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**BRIEFING TO THE SECURITY COUNCIL
ON THE SITUATION IN THE MIDDLE EAST**

Tuesday, 28 February 2006

In the occupied Palestinian territory, a democratically elected Government is in the process of being formed that will be led by the Hamas list of Change and Reform, an organization which is still formally committed to the destruction of Israel and which has a condemnable record of terrorism against Israel.

Israel, which is entering the final month of a Knesset election campaign in which future policy vis-à-vis the occupied Palestinian territory is a central issue, has already halted the transfer of customs and value added tax (VAT) payments to the Palestinian Authority and tightened the closure regime in the occupied Palestinian territory.

In Lebanon, a national dialogue is scheduled to begin shortly to discuss issues of national concern, including the continuing investigation by the United Nations International Independent Investigation Commission (UNIIC), the implementation of [Security Council resolution 1559 \(2004\)](#) and Lebanon's relations with Syria.

This is an unscripted moment, particularly in Israel-Palestine. It falls to the parties to make the choices that will largely determine their future. But the international community also has an important role to play in helping the parties to make wise choices and in ensuring that we keep sight of the overall goal of achieving a two-State solution by peaceful means.

In that respect, members of the Council will recall that, when the Secretariat last briefed them, the Quartet had met in London in the aftermath of the Palestinian legislative elections. On that occasion, the Quartet congratulated the Palestinian people on an electoral process that was free, fair and secure, and stressed its conviction that all members of a new Palestinian Government must be committed to non-violence, recognition of Israel's right to exist and acceptance of previous agreements and obligations, including the [Road Map](#). The Security Council subsequently took the same position.

The Quartet, mindful of the needs of the Palestinian people, also called for immediate measures to stabilize the Government and reminded the members of the Palestinian Legislative Council and members of a future Government of the need to respect all signed agreements. It also appealed to the international community not to punish the Palestinian electorate for its democratic choice, as expressed at the ballot box.

On 21 February, President Abbas asked Mr. Ismail Haniya of Hamas to form a Government. Mr. Haniya has three weeks to complete the task, but that period can be extended by another two weeks. The leaders of the Hamas and Fatah blocs have begun consultations on the programme of a new Government, with a view to Fatah's joining it. I should also add that Mr. Khaled Meshal, a Hamas leader based in Syria, has been visiting several countries in and outside the region.

On 19 February, a day after the inauguration of the Palestinian Legislative Council, the Israeli cabinet met to consider its response to the new situation created, in the view of the Government, by the swearing-in of the new Council. Acting Prime Minister Ehud Olmert made clear the Government of Israel's view that, in the face of Hamas' majority in the Palestinian parliament, the Palestinian Authority is turning effectively into a "terrorist Authority". Israel, he added, would not hold contacts with an Authority led partly or completely by Hamas.

The Government of Israel decided that it would immediately withhold the payment of value added tax and customs revenue to the Palestinian Authority, which is due monthly pursuant to agreement in the framework of the Oslo accords. The Government also put a stop to the transfer by the international community of equipment for the Palestinian security forces. Additional measures, as yet unspecified, will be taken.

Israel is entering the final month of a Knesset election campaign. Since taking over as leader upon the illness of Prime Minister Sharon, the Acting Prime Minister has spoken both of entering into final status negotiations with the Palestinians, should a Palestinian Government accept the principles laid down by the Quartet, and of the possibility, if that does not happen, of setting Israel's permanent borders unilaterally, in ways that would keep all of Jerusalem and the large West Bank settlement blocs in Israel and the Jordan Valley under Israeli control.

In the reporting period, at least 32 Palestinians and one Israeli were killed by violence, while at least 130 Palestinians and 25 Israelis were wounded.

Violence instigated by Palestinians included almost daily rocket fire against Israeli targets in the vicinity of the Gaza Strip, an attack on an Israeli military post at Erez, stabbings of Israeli civilians, the kidnapping of foreigners — including an Egyptian diplomat, who was later released — and violent protests related to the publication in the West of cartoons depicting the Prophet Mohammed. The Israeli Government has also reported having foiled several suicide bombings by Palestinians.

Israel has conducted a series of targeted killings of alleged militants and other security operations. The most extensive military operation was conducted in Nablus beginning 19 February and resulted in a number of Palestinian deaths. The Secretary-General made public statements concerning rocket attacks against Israel, targeted killings of Palestinians, and the escalation of Israeli military operations in Nablus and Gaza.

Israel has, since August, increased by about 25 per cent the number of physical obstacles to Palestinian movement within the West Bank, according to the United Nations Office for the Coordination of Humanitarian Affairs. There are now 471 such obstacles. The Karni crossing, which was opened following the Agreement on Movement and Access in November, has been closed since 22 February and was also closed between 15 January and 5 February, with unavoidable consequences for the economy of Gaza.

During the reporting period, the chief Palestinian negotiator brought to our attention the details of a number of new Israeli measures in the Jordan Valley that prevent almost all Palestinian non-residents who do not work in the area from accessing that part of the West Bank.

This month, Israel carried out the evacuation of the Amona settlement outpost despite violent resistance by Israeli settlers. Israel announced further barrier construction in the Gush Etzion area, and also that it would construct a road protection fence in the southern West Bank near the original route of the barrier. On 30 January, the Quartet reiterated its concern regarding the route of the barrier — a route on which the International Court of Justice has issued a clear advisory opinion.

Since the last briefing of the Council, there have been several important developments in Lebanon. While some are encouraging, others give cause for concern. On 14 February, hundreds of thousands of people converged on Martyr's Square in Beirut on the first anniversary of the assassination of former Prime Minister Rafik Hariri and 22 others. The crowds and political leaders commemorated Hariri's contribution to Lebanon's development and reaffirmed their determination to establish the truth behind his murder and of those killed along with him.

Three days after that anniversary, on 17 February, the Government of Lebanon announced that a Lebanese national dialogue would take place. That important process will constitute a framework within which Lebanese political groups will discuss issues of national concern, such as the continuing investigation by the United Nations International Independent Investigation Commission, and in particular the court of an international character to try those accused in the assassination of Rafik Hariri; the implementation of Security Council resolution 1559 (2004); and Lebanon's relations with Syria. Consultations are under way between the various political parties in preparation for the dialogue, which is scheduled to begin on 2 March. The Speaker of the House has played a key role in promoting the national dialogue, which reflects Lebanese and international consensus on the importance of addressing such issues through a Lebanese-led process involving all political actors. The United Nations stands ready to support Lebanon in the national dialogue.

On 5 February, demonstrators protesting the depiction of the prophet Muhammad in cartoons attacked the Danish embassy in Beirut.

The past month witnessed one shooting incident and a subsequent exchange of fire across the Blue Line. On 1 February, the Israel Defense Forces (IDF) shot a Lebanese shepherd

in the Shab'a farms area; his body was found on the following day. An investigation by the United Nations Interim Force in Lebanon (UNIFIL) found that he had been shot north of the Blue Line. In response to the shooting, on 3 February, Hizbullah fired two rockets in the direction of an IDF position in the area in which the shepherd's body had been found. The The past month witnessed one shooting incident and a subsequent exchange of fire across the Blue Line. On 1 February, the Israel Defense Forces (IDF) shot a Lebanese shepherd in the Shab'a farms area; his body was found on the following day. An investigation by the United Nations Interim Force in Lebanon (UNIFIL) found that he had been shot north of the Blue Line. In response to the shooting, on 3 February, Hizbullah fired two rockets in the direction of an IDF position in the area in which the shepherd's body had been found. The IDF responded with artillery and small arms fire directed at Hizbullah positions, and also launched two air strikes. Hizbullah responded with small arms fire and fired 15 Katyusha rockets at several IDF positions. The exchange of fire was limited to the Shab'a farms area. Three artillery rounds fired from unknown locations impacted approximately 200 metres east of a United Nations position near Kafr Shuba.

Israeli air violations of the Blue Line have continued, albeit less frequently during the past month. Eight air violations have been recorded since the last briefing to the Council, on 31 January (see [S/PV.5361](#)). Lebanese military and media reports have indicated that Israeli jets violated Lebanese airspace on 14 February during the first anniversary of Hariri's assassination, although those violations were not observed by UNIFIL. Jets breaking the sound barrier were heard in certain parts of the country. The United Nations reiterates its call on the Israeli authorities to halt those breaches of Lebanese sovereignty and fully respect the Blue Line.

I wish to conclude with five brief observations. First, as President Abbas recalled in his speech to the Palestinian Legislative Council, the Palestinians made fundamental choices 13 years ago, to which they remain committed. Hamas has clearly undergone an evolution of sorts with respect to its earlier rejection of those commitments, including overall respect of a ceasefire and participation in elections which it had earlier rejected. But it is too early to say whether that evolution is irreversible and whether it will continue in the right direction. The choices Hamas makes are the single most important variable that will shape the future of the conflict; and, as the Secretary-General has noted, it may take time for clarity to emerge.

Secondly, I wish to remind Council members of the need — stressed by the Quartet — to stabilize the finances of the Palestinian Authority during the period remaining to the caretaker Government. The Quartet's Special Envoy, James Wolfensohn, has recently stressed to Quartet members that the Palestinian Authority faces a budget deficit of at least \$260 million over the expected lifespan of the caretaker Government, mainly because of Israel's decision to withhold tax and customs revenue transfers of up to \$130 million — money that belongs to Palestinians. I welcome the decision of the European Union, announced yesterday, to provide \$143 million of emergency assistance. I recall in that regard the appeal by the Quartet to the international donor community to do its part to avert this short-term crisis.

Thirdly, the formation of a new Government and its programme are awaited in order to assess its commitment to the principles the Quartet has articulated and to make determinations regarding future assistance in that light. We should be alert to the danger that cutting off assistance prior to that date might be interpreted by Palestinians and the Arab world as a whole as punishment of the Palestinian people for the way they voted on 25 January.

Fourthly, in the Palestinian context it is very difficult to make a neat distinction between humanitarian and emergency aid and basic service provision. Also, we must keep in mind that the Palestinian Authority is not something that can be turned on and off like a light switch. It is through the Authority that basic social and economic services and salaries are provided. If those services are not provided and if those salaries are not paid, the humanitarian, economic, institutional, political and security consequences could be severe. And if the Authority — essentially a creature of the Oslo process — is allowed to collapse or is sacrificed, then with it may go hopes of achieving a Palestinian State in a reasonable time frame, for a functioning Authority is an essential building block of a Palestinian State. I need hardly elaborate on the consequences of that happening — for the parties, the region and international security.

Finally, today no less than yesterday, a credible political horizon for resolving the conflict is vital. Peace cannot be imposed unilaterally, and it cannot be achieved durably outside the regional framework of the Middle East peace process. In that respect, we have seen the engagement of certain regional countries in recent weeks, and their efforts to bring back onto the agenda the Arab peace initiative, which is a building block of the road map and a vital part of the agreements to which continued adherence by the Palestinians is expected.

Indeed, the Quartet has signalled its determination to consult closely with the key regional actors. And I stress the Quartet's own continued commitment to the road map and to the principles that underlie it, which include non-violence, recognition of Israel's right to exist and respect for previous agreements. I very much hope that a new Palestinian Government, fully cognizant of the responsibilities now thrust on its shoulders, will commit to those principles not because of the appearance of pressure from outside but because the Palestinian people have a right to expect that their new Government will address their aspirations for peace and statehood.