



GETTING TO PHASE II: A GAZA CEASEFIRE STRATEGY

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The Israel-Hamas ceasefire is more fragile than ever, with reports that both sides have been in violation and repeated threats from each side to break key terms. In the coming weeks, the three stage agreement – which continues to return hostages on a weekly basis as it keeps millions of civilians out of harm’s way – will face its toughest test yet as deadlines to move to Phase II and III approach. President Trump’s Middle East Envoy Steve Witkoff continues to [insist](#) that negotiations for Phase II are “absolutely going to begin,” but the messages from the White House and the Israeli Prime Minister’s office are increasingly contradictory.

Phase II negotiations are designed to seal a permanent end to the war. While the framework does not specifically state that Hamas can no longer be in power under a Phase II agreement, it is clear that neither Israel nor the US will accept a result that leaves Hamas in control. Hamas, meanwhile, appears to be holding firm to a long-term presence in Gaza. Last week, Hamas leader Osama Hamdan [said](#) the group would not disarm and leave the Strip to enable reconstruction, while at the same time a [spokesperson](#) said they would be willing to cede control of governance and administration to the Palestinian Authority.

In the past year, many policy experts and political leaders have written and proposed frameworks for a path forward in Gaza. The key elements in those proposals include (1) Securing the return of all of the hostages abducted from Israel on October 7 (73 currently remain in Gaza) (2) the full withdrawal of Israeli forces from the Strip and (3) the establishment of a temporary governance structure to administer and rebuild Gaza.

The most pragmatic proposals are centered around Arab state participation and a clear Palestinian component in post-war governance, which can either be organically linked to the Palestinian Authority (PA) or not. Since the beginning of war, however, Prime Minister Netanyahu has completely [rejected](#) any role for PA in Gaza. A position he [continues to reiterate today](#).

Agreeing to a post-war governance plan is now the main obstacle to advancing Phase II and III of the ceasefire agreement. The alternative being an end to the hostage deal and a resumption of the war, with military goals that may prove impossible to achieve: US intelligence suggests that Hamas has recruited [over 15,000 new fighters](#) since the war began, and Israel’s former Defense Minister [has said](#) the IDF may have achieved all it can.

This article outlines the current state of Hamas in Gaza, the necessity of a Palestinian component to an alternative governing structure, and lays out recommendations for the US negotiating team as they seek to advance a regionally sustainable post-war Gaza plan.

Hamas is Still Standing

In its performative hostage release ceremonies, Hamas is attempting to showcase to the world that it remains in control of Gaza – seeking to project to Palestinians especially that Hamas has been a victorious and a formidable opponent to Israel. While Hamas has suffered a significant military blow during the war, it remains [deeply entrenched](#) in Gaza.

Despite the fact that Hamas has suffered substantial [losses](#) – including between 8,500 and up to 17,000 members, according to Israeli sources, and significant damage to its tunnel network and weapon stockpiles – Hamas fighters remain and the group is actively recruiting [new members](#) motivated by the ongoing conflict.

Following repeated Israeli efforts to “clear” certain neighborhoods, Hamas has shown resilience, quickly re-emerging after military operations, thus demonstrating the failure of the “clearing only” approach, without setting up alternative governance mechanisms. Hamas is also collaborating closely with other armed groups in Gaza, such as Palestinian Islamic Jihad and various Fatah factions, which are also positioning themselves to take advantage of any potential weakening of Hamas. Additionally, local tribal clans in Gaza, previously restrained by Hamas, are beginning to rearm amid the insecurity, further complicating the situation.

Getting to an Alternative Governance Structure: Arab Regional Partners as the Key

With no day-after plan and the prospect for imminent further conflict and destruction, most of the international community, including Arab and Muslim nations, are hesitant to invest in reconstruction while Hamas remains intact and certainly will not make major investments in Gaza either economic, political, or security unless there is a clear pathway forward that has the prospects of creating some kind of stability. Consequently, residents of Gaza will continue to reside in a de facto refugee camp, facing significant pressure from Israeli policies, reliant solely on foreign aid and at risk of growing extremism - unless there is an agreement on an alternative governance structure.

While Prime Minister Netanyahu and President Trump may wish to “relocate” two-million Palestinians from Gaza to neighboring countries in order to deal with Hamas, this “plan” is a non-starter that has been widely [condemned](#) by Palestinians, Arab countries and the international community. The viable options, therefore, are limited to either a complete and full Israeli reoccupation of Gaza with military rule – putting Israel into a perpetual state of conflict – or the establishment of an internationally-supported transitional authority.

Hamas is clearly opposed to any permanent Israeli occupation of Gaza, but it has indicated that it would relinquish control of Gaza to other Palestinians. For the sake of the agreement in the short term and legitimacy in the longer term, this underscores the necessity of a Palestinian component in any sustainable transitional authority in Gaza.

At the end of 2024, Hamas had [reportedly](#) agreed to an Egyptian-brokered proposal for independent governance of the Strip under the auspices of the PA – a proposal that Arab neighbors are [continuing to push](#). Egypt [reportedly](#) continues to place immense pressure on Hamas to hand over control of the Strip to an [independent body](#) or the PA for reconstruction.

Egypt is leading the charge in working with regional partners to present this alternative proposal to Trump’s US ownership of Gaza plan and will [discuss](#) the proposal with Saudi Arabia, Jordan, the United Arab Emirates and Palestinian representatives before it is presented at an emergency Arab summit on March 4.

The supportive role that Saudi Arabia is playing in these talks may also be key to bringing the US and Israel along, as both countries have their eyes set on Saudi-Israel normalization. The Saudis have repeatedly stated that there must be a clear path to Palestinian statehood in order to normalize ties. Absent a viable post-war plan for Gaza, normalization seems otherwise out of reach.

Getting to Phase II: The US Role

While the majority in Israel support moving forward with the ceasefire agreement and hostage deal, Netanyahu continues to face immense pressure from the right-wing governing partners for which the idea of Palestinian governance in Gaza is a non-starter.

Netanyahu’s extreme right-wing partners see a historic opportunity to move towards a “total victory,” which in their minds means continued fighting to not only defeat Hamas but to take over Gaza and the West Bank, expand settlements, displace Palestinians and put an end once and for all to the possibility of establishing a Palestinian state. At the same time, polls [show](#) that around 60% of Israeli Jews would choose “a U.S.-backed political-security agreement which includes agreeing to the establishment of a Palestinian state in exchange for recognition of the state of Israel by Arab states and normalization agreements between Israel and Arab states,” over an annexation plan.

For now, based upon Witkoff's determination to get to Phase II of the agreement, it seems that the fantasies of Netanyahu's right-wing allies have to be put on hold; and the only way to move forward with the ceasefire agreement is for Israel to engage in conversations about alternative governing structures. The US has a critical role to play in getting Israel on board.

In the near-term the US should:

1. Make clear to Israel's political echelon that they must engage in constructive negotiations on alternative governing structures in Gaza.
2. Back and promote the idea of a Palestinian inter-Arab temporary government/administration in Gaza – emphasizing that the proposed alternative regime in Gaza will be organically linked to the PA and to PA security forces.
3. In parallel, press for continued PA reforms to enhance democratic legitimacy, address governance concerns, and ensure the prisoner payments issue is fully resolved.
4. Collaborate with Arab partners – including Egypt, Jordan, and Saudi Arabia – to provide economic and security guarantees for the transitional governing structure.
5. Include a DDR (Disarmament, Demobilization, and Reintegration) process, specifically targeting the terrorist organizations in Gaza, to be carried out with the involvement of Arab states, as part of a broader political process.
6. Ensure that the second phase of the ceasefire deal includes negotiations in an “all for all” paradigm, including a response to the dire humanitarian situation in Gaza.
7. Work with international partners to continue to ensure that humanitarian aid does not end up in the hands of Hamas, bolstering its power and undermining public faith in the ceasefire agreement.
8. Necessitate that the alternative governance structure implement strict humanitarian aid oversight mechanisms that can help direct resources to civilian needs without empowering militant factions.
9. Leverage Phase III talks towards advancing Saudi-Israel normalization and building firm foundations for a future Palestinian state. Make clear that any future path for reconstruction and stability will have to be backed by a shift in regional dynamics towards a normalization process that includes the establishment of a regional security alliance and the promotion of Palestinian self-determination.