

The emergence of responsible Palestinian leaders has given Israeli leaders the confidence they need to reach out to the Palestinians in true partnership. Prime Minister Olmert has expressed his understanding of the suffering and indignities felt by the Palestinian people. He's made clear that the security of Israel will be enhanced by the establishment of a responsible, democratic Palestinian state. With leaders of courage and conviction on both sides, now is the time to come together and seek the peace that both sides desire.

Second, the time is right because a battle is underway for the future of the Middle East – and we must not cede victory to the extremists. With their violent actions and contempt for human life, the extremists are seeking to impose a dark vision on the Palestinian people – a vision that feeds on hopelessness and despair to sow chaos in the Holy Land. If this vision prevails, the future of the region will be endless terror, endless war, and endless suffering.

Standing against this dark vision are President Abbas and his government. They are offering the Palestinian people an alternative vision for the future – a vision of peace, a homeland of their own, and a better life. If responsible Palestinian leaders can deliver on this vision, they will deal the forces of extremism a devastating blow. And when liberty takes root in Iraqi soil of the West Bank and Gaza, it will inspire millions across the Middle East who want their societies built on freedom and peace and hope.

By contrast, if Palestinian reformers cannot deliver on this hopeful vision, then the forces of extremism and terror will be strengthened, a generation of Palestinians could be lost to the extremists, and the Middle East will grow in despair. We cannot allow this to happen. Now is the time to show Palestinians that their dream of a free and independent state can be achieved at the table of peace – and that the terror and violence preached by Palestinian extremists is the greatest obstacle to a Palestinian state.

Third, the time is right because the world understands the urgency of supporting these negotiations. We appreciate that representatives from so many governments and international institutions have come to join us here in Annapolis – especially the Arab world. We're here because we recognize what is at stake. We are here because we each have a vital role to play in helping Palestinians forge the institutions of a free society. We're here because we understand that the success of these efforts to achieve peace between Israelis and Palestinians will have an impact far beyond the Holy Land.

These are the reasons we've gathered here in Annapolis. And now we begin the difficult work of freedom and peace. The United States is proud to host this meeting – and we reaffirm the path to peace set out in the road map. Yet in the end, the outcome of the negotiations they launch here depends on the Israelis and Palestinians themselves. America will do everything in our power to support their quest for peace, but we cannot achieve it for them. The success of these efforts will require that all parties show patience and flexibility – and meet their responsibilities.

For these negotiations to succeed, the Palestinians must do their part. They must show the world they understand that while the borders of a Palestinian state are important, the nature of a Palestinian state is just as important. They must demonstrate that a Palestinian state will create opportunity for all its citizens, and govern justly, and dismantle the infrastructure of terror. They must show that a Palestinian state will accept its responsibility, and have the capability to be a source of stability and peace – for its own citizens, for the people of Israel, and for the whole region.

The Israelis must do their part. They must show the world that they are ready to begin – to bring an end to the occupation that began in 1967 through a negotiated settlement. This settlement will establish Palestine as a Palestinian homeland, just as Israel

is a homeland for the Jewish people. Israel must demonstrate its support for the creation of a prosperous and successful Palestinian state by removing unauthorized outposts, ending settlement expansion, and finding other ways for the Palestinian Authority to exercise its responsibilities without compromising Israel's security.

Arab states also have a vital role to play. Relaunching the Arab League initiative and the Arab League's support for today's conference are positive steps. All Arab states should show their strong support for the government of President Abbas – and provide needed assistance to the Palestinian Authority. Arab states should also reach out to Israel, work toward the normalization of relations, and demonstrate in both word and deed that they believe that Israel and its people have a permanent home in the Middle East. These are vital steps toward the comprehensive peace that we all seek.

Finally, the international community has important responsibilities. Prime Minister Fayyad is finalizing a plan to increase openness and transparency and accountability throughout Palestinian society – and he needs the resources and support from the international community. With strong backing from those gathered here, the Palestinian government can build the free institutions that will support a free Palestinian state.

The United States will help Palestinian leaders build these free institutions – and the United States will keep its commitment to the security of Israel as a Jewish state and homeland for the Jewish people.

The United States strongly feels that these efforts will yield the peace that we want – and that is why we will continue to support the Lebanese people. We believe democracy brings peace. And democracy in Lebanon is vital, as well, for the peace in the Middle East. Lebanese people are in the process of electing a president. That decision is for the Lebanese people to make – and they must be able to do so free from outside interference and intimidation. As they embark on this process, the people of Lebanon can know that the American people stand with them – and we look forward to the day when the people of Lebanon can enjoy the blessings of liberty without fear of violence or coercion.

The task begun here at Annapolis will be difficult. This is the beginning of the process, not the end of it – and no doubt a lot of work remains to be done. Yet the parties can approach this work with confidence. The time is right. The cause is just. And with hard effort, I know they can succeed.

President Abbas and Prime Minister Olmert, I pledge to devote my effort during my time as President to do all I can to help you achieve this ambitious goal. I give you my personal commitment to support your work with the resources and resolve of the American government. I believe a day is coming when freedom will yield the peace we desire. And the land that is holy to so many will see the light of peace.

The day is coming when Palestinians will enjoy the blessings that freedom brings – and all Israelis will enjoy the security they deserve. That day is coming. The day is coming when the terrorists and extremists who threaten the Israeli and Palestinian people will be marginalized and eventually defeated. And when that day comes, future generations will look to the work we began here at Annapolis. They will give thanks to the leaders who gathered on the banks of the Chesapeake for their vision, their wisdom and courage to choose a future of freedom and peace.

Thanks for coming. May God bless their work. (Applause.)

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**Palestinian Authority President Mahmoud Abbas  
(through translator from Arabic):**

In the name of God, the compassionate,

With great hope, but it is accompanied with great worry that this new opportunity might be lost.

But the meanings of your message are well known and they carry your personal bridge and commitment by your great country and its determination to embrace the Palestinian and Israeli peace and the Arab-Israeli peace to be converted in the arena of negotiations to be the first and foremost arena for making peace.

And that this initiative would culminate your term of office is an outstanding achievement which would add a new shining star in the skies of the world, the world of the future free of violence, oppression and bigotry.

And also we would like to applaud you, Mr. President, for choosing this charming city, Annapolis, as a venue for convening this international conference. In addition to its beauty and distinctive location, it bears the symbol of freedom; the most sublime value in our life.

"Freedom" is the single word that stands for the future of the Palestinians and captures the meanings of all their generations. It is their sunshine and it is the life that inspires their future. It is the last word voiced by the martyrs and victims, and it is the lyric (ph) of their prisoners.

I must also pay tribute to the role played by Dr. Condoleezza Rice and her aides. For without here relentless resolve and determination and her vision vis-à-vis all aspects of conflict in our region, we would not have been convening here.

Dr. Rice took important strides with us in order to affirm that the path of peace is the only choice and it is irreversible. And that the path to negotiations for peace and to achieve peace is the right path.

It is important for me to indicate here that this distinguished participation and large participation from sister Arab and Islamic countries, the quartet, and the group of great industrial countries, and the permanent members of the Security Council of the United Nations, and many prominent European and Asian countries, as well as non-aligned countries and African states and from South America, in a unique conference in the history of the conflicts would provide impetus and protection, in addition to the fact that it carries the meanings of encouragement to pursue the path of Palestinian-Israeli peace negotiations and move that forward and the need to reach the solution of two states, based on ending occupation and the establishment of the state of Palestine side by side to the state of Israel, and the resolution of all issues relating to the Palestinian-Israeli conflict, Arab-Israeli conflict in all their aspects, as an indispensable qualitative step, so that comprehensive and normal peace relations would be established in our region.

I am proud that this Arab and Islamic contribution and this broad international that this Arab and Islamic contribution and this broad international participation in the work of this conference is a testimony to the fact that sister and friendly states are standing by us, the people of Palestine, as a leadership, and for our efforts to achieve peace.

It is a support of our approach that calls for a balanced historical settlement that would ensure peace and security for our independent state and for Israel, as well as for all countries in the region.

This Arab and Islamic participation in today's meeting is also an affirmation that the Arab peace initiative was not a step without well-defined targets, but indeed it was a bold strategic plan that aims changing the nature of relations in the region and to usher in a new era there.

But to achieve that does not depend on the Arab and Islamic position by itself, but requires meeting this position by a reciprocal strategic willingness that would basically lead to ending the occupation of all Palestinian occupied territories in 1967, including East Jerusalem, as well as the Syrian Golan and what remains of occupied from Lebanese territories, and to resolve all other issues relating to the conflict, especially the Palestinian refugees question in all its political, humanitarian, individual and common aspects, consistent with Resolution 194, as emphasized by the Arab peace initiative and the participation of sister states that host refugees and carry huge burdens in this regard.

I am not making an overstatement, Mr. President, if I say that our region stands at a crossroad that separates two historical phases, pre-Annapolis phase and post-Annapolis phase.

In other words, this extraordinary huge opportunity provided today by the Arab, Islamic and international position, and the overwhelming support from the public opinion in both the Palestinian and Israeli societies for the need to exploit the occasion of this conference that would launch the negotiating process and not to do away with the potential that it carries, I say that this opportunity might not be repeated. And if it were to be repeated, it might not enjoy the same unanimity and impetus.

Mr. President, what we are facing today is not just the challenge of peace, but we are facing a test of our credibility as a whole: the United States, members of the quartet, and all members of the international community, Israel, the Palestine Liberation Organization and the Palestinian Authority, the Arab and Islamic group, as well.

It is a test that would leave its indelible impact on the future of the region and on the relationship among its peoples and the international powers that are entrusted in the peace, stability of our region on the other hand.

We came with this perspective to Annapolis today. And, therefore, we do recognize the volume of this possibility that we are bearing and the gravity of the burden that we must shoulder.

We do recognize, and I presume that you share me this view, that the absence of hope and overwhelming despair would feed extremism. Therefore, we have a common duty to spread genuine hope in order to achieve full transformation toward complete peace (inaudible) and long term during your term of office, Mr. President, thanks to your support and understanding.

Tomorrow, we have to start comprehensive and deep negotiations on all issues of final status, including Jerusalem, refugees, borders, settlements, water and security and others.

We have to support this negotiating process in concrete and direct steps on the ground that would prove that we are moving in an irreversible path toward negotiated, comprehensive and full peace, and to ensure ending all settlement activities, including natural growth, and reopening closed Jerusalem institutions, removal of settlement

outposts, removal of road blocks, and freedom of prisoners, and to facilitate our mission in the authority to enforce law and the rule of law.

Here, I must defend in all sincerity and candor, and without wavering, the right of our people to see a new dawn, without occupation, without settlement, without separation walls, without prisons where thousands of prisoners are detained, without assassinations, without siege, without barriers around villages and (inaudible).

I look forward, Mr. President, to see that our prisoners have been set free and returned to exercise their role in supporting peace and to stand by us in our mission to build our statehood and our homeland.

It is my duty to say that, to have peace, we need the fate of the city of Jerusalem to be a critical component in any peace accord that we might reach. We need East Jerusalem to be our capital and to establish open relations with western Jerusalem, and to ensure for all the faithful from all religions their right to exercise their rituals and to access holy shrines without any discrimination and on the basis of international and humanitarian goals.

In this regard, I wish to emphasize that we shall pursue our obligations under the road map, in order to combat chaos, violence, terrorism, and to ensure security, order and the rule of law.

The government of the Palestinian National Authority works tirelessly and without any wavering under extremely conditions to achieve this noble goal that represents, first and foremost, a Palestinian national interest before it becomes a political requirement that is imposed by signed accords or the road map.

Our people distinguish completely between emphasis on the danger of terrorism and using it as a pretext to maintain the status quo and to pursue the current practices that we suffer from every day. There must be a chance given to us to build our civilian security and economic institutions.

And the international community must sponsor this opportunity so that our authority and our government would fully fulfill their mandates. I must emphasize that our determination to end occupation emanates from our vision that we would remove the most important reasons for terrorism in our region and worldwide without underestimating the need to fight terrorism under all circumstances and from any source. Because it is a comprehensive threat that threatens the future of every people and imperils human civilization, its gains and achievements, and brings dire consequences on all of us.

Here, I must applaud the tireless efforts undertaken by Mr. Tony Blair, who continues to work in order to build and enhance building Palestinian institutions and to complete great projects at the economic level in order to improve the living conditions and the terms of peace. And in that endeavor, he continues to submit very constructive ideas.

And I wish to pay tribute to the role of the European Union, Japan and our Arab brothers who made commitments to support these economic projects and building the future Palestinian state institutions.

Mr. President, I would like to take this opportunity to address the mind and conscience of every citizen in Israel from this rostrum. I'm speaking on the basis for our recognition that, despite the importance of international and regional support for the success of the peace process, but the most determining factor for the making peace and stability and its sustainability at the end of the day is the public opinion in Palestine, Israel and their legitimate leaders.

I start by saying that, despite our disagreements on critical issues, but Prime Minister Ehud Olmert showed desire for peace that I have perceived during our bilateral discussions, and that genuinely contributed to reach this important step for which we are meeting today in order to launch.

Mr. Prime Minister, I wish that we, together, continue and closely work in order to achieve a historical mission that we have waited for too long. Each one of us must pitch in our weight and experience and sense of resolve in order to overcome the obstacles that we will face and to close the gaps between our positions in a bid to achieve a solution that would end occupation and the long years of suffering of the refugees and ensure good neighbor relations, economic cooperation, humanitarian openness so that all of them would ensure guarantees for peace that are stronger than any documents, commitments or pledges, despite the importance of these all.

I say to the citizens of Israel, in this extraordinary day, you, our neighbors on this small land, neither us nor you are begging for peace from each other. It is a common interest for us and for you. Peace and freedom is a right to us, in as much as peace and security is a right for you and for us.

Time has come for the cycle of blood, violence and occupation to come to an end. Time has come that both of us should look at the future with confidence and hope, and that this long-suffering land, which was called the land of love and peace, would not be worth of its own name.

Peace is not impossible to achieve if there was will and good faith and every party got its legitimate right. Those who say that peace-making between us is impossible, actually does not need except to perpetuate this conflict toward the unknown, but it is, we all know, in other words, that continuation of bloodshed for many decades to come. After that, we would not reach the solution proposed today, all of which we know, all its components and elements. Or the ideal of peace would be killed in the hearts and minds.

Indeed, peace is possible but it requires our common efforts so that we could make it and preserve it.

And on this day we stretch our hands to you as equal partners in peace. The whole world is our witness and the world as a whole is supporting us.

Therefore, we should not lose this opportunity which might not be available once again. Let us make a peace with a brave (ph) and protect that peace in the interest of the future of our children and your children.

To our friends across the globe, members of the international quartet, and all participants in this conference, powers and states outside this conference who have been and continue to lend support for us, I say to all of you that our people will never, ever forget your support for it under all circumstances and under our most difficult times.

We look forward that your political presence will continue to be with us after this conference, in order to support Palestinian-Israeli negotiations with a view to reach the desired results. We all hope that the work of this conference would be supported by the success of the Paris economic conference to be held after a few weeks.

The continuation and success of negotiations would be the real key to change the face of the entire region.

Allah, the Lord, said in the Koran, in the name of God, the compassionate, the merciful, all you who believe, enter into peace, all of you, don't follow the steps of Satan. Satan is your obvious enemy."

The Lord also said, "If they move toward peace, then you should move to peace and have faith in the Lord, because God, the Lord, will listen and support that effort."

And on this occasion, may I record here, as we are here in the United States of America, the words of former United States President John F. Kennedy, who said, quote, "Let us never negotiate out of fear, but let us never fear to negotiate," end of quotation.

To our Palestinian people, to all Palestinians in Gaza, Jerusalem, the West Bank, and in refugee camps and the diaspora, may I address these words?

I do recognize that each one of you has his or her personal pain, personal tragedy as a result of this conflict and as a result of the years of tragedy and occupation. These are very bitter years.

Don't be depressed, Don't lose confidence and hope, For the whole world today now is stretching its hand toward us in order to help us put an end to our tragedy, to our holocaust that has been running for too long, and to lift the historical injustice that our people suffer.

And we shall be ready as individuals and as a people to overcome pain and the tragedy when we reach a settlement that would ensure our rights that would make us equal with all other peoples in the whole world: the right to independence and self-determination.

To the Palestinian mothers who are awaiting the return of their children from prisons, to the Palestinian children who are dreaming of a new life, a better future – more prosperous, more safe future, to our brave prisoners – my sisters, brothers, children – wherever you are, have confidence in the future and tomorrow, because future Palestine is coming, because this is the promise of the whole world to you.

Be confident that the dawn is coming.

To my people and relatives in the Gaza Strip: You are at the core of my heart. The hours of darkness will end in the face of your resolve and determination. For your insistence on the unity of our people in the West Bank and the Gaza Strip as one geographical political unit without any divergence, your suffering will end. Right and peace will prevail.

May I close by recalling some words of Abraham Lincoln in one of the darkest moments of American history? Quote, "Let us strive on to finish the work we are in, to do all which may achieve and cherish a just and lasting peace among ourselves and with all nations," end of quotation.

We started with peace and I end on a note of peace and we hope that peace would prevail. Peace be upon all of you.

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**Prime Minister of Israel Ehud Olmert  
(through translator from Hebrew):**

The Honorable President of the United States, George Bush,

My colleague, President of the Palestinian Authority, Mahmoud Abbas,

Heads of delegations,

Distinguished guests,

I came here today from Jerusalem at your invitation, Honorable President, to extend, on behalf of the people of Israel and the State of Israel, a hand in peace to the Palestinian people and to our neighboring Arab states, many of whose representatives are here with us in Annapolis.

I had many good reasons to refrain from coming to this meeting. The memory of the failures of the near and distant past weighs heavy on us. The dreadful terrorism perpetrated by Palestinian terrorist organizations has affected thousands of Israeli citizens, destroyed families and attempted to disrupt the lives of all the citizens of Israel. I witnessed it personally during my term as Mayor of Jerusalem, at times of bombings at cafes, buses and recreational centers in Jerusalem and other cities in the State of Israel.

The continued shooting of Qassam rockets against tens of thousands of residents in the south of Israel, particularly in the city of Sderot, serves as a warning sign – one which cannot be overlooked. The absence of governmental institutes and effective law-enforcement mechanisms, the rule of Hamas in the Gaza Strip, the ongoing activity of murderous organizations throughout all the territories of the Palestinian Authority, the absence of a legal system which meets the basic criteria of a democratic government – all these are factors which deter us from moving forward too hastily.

I do not ignore all the obstacles which are sure to emerge along the way. They are right in front of me. I came here, despite the concerns and doubts and hesitations, to say to you, President Mahmoud Abbas, and through you, to your people and to the entire Arab world: it is time. We no longer, and you no longer, have the privilege of clinging to dreams which are disconnected from the sufferings of our peoples, the hardships they experience daily and the burden of living under ongoing uncertainty, with no chance for change or hope.

We want peace. We demand an end to terror, incitement and hatred. We are willing to make a painful compromise, rife with risks, in order to realize these aspirations.

I came here today not to settle historic accounts between us on what caused the conflict and hatred and what, for many years, stood in the way of compromise and peace.

I wish to say, from the bottom of my heart, that I know and acknowledge the fact that alongside the constant suffering which many in Israel have experienced because of the history, the wars, the terror and the hatred towards us – a suffering which has always been part of our lives in our land – your people have also suffered for many years, and some still suffer.

For dozens of years, many Palestinians have been living in camps, disconnected from the environment in which they grew, wallowing in poverty, neglect, alienation, bitterness, and a deep, unrelenting sense of deprivation.

I know that this pain and deprivation is one of the deepest foundations which fomented the ethos of hatred towards us.

We are not indifferent to this suffering. We are not oblivious to the tragedies you have experienced. I believe that in the course of negotiations between us we will find the right way, as part of an international effort in which we will participate, to assist these Palestinians in finding a proper framework for their future, in the Palestinian state which will be established in the territories agreed upon between us. Israel will be part of an international mechanism which will assist in finding a solution to this problem.

The negotiations between us will not be here in Annapolis, but rather in our home and in yours. It will be bilateral, direct, ongoing and continuous, in an effort to complete it during the course of 2008.

It will address all the issues which have thus far been evaded. We will do it directly, openly and courageously. We will not avoid any subject, we will deal with all the core issues. I have no doubt that the reality created in our region in 1967 will change significantly. While this will be an extremely difficult process for many of us, it is nevertheless inevitable. I know it. Many of my people know it. We are ready for it.

The negotiations will be based on previous agreements between us, UN Security Council Resolutions 242 and 338, the Roadmap and the April 14<sup>th</sup> 2004 letter of President Bush to the Prime Minister of Israel.

On conclusion of the negotiations, I believe that we will be able to reach an agreement which will fulfill the vision of President Bush: two states for two peoples.

A peace-seeking, viable, strong, democratic and terror-free Palestinian state for the Palestinian people.

A Jewish, democratic State of Israel, living in security and free from the threat of terror – the national home of the Jewish people. It is clear that the implementation of an agreement will be subject to the implementation of all obligations in the Roadmap, on all its phases and according to its sequence, as concluded between us from the very beginning.

We will abide by all our obligations, and so will you.

The agreement with you and its gradual implementation, cautiously and responsibly, is part of a much wider complex, which will lead us, hopefully, to peace with all the Arab states. There is not a single Arab state in the north, east or south with which we do not seek peace. There is no Muslim state with which we do not want to establish diplomatic relations. Anyone who wants peace with us, we say to them, from the bottom of our hearts: welcome!

I am pleased to see here, in this hall, representatives of Arab countries, most of which do not have relations with Israel. The time has come for you as well. You cannot continue to stand by indefinitely and watch the peace train go by. It is time to end the boycott and alienation towards the State of Israel. It is not helpful for you, and it hurts us. I am familiar with the Arab peace initiative, which was born in Riyadh, affirmed in Beirut and recently reaffirmed by you in Riyadh. I value this initiative, acknowledge its importance and highly appreciate its contribution. I have no doubt that it will be referred to in the course of the negotiations between us and the Palestinian leadership.

The Arab world represented here by many countries is a vital component in creating a new reality in the Middle East.

The peace signed between Israel and Egypt, and subsequently between Israel and the Hashemite Kingdom of Jordan, is a solid foundation of stability and hope in our region. This peace is an example and a model of the relations which we can build with Arab states.

My close relations with Egyptian President Hosni Mubarak and His Majesty King Abdullah II of Jordan are extremely significant from the process of building trust and understanding with the Arab states.

However, these relations, as important as they may be, are not enough. We aspire for normalization with those Arab states which eschew, as much as we do, radical and frantic fundamentalism, and which seek to grant their citizens a more moderate, tolerant and prosperous world.

This is a common interest of all of us. There is a lot which separates us – memories and a heritage which do not emanate from the same historic roots, different ways of living, different customs, and our emotional, spontaneous sense of solidarity with our neighboring Arab countries, which have long been trapped in this age-old bloody conflict between us.

However, there is also a lot which brings us together. You, like us, know that religious fanaticism and national extremism are a perfect recipe for domestic instability, violence, bitterness and ultimately the disintegration of the very foundations of coexistence which is based on tolerance and mutual acceptance.

We are a tiny country with a small population, but rich in good will and with a significant ability to create a partnership which will lead to prosperity, growth, economic development and stability for the entire region.

The prospect of a new political horizon, and renewed hope, not only for Palestinians and Israelis, but also, together with you, for the entire region, can come from here, from Annapolis.

Honorable President of the United States, my colleague Mahmoud Abbas, distinguished guests,

Almost two years ago, under very sad circumstances, Prime Minister of Israel Ariel Sharon was no longer able to carry the heavy responsibility of leading the State of Israel, and this responsibility was passed on to me – first, as a result of formal procedures and subsequently on the basis of an election in Israel's democratic system of government.

Prior to my election I stated that my heart's desire and that of my people, was to achieve peace, primarily with the Palestinian people. This is what I believed then and it is what I continue to believe in now, with all my heart.

The past two years have been difficult for all of us. The hardships have not been alleviated, the terror organizations have not weakened, the enemies of peace have not disappeared, and we are still anxiously awaiting the return of our missing and captive sons who are held by terror organizations. I long for the day when I can see Gilad, Eldad and Udi back with their families, and I will not falter in my efforts to achieve their release.

I believe that there is no path other than peace. I believe that there is no just solution other than the solution of two national states for two peoples. I believe that there is no path which does not involve painful compromise for you, Palestinians, and for us Israelis. I want to thank you, President George Bush, an ally in the path of peace, for your willingness to assist in the historic process of peace and reconciliation between us and our neighbors.

I believe it is time. We are ready. I invite you, my friend Mahmoud Abbas, and your people, to join us in this long, tormenting and complex path, for which there is no substitute.

Together we will start. Together we will arrive.

