

# Settlement in Sight for Border Dispute Between Egypt and Israel

In what might well be the final chapter of a nine-year border dispute between the governments of Israel and Egypt, the United States is participating in negotiations over details left to the parties following an arbitration award rendered in favor of Egypt last fall, according to a State Department official.

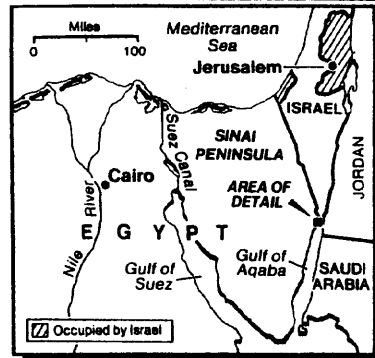
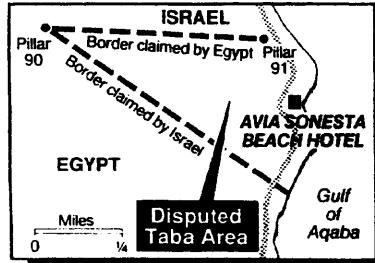
The award, filed Sept. 29, 1988, granted Egypt possession of Taba, a border enclave covering 250 acres along the Gulf of Aqaba. The arbitration panel, however, left it up to the two countries to clarify the demarcation of the last border marker to the coast.

Israel's interest in the matter has been fueled by concerns over the fate of an Israeli-owned hotel that lies south of the newly established border but within the disputed 190 yards to the shore. In mid-January, the United States sent a delegation to Taba to participate in negotiations over the ownership of the hotel and related matters.

"The award has been made, and the two sides will of course agree to abide by it," said Jerry Fierstine of the U.S. State Department's Egyptian affairs desk. "But now it is up to the negotiators to decide just how the two sides will implement the award."

## Major Issue Between Egypt and Israel

The border dispute has been the major unresolved issue be-



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tween Egypt and Israel since the 1979 Camp David peace accords.

Taba was captured by Israel in the 1967 war. The two nations entered negotiations in 1982; failing to settle their mutual claims to the territory, however, they submitted the matter to an international arbitral tribunal in 1986. The tribunal—whose members were from France, Sweden, Switzerland, Egypt, and Israel—was directed to find either in favor of Egypt or Israel, and not to propose a solution of its own.

## Border Marker Disputed

Israel argued that the 1906 border between Palestine and Egypt placed the disputed area in

Israeli territory. Conceding that the 1906 border provided a legitimate basis for rendering the arbitral decision, Egypt argued that the boundary markers—a series of pillars stretching 130 miles across the Sinai—clearly place the area in Egyptian territory.

A significant portion of the proceedings was devoted to establishing the place of the final marker, pillar 91. Armed with old maps and photos, counsel for Egypt and Israel argued forcefully over its location. In the end, the tribunal decided in favor of the Egyptian location of the pillar.

## Fate of Hotel Still to Be Determined

Although the award made clear that the boundary is to be drawn as a straight line between the markers, the tribunal found that it had no jurisdiction to rule on the boundary between the final marker and the shore. Theoretically, this left open the fate of the Israeli-owned Avia Sonesta Beach Hotel, approximately 500 yards southeast of pillar 91.

"It is yet to be decided who will own the hotel and how much money Egypt will have to pay to own it," said Galan Rashidi, press officer at the Egyptian Mission to the United Nations.

A spokesperson for the U.N. Israeli Mission expressed the hope that despite the border ruling, Israel would continue operating the hotel under some mutually agreeable arrangement. "This is a five-star hotel, meeting high Western standards. Israeli ownership is important—perhaps a joint ownership could be agreed upon," said the spokesperson.

The U.S. negotiating team in Taba is led by Abraham Sofaer, chief legal advisor to the State Department. U.S. direct participation in the final negotiations began in mid-January. □

## Italian Arbitration Holds Anniversary



The Italian Arbitration Association in Rome last October. Among association were AAA president Reviglio, chairman of ENI, s

## Cairo Center New Law, In

Anticipating the enactment of a law governing international arbitration in Egypt—the first of its kind in the region—a Cairo-based arbitral center recently hosted a training program for government and business leaders.

The training program, held at the Regional Centre for Commercial Arbitration in Cairo from November 9-23, attracted an eminent group of attorneys, judges, professors, and government officials from Saudi Arabia, Sudan, Qatar, Yemen, Nigeria, and Syria. In addition to discussions on the proposed law, the program featured panel discussions on a number of topics relating to international arbitration.

## Center Proclaimed a Success

The two-week program was a tribute to the center's effort to introduce international arbitration to the North Africa-Middle East region, according to J. A. Westberg, a Washington-based attorney who served as a commentator for the program.

## AAA Agreement with Quebec



U.S. Submits