

Statement on Partnership Fund for Peace

Partnership Fund for Peace as a Step Toward Two-State Solution

June 5, 2019

Americans for Peace Now, J Street, Partners for Progressive Israel, T'ruah, and Ameinu welcome the reintroduction of legislation to establish a Partnership Fund for Peace. The Fund will support people-to-people peace-building programs, which play an important role in building connections, understanding, and reconciliation between Israelis and Palestinians. It will also finance joint ventures between Palestinian companies and businesses in the United States and Israel.

While we welcome the legislation, we are concerned about the political moment in which this legislation is being introduced. It is increasingly clear that the Trump administration's "peace" approach entails forcing the Palestinians to give up on statehood in exchange for promises of economic development. Some may therefore read this bill as endorsement of an "economic peace" approach.

We strongly emphasize that our endorsement of the Partnership Fund for Peace should not be read that way. As the legislation states, a strengthened Palestinian economy and improved people-to-people ties are central to prospects for a two-state solution. The converse is also true: a diplomatic solution and an end to occupation are essential both to the growth of the Palestinian economy and to Israeli-Palestinian reconciliation. Economic development is no substitute for a political agreement that will resolve the core issues driving the Israeli-Palestinian conflict.

Moving forward, the bill needs tighter language to ensure that US taxpayer dollars do not go to support the settlement enterprise. We urge members of Congress to include a provision that would clearly state that Israeli businesses outside the 1967 lines would not be eligible for grants.

In addition, this bill in no way diminishes the urgent need for resumption of US humanitarian aid to Palestinians in the West Bank and Gaza. We will continue to push for appropriations of funding for UNRWA, the UN agency charged with providing vital services for Palestinian refugees, and for economic development and humanitarian projects overseen by the US Agency for International Development. The latter requires a "fix" for the Anti-Terrorism Clarification Act (ATCA). The Partnership Fund bill should underscore the need for an expedited solution to the debilitating constraints imposed by ATCA.

Under previous administrations, which were committed to Palestinian

statehood, we would be much more confident that this bill would be implemented in good faith to benefit the Palestinian economy and Israeli-Palestinian coexistence. Under the Trump administration, regrettably, we must be much more vigilant. While we welcome the introduction of this important legislation, those committed to Israeli-Palestinian peace must stay engaged to ensure that the Partnership Fund for Peace becomes a force for good, and not a means to support settlements and entrench the occupation.

[CLICK HERE TO READ THE FULL TEXT OF THE PARTNERSHIP FUND FOR PEACE ACT OF 2019](#)