



## **Press Release**

### **UN Report: Affirmative Steps Needed to Reverse Negative Trends and Prevent a One-State Reality of Perpetual Occupation and Conflict**

Wednesday 14 September, Jerusalem – The continued occupation and unresolved Israeli-Palestinian conflict are key constraints to greater Palestinian socio-economic development, according to the latest report issued by the Office of the United Nations Special Coordinator for the Middle East Peace Process (UNSCO). The report will be presented to the Ad Hoc Liaison Committee (AHLC) at the bi-annual meeting in New York on September 19, 2016.

The report notes that Palestinian dependency on Israel – particularly on matters related to freedom of movement, access to natural resources, financial capital, water and energy; the Palestinian internal political divide, and institutions which are still maturing inhibit the Palestinian Government from adequately delivering services to its people. In its submission to the AHLC, UNSCO reminds all partners that, in the context of this aid dependency resulting from the occupation, unlocking the Palestinian economy by lifting restrictions should be a priority.

On Gaza, the report warns of the “illicit arms build-up and militant activity by Hamas, the lack of control of Gaza by the Palestinian Government, and the dire humanitarian situation, exacerbated by the highly restrictive closure regime which feed instability, damage Gaza’s economic development and hinder basic service delivery.” While the temporary Gaza Reconstruction Mechanism has enabled an increased flow of construction material, much larger amounts of material are needed for reconstruction and for Gaza’s private sector to flourish. The report calls for predictable and uninterrupted supply of construction material and other items considered as having a “dual use” in order to meet the demand in Gaza.

The report cautions that despite efforts by the international community, “the parties have not taken any meaningful steps to create an enabling environment for a return to meaningful negotiations.” It urges both sides to comply with their basic commitments under existing agreements. “There continues to be an urgent need for affirmative steps to reverse the negative trends on the ground in order to prevent entrenching a one-state reality of perpetual occupation and conflict that is incompatible with realizing the national aspirations of both peoples,” the report adds.

The report reiterates the Middle East Quartet’s call on both parties to de-escalate tensions by exercising restraint and refraining from provocative actions and rhetoric. It calls on the Israeli side to “implement positive and significant policy shifts, including transferring powers and responsibilities in Area C, consistent with the transition to greater Palestinian civil authority contemplated by prior agreements,” noting that progress in the areas of housing, water, energy, communications, agriculture, and natural resources, along with significantly easing Palestinian movement restrictions, can be made while respecting Israel’s legitimate security needs.

Moreover the report calls on the Palestinian side to reunite Gaza and the West Bank “under a single, legitimate and democratic Palestinian government on the basis of the PLO platform and the rule of law.” The report acknowledges that the Palestinian internal political divide is also hindering progress toward a resolution to this long-standing conflict, and that, regrettably, the past six months have seen very limited progress in this regard.

The United Nations remains committed to continuing to engage the parties to find a way back to a meaningful political process. However, as the report concludes, “ultimately what is needed to advance Palestinian development is a political horizon for a peaceful resolution to the Israeli-Palestinian conflict on the basis of a two-state solution”.

*Note to Editors: The Ad Hoc Liaison Committee (AHLC) serves as the principal policy-level coordination mechanism for development assistance to the occupied Palestinian territory (oPt). The AHLC is chaired by Norway and co-sponsored by the EU and the US. In addition, the United Nations participates together with the World Bank and the International Monetary Fund (IMF). The AHLC seeks to promote dialogue between donors, the Palestinian Authority and the Government of Israel. The full report to the AHLC prepared by the Office of the UN Special Coordinator for the Middle East Peace Process is attached to this release and includes an executive summary of its main conclusions.*