

RELEASE
IN PART B5

From: Slaughter, Anne-Marie <SlaughterA@state.gov>
Sent: Monday, October 4, 2010 4:26 PM
To: H
Cc: Sullivan, Jacob J; Abedin, Huma; Mills, Cheryl D
Subject: things could be moving very fast on the fund

I note that you are having lunch with the Buffetts, which is great. Pse see note below to my staffer Dafna Rand from [redacted] They are meeting with Jeff Feltman later today, and with NEA/IPA.

[redacted] met this morning with Sirs Ronald Cohen and Harry Solomon of the Portland Trust. They work on a number of projects with the PA. The idea they are pushing is to launch a \$100 million fund that would eventually grow to \$700 that would be used to provide grants to private sector initiatives up to %15 of a project that has secured 85% of its own capital elsewhere. A great project since, which would make a huge impact on the PA economy.

Relevant to your work on a number of levels, including because it has all the Palestinian political hurdles we discussed. Even something this specific gets complicated quickly.”

In other news, the principal authors of the ARC plan from RAND are briefing [redacted] later this week. At the recommendation of Brzezinski, the RAND Corporation wrote to [redacted] requesting the meeting. S/P, NEA and perhaps USAID will be attending the briefing.

Of particular note, Prime Minister Fayyad has endorsed the transportation component of the RAND plan and sees RAND's work as compatible with the PNA's own two-year master plan to develop the apparatus for Palestinian statehood. Since RAND published The ARC plan, various potential private and governmental funders have expressed interest. Step One of The ARC plan, which focuses on building transportation infrastructure within Areas A and B in the West Bank, would cost only approximately **\$10 million**, according to the RAND authors. They envision building a set of new transportation links that would avoid Area C and would not conflict with the existing Israeli security arrangements, including checkpoints.

We'll keep working on this; Dafna is plugged into all the different groups.

AM

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