Mr. President,

1. Since the last monthly briefing to the Security Council, I regret that continuing efforts to advance the political process were once again overshadowed by violence, high numbers of civilian casualties and a lack of concrete improvements on the ground.

2. The reporting period saw major escalations in violence, with a heavy Israeli air and land military assault in Gaza; the firing of rockets and mortars at Israel (over 390 during the reporting period) including the use this month of longer-range rockets; an attack on a Jewish school in West Jerusalem; IDF operations throughout the West Bank targeting alleged militants; and clashes between the IDF and protesting Palestinians in West Bank cities, including in East Jerusalem. In total, 124 Palestinians, including 36 children, were killed in IDF operations, and 359 were injured. 13 Israelis, including 4 children, were killed by Palestinian militants, and 55 were injured. Tensions remain high, despite an observable reduction in violence in and around Gaza in the past few weeks.

Mr. President,

3. You will recall that when the Security Council met in emergency session on 1 March, the violence in and around Gaza was at its height. IDF operation "Hot Winter" lasted five days and caused dozens of civilian casualties, including the deaths of 31 children, while Hamas rocket attacks extended as far as the Israeli city of Ashkelon, bringing nearly a quarter of a million Israeli civilians within rocket range of Gaza. The Secretary-General condemned the excessive and disproportionate use of force and the killing of civilians and also condemned indiscriminate rocket fire and called for an immediate cessation of such rocket attacks. We reiterate that all parties must comply with international humanitarian law. Regrettably, no party has conducted law-based, independent, transparent and accessible investigations into the killings of civilians and other human rights violations, made the findings public, and held perpetrators accountable, as called for by the High Commissioner for Human Rights.

4. Since that briefing, violence also spread to Jerusalem and the West Bank. On 2 March, a Palestinian child was shot and killed by the IDF during a protest against the situation in Gaza. On 6 March, 8 Israeli students, including four children, were killed in a savage shooting attack at a Jewish seminary in West Jerusalem by a Palestinian from East Jerusalem. This was the first major attack in Jerusalem for almost four years, and was strongly condemned by the Secretary-General. On 16 March, dozens of Israelis rioted in the neighborhood of the killer’s home in East Jerusalem. The stabbing of an Israeli in the Old City on 18 March further contributed to the tense atmosphere.

5. During the reporting period IDF incursions took place in several West Bank towns, resulting in the arrests of dozens of Palestinians for alleged militant activity. In two separate
incidents targeting Islamic Jihad on 12 March, four militants were killed in Bethlehem and
another militant was killed in Tulkarem. These incidents were followed by a barrage of
rockets fired by Islamic Jihad from Gaza into southern Israel.

6. We support Egyptian efforts to bring about a cessation of violence, particularly in
Gaza, and to facilitate a gradual re-opening of crossings into Gaza in coordination with the
parties. In this regard, we have taken note of the recent reduction in violence in and around
Gaza, and more regular import of supplies across the crossings. This is a positive but
extremely fragile development. We are acutely conscious of the potential for even more
deadly episodes of violence to occur very quickly, and the danger this poses for the security
of the Palestinians, Israel and Egypt, and for the political process. We urge all parties to act
with a sense of responsibility and to cooperate with the Egyptian efforts. We also welcome
Egyptian efforts to complete construction of a new border boundary. We encourage
intensified cooperation among relevant parties to ensure that legitimate traffic into and out of
Gaza at all crossing points takes place, and that concerns regarding alleged smuggling are
addressed.

7. The humanitarian situation in Gaza remains of grave concern, although there has been
an improvement in the volume of goods entering the Strip. In the past month over 1400
trucks have crossed into Gaza, 95% of them carrying commercial supplies of basic items.
This is an improvement from previous months and we hope for further easing in the near
future. Fuel imports have continued to enter from Israel, although shortages remain in key
sectors such as health. On any given day between 30-50% of ambulances cannot be used due
to lack of fuel. Sanitation authorities continue to dump 60,000 cubic meters of raw and
partially treated sewage into the sea each day as a result of fuel, electrical and spare parts
shortages. Fuel shortages have prevented 63% of Gaza’s regular fishing trips, further
exacerbating what is already a dire socio-economic scenario. Food insecurity is increasing as
salaries dry up, and at least 50,000 additional beneficiaries have been added to food
assistance distribution lists.

8. We also note that the ICRC has still not gained access to captured Israeli soldier Gilad
Shalit, and that one of the more than 10,000 Palestinian prisoners in Israeli jails died earlier
this month, bringing the number of Palestinian prisoners who have died in Israeli prisons to
seven since the beginning of 2007.

Mr President,

9. In the West Bank, 580 IDF-imposed obstacles continue to block Palestinian movement.
The levels of restriction, in both quantity and character, have steadily increased each year
since 2005, and are at the root of Palestinian economic decline. The restrictions have
continued despite the security efforts of the Palestinian Authority since mid-2007. Recent
IMF projections show that under current conditions GDP growth in 2008 will not exceed
population growth. Action to ease closure inside the West Bank is essential if a viable
Palestinian economy is to develop as the basis for a viable Palestinian state. In addition to
restrictions on Palestinian movement, restrictions on movement of United Nations staff
within the West Bank and between the West Bank and East Jerusalem also continue to
increase, making delivery of programmes increasingly difficult.

10. Israeli settlement activity has continued in the reporting period in the West Bank,
including East Jerusalem. Tenders and construction permits for hundreds of housing units
were announced this month, and construction continues in many settlements as well as on infrastructure such as roads for settler use. The Israeli government stated publicly that settlement expansion in East Jerusalem will continue. The PLO has raised concerns about Israeli archaeological excavations in the Palestinian neighborhood of Silwan in East Jerusalem, bordering the Haram al Sharif/Temple Mount. The PLO raised additional concerns about alleged plans to bring more Israeli settlers to Ras al Amud in East Jerusalem while transferring Israeli police personnel to the police station constructed at the centre of the proposed E-1 settlement area between Israel and the settlement of Ma'ale Adumim to the East.

11. All settlement activity in East Jerusalem or elsewhere in the West Bank is contrary to international law and Security Council resolutions. Israel's failure to cease settlement activity including natural growth or to dismantle the outposts erected after March 2001 is contrary to the Road Map. The Secretary-General has made public his concerns that urgent action must be taken on this issue.

12. Construction work on the barrier continues within occupied Palestinian territory, in deviation from the Green Line and contrary to the International Court of Justice advisory opinion. Meanwhile, the number of house demolitions in the West Bank has increased noticeably. Since the beginning of this year, over 100 structures (at least half of them residential) have been demolished, displacing nearly 400 Palestinians.

Mr. President,

13. There is little I am able to report about the state of bilateral negotiations. This is a positive reflection of the confidentiality that is being maintained, enabling Israeli and Palestinian leaders to be candid in their discussion. As a result of the significant Palestinian casualties in Gaza, Palestinian President Abbas suspended bilateral negotiations with Israel for a period. However, meetings between the heads of the two negotiating teams resumed recently and the work of a number of technical groups formed between the parties is being pursued. PA Prime Minister Fayyad and a senior official in the Israeli Ministry of Defence also attended the first trilateral meeting on monitoring of implementation of Phase 1 Road Map commitments, hosted by US Lt-Gen Fraser.

14. We support the continuing reform efforts of the government of Prime Minister Fayyad. A recent IMF mission confirmed that despite the difficult environment, impressive financial reform measures have been taken, including the re-establishment of cash control procedures and a new accounting system for fiscal reporting. The Palestinian Development Plan is still being finalized and will shortly be shared with the international community to enlist support. The financing needs for recurrent costs in 2008 stand at $1.7 billion. So far $1.2 billion have been pledged and about half of the pledges will be disbursed by the end of March. Hence, there is a shortfall of $500 million for recurrent expenditure.

15. A meeting of the Co-chairs of the Paris donor's conference, Foreign Minister Kouchner of France, Commissioner Ferrero Waldner EC, Foreign Minister Stoehrre Norway and Quartet Representative Tony Blair, took place today to assess the situation since the Paris Conference. The next meeting of the Ad-Hoc Liaison Committee will take place on 2 May in London hosted by the UK and Norway.
16. Efforts to reform, train and equip the Palestinian security forces in the West Bank continued during the reporting period. Some 1000 officers are currently being trained in Jordan with support from the US Security Coordinator, for deployment in the West Bank in April and May. President Abbas issued a decree aimed at reforming the PA intelligence apparatus. The Interior Minister has submitted a comprehensive report about security in the West Bank. Palestinian security forces have undertaken operations disarming and arresting militants in the West Bank. However, there is more work to do for the PA to re-assert law and order across the cities of the West Bank and meet its Road Map obligations to effectively combat terrorism. If these obligations are to be met, greater Israeli-PA security cooperation is essential.

Mr. President,

17. The Quartet continues to be in close contact at Principals’ and envoys’ level. There are ongoing discussions over the idea of a renewed international meeting in Moscow in the coming period. We are supportive of the idea of such a meeting.

18. We also continue to stress the vital role of Arab states in support of the peace process, the central importance of the Arab Peace Initiative, and the ultimate need for a comprehensive regional peace. Foreign Ministers from the League of Arab States Foreign met in Cairo on March 5 ahead of the annual summit planned for the 29-30 March in Damascus.

19. We note their support for the seven point plan announced by Yemeni President Saleh calling for a return of the situation in Gaza to the situation before the Hamas takeover of last June, the holding of early elections, and a resumption of dialogue on the basis of previous internal Palestinian agreements. Fatah and Hamas representatives reportedly held constructive discussions on the plan in Sana’a. As a matter of principle, we believe that the unity of the legitimate Palestinian Authority must be restored through peaceful means in support of the political process for a peacefully negotiated two-state solution, and we believe Arab countries have a leading role to play in supporting such efforts.

20. The situation in the occupied Syrian Golan has remained quiet over the reporting period, although settlement activity continues.

Mr. President,

21. Lebanon continues in the grip of a deep political crisis. Yesterday, the parliamentary session to elect a President was postponed for the 17th time since the 24 of November 2007.

22. The Secretary-General firmly supports the Arab League initiative and encourages the parties to facilitate its implementation. The longer the stalemate continues, the greater the chance for the situation to deteriorate further, both politically and in terms of the security situation.

23. While the general security atmosphere has remained relatively calm with no major incidents, public tension and anxiety increased during the reporting period. On February, in Beirut, clashes broke out between supporters of various groups affiliated to the majority and the opposition, leaving 20 people injured. Officials from both sides involved have pledged to cooperate with the Lebanese Armed Forces to avoid the recurrence of such
confrontations. Clashes between Fatah and Jund al-Sham erupted on 21 March in the Palestinian refugee camp of Ain el-Hilweh in southern Lebanon leading to one fatality.

24. The situation within the UNIFIL area of operations has remained quiet, although with increased levels of tension. The IDF has been on a heightened state of alert along the Blue Line since the assassination of Imad Mughniyeh on 12 February, and the LAF has announced the introduction of specific measures and additional deployment of forces in the event of an attack. Over the same time period, there has been a considerable increase of IDF violations of Lebanese airspace, with 222 such violations being reported by UNIFIL over a one week period alone (11-17 March). These violations constitute a serious breach of Lebanese sovereignty and the Blue Line, and undermine the credibility of Lebanese national institutions and UNIFIL. A UNIFIL investigation also is ongoing into an alleged breach of Lebanese territorial waters. Despite the general increase in tension, all parties have reassured UNIFIL that they do not seek a renewal of hostilities.

25. With regards to the Palestinian camp of Nahr el Bared, UNRWA, in cooperation with the Lebanese Army and the Office of the Prime Minister, has finalized the Master Plan for the reconstruction of the camp. The reconstruction effort will be a long and complex undertaking that will require the full support of the international donor community.

Mr. President,

26. The fact that the political process between Israelis and Palestinians is continuing is extremely important given the many negative developments that threaten to derail it. The process can only be sustained by much more meaningful efforts to implement Phase One of the Road Map and to improve economic and security conditions. The international community and all regional parties should also give strong support to efforts to bring about a cessation of violence in and around Gaza and a reopening of crossings, in an atmosphere where the security concerns of the Palestinians, Israel and Egypt are addressed. Otherwise, the potential for further violence is all too real, with grave consequences for civilians, for regional peace and security, and for the political process itself.

27. The Secretary-General remains committed to supporting all efforts to secure through negotiations the full implementation of the Security Council resolutions on the Arab-Israeli conflict.

Thank you, Mr. President.