
Opening Statement – AHLC Meeting 30 September**New York, 30 September 2015**

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By [Minister of Foreign Affairs Børge Brende](#)**Minister of Foreign Affairs Børge Brende gave this statement when he opened the ministerial meeting of AHLC in New York 30 September.**

Secretary General, Excellences, Ladies and Gentlemen,

It is a great pleasure to welcome you all to this ministerial meeting of the AHLC in New York.

I would like to thank Secretary General Ban Ki-moon for kindly hosting us here at the UN.

Let me also extend a warm welcome to Prime Minister Hamdallah and Deputy Foreign Minister Hbtovely and our two co-sponsors Secretary Kerry, and High Representative Mogherini. Your participation demonstrates the strong commitment of the international community to the cause of peace between Israel and Palestine.

The AHLC is committed to the principle of trilateral dialogue between Israel, Palestine and the donors. .

The economic stabilization efforts of the AHLC is vital for providing the institutional foundation for the political process, playing in tandem with the Quartet.

But economic development cannot be a substitute for a political process to resolve the conflict.

I hope today's meeting can promote this trilateral dialogue by ensuring continued support to the Palestinian institution-building project - and strengthen the economic cooperation between the parties.

We need to make visible progress on the ground.

We badly need to send a message of change and hope.

The current political context does not bode well for finding a credible political resolution to the conflict.

We are facing an insecure and unpredictable situation.

Let me make three point that I consider to be crucial to further progress.

First,

I am deeply worried that if no political progress is made, the consequences for both peoples could dire.

In the long term, the occupation is deeply damaging to both Israelis and Palestinians – status quo in Palestine is not sustainable for many reasons.

The parties themselves bear the primary responsibility for changing the status quo – they hold the keys to resuming talks. I urge both parties to take bold steps to revitalize the process and secure the foundation for resumption of a credible political process.

There is no credible alternative to the two-state solution.

Second,

During my recent visit to the region a week ago, I stressed to the parties that in the absence of a credible political horizon, they have a common interest in preserving stability.

Strong Palestinian institutions and a viable economy are prerequisites not only for stability and peace, but also for Israel's security.

Our immediate priority must be to preserve and sustain the Palestinian state institutions that we have invested 22 years in building up. This is even more important during a time of political impasse and with a Palestinian economy in recession.

Regrettably, the Palestinian economy has been in decline over the past years and remains precarious. The outlook for the rest of 2015 is uncertain.

Despite the difficult economic and political situation, I commend the PA for its determined efforts so far this year to maintain fiscal discipline and manage the liquidity crisis.

I encourage Prime Minister Hamdallah and Finance Minister Bishara to keep up the momentum and continue reforms and efforts to reduce the deficit. This is also vital for mobilization of aid too.

Yet, fiscal discipline and reforms by the PA alone are not enough to secure fiscal unsustainability.

Additional donor support is necessary too – I therefore encourage all donors to honor their commitments, including pledges made to Gaza.

However, it will not be possible to significantly strengthen the Palestinian economy unless there is sustainable economic growth.

While the Palestinian economy will continue to perform below its potential until the conflict has been resolved and the occupation ends, the situation could be greatly improved if restrictions are lifted, and existing agreements under the Paris Protocol are fully implemented.

In this context, I welcome all the measures presented by Israel at this meeting to ease restrictions, but I also urge Israel to do much more to give Palestinians access to production inputs and external markets, and enable (more) free movement of goods and people.

These measures would dramatically improve the growth prospects of the Palestinian economy. Allowing access to Area C would boost the Palestinian economy according to the World Bank.

It is crucial, too, that we address the slow pace of Gaza reconstruction. Improving energy and water supplies and the movement of goods and people is crucial in the short term.

Third and final point,

Compared with a region in turmoil, we must remember that we are not starting from scratch. Structures for cooperation and effective mechanisms for coordination between the parties and the donors already exist under the framework of the AHLC.

I urge the parties to resume an economic dialogue at the ministerial level, (in line with the Paris Protocol), and to strengthen economic cooperation by making use of the local-level meetings of the AHLC with the donors. (As Chair, Norway will take an initiative to revitalize the Joint Liaison Committee.)

There is much to gain from doing so.

Thank you.