Please see below note to Mr. Nambiar on SCB plus full text of SCB to be delivered at 10 am today.

Note to Mr. Nambiar

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

1. Please see attached my draft briefing to the Security Council on the Situation in the Middle East, scheduled for 25 January at 10:00 AM. This monthly briefing to the Security Council is a regular feature on the Council's Agenda, and is usually done by the Head of DPA, although Mr. de Soto does deliver it once every three or four months, depending on his availability.

2. The brief is a factual accounting of the situation on the ground in both Israel and the occupied Palestinian territories, and also includes a short section on Lebanon, although it does not get into the details of the implementation of Security Council resolutions 1559 or 1701.

3. This months' brief includes sections on the internal political situations in both the occupied Palestinian territories and Israel, as well as updating the Council on recent international initiatives, including Secretary Rice's trip to the region and the upcoming Quartet meeting on 2 February.

4. There is usually minimal media coverage of the briefing, and I do not intend to speak to press after the session concludes. It will be an open briefing, however, so interested press outlets may report specific quotes from the briefing, in addition to Palestinian, Israeli, and Syrian reactions.

5. The attached draft was current as of 1500 hrs 24 January, further updates will be included up to 0900 hrs 25 January given the rapidly evolving situation in both Lebanon and the occupied Palestinian territories.

Ibrahim Gambari 24 February 2007

1

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

IBRAHIM GAMBARI UNDER SECRETARY-GENERAL FOR POLITICAL AFFAIRS

1

25 JANUARY 2007

Mr. President,

The former Secretary-General presented his final report to you in early December. This briefing will cover events since then, a period of heightened levels of instability and suffering, combined with a renewed sense of international urgency to find a political way ahead, as indicated by the visits of Secretary Rice and High Representative Javier Solana's to the region, the proposed meeting of the Quartet on February 2 in Washington, D.C. and a possible early tri-partite meeting of President Abbas, Prime Minister Olmert and Secretary Rice. I am also encouraged by reports that Foreign Minister Livni will be meeting President Abbas in Davos. The Arab League and the Gulf Cooperation Council have also been engaged in the search for a renewed and credible dialogue towards a resolution to this intractable conflict.

Israeli-Palestinian developments

Mr. President,

Both President Abbas and Prime Minister Olmert have been working hard to try to ease tensions and move towards a resumption of political dialogue.

The ceasefire agreed to at the end of November in Gaza remains in place, although, according to Israeli officials, militants have fired more than 104 rockets into southern Israel during the past two months. In the face of these attacks, the Israeli government has, to its credit, shown considerable restraint. Despite its flaws, the ceasefire has significantly reduced violence, and we encourage the parties to try to build on it.

The ceasefire has not been extended to the West Bank. Indeed, operations to arrest or kill wanted Palestinians continue on a regular basis in West Bank population centers, as evidenced by the IDF raid on Ramallah on 4 January, in which five Palestinians were killed and 35 injured. During the reporting period, 28 Palestinians were killed and over 130 were injured in Israeli military operations, while 10 Israelis were injured by Palestinian militants.

Efforts led by Egypt are continuing on an arrangement to secure the release the Israeli corporal captured last summer and of Palestinian prisoners in Israel, but these have yet to yield results.

Nevertheless, President Abbas and PM Olmert met on 23 December in Jerusalem. They agreed to revive the joint committees established in the Sharm el-Sheikh understandings, and to resume the work of the quadripartite security committee between Israel, the PA, Egypt and the US. Prime Minister Olmert also undertook to transfer to the Office of President Abbas \$100 million of the more than a half billion dollars of Palestinian clearance revenues being withheld by Israel; to intensify efforts to upgrade the crossings between the Gaza Strip and Israel; and to ease procedures at a number of checkpoints in the West Bank and remove a number of roadblocks.

Implementation of these understandings proceeded slowly. Israel has, in the last few days, transferred the US\$100 million. OCHA has reported a modest easing in the operation of a few West Bank checkpoints, but the anticipated removal of roadblocks has yet to be observed.

Access and movement needs to be improved. During the first 16 days of 2007, the average exports out of Karni stood at approximately 46 trucks a day. This represents an improving trend, but still reflects only 11% of the AMA target of 400 per day. We encourage further progress on this front. During the same period, Rafah was opened primarily for pilgrims for only 32% of the scheduled opening hours. Finally, there has been no discernable improvement in movement for Palestinians in the West Bank. According to OCHA, the number of barriers (527) currently on the ground represents a 25% increase over the course of 2006.

Mr. President,

The government of Israel approved the repopulation of a settlement deep in the Jordan Valley by 30 families evacuated from Gaza in 2005; such a relocation is in violation of the Road Map. The decision was put on hold after international protests, but settlement activity continues: according to official Israeli figures, the number of West Bank settlers, excluding East Jerusalem, has increased by nearly six percent from 2005. Moreover, the government's pledges to remove outposts remain unfulfilled, and the construction of the barrier on the occupied Palestinian territory continues, despite the Advisory Opinion of the International Court of Justice.

It is important, by way of context, to note that the evolving Israeli-Palestinian dialogue is complicated by the internal political situation in both the occupied Palestinian territories and Israel.

Palestinian political developments

In the occupied Palestinian territories, the pendulum has swung between worsening civil conflict and renewed efforts to forge national unity. Factional tension rose to acute levels in mid-December and again in early January. Deplorable incidents included:

- The killing of three children as they were being taken to school;
- A shoot-out between gunmen at the Rafah terminal as PM Hannieh returned from a regional tour;
- A siege on the home of an official in Gaza, killing the official and several others

In total, 43 were killed in Palestinian-on-Palestinian internal conflict during the reporting period – nearly double the number killed by Israeli military operations.

Internal violence has been accompanied by heightened and negative political rhetoric and threats, and strengthening of factional forces. President Abbas announced that the Hamas-affiliated Executive Special Force, under the Ministry of Interior, is illegal unless immediately integrated into existing security services. Tensions also flared in late December, the President called for early Presidential and Parliamentary elections unless agreement could be reached on a national unity government. Nevertheless, each time factional fighting has threatened to spin out of control, President Abbas and PM Hannieh have managed to reach understandings to de-escalate tensions.

Efforts to form a Palestinian National Unity Government have resumed, involving dialogue in Gaza as well as in Damascus. It appears the main issues of disagreement are over control of the interior ministry and the strength of the language concerning the commitment to Arab and international resolutions. It should also be noted that, while refusing to countenance recognition of Israel, exiled Hamas leader Khaled Mashal recently told news outlets that Israel's existence was a reality and that with the formation of a Palestinian State on the 4 June 1967 borders, "there will remain a state called Israel, this is a matter of fact."

President Abbas recently met Syrian President Bashar al-Assad in Damascus, and subsequently met Khaled Mashal. A joint statement was issued after the meeting with Mashal, stating that progress had been made towards a national unity government and calling for an end to internal fighting. The statement also rejected the concept of an interim Palestinian state with provisional borders. President Abbas subsequently reaffirmed that early elections remained on the table if a national unity government is not formed.

Israeli political developments

On the Israeli side, a number of political scandals and other developments have underscored the difficulties the coalition government is facing in forging and implementing a clear agenda.

The Chief of Staff of the Israel Defence Forces, Dan Halutz, resigned, and an official inquiry into the conduct of last summer's war with Hizbollah continues. The campaign for Labor Party Chairman, the junior coalition partner, is underway in preparation for primaries in May. Several senior ministers have discussed publicly their views and plans on how to carry forward a political process. This has highlighted both a growing Israeli interest in addressing the conflict through negotiations and internal divisions over how to do so.

Regional and international engagement

I am pleased to report that regional and international leaders intensified their engagement in the Israeli-Palestinian arena. There have been consultations among a

number of countries in the region – including President Mubarak's meeting with Prime Minister Olmert on 4 January.

The 15th anniversary of the 1991 Madrid Conference was marked by an NGOsponsored conference, in which prominent regional and international personalities and senior European and UN officials participated. They discussed options for trying to bring about progress towards a permanent status agreement and a comprehensive Arab-Israeli peace.

As mentioned earlier, US Secretary of State Condoleezza Rice recently visited the region, and announced that she would soon bring Prime Minister Olmert and President Abbas together to discuss "the political horizon." She expressed her commitment to addressing the Israeli-Palestinian conflict and the importance of a revitalized Quartet. EU High Representative for Foreign and Security Policy, Javier Solana, also visited the region last week. The Secretary-General will attend a Quartet Principals meeting on 2 February in Washington D.C., and Quartet envoys met yesterday in Paris.

The Government of Syria has publicly called in recent months for a resumption of negotiations with Israel. I should add that, on 16 January, the Israeli press published understandings for a peace agreement between Israel and Syria, which were arrived at through a private initiative. The Governments of Israel and Syria have strongly denied any official connection with this initiative.

Aid and socio-economic situation

Mr. President,

It is exactly a year today since Palestinian Legislative Elections brought the Hamas-led PA to power, leading to a reassessment of donor programs and the cessation of financial transfers by Israel. It should be noted, however, that international aid to the Palestinians has actually increased – what is different is that aid is mostly by-passing the Palestinian government.

In the past year, the IMF estimates that donors provided over US\$ 700 million in budget support. Over half of this came from Arab League member states through direct contributions to the Office of the President. The remainder was mainly provided by Western donors through the Temporary International Mechanism (TIM) and bilateral donations. The TIM, designed to provide emergency support to social sectors, is currently in its seventh month and has disbursed US\$266 million. The international community channeled a further US\$ 450 million, equivalent to approximately 11 percent of Palestinian GDP, in life sustaining humanitarian programmes to Palestinians through UN agencies and NGOs.

Total assistance to Palestinians last year – not including funds channeled to the PA government or Hamas by regional donors -- reached around US\$ 1.2 billion. That's nearly a 10 percent *increase* in aid over 2005. Humanitarian assistance alone doubled

since 2004, taking mainly the form of food aid and cash-for-work programs. However, real GDP per capita declined by at least eight percent in the past year. Poverty levels increased by 30%. Public institutions that we in the international community built up have been severely weakened by a lack of operational funds, energy shortages and military damage.

The worsening situation on the ground underscores the limits of what international assistance can accomplish. Without greater freedom of access and movement, and without a political process that is carrying the parties towards a two state solution, the most aid can do is contain, for a limited time, the spread of grievances and instability. The experience of the past year shows that this type of investment brings rapidly diminishing returns.

Lebanon

Turning to Lebanon, the Secretary-General is today attending the Paris III conference, where he will be reiterating the UN's strong support for Lebanon and urging redoubled efforts by all sides to return to dialogue and break the paralyzing political *impasse*.

The demonstrations that started in Beirut on 1 December 2006 had been largely peaceful until last Tuesday, 23 January 2007. Following a call from the opposition for a general strike, thousands of Lebanese from opposing political factions faced each other, often violently, on the streets. Few regions of the country were spared by the unrest that led to at least 3 dead and over 100 injured – some very seriously. Major roads throughout the country, and in particular Beirut and its airport, were effectively blocked by burning tires and earth barriers. A tense calm returned to Beirut yesterday following the decision by the opposition to suspend the strike, but tensions remain high. However, the opposition has stated that further escalation will occur unless the Government accedes to its demands.

The events of 23 January showed how easily political tensions can spill-over into violence. We are greatly concerned regarding those risks and the effect they have for the stability and security of Lebanon, which all sides state they wish to maintain. We remain in contact with all parties encouraging an early return to dialogue, and we support the continuing efforts, including the efforts of the Arab League, to bring the leaders to compromise and consensus.

General stability has returned to Southern Lebanon due to the deployment of the enhanced UNIFIL and the Lebanese Armed Forces who continue to have a high level of cooperation. The Lebanese Army is now playing a crucial role in the south, in Beirut and other parts of the country, including Lebanon's eastern and northern borders. This makes it even more important that the support promised to the army by the international community is timely. UNIFIL continues to maintain good relations with the IDF. However, the Israeli air violations of Lebanese airspace continue. This damages the credibility of both UNIFIL and the Lebanese Armed Forces. We again urge Israel to cease these violations.

Civilians continue to be killed and injured by the cluster munitions dropped on Lebanon during last year's conflict. During the month of December, incidents led to the death of 3 people and the injury of 21 others (including 5 children and 2 Belgian peacekeepers). The UN is continuing its programme to identify and remove exploded ordnance in southern Lebanon. As of today, at least 840 individual cluster strike locations have been identified, each strike location containing up to hundreds of individual bomblets or sub-munitions.

The Secretary-General has designated Major-General Claudio Graziano of Italy as UNIFIL Force Commander to succeed Major-General Alain Pellegrini. The hand-over ceremony is scheduled to take place on 2 February 2007.

Conclusion

Mr. President,

None of us can afford another year like the last one in Lebanon and the Middle East.

Therefore, a resumed political process between Israel and the Palestinians is a clear priority. The Secretary-General encourages the two leaders to build on their progress to date by implementing agreements and by starting to address the fundamental issues of the conflict.

Solutions are urgently needed to the political impasses both among the Palestinians and in Lebanon. The Secretary-General encourages leaders in both contexts to overcome their differences and find a way to move forward that serves the best interests of their people. Lebanon, as its people will know all too well, can ill afford any further deterioration. For many Lebanese, ugly specters of the past have again begun to emerge. All sides have a shared responsibility to resolve their political differences through the democratic process and in a peaceful manner in order to spare their populations further anxiety, insecurity and turmoil.

Prospects for a wider regional dialogue must also be cautiously monitored, and the door should remain open to discussions that might lead towards a wider, regional and comprehensive peace.

The Secretary-General has discussed with many interlocutors both the opportunities that now exist to make genuine strides towards peace, and the very real obstacles that must be overcome. He considers next week's Quartet meeting as an important opportunity to chart a way forward for re-energizing the peace process and implementing all relevant Security Council resolutions.

Thank you, Mr. President.