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FUTURE OF PALESTINIAN INSTITUTIONS CLOSELY LINKED TO PROGRESS ON TWO-STATE SOLUTION, SECRETARY-GENERAL TELLS ROME MEETING

Urging Donors to 'Push Back' against Israeli Occupation Policies, Palestinian Minister Says 'Development under Occupation is a Charade'

ROME, 27 February— With cash-starved Palestinian institutions standing on “political quicksand”, and mounting tensions in the West Bank over settlement construction and the recent death of a Palestinian prisoner in Israeli custody, United Nations Secretary-General Ban Ki-moon urged the parties to refrain from actions that could undermine the prospects of reopening long-stalled peace negotiations.

In a message delivered on his behalf to the United Nations Seminar on Assistance to the Palestinian People by Assistant Secretary-General for Political Affairs Oscar Fernandez-Taranco, Mr. Ban said the future of Palestinian institutions was closely linked to concrete achievements towards the two-State solution, and as such, failure to make tangible progress to that end “only means a continuation of the suffering, violence and instability in the whole region”.

The Seminar, organized by the Committee on the Exercise of the Inalienable Rights of the Palestinian People, is the first such gathering since the General Assembly voted decisively in November 2012 to accord Palestine non-Member observer State status at the United Nations. Over the next two days, representatives of Governments, United Nations agencies and civil society will join senior Palestinian officials to weigh the challenges and opportunities of providing such assistance in the new reality of a State under occupation.

The Secretary-General said the meeting was taking place as the Palestinian Government faced an “unprecedented” financial crisis that put at risk the significant achievements in institution-building made in recent years under the leadership of President Mahmoud Abbas and Prime Minister Salam Fayyad. He reiterated the importance of the full transfer of Palestinian tax and customs revenues by Israel in a timely and predictable manner, and renewed his call on all donors, especially Arab countries, to fulfil their pledges and increase their support.

Meanwhile, the United Nations continued to support Palestinian institution-building, and provided critical humanitarian assistance in both the West Bank and Gaza. In response to continuing needs, he said that the Organization and its partners sought some \$400 million for humanitarian action this year, with a focus on food insecurity and protection. Work was also continuing with the Palestinian Authority on elaborating the first UN Development Assistance Framework (UNDAF) for the Occupied Palestinian Territory, a strategic plan intended to guide United Nations development programming from 2014 through 2016. Underscoring that the viability of Palestinian institutions was linked to concrete progress on achieving the two-State solution, he said the United Nations was, therefore, deeply concerned about actions and events that might undermine that effort, including Israel’s continued illegal settlement construction and the death four days ago of Palestinian prisoner Arafat Jaradat. Calling for an independent and transparent investigation into the circumstances of Mr. Jaradat’s death, he said that a solution must be urgently found for the Palestinian prisoners in Israeli custody whose health conditions had dramatically deteriorated as a result of their prolonged hunger strike.

Abdou Salam Diallo (Senegal), Chairman of the Palestinian Rights Committee, echoed the Secretary-General’s concern, stressing that mass protests under way in the West Bank were a direct result of the Israeli policies of occupation, economic strangulation, and undermining of Palestinian institutions. They reflected “massive human rights violations”, of which Palestinian political prisoners were the prime target.

“Given the credible reports of abuse and torture happening in Israeli prisons, we demand a full international investigation into the death of prisoner Jaradat and into prison conditions in general,” he declared, adding that the Committee had “knocked on every door”, including that of the Security Council and the International Committee of the Red Cross, advocating the speedy release of prisoners, particularly the hunger strikers, whose lives were in imminent danger.

Calling the Seminar’s attention to Israel’s full control over some 62 per cent of the West Bank, where it continued, “recently even with more vigour”, to expand illegal settlements, he pointed out that the isolation of East Jerusalem from the West Bank and the blockade of Gaza presented in themselves “almost insurmountable obstacles” for the capacities of the Palestinian Authority.

He went on to say that the Committee deeply deplored the economic reprisals which the Israeli Government had imposed immediately after the Assembly had granted Palestine non-Member observer State status. When Palestinian tax revenues collected by Israel had been blocked, fortunately, international and regional donors had mobilized and steps were under way to release United States aid. In the meantime, Israel had transferred December taxes. “However, a resumption of the regular payments is far from certain,” he added.

The Chairman said 2013 would be a “pivotal year” for the peace process and that a push by the international community was needed on multiple fronts — political, economic, legal and on all the other major issues of interest — to re-launch international engagement, restart meaningful negotiations, achieve reconciliation, strengthen Palestinian institutions, and end the Gaza blockade.

“The reason for hope is that a narrow but vital window of opportunity may be opening on the political front,” he said. “As a Committee with a cross-cutting political and humanitarian mandate, we feel we have an important contribution to make,” he added, explaining that the body had gathered leading experts who would provide access to technical advice on the best way to take advantage of the new status of the State of Palestine. “We need to break the vicious circle of the occupation that costs the Palestinian economy nearly \$7 billion per year, he declared.

Delivering the keynote address, Nabeel Kassis, Minister for Finance of the State of Palestine, said that, while the challenges on the ground in occupied Palestine were significant, there were also many opportunities. “If we work together to seize them, we can achieve our goal of ending occupation and exercising our

inalienable rights, including self-determination and the establishment of an independent State,” he said, emphasizing that it was essential to ensure that Palestinians could finally exercise the rights that other free nations took for granted, but Palestine could not, due to Israel’s ongoing occupation.

He said that since the occupation began in 1967, the Palestinian economy had never been allowed to reach its full potential. Indeed, the Israeli military Government had promulgated numerous orders which forced regulations on Palestinian affairs and trade, tourism, banking and agriculture, “essentially

controlling every aspect of our lives". Unfortunately, Israel had succeeded in making the Palestinian economy subservient to its own. Even after the signing of the Oslo Accord, the Palestinian economy had been, and remained, literally surrounded by a wall, governed by a dominant colonial Power, choked by illegal settlements and undermined by Israel's severe restrictions on movement of people and goods.

The single most important document governing the issue was the [1994 Paris Protocol](#), he said, recalling that it had established a Customs Union between Israel and the Palestinian territory that it occupied. By the agreement, the two parties, among other things, recognized the need to create an enabling economic environment for their respective peoples. Yet, Palestinians had little or no control over their economic affairs; all border crossings, except the Rafah crossing to Egypt, and all sea and airports were under total Israeli control. Consequently, instead of prosperity, the Palestinian people suffered rising unemployment and declining economic growth, he said, adding that, over time, they had become dependent on foreign donors and the larger Israeli economy.

He went on to point out that Israel had violated every aspect of the [Protocol](#), and it was, therefore, high time to revisit it. By that, he did not mean renegotiating its clauses but ensuring that the measures already in place were implemented by Israel in good faith. Among the major violation were Israel's freezing of Palestinian taxes it collected, blocking movement of goods, services and people throughout the Occupied Palestinian Territory, and Israel's continuing policy of maintaining exclusive control over the type and quality of goods it allowed into the Occupied Palestinian Territory.

"And the list of violations goes on and on," he continued. The common denominator was that the breaches were carried out unilaterally, with utter disregard for Palestinian priorities and previous legal agreements. Indeed, the situation could only be characterized as "colonial exploitation", as Palestinians were deprived of the benefits of their own resources. The huge sum of money generated by settler-produced goods traded with Israel's euro zone partners — including Ahava beauty products that exploited Palestinian Dead Sea minerals — was "shameful", he said, emphasizing that if the average consumer knew about the harm that settler products caused, they would think twice about purchasing them. Such products should ultimately be banned, but in the meantime, they should at least be clearly labelled, he added.

The Minister urged the international community to find ways to "push back" against policies that strengthened Israel's hold on the Palestinian economy, explaining that its illegal use of Palestinian natural resources alone had cost the local economy around \$1.8 billion in 2010. Overall, the economic burden of the occupation in 2012 had been some \$7 billion, he said. "This is a burden that no economy could withstand." Such policies denied Palestinians the right to develop a stable society. "Development under occupation is a charade," he declared, stressing that the donor community must hear that truth so that it could push back against Israeli policies rather than acquiescing to them.

Mr. Kassir went on to underline the need to build upon the overwhelming support shown by the General Assembly in November 2012, expressing hope that the international community would help bolster Palestinian institutions, which were the fruit of hard work by Palestinians and investment by the international community. He also urged support for Palestinian civil society. A "paradigm shift" must occur, whereby the donor community became more willing to challenge Israel publicly and on the ground, including by speaking out against projects that seriously disrupted the Palestinian economy.

He urged a shift from statements and resolution to concrete actions. Calling on the international community to "stand firmly with us to end occupation and economic exploitation"; that was the right thing to do for regional peace and the world at large. He reiterated his call on States to sanction companies that directly or indirectly sustained the occupation or profited from it, and noted, for example, that there was a segregated bus company operating in the territory that was off-limits to Palestinians. "This is unacceptable," he declared.

The Minister also noted that an international security firm provided equipment and services to Israeli prisons, which held children under the age of 16 and detained some prisoners for years without charge. Just four days ago, Arafat Jaradat had died shortly after being interrogated by Israeli authorities, he recalled, welcoming in that regard calls for an independent international investigation into the matter. As for the subject at hand, he said that holding accountable corporations that profited from the occupation would send a strong message to Israel that the world would not stand for its illegal practices. "But the economy is only the icing on the political cake, and there is no need of icing if there is no cake," he said, underscoring that an independent State was the ultimate goal for Palestinians.

He said that, while some believed the two-State solution was moribund — and it was indeed in great danger while the Israeli land-grab continued — the peace process could yet be saved "provided we move immediately and decisively". To avoid reaching "the point of no return", bold measures and policy changes by the international community were required. The international community should realize by now that "we are not dealing with an ordinary conflict" that was amenable to methods of conflict resolution. Rather, the situation was an act of dispossession that should be addressed through international law. "It is time to act and make those necessary, even difficult, decisions," he emphasized.

Also addressing the opening session, Fernanda Guerrieri, Directeur de Cabinet of the Food and Agriculture Organization of the United Nations (FAO), the Seminar host, said that over the years, the agency had devoted its efforts to helping improve the agricultural sector and to alleviating food and nutrition insecurity throughout the Occupied Palestinian Territory. In particular, since 2002, it had supported the preparation and response to relevant threats through emergency relief, rehabilitation and the revitalization of productive capacity.

"These interventions are essential to enhance overall food security, reduce dependency on relief assistance and contribute to institution-building," she said, adding that over time, FAO had developed a partnership with the Ministry of Agriculture aimed at creating an enabling environment for the whole sector. With a view to alleviating food and nutrition insecurity in Gaza, the agency's Director-General had approved last month the extension proposed by the World Food Programme of an emergency operation to cover the full year. It sought to help the population of Gaza meet its daily food needs and enhance dietary quality, and to pre-position emergency food stocks so as to help address potential emergencies.

Looking ahead, she noted that among other challenges, given limited natural resources available and a fragile ecosystem, it would be imperative to ensure that development of the agricultural sector did not compromise the resource base for future generations. She also said FAO was helping the people of the region enhance their disaster risk reduction strategies and highlighted the need to effectively address the complex situation in the West Bank and Gaza. FAO would seek to partner with a broad array of international partners to that end, she said.

Statements

The representative of [Jordan](#) said that the Arab-Israeli peace process, which should have long ago resulted in a comprehensive settlement, had instead become an "immense threat" that could ruin the lives of the people of the region. "We must, therefore, do all we can to arrest any development affecting negatively the prospects of relaunching the final status negotiations," he said, but he stressed that the international community could hardly mount a joint response to the pressing challenges if every week brought news of Israeli settlement activity, especially in the E1 area, which would "doom" the two-State solution. International law on the issue remained clear, regardless of whatever position the Israeli Supreme Court might choose to take. "The two-State solution is the only solution. There are no alternatives," he declared, stressing that that long-hoped-for goal was the "only gateway" to ensuring peace, security and stability in the region and beyond.

The representative of [Venezuela](#) said that his Government reaffirmed its support to the efforts of the Palestinian people to achieve self-determination. The Venezuelan Government condemned all Israeli policies that solidified its occupation of Palestinian lands and sought to undermine their heroic efforts towards self-determination. It also condemned violations of human rights and international humanitarian law in the Gaza Strip. While expressing its support for the two-State solution, Venezuela would also call for the release of Palestinian prisoners being held by Israel in inhuman conditions. He also reaffirmed his country's call on the Security Council to reassess the Palestinian application for full membership in the United Nations. Finally, he announced that Venezuela was set to host a meeting of the Committee on the Exercise of the Inalienable Rights of the Palestinian People in Caracas on 17 and 18 April 2013.

The representative of [Morocco](#) recalled the General Assembly's historic decision to grant Palestine non-Member observer State status in the United Nations and welcomed that decision as recognition of the hard work and strenuous efforts carried out by the Palestinian people and their institutions. The situation of the Palestinian people would continue to be a major priority on Morocco's political agenda and it would spare no effort to ensure that they exercised their right to self-determination. It would step up its humanitarian efforts to help alleviate the suffering of the population in the Gaza Strip due to the latest actions of Israel. Morocco reiterated its appeal to the international community to shoulder its responsibilities by calling for a firm, definitive end to the situation in the Palestinian territory.

The representative of [Namibia](#) said the ongoing serious challenges in the Occupied Palestinian Territory clearly illustrated the compelling need for the international community to assist the Palestinian people living under occupation. He recalled that following the Assembly's historic decision on 29 November 2012, Israel had immediately announced its intention to press ahead with its illegal settlement activity. The international community must hold Israel accountable for any actions that undermined the peace process. Namibia shared the view that a just and comprehensive settlement of the question of Palestine was essential to ensuring peace in the Middle East region. While there was no substitute for negotiations, that exercise must not be open-ended, he said, reaffirming his Government's call for time-bound talks.

The representative of [Senegal](#) said that the discussions to be held over the next two days were justified in light of the ongoing actions being carried out by Israel to confiscate or obstruct all means of the Palestinian Authority to build an independent State. Senegal was concerned by the dire consequences of the many restrictions imposed by Israel on the Palestinian people, he said, noting that the troubling number of checkpoints that hindered the movement of people, as well

as the ongoing construction of the separation wall. Senegal was also concerned by the dire humanitarian situation in the Gaza Strip and he urged the international community to maintain a focus on human rights as it sought to address the challenges in that area. Even in the face of such challenges, the Palestinian leadership had been able to carry out a remarkable programme of institution-building. The international community, including the diplomatic Quartet on the Middle East peace process, must spare no effort to ensure a comprehensive settlement to the conflict was achieved.

A representative of the Parliamentary Assembly of the Mediterranean said that his organization was implementing its relevant programmes to help the parties address the core settlement issues, and it was continuing to monitor the situation on the ground. It had also responded quickly, in coordination with other organizations, to assist in negotiating a ceasefire following the strife in Gaza last year. The Assembly was carrying out an action plan to stimulate trade in the Mediterranean, aiming to identify instruments that stimulated growth in the region. A special session of that meeting would be devoted to Palestine.

The representative of Algeria said that the Palestinian people endured untold suffering due to the Israeli occupation. He said that, while the General Assembly had sent a strong message of international support to the Palestinian people, Israel had launched a raft of punitive measures against them, aimed at, among others, preventing the establishment of a viable contiguous Palestinian State. He drew attention to Israel's "financial smothering" of the Palestinian institutions, which was being exacerbated by the failure of international partners to live up to their commitments in recent years. In that light, he urged the international community to scale up its assistance so that those gaps could be bridged and the needs of the Palestinian people could be met.

The representative of the Russian Federation called for efforts that would assist the Palestinian people to build their own capacities. He said that, while his delegation had voted in favour of the [Assembly's decision on 29 November 2012](#), it had stressed that that measure did not obviate the need for negotiations that would lead to a comprehensive and just solution. He went on to outline his Government's bilateral efforts to assist the Palestinian people, including through support to the United Nations Relief and Works Agency for Palestine Refugees in the Near East (UNRWA) and in the fields of education and health, chiefly to ensure payment of teachers and doctors.

The representative of the League of Arab States said that Israel had made endless attempts to disrupt the efforts of the Palestinian people to build an independent State. The Arab League had decided to set up a broad programme of support to the Palestinian people, including through UNRWA. He recalled the recent meeting held in Tokyo which had considered ways to bolster cooperation on efforts to provide support to the Palestinian people. Overall, he said that much would be required to ensure the establishment of a Palestinian State; "however, it is a responsibility which we all share and we hope the international community is up to it".

A representative of the Organization of Islamic Cooperation said that one of the main challenges facing the international community was Israel's ongoing occupation of Palestinian lands. Indeed, that decades-long occupation had wrought untold damage to the Palestinian economy. Israel continued to carry out its settlement expansion policy and other measures to change facts on the ground, threatening the efforts to establish an independent and contiguous Palestinian State. All this was being done in contravention of international law and he expressed the Organization's firm belief that the Security Council and the wider international community must uphold their responsibility to address the situation.

A representative of the Union for the Mediterranean said that it was important to support both the immediate and strategic needs of the Palestinian people, including issues such as the lack of fresh, clean water. The Union was supporting a desalinization project, with assistance from a host of other intergovernmental agencies. The Palestinian people deserved to live in peace and freedom, but they also deserved to drink clean water, he said, pledging his Organization's ongoing commitment to that end.

A representative of Ecuador said that the Security Council and the wider international community had the responsibility to reinvigorate the Israeli-Palestinian process. The international community must ensure that Israel carried out its obligations to bring about peace. She announced that her Government was prepared to host next year a meeting of the Committee on the Exercise of the Inalienable Rights of the Palestinian People in Quito.

The United Nations Seminar on Assistance to the Palestinian People will reconvene at 3 p.m. today.

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