

**RELEASE IN FULL**

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**From:** Abedin, Huma <AbedinH@state.gov>  
**Sent:** Tuesday, July 19, 2011 3:03 PM  
**To:** H  
**Subject:** Fw: EU criticises Israeli plan for new settler homes (Reuters)

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**From:** OpsNewsTicker  
**Sent:** Tuesday, July 19, 2011 02:16 PM  
**To:** NEWS-EUR; NEWS-Mahogany; NEWS-NEA  
**Cc:** SES-O  
**Subject:** EU criticises Israeli plan for new settler homes (Reuters)

BRUSSELS (Reuters) - The European Union expressed concern on Tuesday over Israeli plans to build hundreds of new homes in two Jewish settlements in the West Bank, saying such moves threatened peace efforts in the region.

"We are deeply disappointed about the approval by Israeli authorities of a tender for the construction," a spokeswoman for the EU's foreign policy chief, Catherine Ashton, said in a statement.

"These actions run counter to repeated efforts of the international community to achieving a peaceful solution to the conflict that will preserve Israel's security and realise the Palestinian's right to statehood," Maja Kocijancic said.

Israel announced plans on Monday to build homes in two Jewish settlements in the West Bank, and the Palestinians said the move hardened their resolve to seek statehood recognition from the United Nations.

Israel's housing ministry linked the new construction to a nation-wide plan to lower housing prices that have skyrocketed in recent years and appease protesters demanding affordable living spaces.

Israel's settlements built on territories it captured in a 1967 war are an obstacle in restarting peace talks between the Palestinians and Israel.

The talks collapsed last year after the Palestinian Authority pulled out of the negotiations in reaction to Israel's refusal to extend a moratorium on settlement activity.

Since then, the EU, together with Russia, the United States and the U.N., have tried to negotiate a new round of talks.

But Palestinian President Mahmoud Abbas has rejected the efforts unless Israel completely freezes settlement activity and focused his attention on a unilateral bid for statehood recognition from the U.N. in September.

The EU, which is the largest international donor of aid to the Palestinians, says settlement activities in the West Bank are illegal under international law.

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