



Press Release

UN Report: Lack of Progress in Resolving Israeli-Palestinian Conflict Impedes Palestinian Development; Social, Economic and Political Consequences of Crisis in Gaza should not be Underestimated

Monday, 1 May 2017, Jerusalem - The persistent absence of progress to resolve the Israeli-Palestinian conflict continues to significantly impede Palestine's development, according to a new report issued by the Office of the United Nations Special Coordinator for the Middle East Peace Process (UNSCO). The parties are overdue to take the necessary steps, on the ground to create an environment conducive to peace, as recommended by the Middle East Quartet.

The report will be presented to the Ad Hoc Liaison Committee (AHLC) at the bi-annual meeting in Brussels on May 4, 2017. The report notes that despite a number of international efforts over the past six months to advance the two-state solution, last year has been characterized by a continued lack of progress on the political front. Initiatives to revive the economic and development infrastructure have also stalled.

The report highlights the increase in Israeli settlement-related activity and the continuing high rate of demolitions in Palestinian and Bedouin communities. It also looks at the continuing violence and acts of terror against Israelis. The report focuses on the urgent need to resolve the deepening political rift between Gaza and the West Bank, and continued military build-up and firing of rockets by Hamas and extremist groups in Gaza.

This environment threatens the erosion of the achievements of the Palestinian state building effort. *"The institutions of Palestinian governance remain vulnerable to political instability and require affirmative steps to protect and advance state-building efforts."*

With the situation already tense in the Gaza Strip, the report warns that the continuing dispute between the Palestinian Authority and Hamas over electricity, payment of salaries and the other critical issues have significantly aggravated the situation in Gaza. The social, economic and political consequences of crisis should not be underestimated. Palestinians in Gaza, who live in a protracted humanitarian crisis, can no longer be held hostage by disagreements, divisions and closures.

Analysing the impact of the Hamas take-over ten years ago and the ensuing Israeli closures and conflicts, the report notes that *"Gaza is facing a downward spiral of de-development, while the people in Gaza are caught in a cycle of humanitarian need and perpetual aid dependency."*

The report reiterates the international community's collective commitment to support Israelis and Palestinian in achieving a just and sustainable peace through the two-state solution. However, developments during the reporting period, including illegal settlement activity and violence, threaten to undermine this prospect.

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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.