Olmert, Abbas Hold Two-Hour Meeting, December 24, 2006

First Formal Session in Almost 2 Years Aimed at Reinvigorating Peace Process By Samuel Sockol Special to The Washington Post

JERUSALEM, Dec. 23 -- Israeli Prime Minister Ehud Olmert and Palestinian Authority President Mahmoud Abbas met formally for the first time on Saturday in an effort to revive the peace process and bolster Abbas in an ongoing internal crisis in the territories.

During a two-hour meeting at his official residence, Olmert promised to transfer frozen tax revenue directly to Abbas's office to ease the Palestinian economic crisis. Olmert also agreed to allow forces loyal to Abbas to deploy in the Gaza Strip, a move that would strengthen the Palestinian leader in an area dominated by the rival Hamas movement.

"The two leaders believe that this meeting will be the first step toward rebuilding mutual trust and fruitful cooperation," Olmert's office said in a statement released after the meeting, the first formal session between the two sides in nearly two years.

A spokesman for Hamas, Ismail Radwan, told the Quds Press news agency that "these meetings do not serve the Palestinian cause."

Abbas's Fatah faction lost parliamentary elections in January to Hamas, a radical Islamic movement classified as a terrorist organization by the United States, the European Union and Israel. International donor nations that supply nearly half the Palestinian Authority's roughly \$2 billion annual operating budget have cut off aid to the government until Hamas recognizes Israel, renounces violence and agrees to abide by previously signed agreements backed by Fatah.

Hamas, which controls the Palestinian government, has refused to do so.

At a news conference in Ramallah, the chief Palestinian negotiator, Saeb Erekat, said Israel would release \$100 million in frozen Palestinian taxes collected on behalf of the Palestinian Authority.

But Miri Eisin, Olmert's spokeswoman, said, "We did not mention any specific sum in the talks," and the statement released by the prime minister's office said that Olmert had "decided to pass some of the Palestinian tax monies."

The parties agreed to reactivate a joint committee to discuss the issue of Palestinian prisoners held by Israel. Israel is holding about 10,000 Palestinians, and Olmert acknowledged the sensitivity of the issue. But he said Israel would not release prisoners until Cpl. Gilad Shalit was freed. Shalit was captured June 25 in a cross-border raid by gunmen from Hamas's military wing and taken to Gaza.

The leaders also said that an effort would be made "to upgrade the crossings between the Gaza Strip and Israel, in order to enable better passage of goods and people."

The statement said instructions were given to the military "to remove some checkpoints and show a plan for removal of other checkpoints in the West Bank."

Before the meeting, Israeli television quoted sources in the Israeli military opposed to the steps as saying they would increase Palestinian attacks.

The last formal meeting between the two sides took place in February 2005, with Abbas and Prime Minister Ariel Sharon. Abbas and Olmert met informally June 22 in Jordan.