



## News from the Nations

### Britain plans financial aid for Palestinians

British Foreign Secretary Jack Straw has told Labour Party activists that Britain is planning to give more than £30 million in aid to the Palestinians this year. Mr Straw highlighted the "significant emergency and development assistance" to the Palestinian Authority as part of a response to those who have presented motions critical of Israel to the party's Britain in the World policy commission. He said the aid was meant to "secure the Authority's future and prevent further suffering and damage to its long-term development". Mr Straw further said that, beyond the direct aid, the government and its European partners are ready to help the Palestinians rebuild the infrastructure of Palestinian-ruled areas in the West Bank and Gaza, damaged in the conflict with Israel. The intention was "to work with them in reconstituting their administrative structures", with the aim of establishing an "accountable and transparent security structure that can cooperate with the Israelis and the wider international community to ensure peace and security in a Palestinian state, underpinning the stability of the region".

### Greece threatens to block EU enlargement

Greece is prepared to block European Union enlargement if any member state attempts to exclude a divided Cyprus by December's Copenhagen summit. Mr Agathocles, Greek ambassador to the EU, said it was "unthinkable for any Greek political party to vote in favour of accession that does not include Cyprus". If Cyprus was "not among the first lot, there will be no enlargement". Ten countries, comprising the Baltic and East European countries, as well as Cyprus and Malta, are expected to join the EU by the end of the year. The EU would prefer to admit a united Cyprus. Failing that, it has committed itself to admitting the Greek Cypriots first. The Europeans are well aware of the pitfalls of admitting a divided Cyprus. One of their greatest concerns is the potential for regional instability, undoing the gradual thaw taking place between Greece and Turkey in recent months.

### HIZBULLAH SHELLS GALILEE

Hizbullah gunners fired several anti-aircraft shells into the Western Galilee recently. Hizbullah claimed that the firing was in retaliation for ongoing violations of Lebanese air space. Hizbullah has been firing anti-aircraft shells at Israeli Air Force planes and helicopters in the Galilee. The latest shooting incident came amid reports by senior security sources that Hizbullah is planning to stage serious attacks along the northern border in the near future and has extensively built up its arsenal. Israel's Northern Command placed all troops deployed along the border on full alert.

### EU may blacklist Hizbullah

The European Union is considering expanding its list of terror organisations to include Hizbullah, the Aksa Martyrs Brigades and the Popular Front for the Liberation of Palestine, according to diplomatic sources in Jerusalem. If the EU declares these groups to be terror organisations, their assets could be frozen in Europe and the transfer of money to these groups could be made illegal. Freezing the assets of these organisations is "an important tool" in fighting these organisations, the officials said.

### Putin allows NATO in Baltic

President Putin gave grudging approval to the Baltic States' membership of NATO, ending years of heated opposition by Moscow to the idea of a part of the old Soviet Union joining the alliance. According to a report, "whilst voicing scepticism about NATO's enlargement to include, among others, Lithuania, Latvia and Estonia, expected to be announced in November, Mr Putin insisted that it was no tragedy". "We do not think NATO's enlargement improves anyone's security, neither of the countries which intend to join NATO nor the organisation itself", he said. Mr Putin's acquiescence to NATO expanding its borders to within 100 miles of his home city, St Petersburg, was the latest sign of his strategic shift towards the West. According to the report, Mr Putin shocked many in Moscow earlier this year by describing the deployment of US military instructors in the former Soviet republic of Georgia as "no tragedy".

### **Attempt to block EU money for Palestinian Authority**

The budget committee of the European Parliament has for the first time blocked financial aid for the Palestinian Authority. At an early June meeting, the committee, responding to an initiative by two German members of the EU parliament, Mr Ferber and Mr Laschet, rejected a request by EU Foreign Affairs Commissioner Chris Patten to budget an additional 17.8 million euros to "stabilise the Palestinian budget". Patten had told the budget committee that the additional financial aid is "important in order to avoid anarchy, chaos and poverty". However, according to the *Jerusalem Report*, Ferber and Laschet claim to have "clear evidence that EU financial support for the PA has been used to buy weapons, compensate the families of 'martyrs' and finance the intifada". "For a year Patten has reassured us that the IMF controls the use of EU aid—now we know he was lying", Mr Ferber said. The two German officials are demanding that the EU Auditor General's office inspect the use of EU money by the PA before any further allocations. EU officials in Israel, however, say that Patten has absolutely no intention of halting the flow of funds.

### **Israel/Turkey water deal**

*Israel and Turkey are about to conclude an agreement soon on the export of Turkish water to Israel. An Israeli delegation has completed talks with Turkish authorities in Ankara. The director of the Turkish Water Authority, Mumtaz Turfan, said that Turkey expected a final decision by the Israeli Government to be announced later this month. The agreement will mark the first time that Turkey has exported water to a foreign country, and a further stage in expanding Israeli-Turkish ties.*

### **Jewish leaders meet ahead of UN summit**

*According to the Jewish Chronicle, world Jewish leaders met in Jerusalem in June to consider how to deal with the prospect that the forthcoming World Summit on Sustainable Development (WSSD) in Johannesburg will be dominated by anti-Israel statements. Russell Gaddin, national chairman of the South Africa Jewish Board of Deputies, has alerted Israeli and Diaspora leaders to the summit's "potential dangers". He warned that the anti-Israeli and anti-Jewish tone that overshadowed last year's UN anti-racism conference in Durban could re-emerge at the development conference. The result of the warning was the Jerusalem meeting. "World Jewry was caught off balance by the Durban conference and Jewish leaders evidently realise the same mistake must not be made twice", Mr Gaddin said. The WSSD runs from 26 August to 4 September and will be the largest UN conference ever held in Africa, with over 60,000 people expected to attend. "While the official focus of the conference is on issues relating to economic development and the environment, we know from experience that it could quite easily be turned into a platform from which to attack Israel", Mr Gaddin said.*

### **BUSH CHALLENGES SYRIA**

Syria recently gave a muted reaction to a challenge from Mr Bush to "choose the right side in the war on terror". President Bush warned that "leaders who want to be included in the peace process must show undivided support for peace". He apparently introduced new conditions for Syria's involvement. These included stopping "the flow of money, equipment and recruits to terrorist groups seeking the destruction of Israel", blocking "the shipment of Iranian supplies to these groups", and opposing "regimes that promote terror, like Iraq". Mr Bush also insisted that Syria close "terrorist camps" and expel "terrorist organisations". There was no formal statement or response from officials, but a report from one of their leading newspapers in the state-dominated media criticised the US Administration for "adopting the Israeli viewpoints at the expense of the other parties". It continues by saying that there have been clear signs in recent weeks of deteriorating relations between Syria and the US, despite Damascus's offer of intelligence cooperation against al-Qaeda. At the same time, President Bush recently named Syria as one of the "states of concern" to the US as sponsors of terrorism.

### **Arafat will be candidate in January elections**

The Palestinian Authority is to hold presidential and legislative elections in January, the first since 1996, it announced two days after President Bush urged the Palestinians to replace their leadership. At a press conference in Ramallah a Palestinian cabinet minister and negotiator said the elections would take place between 10 and 20 January next year. In an attempt to show that the move was not a response to US pressure, he also said that reform of Palestinian security services, finances and the judiciary had been approved several days before Mr Bush's speech.