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*The Bulletin can be found in the United Nations Information System
on the Question of Palestine (UNISPAL) on the Internet at:
<http://unispal.un.org>*

I. QUARTET ISSUES STATEMENT ON THE SITUATION IN GAZA

The Middle East Quartet on 5 July 2011 issued the following statement (SG/2175):

The Quartet remains concerned about the unsustainable conditions facing the civilian population in Gaza but notes that efforts have improved conditions over the last year, including a marked increase in the range and scope of goods and materials moving into Gaza, an increase in international project activity, and the facilitation of some exports. In that regard, the Quartet commends the recent approval by Israel of materials for new homes and schools to be constructed by UNRWA [United Nations Relief and Works Agency for Palestine Refugees in the Near East], but notes that considerably more needs to be done to increase the flow of people and goods to and from Gaza, including a liberalization of the market in aggregate, steel bar and cement. Members of the Quartet continue to urge full implementation of Israel's June 2010 policy decision and further meaningful steps to improve the situation in Gaza, consistent with Security Council resolution 1860 (2009). They will work, including through United Nations and Quartet Representative Tony Blair, with Israel, the Palestinian Authority, donors and the international community to ensure that

the needs of the people of Gaza are being met.

The Quartet recognizes that Israel has legitimate security concerns that must continue to be safeguarded. Members of the Quartet are committed to working with Israel, Egypt and the international community to prevent the illicit trafficking of arms and ammunition into Gaza, and believe efforts to maintain security while enabling movement and access for Palestinian people and goods are critical. In this context, the Quartet strongly urges all those wishing to deliver goods to the people of Gaza to do so through established channels so that their cargo can be inspected and transferred via established land crossings. The Quartet regrets the injury and deaths caused by the 2010 flotilla, urges restraint and calls on all Governments concerned to use their influence to discourage additional flotillas, which risk the safety of their participants and carry the potential for escalation.

The Quartet also calls for an end to the deplorable five-year detention of Gilad Shalit.

II. ORGANIZATION OF ISLAMIC COOPERATION TRANSMITS THE ASTANA DECLARATION TO THE SECRETARY-GENERAL

In a letter dated 8 July 2011, the Permanent Representative of Kazakhstan to the United Nations transmitted to UN Secretary-General Ban Ki-moon the Astana Declaration on “Peace, Cooperation and Development” that was adopted by the thirty-eighth session of the Organization of Islamic Cooperation Council of Foreign Ministers, held in Astana from 28 to 30 June 2011. The text of the declaration is reproduced below:

Annex to the letter dated 8 July 2011 from the Permanent Representative of Kazakhstan to the United Nations addressed to the Secretary-General

Organization of Islamic Cooperation Astana Declaration

Peace, cooperation and development

Adopted by the thirty-eighth session of the Organization of Islamic Cooperation Council of Foreign Ministers, held in Astana from 28 to 30 June 2011

We, the Ministers of Foreign Affairs and Heads of Delegation of the member States of the Organization of the Islamic Conference (OIC), participating in the thirty-eighth session of the Council of Foreign Ministers, held in Astana at a time of dynamic change, which holds challenges as well as opportunities for the Muslim Ummah and all humankind, and being aware of the added significance of this Council meeting, declare the following:

...

4. We recognize the emerging challenges to our community posed by the unfolding significant developments in the Middle East and North Africa. We appeal to all those concerned to engage in constructive dialogue and work towards peaceful solutions, assuring the protection of civilians. In the spirit of the OIC Charter, we will work, inter alia, through OIC, in order

to turn these challenges into an opportunity to improve the lives of our peoples by promoting peace, cooperation, rule of law, human rights, fundamental freedoms, good governance, democracy and accountability.

5. We reiterate the need for an early settlement of the Palestinian issue and express full support to the Arab Peace Initiative aimed at reaching a lasting, comprehensive and just resolution of the Arab-Israeli conflict. We applaud the significant institution-building efforts accomplished by the Palestinian National Authority, and call on the international community to acknowledge the progress achieved and to recognize the independent, sovereign state of Palestine based on the borders of 4 June 1967.

6. We strongly condemn Israel's settlement building and expansion, which constitute a flagrant violation of international law, which is an obstacle to restarting negotiations leading to an end to the occupation of the Palestinian territory by Israel since 1967. We call for the implementation of all relevant United Nations Security Council resolutions pertaining to the Arab-Israeli conflict, in particular resolutions 242 (1967), 338 (1973), 425 (1978), 1515 (2003) and 1860 (2009). We also condemn illegal Israeli policies and actions aimed at altering the Arab and Islamic character of occupied East Jerusalem, changing its demographic composition and isolating it from its Palestinian surroundings. We reaffirm our

support to the efforts made by His Majesty King Mohamed VI, Chairman of the Al-Quds Committee, as well as the efforts of His Majesty King Abdullah II Ibn Al-Hussein of Jordan in this regard.

7. We condemn Israel's persisting occupation of the Syrian Golan Heights and Lebanese territories, and we emphasize our support for these two countries in regaining all their territories occupied by Israel.

III. UNITED NATIONS OFFICE FOR THE COORDINATION OF HUMANITARIAN AFFAIRS REPORTS ON THE IMPACT OF THE BARRIER IN THE JERUSALEM AREA

The UN Office for the Coordination of Humanitarian Affairs (OCHA) on 11 July 2011 launched a new report entitled "Seven years after the advisory opinion of the International Court of Justice on the barrier: the impact of the barrier in the Jerusalem area". Excerpts of the report are reproduced below:

...

4. The barrier in the Jerusalem Area

In addition to the impact on rural communities, described above, the barrier has also adversely affected urban areas, in particular Qalqiliya, Bethlehem and East Jerusalem. In East Jerusalem, the barrier is transforming the geography, economy and social life not only of Palestinians who reside within the Israeli-defined municipal area, but also residents of the wider metropolitan area. In the areas where it follows the municipal boundary, the barrier physically separates Palestinian communities onto either side of what had previously been a jurisdictional division. Thus, certain West Bank neighborhoods and suburbs that were once closely connected to East Jerusalem are now walled out, with previously flourishing residential and commercial centres closing down. The Ramallah and Bethlehem urban areas, which have historically been connected to East Jerusalem, are also physically separated from the city by the new divide.

Where it diverges from the municipal boundary, the barrier places certain Palestinian communities located within the municipal jurisdiction on the

"West Bank" side of the barrier. Conversely, in other areas, West Bank communities are separated to the "Jerusalem" side of the Barrier, which impacts their residency status and their daily access to health and education services. The multilayered impact of the barrier is summarized in the table below.

4.1 West Bank communities on the "Jerusalem" side of the barrier

By diverging from the municipal boundary, the Barrier has left some 1,600 West Bank residents isolated on the "Jerusalem" side. This category consists of approximately 16 communities of mixed West Bank and Jerusalem ID card holders, (combined total 2,500).^{1/} Most of these communities are small, often consisting of a few households, although Al Khalayleh (population, approx. 700) and An Nabi Samwil (population, approx. 250) are more sizable Area C communities, stranded on the

^{1/}This is the number of communities and individuals in this category which have been identified and surveyed to date by OCHA. UNRWA's Barrier Monitoring Unit has recently completed a more detailed survey of West Bank ID holders "stranded" on the Jerusalem side of the barrier.

“Jerusalem” side by the Barrier’s encirclement of the Giv’at Ze’ev settlement bloc. Many contain “mixed” households of Palestinians holding either West Bank or East Jerusalem ID cards, with marriages dating back to the time when the Jerusalem municipal boundary was a notional line on the map, and when movement, access and residency was more fluid, especially for those living on the periphery of the municipal line.

Those who hold West Bank residency are now physically separated from the wider West Bank, their previous centre of life, by the concrete barrier. Because of their residency status, they do not have the right to live in, or access services, within the official municipal area. Of these West Bank residents, approximately 1,000 live in Area C, of whom, 600 hold “Seam Zone” permits, allowing them to reside in the newly-declared closed area. The remainder, approximately 400, have coordination arrangements which allow them to continue to reside in their current locations and to cross and return through designated checkpoints into the wider West Bank. The 500 who live within the municipal boundary are dispersed over at least eight different locations, and suffer uncertain residency status, impeded access to basic services and fear of displacement.

Some are availing of coordination mechanisms setup by the Israeli Civil Administration, whereby a list of names of the members of the community is maintained at the nearest checkpoint,

allowing passage in and out of the barrier. Others, following legal proceedings, have succeeded in obtaining temporary permits which allows them to continue to reside in their homes and to cross checkpoints. Others have received no special arrangements, and are virtually confined to their homes for fear of arrest or possible “deportation” to the West Bank beyond the barrier.

Regardless of the type of residency and access arrangement, all 1,600 West Bank residents are denied freedom of movement within East Jerusalem itself, but are restricted to their homes and to the immediate area. Consequently, they need to cross checkpoints to access services in the West Bank, most importantly education and health.

According to the communities affected, they are only permitted to take in limited quantities of food considered appropriate for “personal consumption” through the checkpoints, with some products prohibited. Their situation mirrors that of the ‘Seam Zone’ communities in the northern West Bank (described above), who are also isolated between the barrier and the Green Line. Their customary family and social life is similarly impaired, in that friends and family members from the West Bank who wish to visit them are required to apply for permits to enter Jerusalem, with the result that religious holidays, weddings, funerals and wake-houses take place without the participation of extended families.

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IV. UNITED NATIONS MEDIA SEMINAR ON THE MIDDLE EAST OPENS IN BUDAPEST

The following is the text of Secretary-General Ban Ki-moon's message delivered by Mr. Kiyotaka Akasaka, Under-Secretary-General for Communications and Public Information, at the opening of the International Media Seminar on Peace in the Middle East entitled "Prospects for peace: understanding current challenges and overcoming obstacles", held in Budapest from 12 to 13 July 2011:

I am pleased to send greetings to all the participants of this international media seminar on peace in the Middle East. I thank the Government of Hungary for hosting this event.

As members of the media and representatives of civil society, you play a vital role in raising public awareness and promoting mutual understanding between Palestinians and Israelis. I am greatly encouraged that you have come together to explore and deepen new avenues of dialogue and outreach.

You gather at a pivotal time in the peace process. The continuing impasse in peace negotiations is a matter of concern. Historic changes in the region only emphasize the urgency for action.

A genuine end to the Israeli-Palestinian conflict needs to address all final status issues — including Jerusalem, borders, refugees and security, and an end to the occupation that began in 1967. This should lead to the emergence of a sovereign, independent, contiguous and viable State of Palestine living side-by-side in peace and security with Israel.

I am convinced that this is in the best interest of both parties and embodies their legitimate aspirations. Israel has the right to live in peace and security within internationally recognized and secure borders. Palestinians have the right to

establish a sovereign, independent and viable State of their own.

The immediate priority should be for the parties to return to negotiations without preconditions. President Obama's speech of 19 May 2011 contained important ideas, particularly on territory and security, which can serve as a basis for a return to good-faith negotiations. The Quartet, which met yesterday in Washington, is striving to give impetus to this objective.

The parties should avoid steps that might damage trust. Continued expansion of settlements in the West Bank, including East Jerusalem, is contrary to international law and Israel's Road Map commitments. The Palestinians need to instill confidence and guarantee security.

The situation in Gaza is unsustainable. It must be addressed if we are to see a peaceful settlement of the conflict. I continue to stress the need for the free and secure movement of people, construction materials and other goods, and for the implementation of all aspects of Security Council resolution 1860 (2009). Israel has made efforts, but more is needed.

Progress on Palestinian unity is also essential. It should be made within the framework of the positions of the Quartet, the commitments of the PLO and the Arab Peace Initiative. It is vital that, until elections, any Palestinian Government is committed to the programme of President

Abbas and maintains security cooperation in the West Bank and calm in Gaza. The international community should judge such a Government by its actions.

Too many Palestinians and Israelis have suffered over the past many years. At a time when the region is coming alive and

pressing to become part of the future, it is our duty to do all we can to help the parties realize peace and security.

Thank you for coming together in this cause. Please accept my best wishes for a successful gathering.

V. SECRETARY-GENERAL REPORTS ON UNILATERAL ECONOMIC MEASURES AS A MEANS OF POLITICAL AND ECONOMIC COERCION IN THE OCCUPIED PALESTINIAN TERRITORY

On 14 July 2011, Secretary-General Ban Ki-moon submitted pursuant to General Assembly resolution 64/189 a report on the unilateral economic measures as a means of political and economic coercion against developing countries. Excerpts of the report are reproduced below (A/66/138):

Introduction

1. The present report is submitted pursuant to General Assembly resolution 64/189, entitled “Unilateral economic measures as a means of political and economic coercion against developing countries”. In that resolution, the Assembly, inter alia, urged the international community to adopt urgent and effective measures to eliminate the use of unilateral coercive economic measures against developing countries that were not authorized by relevant organs of the United Nations or were inconsistent with the principles of international law as set forth in the Charter of the United Nations and that contravened the basic principles of the multilateral trading system.

2. In the same resolution, the General Assembly requested the Secretary-General to continue monitoring the imposition of such measures, to study their impact on the affected countries, including the impact on trade and development and to report to the Assembly at its sixty-sixth session on the implementation of the resolution.

3. Accordingly, the Secretariat, in a note verbale dated 4 April 2011, invited the Governments of all Member States to provide their views and any other relevant information regarding the existence of any unilateral sanctions and the impact they may have had on national trade and development. As a result of the introduction of a short questionnaire by the Secretariat, in order to facilitate the responses from countries, a greater number of countries replied compared with the previous exercise, when only four Member States responded to the request by the Secretary-General. As of mid-June 2011, 18 Member States (Armenia, Brunei Darussalam, Colombia, Cuba, Egypt, Gabon, Guatemala, Lebanon, Malaysia, Malta, Mauritius, Mexico, Myanmar, Oman, Qatar, the Sudan, Ukraine and Viet Nam) had replied to the request. Those replies are reproduced in annex I to the present report. The information presented in section II has been provided by respondents and has not been verified with other sources.

4. Relevant organizations, programmes and agencies inside and outside the United Nations system were also invited to provide

information and analyses concerning recent developments in the subject area. The Economic and Social Commission for Western Asia (ESCWA), the United Nations Conference on Trade and Development (UNCTAD) and the Organization for Economic Cooperation and Development (OECD) responded to that invitation. The replies received from those organizations are reproduced in annex II to the present report.

II. Summary of replies received from Member States, United Nations bodies and international organizations

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8. A summary of latest developments in three of the economies monitored by ESCWA, the Occupied Palestinian Territory, the Sudan and the Syrian Arab Republic, was provided by the Commission. Restrictions on mobility and an economic blockade are still in effect in the Gaza Strip. Heavy restrictions on imports to the Occupied Palestinian Territory have led to shortages of basic commodities required for maintaining the standard of living of the local population, and export restrictions have curtailed trade.

...

9. UNCTAD provided a summary of the latest developments related to trade by countries currently affected by unilateral sanctions, including Belarus, Cuba, the Democratic People's Republic of Korea, the Islamic Republic of Iran, the Libyan Arab Jamahiriya, Myanmar, the Occupied Palestinian Territory, the Sudan and the Syrian Arab Republic. While the scope of measures applied to the countries concerned varies, major impacts include a loss of trade and foreign exchange earnings, a reduction in productive capacity and employment and a deterioration of the economic and social

welfare of the population, in particular among middle and lower income groups. In its reply, OECD indicated that it supports a smooth functioning of the rules-based multilateral trading system under which economic sanctions are enacted following a dispute settlement ruling.

III. Monitoring the imposition of unilateral measures and studying the impact of such measures on the affected countries

10. According to the publication written by researchers at the Peterson Institute for International Economics,^{1/} there have been 23 new cases of unilateral economic measures since 2000. Eighteen of the new cases were initiated after 2000, while five cases refer to the introduction of new actions in the long-standing instances of Cuba, the Democratic People's Republic of Korea, the Islamic Republic of Iran, Myanmar and the Occupied Palestinian Territory.

...

Annex II

Replies received from United Nations bodies and international organizations

Economic and Social Commission for Western Asia

[Original: English]

[3 May 2011]

The contribution of the ESCWA to the report of the Secretary-General on unilateral economic measures as a means of political and economic coercion against developing countries is submitted herewith.

^{1/}Hufbauer, Gary Clyde, Jeffery J. Schott, Kimberly Ann Elliott, and Barbara Oegg, 2008, *Economic Sanctions Reconsidered*. The publication has been updated by Gary Hufbauer and Julia Muir.

The imposition of punitive measures, including sanctions, impinge upon the entire populations of developing countries, but they may not always reach their intended targets. This “collective punishment” places significant burdens on the citizenry of the targeted countries, including children. Such measures lead to falling incomes, which directly affect progress towards the achievement of the Millennium Development Goals owing to their negative impact on national budgets. These actions are also contrary to the General Assembly resolution 64/189.

The Commission has the following observations to make on countries affected by economic sanctions in the ESCWA region during the 2008-2010 period as follows.

Occupied Palestinian Territory

Restrictions on the economy and restrictions on movement have heavily affected Palestinians in every area of society. The economy has become heavily dependent to both foreign aid and the Israeli economy. Oppressive restrictions on imports have led to shortages of many basic commodities required for maintaining an adequate standard of living. Export restrictions have also curtailed trade with the outside world, and have ensured Israeli hegemony over the Palestinian economy. Unemployment remains worryingly high, and has forced the authorities to hire staff at a lower-than-average rate just in order to prevent skyrocketing labour force marginalization. Progress towards the realization of the Millennium Development Goals remains problematic in the face of budgetary, institutional and infrastructural constraints, which can be directly attributed to the imposition of the above-mentioned restrictions.

The economic and trade blockade of the Gaza Strip has had significant

ramifications on trade and development. Both import and export restrictions severely curtail trade not just with the outside world but also with the West Bank and East Jerusalem. Strict controls on “dual use” imports have also led to a lack of infrastructure, which was already in poor condition. As a result, the water and electrical supply has deteriorated, significantly impeding economic and, hence, employment-generating activities. The impact on the citizenry, which is both negative and widespread, has led to adverse effects on education and health (including psychological), including income levels.

In addition, ESCWA comments that:

...

The most severe case of unilateral sanctions is the blockade imposed by Israel on the Gaza Strip. This blockade not only violates the principles of international law that are relevant to international trade, but it also violates other aspects of the Fourth Geneva Convention, namely article 33, which prohibits collective punishment.

United Nations Conference on Trade and Development

[Original: English]
[12 April 2011]

...

UNCTAD has observed countries affected by economic sanctions during the 2008-2010 period as follows:

Since 2000, Israel has intensified its closure policy, a policy that restricts the movement of people and goods within, to and from the Occupied Palestinian Territory. This has fragmented what is left of the economy into isolated islands and has substantially increased transaction costs and restricted access to global markets. Many

existing businesses have become redundant and potential investments have vanished. At least one third of the 1998 Palestinian productive base (factories, farms, trees, buildings and land) was not replaced after it was destroyed, or simply deteriorated, during recurrent confrontations. The 709-kilometre “separation barrier”, which is presently being constructed, and is near completion, by Israel, has resulted in the confiscation of 15 per cent of the West Bank’s most fertile land, while Israel’s security policy has limited fishermen’s access to the sea and rendered 30 per cent of arable land in Gaza inaccessible to farmers. The cost of the December 2008/January 2009 Israeli military offensive on Gaza is slightly below \$4 billion (almost three times the size of gross domestic product (GDP) of Gaza in 2006). The cumulative effect of these policies translates into a more than 14 per cent drop in real per capita GDP between 1999 and 2009, extremely high poverty and unemployment rates and deepening dependence on foreign aid and on

the Israeli economy. It is estimated that the Palestinian exports in 2009 are 40 per cent below the 1999 level. The trade deficit continues to represent 60 per cent of GDP; more than 66 per cent of the overall deficit is net import from Israel. The latter is larger than the \$2.4 billion in donor support received by the Palestinian Authority in 2009. All of these factors are undermining the prospects for a future viable and sovereign Palestinian state.

While the scope of the coercive measures applied to the countries concerned varies, the major impact is felt in loss of trade and foreign exchange earnings, reduction in production capacity and employment, limited access of the population to goods and services including health, education, science and technology, higher costs of transactions, lower living standard and lack of opportunity to integrate into a non-discriminatory and open international trading system.

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VI. UN HUMANITARIAN COORDINATOR FOR THE OCCUPIED PALESTINIAN TERRITORY VISITS BEDOUIN COMMUNITIES NEAR JERUSALEM

The following is a press release issued on 21 July 2011 by the United Nations Office for the Coordination of Humanitarian Affairs on the visit made by UN Humanitarian Coordinator Maxwell Gaylard to the Bedouin communities near Jerusalem:

Today, Mr. Maxwell Gaylard, United Nations Humanitarian Coordinator for the occupied Palestinian territory visited the Bedouin village of Khan Al Ahmar, together with David Hutton, UNRWA Acting Director for the West Bank, at a time when the community is now facing mass demolitions. This visit took place in the context of a significant increase in demolitions in Area C, where Israel retains control over security, planning and zoning, compared with the same period last year.

More demolitions have taken place this year than in all of 2009 or 2010.

The Khan Al Ahmar village is situated along Road No. 1, just 20 minutes from Jerusalem, between two Israeli settlements in Area C. Residents, mostly refugees, have lived in this area since 1948.

Last week, the Khan Al Ahmar village received four new stop-building orders. The community has not been able to

obtain building permits due to restrictive and inadequate planning policies in Area C. There are also ongoing demolition orders against an additional 250 structures in surrounding communities.

Some 20 Bedouin communities, with a combined population of 2,353, two thirds of them under 18, live in this area in the Jerusalem periphery. Over 80 per cent of the communities are now at risk of displacement, due to the expansion of the Ma'ale Adumin settlement and the planned route of the Barrier.

During the visit, OCHA also presented new research focused on displacement of Palestinians in Area C. This research, based on field visits to 13 communities in Area C, found that in most of these communities Palestinian families are being forced to leave due to restrictive policies and practices of the Israeli authorities, including movement and access restrictions, settlement activity, and restrictions on Palestinian construction. The research also highlights how these policies are undermining traditional livelihoods in these communities and placing thousands of others at risk of displacement.

VII. SPECIAL COORDINATOR FOR THE MIDDLE EAST PEACE PROCESS BRIEFS SECURITY COUNCIL ON THE SITUATION IN THE MIDDLE EAST

On 26 July 2011, UN Special Coordinator for the Middle East Peace Process Robert Serry briefed the Security Council on the situation in the Middle East, including the Palestinian question. Excerpts of the briefing are reproduced below (S/PV.6590):

The political process to resolve the Israeli-Palestinian conflict is in profound and persistent deadlock. Efforts to find the necessary common ground for resumed negotiations have proven extremely difficult, given the differences and lack of trust between the parties. Political leaders on both sides are frustrated, as are their publics. This is particularly acute on the Palestinian side in the absence of a credible political horizon for ending the occupation that began in 1967. Israel remains concerned about achieving lasting security and an end to the conflict.

The Quartet has engaged throughout this year to promote meaningful negotiations. Most recently, the Secretary-General joined Quartet partners in Washington, D.C., on 11 July. The Quartet sought to translate the important speech of President Obama on 19 May, in which he laid out parameters on borders and security as what he termed a “foundation for

negotiations”, into an internationally agreed framework for the parties to resume talks. The Secretary-General appreciated the substantive discussion in Washington, D.C. The Quartet did not issue a statement to help chart the way forward, but its efforts continue.

Both President Abbas and Prime Minister Netanyahu continue to reiterate their desire to negotiate. However, in the absence of a framework for meaningful talks, and with Israeli settlement activity continuing, the Palestinians are actively exploring approaching the United Nations. President Abbas states that he remains committed to negotiations and that efforts in the United Nations would help to preserve the two-State solution. Israel opposes this course of action, stating that it will make negotiations for a two-State solution more difficult to achieve. The Palestinians are consulting closely with the Arab League on this issue, and both parties are intensively

engaging members of the international community.

We hope that the international community can be united in forums of collective decision-making — now, in September, and after September too — and shape a legitimate and balanced way forward that will help the parties to overcome their differences and ultimately return to negotiations. We will continue to work with Quartet partners to seek urgent action in this regard. We also note the prerogatives and responsibilities of the Security Council and the General Assembly.

We must not lose sight of what is at stake. The World Bank, the International Monetary Fund and my own Office, the Office of the United Nations Special Coordinator in the Occupied Territories (UNSCO), have all acknowledged the unprecedented achievements of the Palestinian Authority in the West Bank. The Palestinian Authority has, in key areas, reached a level of institutional performance sufficient for a functioning State. The Palestinian Authority is ready to assume the responsibilities of statehood at any point in the near future.

Real security and economic gains have been made, benefiting both peoples. Better governance, increased investment, improvements in movement and access, and donor engagement have strengthened the West Bank economy in a difficult global environment over the past two years. The training and deployment of thousands of Palestinian security officers and intensified security coordination have seen terrorist cells dismantled and extremist incitement combated. Palestinians have seen law and order return to the main cities, and Israelis have faced comparatively few acts of violence from the West Bank.

...

While steps of enablement were made in the past, bold measures have been lacking in recent times, and the implementation of those measures that have been announced, including the February 2011 package agreed with Quartet Representative Blair, has been slow. Indeed, we have seen many negative actions in Area C. The demolition of Palestinian structures has surged. This year, 700 people have been displaced as approximately 370 structures have been demolished — the highest number since 2006. Water and sanitation systems have been targeted in particular.

Settlement activities continue in many of the most sensitive areas of East Jerusalem and Area C. In the past month, 40 units were approved in Karnei Shomron in the northern West Bank. I am particularly concerned that on 26 June 2011, for the first time in several years, Israel confiscated 19 hectares of private Palestinian land in the village of Karyut, also in the northern West Bank. An outpost, illegal even under Israeli law, has been placed on that land. This departs from Israeli public undertakings not to build new settlements or set aside land for new settlements, and sets a worrying precedent for the future legalization of outposts, which, under the Road Map, should be removed. Settlements are illegal under international law and prejudice final status discussions, and settlement activity must cease.

Issues on which we report regularly to the Council, including settler violence, incursions citing security concerns, movement and access limitations, and the route of the barrier, continue to be sources of friction between the parties. I note that on 23 June the Israeli authorities, as ordered by the Israeli Supreme Court, began re-routing a section of the barrier near Bil'in, a village where there are weekly protests, thus giving residents access to an additional 1,020

dunums of agricultural land, although they are still deprived of another 1,280 dunums.

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A nascent recovery is under way in Gaza, with real GDP growth of 15.1 per cent in 2010 and 17.9 per cent in the first quarter of 2011. However, this rebound starts from a very low base and is driven in part by public expenditures, donor aid, tunnel traffic, increased imports from Israel and limited exports. Imports are only about a third of the volume before the closure. Unemployment in Gaza is very high, at 31 per cent; 54 per cent of households remain food insecure; and 38 per cent live in poverty.

Israel's June 2010 policy change from a list of permitted items to a list of prohibited ones has contributed to an increase in consumer good imports. A limited range and volume of agricultural products has also been exported since Israel's December 2010 decision to allow them. The level of United Nations projects approved for Gaza to date, pursuant to Israel's policy, totals \$265 million — a significant start towards addressing Gaza's vast basic needs including in education, housing and sanitation.

The Rafah crossing for people now operates six days a week between Gaza and Egypt. Together with our Quartet partners, we urge Israel to allow aggregate, iron bar and cement for use by Gaza's private sector. The ongoing illicit tunnel trade in these essential building materials empowers those who control smuggling at the expense of the legitimate commercial sector. Exports to foreign countries and the West Bank should also be further enabled. The much freer movement of people to and from the Strip is vital if Gazans are to enjoy basic rights, normal interaction with the outside world, and human dignity. We continue to seek the full reopening of all legitimate crossings.

We urge continued vigilance to combat smuggling of weapons into the Strip.

...

In Gaza, the Hamas interior ministry closed the local Sharek Youth Forum on unspecified accusations of immoral behaviour. The authorities are also seeking to audit international non-governmental organizations (NGOs) with on-site inspections. We urge full respect for the free and independent exercise of the functions of those organizations. We also urge full respect for the work of United Nations agencies, some of whose activities in support of Palestinian beneficiaries have been misrepresented recently.

We are also very concerned that a bomb was detonated near the UNSCO compound in Gaza on 25 June causing material damage to the perimeter wall, which underlines the continued challenging security environment facing the United Nations in the Strip.

I also draw your attention to the fact that the United Nations Relief and Works Agency for Palestine Refugees in the Near East (UNRWA) faces an unprecedented funding shortfall of \$61.4 million for its core programmes and operations, as well as for its emergency food and employment operations. I urge donors to provide decisive and speedy support to UNRWA, without which support to Gazans could be significantly curtailed come October.

...

Implementation of the May reconciliation accord is stalled amid disputes over the composition and programme of a new Government. The longer reconciliation is delayed, the more that developments on the ground will push the West Bank and Gaza further apart, with grave consequences

for prospects for a viable Palestinian State. The United Nations continues to promote reconciliation within the framework of the commitments of the Palestine Liberation

Organization, the positions of the Quartet and the Arab Peace Initiative.

...
