

Good afternoon.

I would like to thank you, the President of Egypt, Mr Hosni Mubarak, on your welcome initiative and the kind hospitality for this important summit.

We all hope and pray that this day will be remembered as the day on which the process began to move forward towards completion, towards the goal of a tranquil, dignified and peaceful life for all the peoples of the Middle East.

I also wish to convey special congratulations to Your Majesty, King Abdullah, on the birth of your son Hashem and on the occasion of your birthday.

May you live a long life filled with joy, and be able to lead your people to tranquillity and prosperity, and hopefully we can, together, strengthen the relations between us.

Congratulations are also due to you, the Chairman of the Palestinian Authority, Mr Mahmoud Abbas, on your impressive victory in the Palestinian Authority elections.

Your victory and the path on which you wish to lead your people can mark a direction of real change to your people, which will affect the entire region.

I hope that you will be able to lead your people on the path of democracy and maintenance of law and order, until the establishment of an independent and democratic Palestinian state.

'Fragile opportunity'

2005 began as a year of great opportunity for all the peoples of the region, first and foremost for Israelis and Palestinians. We must all ensure that this opportunity is not missed.

We have an opportunity to break off from the path of blood which has been forced on us over the past four years. We have an opportunity to start on a new path.

For the first time in a long time, there exists in our region hope for a better future for our children and grandchildren.

We must move forward cautiously. This is a very fragile opportunity, that the extremists will want to exploit. They want to close the window of opportunity for us and allow our two peoples to drown in their blood.

If we do not act now, they may be successful in their scheme.

There is only one answer to them: We must all announce here today that violence will not win, that violence will not be allowed to murder hope.

We must all make a commitment not to agree for a temporary solution, not to allow violence to raise its head, but to act together, determinedly, to dismantle the terrorist infrastructure, to disarm and subdue it once and for all. Only by crushing terror and violence will we build peace.

I have no intention of missing this opportunity, because we must not let the new spirit, which grants our peoples hope, pass us by and leave us empty-handed.

That is why we have acted quickly and with determination, with an understanding of the needs of the Palestinian side. Over the past few days, we reached a number of understandings with our Palestinian colleagues, which will enable us to grant both peoples tranquility and security for the near future.

Today, in my meeting with Chairman Abbas, we agreed that all Palestinians will stop all acts of violence against all Israelis everywhere and, in parallel, Israel will cease all its military activity against all Palestinians anywhere.

We hope that today we are starting a new period of tranquillity and hope. Furthermore, we agreed on a process of transferring security responsibility for Palestinian areas.

I informed Chairman Abbas of our intention to take a series of confidence-building measures: Soon, we will release hundreds of Palestinian prisoners and also establish a joint committee to explore (the) future release of prisoners.

We wish to conduct genuine and honest dialogue in order to transform these first steps into a sound basis for the foundation of our relations.

I am determined to carry out the disengagement plan which I initiated. The disengagement plan was initiated by a unilateral decision.

Now, if new change does emerge on the Palestinian side, the disengagement can bring hope and become the new starting point for a co-ordinated, successful process.

The disengagement plan can pave the way to implementation of the roadmap, to which we are committed and which we want to implement. We are prepared to actively fulfil all our obligations, and expect the other side to carry out all its obligations.

Only actions and not words - this is the only way to attain the vision of two states living side by side in peace and tranquillity.

With your permission, I wish to address the citizens of both peoples:

To our Palestinian neighbours, I assure you that we have a genuine intention to respect your right to live independently and in dignity.

I have already said that Israel has no desire to continue to govern over you and control your fate. We in Israel have had to painfully wake up from our dreams, and we are determined to overcome all the obstacles which might stand in our path in order to realise the new chance which has been created.

You too must prove that you have the strength and the courage to compromise, abandon unrealistic dreams, subdue the forces which oppose peace and live in peace and mutual respect side-by-side with us.

To the citizens of Israel, I say: We have passed difficult years, faced the most painful experiences, and overcame them. The future lies before us.

We are required to take difficult and controversial steps, but we must not miss the opportunity to try to achieve what we have wished for, for so many years: Security, tranquillity and peace.

And one final call to our hosts and to the Arab leaders of the region: Come let us join hands and create a new atmosphere of openness and tolerance in our region.

Together we can build a dam against the radical forces of yesterday which threaten to carry us all into a whirlpool of blood and hatred.

Together, we can promote relations between us and ignite a first ray of hope for all the people of the Middle East. Together, we can ensure our peoples lives of freedom and stability, prosperity and peace.

May we all be found deserving of this great opportunity which we have been granted.