



**Intelligence and Terrorism Information
Center at the Israel Intelligence Heritage
& Commemoration Center (IICC)**

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Operation Cast Lead-Update No. 16



Israeli Prime Minister Ehud Olmert announces the Cabinet's decision that the IDF will hold its fire in the Gaza Strip in response to the Egyptian president's appeal (Photo by Ra'anan Cohen, courtesy of NRG).

Implementing the Cabinet Decision to Hold Fire in the Gaza Strip

Overview

- During the past 24 hours events focused on the announcement made by Israeli Prime Minister Ehud Olmert on the night of January 17, after a Political-Security Cabinet meeting. According to the announcement, the IDF would be instructed to cease attacks and hold its fire as of 0200 hours, January 18, 2009. The decision had been made, he said, in response to an appeal from Egyptian President Hosni Mubarak, after the goals of Operation Cast Lead had been fully realized. The most important goal, he reported, was the severe blow dealt to Hamas's military-terrorist infrastructure, including weapons storehouses, its rocket firing network and operatives belonging to Hamas and the other terrorist organizations operating in the Gaza Strip (IDF Spokesman, January 18, 2009). (For the full texts of the statements made by the prime minister and defense minister, see the **Appendices**).

- In the meantime, on January 18 the Egyptian president hosted a conference at Sharm el-Sheikh, attended by regional and international leaders, in support of the initiative (which is still under discussion) and to provide a counterweight to the regional summit held in Doha on January 16 by the rejectionist countries inspired by the Iranian-Syrian axis.

- Following the Cabinet decision to accept the Egyptian initiative and hold its fire in the Gaza Strip, the IDF took the necessary steps to implement it. According to the IDF Spokesman, when the decision went into effect at 0200 hours on January 18, **the IDF forces would be redeployed** and that operational orders for opening fire would be changed. The main line would be that fire at IDF forces and Israel would be returned, making it clear that any and **all fire directed at Israel and IDF forces would be met with a strong reprisal**. According to the Chief of Staff and Head of the Southern Command, the operation has not yet been terminated and IDF forces were instructed to remain on full alert. Orders from the Israeli homeland command regarding the defense of the southern population centers remain without change in light of the possibility of continued rocket fire (IDF Spokesman, January 18, 2009).

- Initially, Hamas responded with belligerent statements and rocket and mortar shell attacks immediately after the announcement and on January 18. However, in the afternoon, **Musa Abu Marzuq**, deputy head of Hamas's political bureau, announced that Hamas and the other organizations were declaring a ceasefire, and that they demanded the crossings be opened and that the IDF forces leave the Gaza Strip within a week.

The situation on the ground since Israel's announcement it would hold its fire

■ On the morning of January 18, several hours after the Israeli Cabinet announcement stating the IDF would hold its fire, armed terrorists opened fire at IDF forces near the Saja'iya neighborhood of Gaza City. The IDF returned fire. Two of the attackers responsible were identified by the ground force and struck from the air. In addition, since the IDF began holding its fire, Hamas and the other terrorist organizations have continued their rocket attacks against Israel (as of 1800 hours, January 18).

The ground fighting before the IDF firing stopped

■ Until Israel unilaterally ordered its forces to hold their fire, the IDF forces operated on the ground continued to increase their incursion into Gaza City, destroying the terrorist infrastructure and hitting squads. The main events were the following:

- **January 16:** During ground operations the IDF identified a squad of armed terrorists firing a mortar shell into Israeli territory. With immediate air backup the site was attacked and the squad was hit.
- **January 17:** During ground operations in the northern Gaza Strip, two armed terrorists were identified hiding inside a house and shooting from it. Later searches revealed large quantities of weapons, including explosive belts, IEDs and hand grenades.
- **January 17:** An IDF force was shot at in the northern Gaza Strip by a terrorist inside a house. With combat engineering backup, the force attacked the house. In another event, an IDF force operating in the northern Gaza Strip identified a terrorist armed with an anti-tank missile nearby. An Israeli Air Force plane struck the terrorist.



The IDF in action in the Gaza Strip, January 17 (IDF Spokesman, January 17, 2009).



Communications position exposed by IDF forces in the Gaza Strip (IDF Spokesman, January 17, 2009).

Israel casualties, January 17-18

■ On January 17 and 18, until the ceasefire went into effect, five Israeli soldiers were critically wounded and several others sustained minor to moderate injuries in a number of incidents:

- An anti-tank missile was fired at an IDF infantry force operating in the central Gaza Strip. One soldier was critically injured, another sustained moderate injuries and three sustained slight injuries.
- Two officers and two soldiers from a paratrooper brigades were seriously injured by friendly fire in the northern Gaza Strip.

Israeli Air Force strikes

- On January 17 and 18 the Israeli Air Force attacked scores of targets:
- Dozens of tunnels under the Egypt-Gaza border.
 - Rocket launching sites, some of them with long-range rockets ready for launching. A rocket launching site located inside a mosque was also attacked.
 - Two rocket launchers which had attacked the cities of Ashdod and Kiryat Gat were struck shortly after they were fired.
 - Squads of armed terrorists.
 - Hamas posts.
 - Bunkers and storehouses for weapons, including rockets.
 - A mosque in Gaza City which served as a weapons storehouse, and the tunnel under it.
 - IEDs ready for detonation.

Rocket and Mortar Shell Fire into Israeli Territory

■ Over the past few days, the extent of fire has been an average of 20 rockets and six mortar shells:

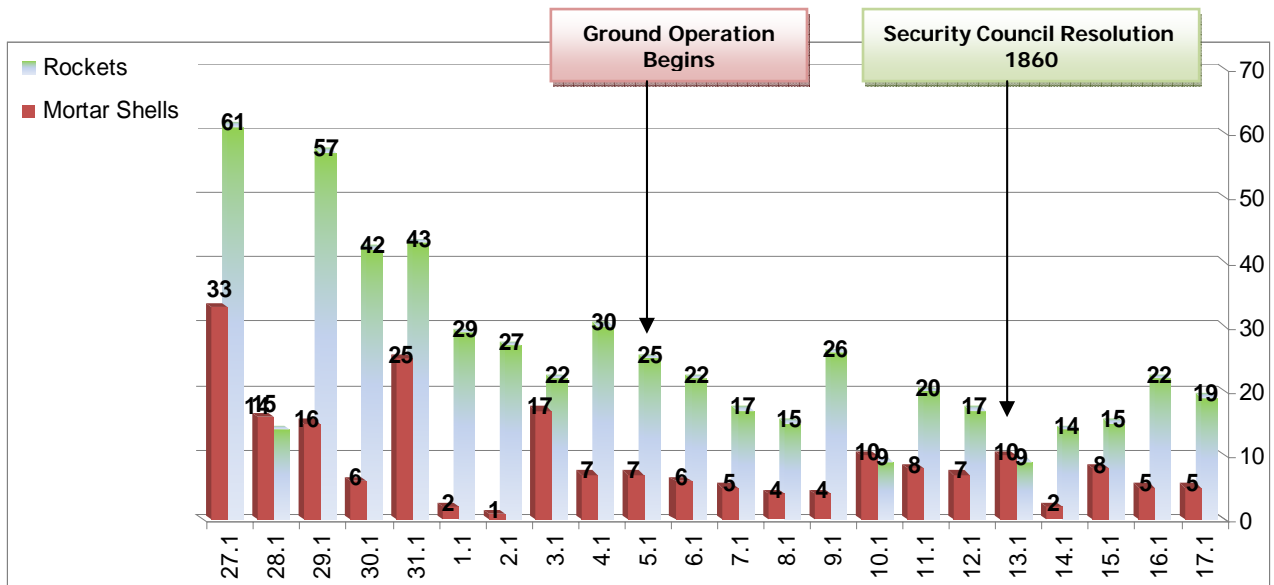
- **On January 15, 15 rocket and eight mortar shell hits** were identified. During the morning a barrage of four rockets was fired at the city of Ashdod. One of the rockets fell in the yard of a house; a civilian was treated for shock. At approximately 1700 hours a long-range rocket landed close to a car in Beersheba, critically wounded two Israeli civilians, one of them a nine-year old boy. Six civilians sustained minor injuries.
- **On January 16, 22 rocket and five mortar shell hits** were identified. At approximately 1400 hours a rocket hit the southern city of Kiryat Gat. Two civilians sustained minor injuries and two others were treated for shock. At approximately 1500 hours a rocket hit a house in the city of Ashdod. One civilian was moderately wounded and another sustained minor injuries; 15 civilians were treated for shock.
- **On January 17, 19 rocket and five mortar shell hits** were identified. A relatively large number of rockets landed in the Beersheba region. Several civilians were treated for shock. Eight of the rocket hits were identified after Israel announced it had held its fire.
- As of the afternoon of **January 18**, sporadic rocket (including long-range rockets) and mortar shell fire continued.

■ Since the beginning of Operation Cast Lead, **555 rockets and 203 mortar shells** have hit Israeli territory.



Rocket hit in Sderot (www.sderotmedia.com, January 16, 2009).

Rockets and Mortar Shells Fired at Israel during Operation Cast Lead



Humanitarian Aid Delivered to the Gaza Strip

Israel

■ Humanitarian aid deliveries from Israel into the Gaza Strip continue. Since the beginning of Operation Cast Lead approximately 1,400 trucks have crossed into the Gaza Strip:

- **January 18:** 176 trucks and four diesel fuel tankers were expected to cross into the Gaza Strip through the Kerem Shalom and Karni crossings.
- **Saturday, January 17:** In an exceptional act (the crossings remain closed on Saturdays) the Kerem Shalom crossing was opened to allow humanitarian aid to be delivered to the Gaza Strip. More than 50 trucks entered, some of them for UNRWA and the rest for the private sector. In addition, 115,000 liters of diesel fuel were delivered for the Gaza power plant, and the humanitarian corridor opened for three hours, between 1200 and 1500 hours.
- **January 16:** The humanitarian corridor was extended to four hours, from 1000 to 1400 hours, to enable Gazans to stock up on necessities and make repairs to the infrastructure; 76 trucks entered the Gaza Strip.

The Rafah crossing

■ During the past few days there was a great deal of traffic through the Rafah crossing. Scores of foreign nationals entered the Gaza Strip, some of them doctors and medical teams from Arab countries. There were also scores of foreign correspondents from Europe, the

United States and other countries. The sick and wounded continue leaving the Gaza Strip for medical treatment in Egypt. Large amounts of aid continue arriving in Sinai by sea and air from Arab and Muslim countries, and are delivered to the Gaza Strip through the Rafah crossing.

The sea

■ The Spirit of Humanity, a ship belonging to the organization calling itself Free Gaza, which set sail from Cyprus on January 14, returned to its home port on January 15. That was after the Israeli Navy prevented it from continuing to Gaza, in accordance with the IDF's maritime closure of the Gaza Strip. The foreign ministry of Greece, whose flag the ship was flying, lodged a protest and called on Israel to ensure the safety of those on board (Agence France Presse, January 15, 2009).

The humanitarian situation in the Gaza Strip

■ **Health:** The hospitals in the Gaza Strip are full. The head of the World Health Organization said that there was no need for more doctors in the Gaza Strip, especially general practitioners, and that there was no shortage of drugs. He said that the organization needed only money (AP, January 16, 2009). On **January 18** Israel opened a **front-line emergency room** at the Erez crossing to treat civilians from the Gaza Strip. It was opened by the Ministry of Health through the Israeli Magen David Adom in coordination with Welfare Minister Yitzhak Herzog. It will be operated as part of the Israeli government's humanitarian efforts to help the civilian population in the Gaza Strip (Israeli Foreign Ministry, January 18, 2009).

■ **Food:** Most of the stores in the Gaza Strip are empty and there is a shortage of meat, fruits and vegetables, and dairy products. The main problem for the Gazans is the inaccessibility of distribution points and stores. The civilian population is afraid to go outside even during the humanitarian corridor, lest they be hurt. Israel, in coordination with UNRWA, has arranged ways to access the organization's institutions to improve their ability to transfer additional food and humanitarian aid.

■ **Refugees:** During the combat thousands of civilians left their houses and moved to safe havens and centers in Gaza City, and have not yet begun to return.

■ **Infrastructure:** In the past few days Israel has coordinated the main repairs to the infrastructure, including electricity and sewage. A technical fault on the Palestinian side of the Nahal Oz crossing was repaired; it had prevented the Palestinians from taking the fuel which

had been delivered by Israel and was piling up at the terminal. The repairs made it possible to deliver fuel to the Gaza Strip power plant. Israeli aid made it possible to repair the infrastructure, and 85% of Gaza's electricity has been restored.

■ During the past week, by means of the situation room for humanitarian aid set up by the Coordinator of Government Actions in the Occupied Territories and the Foreign Ministry, an attempt was made to coordinate with elements in the Gaza Strip to arrange for the repair of Gaza's main sewage-system facility, which is situated in Beit Lahiya. However, as a result of the lack of organization on the Palestinian side, and despite IDF guarantees, difficulties were encountered and the repairs were made only after six days. On January 15, Palestinian teams set out to repair the facility to make it possible for the Gaza Strip's sewage system to function again. While the repairs were carried out the IDF forces operating in the region took defensive positions and stopped offensive operations.

Claims Hamas confiscates humanitarian aid

■ Claims continue to be made that Hamas confiscates the humanitarian aid reaching the Gaza Strip. According to reports, the aid is sold to civilians, especially to Hamas supporters. According to a Fatah forum surfer, "The aid goes into the Hamas storehouses and they sell it to the poor civilians...who are forced to wear green berets [signifying affiliation with Hamas] to be able to buy. If you don't wear a green beret, you won't get anything to eat or drink in Gaza." Another surfer added that "the Hamas militias take the aid and give it to Hamas activists... Hamas sells the aid...at inflated prices." He complained that the aid is not distributed by organizations such as UNRWA and the Red Cross, but by Hamas itself (The Fatah forum, January 15, 2009).

Accidental Fire at Civilian Facilities

■ During the past few days there were a number of incidents in which the IDF accidentally hit civilian sites, such as a hospital and UNRWA facilities. Those events occurred because there was identified fire at IDF forces by terrorists inside or near the locations. On January 15, Al-Quds hospital in the Tel al-Hawa neighborhood was hit, and in another instance, UNRWA's main compound was hit and its food warehouse burned.

■ The incidents led to a wave of condemnations of Israel and its activity in the Gaza Strip. The IDF Spokesman responded by saying that IDF soldiers had been attacked by terrorist operatives firing either from inside or nearby the locations, and that the attacks included rifle fire at the soldiers and rocket and mortar shell launches into Israeli territory. IDF soldiers, he said, return fire while trying to avoid harming civilians. However, in certain instances civilian

facilities were accidentally damaged. IDF forces react against every attempt made to hurt them, out of self-defense (IDF Spokesman, January 16, 2009).

The Political Arena: Activity to Halt the Fighting

Israel Announced It Would Hold Its Fire in Response to an Egyptian Appeal

- On January 17 the Political Security Cabinet decided to instruct the **IDF to hold its fire** and stop the attacks on the Gaza Strip as of 0200 hours on January 18. That would be done in response to appeals made by Egyptian President Hosni Mubarak. According to Israeli Prime Minister Ehud Olmert, the objectives of the operation had been fully reached: Hamas's terrorist infrastructure had been seriously hit, as had its stores of weapons, rocket launching capabilities and terrorist operatives. According to the decision, IDF forces would remain in the Gaza Strip in defensive positions until it became clear that Hamas honored the ceasefire.
- The decision to hold fire was made after it became clear that Egypt had not reached any understanding which Hamas which would make it possible to arrange an agreement between the sides (For the full texts of the statements made by the prime minister and defense minister after the Cabinet meeting, see Appendices II and III).



Cabinet meeting (Israeli Government Press Office, January 17, 2009)

Israel and the United States sign memorandum of understandings

- On January 16, before Israel declared it would hold its fire, **a memorandum of security-intelligence understandings was signed by Israel and the United States regarding prevention of the supply of arms and related materiel to terrorist groups**. The memorandum, which in the coming days is supposed to be translated into

operational plans, set a precedent by declaring that **Iran** was **the source of materiel smuggled** into the Gaza Strip.¹ The memorandum includes American commitments to use its intelligence, military, naval and NATO resources to deal with smuggling through the Red Sea and East Africa (For the full text of the memorandum, see Appendix I).

Conference at Sharm el-Sheikh

■ On January 18 Egypt is expected to host a conference at Sharm el-Sheikh with the participation of regional and international leaders. It will deal with the situation in the Gaza Strip, support the Egyptian initiative and be a counterweight for the meeting held in Doha on January 16 and attended by the countries which opposed the initiative, led by Iran and Syria. Among the participants at the Sharm el-Sheikh meeting will be the UN secretary general, the British prime minister, the chancellor of Germany, the president of France, the prime minister of Italy and the Czech president. The United States and Israel will not attend.

Rejectionist Conference in Doha

■ On January 16 an informal conference was held in Doha, Qatar, attended by radical Islamic leaders. It was held following the Egyptian and Saudi Arabian success in preventing the convening of an emergency summit meeting of leaders of the Arab League.

■ The conference was boycotted by the moderate Arab countries and Mahmoud Abbas, but exceptional appearances were made by the heads of two terrorist organizations, Ahmed Jibril and Ramadan Shallah (Al-Quds TV, January 16). It ended with announcements by Qatar and Mauritania that they were suspending relations with Israel, a call to suspend the Arab peace initiative and a request to send rehabilitation funds directly to the Gaza Strip [i.e., that the funds reach Hamas]. Twelve of the 22 members of the Arab League attended, the most prominent of which were Syria and Lebanon; the president of Iran also participated.

¹ For further information see our January 12, 2009 Bulletin entitled "Iranian support of Hamas" at http://www.terrorism-info.org.il/malam_multimedia/English/eng_n/pdf/iran_e004.pdf.



The conference in Doha. Right: Khaled Mashal speaking at the conference (Al-Jazeera TV, January 16, 2008).

First Reactions from Hamas Regarding Israel's Unilaterally Holding Its Fire

Overview

- Despite its belligerent proclamations and the continued rocket and mortar shell attacks against Israel during the first half of January 18, at noon Hamas declared it agreed to a ceasefire. **Musa Abu Marzuq**, deputy head of the Hamas political bureau in Damascus, held a press conference at which he stated that **“we, the factions of the Palestinian resistance, declare a ceasefire in the Gaza Strip.** [We] repeat our position and demands for a **withdrawal of the enemy forces from the Gaza Strip within one week** and the opening of the crossings...to allow the delivery of the goods necessary for our people in the Gaza Strip...” (Syrian TV, January 18, 2009). Senior Hamas figure **Ayman Taha** said that Hamas announced the immediate cessation of its activities and those of the other [terrorist] organizations in the Gaza Strip. He added that Hamas had given Israel an “extension” of a week to withdraw its forces from the Gaza Strip (Reuters, January 18, 2009).

- Previously, Hamas spokesmen were quick to state that the Israel announcement that it was holding its fire was a victory for Hamas and proved the IDF's helplessness. The speakers also threatened that Hamas would continue operating against the IDF forces which remained in the Gaza Strip until their full withdrawal. At the same time, Hamas signaled it intended to continue its political efforts to reach an agreement, as its heads noted they would examine every initiative, idea or suggestion which might bring “a lifting of the siege” and the opening of the crossings.

- The terrorist organizations' first response to the statement made by prime minister Olmert was to fire a number of rockets into Israeli territory, including long-range rockets, on the evening of January 17 and on January 18. They made it clear that the rocket fire was

their response to Israel's announcing it would hold its fire and that it was meant to emphasize Olmert's failure to break Hamas. However, on the afternoon of January 18, Hamas, as noted above, announced that it and the other organizations agreed to the ceasefire noted above.

- The first responses to the Israeli Prime Minister's announcement were the following:
 - **Musa Abu Marzuq**, deputy head of Hamas's political bureau said that Olmert's statements proved he [Olmert] had failed. He said that Ehud Barak was right when he said that Israel had weakened Hamas, but that it had not been broken, as Olmert tried to make people think. He added that Hamas was continuing its talks with Egypt and would accept an agreement that would suit its needs (Al-Arabiya TV, January 18, 2009).
 - **Usama Hamdan**, Hamas representative in Lebanon, said that Olmert's speech was full of lies and that Hamas had not been damaged as he said it had. Hamdan said that Olmert's statements themselves proved the firm stance of the "resistance" [i.e., terrorist organizations]. He also said that Hamas was in control of the situation on the ground and that the IDF's continued presence in the Gaza Strip would serve to extend the "resistance" against it (Al-Jazeera TV, January 17, 2009).
 - Hamas spokesman **Fawzi Barhoum** said that Israel had begun the war but would not decide how it ended (Al-Aqsa TV, January 17, 2009). He condemned Israel for its unilateral holding of fire instead of ratifying the agreement brokered by Egypt, describing the Israel decision as an attempt to precede the Egyptian and other efforts. He said that Israel's unilateral holding of fire was meaningless and did not mean the "lifting of the siege" (Reuters, January 18, 2009).

Other responses to the Israeli announcement

Egypt

■ **Hossam Zaki**, spokesman for the Egyptian foreign ministry, said that Israel's unilateral decision might serve the continuation of Egypt's efforts to prevent another broad military action in the Gaza Strip and to reach an arrangement for opening the crossings. He said that Mahmoud Abbas would not participate in the Sharm el-Sheikh conference because he had met with president Mubarak beforehand (FTV TV, January 17, 2009).

■ As to the memorandum signed by Israel and the United States, Egyptian foreign minister Abu al-Ghait said that it had nothing to do with Egypt and did not obligate it. He said that any agreement between the United States and Israel dealing with Egyptian territory did not obligate Egypt.

The United States

■ American Secretary of State Condoleezza Rice gave her blessing to the halting of fire, saying that the United States expected all sides to stop their hostile operations immediately. She called for immediate, coordinated international action to increase the aid to the Gaza Strip. She reiterated that the United States' goal remained the establishment of a continuing, firm ceasefire that would bring stability to the region. She expressed her appreciation for the efforts Egypt had invested and America's worry about the suffering of the Palestinian civilians (Agence France Presse, January 18, 2009).

The UN

■ While in Lebanon, **Ban Ki-Moon**, UN secretary general, told a press conference that alongside its unilateral holding of fire, Israel had to present a timetable for withdrawing its troops from the Gaza Strip.

Britain

■ British foreign minister **Miliband** said that Israel's announcement was "a tremendous relief" and that what was necessary now was for Hamas to stop firing its rockets at Israel. He also asked that it be made possible for the relief agencies to enter the Gaza Strip immediately and that their safety be ensured.

Appendix I

Memorandum between Israel and the United States regarding the Prevention of Weapons Smuggling

Memorandum of Understanding Between Israel and the United States Regarding Prevention of the Supply of Arms and Related Materiel to Terrorist Groups

Israel and the United States (the "Parties"),

Recalling the steadfast commitment of the United States to Israel's security, including secure, defensible borders, and to preserve and strengthen Israel's capability to deter and defend itself, by itself, against any threat or possible combination of threats;

Reaffirming that such commitment is reflected in the security, military and intelligence cooperation between the United States and Israel, the Strategic Dialogue between them, and the level and kind of assistance provided by the United States to Israel;

Taking note of the efforts of Egyptian President Mubarak, particularly the recognition that securing Gaza's border is indispensable to realizing a durable and sustainable end to fighting in Gaza;

Unequivocally condemning all acts, methods, and practices of terrorism as unjustifiable, wherever and by whomever committed and whatever the motivation, in particular, the recent rocket and mortar attacks and other hostile activity perpetrated against Israel from Gaza by terrorist organizations;

Recognizing that suppression of acts of international terrorism, including denying the provision of arms and related materiel to terrorist organizations, is an essential element for the maintenance of international peace and security;

Recognizing that the acquisition and use of arms and related materiel by terrorists against Israel were the direct causes of recent hostilities;

Recognizing the threat to Israel of hostile and terrorist activity from Gaza, including weapons smuggling and the build-up of terrorist capabilities, weapons and infrastructure; and understanding that Israel, like all nations, enjoys the inherent right of self defense, including the right to defend itself against terrorism through appropriate action;

Desiring to improve bilateral, regional and multilateral efforts to prevent the provision of arms and related materiel to terrorist organizations, particularly those currently operating in the Gaza Strip, such as Hamas;

Recognizing that achieving and maintaining a durable and sustainable cessation of hostilities is dependent upon prevention of smuggling and re-supply of weapons into Gaza for Hamas, a

terrorist organization, and other terrorist groups, and affirming that Gaza should not be used as a base from which Israel may be attacked;

Recognizing also that combating weapons and explosives supply to Gaza is a multi-dimensional, results-oriented effort with a regional focus and international components working in parallel, and that this is a priority of the United States' and Israel's efforts, independently and with each other, to ensure a durable and sustainable end to hostilities;

Recognizing further the crucial need for the unimpeded, safe and secure provision of humanitarian assistance to the residents of Gaza;

Intending to work with international partners to ensure the enforcement of relevant United Nations Security Council Resolutions on counterterrorism in relation to terrorist activity in Gaza;

Have reached the following understandings:

1. The Parties will work cooperatively with neighbors and in parallel with others in the international community to prevent the supply of arms and related materiel to terrorist organizations that threaten either party, with a particular focus on the supply of arms, related materiel and explosives into Gaza to Hamas and other terrorist organizations.

2. The United States will work with regional and NATO partners to address the problem of the supply of arms and related materiel and weapons transfers and shipments to Hamas and other terrorist organizations in Gaza, including through the Mediterranean, Gulf of Aden, Red Sea and eastern Africa, through improvements in existing arrangements or the launching of new initiatives to increase the effectiveness of those arrangements as they relate to the prevention of weapons smuggling to Gaza. Among the tools that will be pursued are:

- Enhanced U.S. security and intelligence cooperation with regional governments on actions to prevent weapons and explosives flows to Gaza that originate in or transit their territories; including through the involvement of relevant components of the U.S. Government, such as U.S. Central Command, U.S. European Command, U.S. Africa Command, and U.S. Special Operations Command.
- Enhanced intelligence fusion with key international and coalition naval forces and other appropriate entities to address weapons supply to Gaza;
- Enhancement of the existing international sanctions and enforcement mechanisms against provision of material support to Hamas and other terrorist organizations, including through an international response to those states, such as Iran, who are determined to be sources of weapons and explosives supply to Gaza.

3. The United States and Israel will assist each other in these efforts through enhanced sharing of information and intelligence that would assist in identifying the origin and routing of weapons being supplied to terrorist organizations in Gaza.

4. The United States will accelerate its efforts to provide logistical and technical assistance and to train and equip regional security forces in counter-smuggling tactics, working towards augmenting its existing assistance programs.

5. The United States will consult and work with its regional partners on expanding international assistance programs to affected communities in order to provide an alternative income/employment to those formerly involved in smuggling.

6. The Parties will establish mechanisms as appropriate for military and intelligence cooperation to share intelligence information and to monitor implementation of the steps undertaken in the context of this Memorandum of Understanding and to recommend additional measures to advance the goals of this Memorandum of Understanding. In so far as military cooperation is concerned, the relevant mechanism will be the United States-Israel Joint Counterterrorism Group, the annual Military to Military discussion, and the Joint Political Military Group.

7. This Memorandum of Understanding of ongoing political commitments between the Parties will be subject to the laws and regulations of the respective parties, as applicable, including those governing the availability of funds and the sharing of information and intelligence.

This Memorandum of Understanding was signed on 16 January, 2009 at Washington, in duplicate, in the English language.

FOR ISRAEL: FOR THE UNITED STATES:

Appendix II

Prime Minister Ehud Olmert's Statement at the Press Conference on January 17, 2009 (Translated from Hebrew)²

Citizens of Israel,

Exactly three weeks ago as the Sabbath ended, we sat here before you – my friend Ehud Barak, the Vice Prime Minister Tzipi Livni and myself – and detailed the considerations and goals which guided us in launching a military operation in the Gaza Strip. Today, we face you again and can say that the conditions have been created so that our targets, as defined when we launched the operation, have been fully achieved, and more so:

- Hamas was badly stricken, both in terms of its military capabilities and in the infrastructure of its regime. Its leaders are in hiding. Many of its members have been killed. The factories in which its missiles were manufactured have been destroyed. The smuggling routes, through dozens of tunnels, have been bombed. The Hamas's capabilities for conveying weapons within the Gaza Strip have been damaged. The scope of missile fire directed at the State of Israel has been reduced. The areas from which most of the missiles were launched are under the control of IDF forces. The estimate of all the security services is that the Hamas's capabilities have been struck a heavy blow which will harm its ability to rule and its military capabilities for some time.
- The IDF and the Israel Security Agency have succeeded in conducting an outstanding operation, utilizing all the elements of Israel's force – on land, at sea and in the air. The military operation was characterized by determination, sophistication, courage and an impressive ability in intelligence and operations, which led to significant and numerous achievements. The current campaign proved again Israel's force and strengthened its deterrence capability vis-à-vis those who threaten us.
- The reserves soldiers, who are the foundation for the IDF's strength, proved that the spirit of volunteerism and a willingness to sacrifice still very much exist. These forces were made ready in a thorough manner, equipped with all they needed and thus could demonstrate their professionalism and fierceness of spirit.
- During all the days of fighting, the Israeli home front demonstrated its strength, despite hundreds of rockets and mortar shells indiscriminately fired at a population which numbers one million residents; it was the home front that created an unshakable foundation which strengthened us and gave us the ability to continue fighting. Two years

² Translation provided courtesy of the Israeli Foreign Ministry.

of preparation on the home front proved that we learned our lessons and were properly organized. The Government and the heads of the regional local authorities under attack demonstrated the patience, endurance and that same strong spirit which allowed the political echelon to make the right decisions, knowing that the home front could withstand the consequences of those decisions.

- As a decision-making body, the Government of Israel demonstrated unity with regard to goals, and acted professionally and in coordination to achieve those goals. The decisions were all made in a responsible and educated manner, following clarification and in-depth discussions. As an executive branch, the Government met the demands and needs of the population and the fighting forces.
- Alongside the successes, we must also remember the fallen and those who sacrificed their lives to achieve a better reality in the South. The campaign claimed the lives of three residents of the South and ten of our soldiers. Tonight our hearts are with their families. We send our wishes for a speedy recovery to the residents of the South and to the IDF soldiers injured during the operation.
- Today, and in large part due to the success of the military operation, the entire international community is ready to mobilize in order to achieve maximum stability, and knows that, for this to occur, the process of Hamas's strengthening must stop. To this end, we reached a number of understandings – the importance of which cannot be underestimated – which will ensure that the strengthening of Hamas will decrease. We formulated understandings with the Egyptian government with regard to a number of central issues, the realization of which will bring about a significant reduction in weapons smuggling from Iran and Syria to the Gaza Strip.
- On Friday we signed a memorandum of understanding with the American government, in the framework of which the United States will mobilize to take the necessary steps, together with the other members of the international community, to prevent weapons smuggling by terrorists in Gaza. I wish to thank and express my great appreciation to the Minister of Foreign Affairs and Vice Prime Minister for her efforts to reach this agreement, for her contribution to the diplomatic steps and for the widespread diplomatic effort she made over the past several weeks, which were an important contribution to the international backing given to the Israeli effort against the terrorist organizations headed by Hamas.
- Today I received a letter from the Prime Minister of Great Britain, Gordon Brown, the Prime Minister of Italy, Silvio Berlusconi, the Chancellor of Germany, Angela Merkel and the President of France, Nicolas Sarkozy, in which all four expressed their profound commitment to assisting in any way in order to ensure that weapons will not succeed in reaching the murderous terrorist organizations in Gaza.

I have no doubt that were it not for the determined and successful military action, we would not have reached diplomatic understandings, which together create a full picture of impressive accomplishment.

Citizens of Israel,

The Government decided to launch the operation in Gaza only after long thought and great consideration, and only after all attempts through other means to stop the firing and other acts of terror by Hamas failed. Israel, which withdrew from the Gaza Strip to the last millimeter at the end of 2005 – with no intention of returning – found itself under a barrage of missiles. Hamas violently took control of the Gaza Strip and began attacking the communities in the South more intensely. Hamas's methods are incomprehensible. It placed its military system in crowded residential neighborhoods, operated among a civilian population which served as a human shield and operated under the aegis of mosques, schools and hospitals, while making the Palestinian population a hostage to its terrorist activities, with the understanding that Israel – as a country with supreme values – would not act. The external Hamas leadership, which lives in comfort and quiet, continued to set extremist policies while ignoring the population's ongoing suffering and out of a conspicuous unwillingness to ease its situation.

Hamas in Gaza was built by Iran as a foundation for power, and is backed through funding, through training and through the provision of advanced weapons. Iran, which strives for regional hegemony, tried to replicate the methods used by Hizbullah in Lebanon in the Gaza Strip as well. Iran and Hamas mistook the restraint Israel exercised as weakness. They were mistaken. They were surprised.

The State of Israel has proven to them that restraint is an expression of strength which was exercised in a determined and sophisticated manner when that which we had avoided became unavoidable.

During the operation, the State of Israel demonstrated great sensitivity in exercising its force in order to avoid, as much as possible, harming the civilian population not involved in terror. In cases where there was any doubt that striking at terrorists would lead to harming an innocent civilian population – we abstained from acting. There are not many countries which would act thusly.

We have no disagreement with the residents of Gaza. We consider the Gaza Strip a part of the future Palestinian state with which we hope to live a life of good neighborliness, and we wish for the day when the vision of two states is realized.

During the operation, we made widespread and concerted efforts to see to the humanitarian needs of the Palestinian population. We allowed for the transfer of equipment, food and medicine to prevent a humanitarian crisis. In addition, I appointed Minister Isaac Herzog, the Minister of Social Welfare and Social Affairs, to head up this effort, and tonight the Cabinet instructed him to invest all his efforts in preparing a comprehensive plan so that in the next

few days, we will be able to provide an appropriate and comprehensive answer to the civilian population's needs in the Gaza Strip. I wish to express my great appreciation to the international organizations which acted and continue to act tirelessly to assist us in providing the Palestinian population with appropriate living conditions. Israel will continue to cooperate with them, especially in the coming days and weeks on behalf of the Gazan population.

Citizens of Israel,

Today, before the Government meeting, I spoke with the President of Egypt, Hosni Mubarak, who presented Egypt's initiative to me, along with his request for a ceasefire. I thanked the President for Egypt's commitment to finding a solution to this crisis and for the important role it plays in the Middle East. I presented the President's statement to the Cabinet, along with the totality of our achievements in the operation, as well as the completion of the goals. The Cabinet decided to accept my proposal to declare a ceasefire.

Beginning at 2:00 a.m., Israel will cease its actions against the terrorist organizations in the Gaza Strip and will remain deployed in the Gaza Strip and its environs.

It must be remembered that Hamas is not part of the arrangements we came to. These are agreements involving many countries, and a terrorist organization like Hamas is not and need not be a part of them. If our enemies decide that the blows they have already suffered are not enough and they wish to continue fighting, Israel will be ready for that scenario and will feel free to continue responding with force.

Hamas was surprised a number of times during the past several weeks. It did not predict the State of Israel's determination or the seriousness of its intentions to bring about a change in the reality in the region. Hamas's leaders did not believe that the State of Israel would launch a military operation on such a scale on the eve of elections; it did not predict the force of the military attack and moreover – it did not predict the outcome.

Hamas still does not fully appreciate the difficult blow it received. If Hamas decides to continue its wild terrorist attacks, it may find itself surprised again by the State of Israel's determination. I do not suggest that it or any other terrorist organization test us.

This statement tonight would be incomplete if I did not mention the kidnapped soldier, Gilad Schalit. One hundred meters from here, there is a demonstration for his release, and I respect each and every one of the participants. The intensive efforts to secure Gilad's release began long before the operation, continued during it and will continue after as well. The Government of Israel is working on many levels to bring him home, and during the operation we carried out various actions to bring us closer to this goal. Due to the sensitivity of the matter, I will not go into detail. I will only say that Gilad is at the top of our agenda, and we do not need any prodding or reminding in this matter. I am hopeful tonight as well that we will soon see him in his family's embrace.

On a personal note:

For weeks I have been watching the people of Israel day and night as we make the unprecedented effort to fight for and realize our right of self-defense. I saw the brave soldiers, our dear and beloved sons; I saw their commanders and the spirit which buoyed them; I saw the residents of the South, their fierce spirit; and the leadership of the mayors who took care to provide for the needs of their residents; I also saw the actions of the Home Front Command, which quietly and efficiently coordinated the assistance campaign for the southern region; and I heard the bereaved families.

Dear families, the things you said, the pain you expressed, the fierce spirit you demonstrated – these are the foundation for the people of Israel's strength. On behalf of the entire nation, on behalf of the Government of Israel, I share your profound pain and thank you for the encouragement, the strength and the inspiration your strong stance has granted the entire nation.

I also wish to say something to the people of Gaza: even before the military operation began, and during it, I appealed to you. We do not hate you; we did not want and do not want to harm you. We wanted to defend our children, their parents, their families. We feel the pain of every Palestinian child and family member who fell victim to the cruel reality created by Hamas which transformed you into victims.

Your suffering is terrible. Your cries of pain touch each of our hearts. On behalf of the Government of Israel, I wish to convey my regret for the harming of uninvolved civilians, for the pain we caused them, for the suffering they and their families suffered as a result of the intolerable situation created by Hamas.

The understandings we reached with Egypt, the international backing of the United States and the European countries – all these do not ensure that the firing by Hamas will stop. If it completely stops – the IDF will consider withdrawing from Gaza at a time which it deems right. If not, the IDF will continue to act in defense of our residents.

This is the time to convey our appreciation and gratitude, first and foremost to you, Mr. Minister of Defense, for your work, for the tremendous effort you made, for your skill, professionalism and the understanding you demonstrated throughout the operation – thank you very much. I wish to thank the soldiers of the IDF, their commanders, the Head of the Southern Command Yoav Galant, and the Chief of General Staff Gabi Ashkenazi; to the Israel Security Agency, its fighters and its head, Yuval Diskin; to the Mossad and its hidden fighters, headed by Meir Dagan; to the Israel Police and the emergency services, Magen David Adom and the Fire Department.

Blessed is the nation with such an army and such security and rescue services.

I wish to express my hope that tonight the first step towards a different reality, one of security and quiet for the residents of Israel, will be taken. From the bottom of my heart, I thank the people of Israel, its fighters and their commanders for the fierceness of spirit and the social solidarity they demonstrated over these past weeks.

This is the secret of our strength – it is the foundation for our power and it is the hope of our future.

Thank you.

Appendix III

Address by Minister of Defense Ehud Barak January 17, 2009 (Translated from Hebrew)³

As of 2:00 a.m. tonight, we will hold our fire in the Gaza Strip. In three weeks of fighting, we have achieved the goals we set when we launched Operation Cast Lead.

In view of the exceptional operational results and the achievement of the Israel Defense Forces' objectives, in light of the far-reaching understandings reached with the Egyptians regarding the fight against the arms smuggling, considering the humanitarian needs that are growing stronger in the Gaza Strip, and with the intention of facilitating other processes to enhance the achievements, Israel is accepting the Egyptian request to hold fire. However, we will continue to maintain the preparedness of our forces for any developments.

I can state clearly here: we have achieved our military objectives. But I do not want to mislead anyone. While we are holding our fire, there is no absolute certainty; Hamas may continue firing at our forces and at the home front. I have instructed the IDF to be ready for any such development. The army will remain deployed in Gaza according to operational considerations. If Hamas continues to fire, we will respond harshly and are prepared to continue and even expand the operation if needed. Civilians in the rear must also be prepared and cautious until we see what happens.

We did not go into battle with cries of joy or with any pretensions. Anyone who has been through a day of battle knows the compelling responsibility. I have been in more than a few wars, I have led many under my command into the field of battle, I have buried many of my comrades in arms. And I know the truth of our lives and our struggle here. We go into battle when we must. We set realistic goals and prepare meticulously, and we fight with all the power required. With determination, but also with responsibility and discretion. That is what we do. That is what we have done in Gaza.

That is just such an operation. Within its delineated scope, this is a justified elective war. There is a limit to patience. Eight years of civilians being targeted, with one single goal: to kill men, women and children; hostile actions designed to kill or kidnap soldiers.

Restraint did not help. Neither did the Disengagement, with all its harsh repercussions in our internal affairs. In the end, Hamas took control of half of the Palestinian population, in the Gaza Strip, and used them cynically, sometimes even cruelly. It turned the people into hostages, their homes into sites for launching missiles and rockets into the hearts of our cities and villages.

³ Translation provided courtesy of the Israeli Foreign Ministry.

We prepared our army and security forces for many months. We did not overlook a single detail. When we embarked on the operation, we did what we had to do. The citizens of Israel saw the Israel Defense Forces (IDF) in their full power: the Air Force with the first strike, and then the intelligence and security forces did their jobs with unparalleled professionalism and precision. After that we transitioned to a ground assault with extraordinary coordination among the infantry, armored corps, marine and air forces, special units, and all branches of the armed forces – the IDF at its best.

The IDF in conjunction with the Israel Security Agency (ISA) have dealt Hamas a harsh and painful blow. The achievements are better than we projected before embarking on the operation, and they were achieved rapidly. All IDF forces were well trained for the action, during which they showed determination and strong operational capabilities. During the fighting, IDF forces bisected the Gaza Strip, surrounded Gaza City and entered several neighborhoods in which Hamas activists were hiding. About 1,200 Palestinians were killed, including hundreds of Hamas operatives and some of their senior leaders.

We are filled with appreciation for the IDF soldiers and officers at all levels, from the soldiers in the field to the OC Southern Command, Yoav Galant, and have great esteem for ISA director Yuval Diskin and his people. And to Chief of Staff Gabi Ashkenazi I will say only this: I, Lt. Gen. (Res.) Ehud Barak salute you.

We lost ten soldiers and officers in the fighting:

Warrant Officer Lutfi Nasraladin

Staff Sgt Dvir Emanuelof

Cpl. Yousef Muadi

Staff Sgt. Nitai Stern

Maj. Dagan Wartman

Capt. Yehonatan Netanel

Staff Sgt. Alexander Mashvitzky

Maj. Roi Rosner

Sgt Amit Robinson

Capt. Omer Rabinovitch

Three civilians were killed:

Beber Vaknin of Netivot

Irit Sheetrit of Ashdod

Hani al-Mahdi of Aroar

In dry military language, we can say that the operation was conducted with a relatively low casualty rate, less than we originally estimated. But there is no such thing as a relatively low toll and we do not speak of the fallen in terms of cost. Each one of them was a world unto itself. Each one of them has a family whose world has been destroyed. I share the grief of

the bereaved families and from here I send them condolences from the bottom of my heart and from the depth of my understanding of the enormity of their emptiness and loss.

To the wounded, I would like to send best wishes for a speedy recovery, encouragement and an embrace.

This was an operation in which many Palestinian civilians were hurt and a lot of damage was caused to the fabric of life and the property of the residents of the Gaza Strip. We did everything possible to minimize the damage to the civilian population. We did not come to fight the Gazan people. We came to strike a crushing blow at Hamas.

If Hamas were sensitive to its own people, if it did not act with murderous cynicism and hide behind men, women and children as its human shield, much of the damage to the civilians could have been avoided.

We are not indifferent to the humanitarian damage. During the fighting, we made a quarter of a million telephone calls and distributed flyers to the residents advising them to leave the firing zones. I do not know of any army in the world that acts with the standards of the IDF. We did all we could to send supplies and aid to the Palestinian citizens. We established a special team to handle humanitarian aid and we will now do everything we can to strengthen the effort, to provide medical assistance and any other aid required to rehabilitate the residents.

This is Israel's finest hour. It was a time of trial in which our society showed itself to be ready and willing, with the ability to cope and to draw on the enormous strength within it. Israeli society rose impressively to the occasion and emerges from this trial strengthened and empowered on all fronts:

On the military front we have returned to an IDF at its finest: soldiers who know how to fight and do so courageously, out of deep conviction in the justice of this course of action, and with great skill.

Officers of all levels who know how to give the very simple and very difficult command "Follow me!" Even after they have been wounded, they insist on returning to the battlefield to lead their soldiers and to set a personal example for them.

The families of the soldiers, who bit their lips and passed sleepless nights, but whose concern did not cause them for one moment to weaken the resolve of the fighters. To the contrary – they encouraged and inspired them.

And this was the Home Front's finest hour. The Home Front was prepared for this difficult test and met it with heartwarming self-assurance. The local leadership took responsibility and led the public in the southern cities and towns in an admirable manner. It was a determined Home Front, whose patience and courage constantly bolstered the IDF soldiers and us, the decision makers. Men, women and children, old and young, showed extraordinary resilience in the face of the difficulties and dangers that were an integral part of the operation, and

their good spirits took us back to the good old days of steadfastness, unity, and resoluteness. These strengths will accompany us in the trials that lie ahead.

The Defense Ministry, the Home Front Command, the government ministries, all the government authorities, and the rescue services acted effectively to minimize the suffering and anxiety of the people who sustained volleys of dozens of missiles and rockets each day. The civilians gave us strength. Their resilience and high morale, the way they coped with difficulties, and their ability to function under fire took us back to the good old values, to the good and beautiful Israel that we missed so much.

IDF forces are deployed in the Gaza Strip with the aim of ensuring that the firing will not resume and in a way that will enable us to give an immediate and appropriate response if it does. We are determined to achieve all the goals we set for ourselves at the beginning of the fighting. And one more thing must be said, as strongly as possible: Gilad Shalit. We are doing everything possible so that we will be able to see Gilad home again. I do not have any news yet, but I promise you: this is a supreme effort. There will not be a single moment when we are not focused on him. The IDF has an unwritten pact with the parents who send their sons to war, and we will not violate it. Everything that can and should be done will be done in time so that we will see Gilad Shalit safe and sound back home.

I would like to thank you wholeheartedly, Mr. Prime Minister, Acting Prime Minister and Foreign Minister Tzipi Livni, and all our partners in the country's leadership for the coordinated and successful management of this difficult operation. Ehud, you deserve our gratitude, and I am sure that I speak for many in our nation.

If anybody had any doubts, those doubts no longer exist: we will not capitulate to Hamas, we will not let it rampage. I would be glad to announce here that there will be no more war, but Hamas, Hizbullah, Syria, Iran, and fanatic and extremist elements around the world are still plotting evil. They will continue to test us, and we must be prepared. We are endeavoring to end this round and are doing everything to combine military capability with a complementary diplomatic effort. We will do so in the future as well. We will do everything possible so that every Israeli citizen will have what any citizen in the world deserves: peace and quiet.