
AHLC Report: Reinvigorating Palestinian Economic Growth and Institution-Building

Saturday, Sep 22, 2012 in [Office of Tony Blair, Office of the Quartet Representative](#)

Quartet Representative Tony Blair said:

"This AHLC meeting comes at an exceptionally important time for the Palestinian National Authority (PNA) in its efforts to boost economic growth, create jobs and continue building its institutions in preparation for eventual independence and statehood. Despite impressive reforms implemented by Palestinian Prime Minister Salam Fayyad and important development progress achieved on the ground, overall trends in 2012 are intensifying the economic and political vulnerabilities of the PNA.

"As part of a countervailing push to address these challenges, all parties must make renewed and concerted efforts to assist the PNA in overcoming its fiscal predicament and to help reinvigorate economic growth rates in the West Bank and the Gaza Strip. The former can be addressed through immediate donor assistance from regional and international donors, while the latter can be encouraged through greater measures to ease trade and access restrictions on Palestinian products, services, labour and investment.

"Such a push to bolster the macro-fiscal outlook of the PNA in 2012-2013 must be accompanied by a transformed political process leading to credible permanent-status negotiations between the Israelis and the Palestinians. Without such progress on both fronts, faith in the two-state solution will diminish in the years ahead."

OQR's Key Priorities in 2012-13

Going forward in 2012-2013, efforts to support PNA development priorities must focus on a range of short- and medium-term measures, including:

1. Shoring up the fiscal position of the PNA;
2. Accelerating Palestinian private-sector development and enhancing labour mobility;
3. Promoting the implementation of critical infrastructure in Gaza in the energy, water and sanitation sectors;
4. Promoting greater access to natural resources in Area C and in the Mediterranean Sea.

Quartet Representative Tony Blair added: "Looking ahead to 2013 and given the numerous uncertainties in the region, it is profoundly important to maintain momentum behind the state-building efforts of the PNA, in both economic and political terms. Continued and increased support of the ground-up agenda must be reinforced by a political process leading to serious permanent-status negotiations between Palestinians and Israelis."