Mr. President,

1. Since the Council met on 11 May 2009, international diplomatic efforts to reinvigorate the search for peace in the Middle East have continued. Quartet Principals will meet on 26 June in Trieste, where the Quartet will also meet with members of the Arab League Follow-Up Committee. In advance of the Quartet, Arab Foreign Ministers will meet in Cairo and Prime Minister Netanyahu will meet US envoy Mitchell in Paris. These meetings are part of a concerted push to secure the required commitments and actions from the parties to create conditions for re-launching efforts for a two State solution.

2. US President Obama’s 4 June speech in Cairo reiterated his commitment to the creation of a Palestinian State and the resolution of the Arab-Israeli conflict. On 14 June 2009, Prime Minister Benjamin Netanyahu stated that the Israeli government would accept a Palestinian state, but under stringent conditions related to territory, security, refugees, Jerusalem, and the character of the State of Israel. The speech represented a step forward given the previous positions of the current government. I reiterate what the Secretary-General stated last month: “Actions on the ground, together with a genuine readiness to negotiate on all core issues, including Jerusalem, borders and refugees, based on Israel’s existing commitments, will be the true tests of Israel’s commitment to the two State solution”.

3. In this regard, the Israeli government failed to commit to, or announce measures to begin to implement, a freeze on all settlement activity, including natural growth. Despite efforts to remove three minor outposts during the reporting period, illegal settlement construction continued across the West Bank in contravention of the Roadmap. Reports that processes to approve new construction in settlements continue as before are extremely concerning.

4. During the reporting period, settlers injured seven Palestinians in violent attacks, burnt several fields and uprooted hundreds of olive trees. Settlers tried to take over 7 dunums of Palestinian land in East Jerusalem leading to violent clashes with local Palestinian residents. There continues to be inadequate enforcement of the rule of law on violent settlers. However, I welcome the decision of the Israeli government to offer financial compensation to 50 Palestinian plaintiffs affected by settler violence in Hebron in November 2008.

5. Palestinian institutions in East Jerusalem remain closed by Israeli order, and demolition orders continue to be issued against Palestinian homeowners in East Jerusalem and in the remainder of the West Bank, with approximately 4,500 orders outstanding. We reiterate our call for an end to unilateral Israeli measures in Jerusalem and an end to house demolitions.

6. I welcome the concrete steps by the Israeli government to ease movement restrictions on key access routes into the cities of Nablus, Jericho, Qalqiliya and Ramallah. However, over 600 obstacles to Palestinian movement remain in place, as does the stringent permit
system for Palestinian movement. The construction of the barrier within the occupied Palestinian territory continues, despite the advisory opinion of the International Court of Justice. Fundamental alterations in Israel’s policies will be required to facilitate a transformative change in the West Bank, which is the Israeli government’s stated and welcome intention.

7. Citing security concerns, Israeli forces continued search and arrest operations throughout the West Bank. One Palestinian was killed and another 96, including 33 children, were injured. Five Israelis were injured by Palestinians. Today, Israel released the speaker of the Palestinian Legislative Council, Hamas member Aziz Dweik, after 34 months in prison.

Mr. President,

8. Turning to the Palestinian side, President Abbas responded to the speech of Prime Minister Netanyahu by insisting that Israel freeze settlement activity before negotiations can resume. In a speech on 22 June, Palestinian Prime Minister Salam Fayyad outlined the intention, despite the continuing conditions of occupation, to build the institutions of a Palestinian State in two years. In this regard, I am glad to report that the United Nations has finalized a Medium Term Response Plan to guide UN efforts to support a Palestinian-led process of statebuilding.

9. An immediate challenge facing the Palestinian Authority is financial. When the Ad Hoc Liaison Committee met in Oslo on 8 June, Prime Minister Fayyad reported that the PA faces a critical budget crisis. It is essential that Member States act swiftly to fulfill pledges and commit to additional budget support for the PA. At the same time, the only sustainable way to revive the Palestinian economy and for the PA to receive sufficient finances from tax revenues is for Israel to ease closure measures and create an enabling environment for economic growth.

10. The Palestinian Authority continues efforts to reform its security services and criminal justice system, with considerable international assistance. It also continues to take action against militants in accordance with its Roadmap commitments. These efforts resulted in violent confrontations with Hamas in the West Bank during the reporting period, in the most intense internal Palestinian clashes since June 2007. Four members of the security forces were killed in gun battles with Hamas militants in Qalqiliya on 31 May and 3 June, in a security operation which also claimed the lives of four members of Hamas and one civilian. Palestinian security forces also seized arms, explosives and funds from militant groups, and reportedly foiled plans to attack security infrastructure in Nablus. A Hamas-affiliated detainee died on 15 June while in custody of Palestinian intelligence in Hebron, in circumstances which are disputed.

11. This leads me to a further challenge facing Palestinian statebuilding: reuniting Gaza and the West Bank within the framework of the legitimate Palestinian Authority. The urgency and scale of this challenge is clear from developments on the ground. In response to developments in the West Bank, Hamas arrested dozens of Fateh members in Gaza, ransacking homes, confiscating belongings and placing movement restrictions on Fateh political figures. Demonstrations and media campaigns in Gaza denounced the PA security campaigns and security coordination with Israel. The Hamas military wing warned of an eruption of violence in the West Bank.
Paragraph 12. Likewise, Hamas continues to assert its control over institutions and organizations in Gaza. On 14 June a demonstration calling for Palestinian unity by the Popular Front for the Liberation of Palestine in Gaza was violently disrupted by Hamas security forces. On 17 June Hamas took over an independent medical NGO, the Patients’ Friends Society, which runs a hospital and a number of clinics in the Strip.

Paragraph 13. Building Palestinian statehood on the basis of divided societies, separate institutions and competing legitimacies is unsustainable. Hamas must re-evaluate its stance towards a two State solution and the resort to violence against civilians, and commit to genuine political pluralism. Fateh needs to face the challenge of internal reform. I welcome President Abbas’ extensive personal engagement as efforts continue to finalize arrangements for the holding the 6th Fateh Congress. Above all, the factions need to conclude an agreement to reunite within the framework of the legitimate Palestinian Authority, as called for in resolution 1860 and by the Quartet.

Paragraph 14. Fateh and Hamas delegations met in Cairo on 8 June and are scheduled to meet again on 28 June, and efforts continue toward reaching an agreement by 7 July in Cairo. Egypt has also facilitated meetings of reconciliation committees in Gaza and the West Bank in an effort to calm tensions and address issues such as politically-motivated detentions and denials of movement. The Secretary-General strongly supports Egypt’s efforts, and it is crucial that they be supported by the international community and by all regional parties.

Mr. President,

Paragraph 15. The unresolved crisis in Gaza has negative repercussions on all efforts to advance the peace process, and wrecks unacceptable havoc on the fabric of civilian life in Gaza. Security Council resolution 1860 specified the key challenges that must be met if a different and more positive strategy on Gaza is to emerge. I believe there is now an emerging opportunity to begin shifting the dynamics.

Paragraph 16. There has been a notable and welcome drop in violence during the reporting period. Since 11 May, there have been two rockets and seven mortars launched into Israel from the Gaza Strip, resulting in one injury. Six Palestinians were killed and ten were injured in clashes with the IDF and as a result of Israeli air strikes – among those killed were four radical militants who tried to attack an Israeli post on 8 June. There have been efforts on the part of the de facto authorities in Gaza to enforce a cessation of rocket fire.

Paragraph 17. Likewise, efforts continue in order to prevent the re-supply of illicit weapons to militants in Gaza, including Egyptian efforts to close down tunnels and confiscate explosives. I commend the serious Egyptian efforts underway, on which I was briefed during a recent visit to Cairo. The Israeli mission has informed the Secretariat of Israel’s assessment that at least 330 mortars, 37 rockets, 40 anti-tank weapons, 46 anti-aircraft missiles, and 17 tons of explosives have entered the Gaza Strip since Operation “Cast Lead” – information the Secretariat cannot independently verify.

Paragraph 18. Conditions for the civilian population remain of grave concern. Food and medicines are entering Gaza, and the first shipment of livestock in 9 months entered Gaza on 19 June in the form of 350 cattle. But the overall quantity and range of goods remains grossly insufficient to support normal economic and social activity. About 70 trucks per day have entered Gaza in the past month, 15% less than the daily average last month, and compared with 392 trucks per day in May 2007 when there was a functioning import-
export system. Right before Cast Lead, the daily average of trucks was 18. The quantities of cooking gas and industrial fuel allowed into Gaza met only 70% and 80% of respective monthly needs.

19. As the Secretary-General said on 11 May, it is completely unacceptable that no reconstruction materials are allowed into Gaza, when an entire civilian population was trapped in a warzone and given the scale of damage caused by Cast Lead. The Secretary-General has presented to Defence Minister Barak a UN proposal to kick-start early recovery in Gaza by opening the crossings for materials to complete UN construction work on housing, health and education facilities suspended since June 2007. The UN has existing mechanisms in place to ensure the integrity of programming. This proposal was developed in close consultation with the Palestinian Authority and the Gaza business community, and Prime Minister Fayyad confirmed today to the Secretary-General his full support. Intensive consultations with the Israeli government have taken place and we await Israel’s reaction.

20. The Israeli government has appointed a new negotiator on the question of Corporal Gilad Shalit, whose third anniversary in captivity was yesterday and to whom the ICRC has not been granted access. Hamas continues to state its readiness to resume negotiations on this file in exchange for the release of a number of the more than 11,000 prisoners held in Israeli jails. Egyptian efforts are continuing to resolve this crucial issue.

21. On 1 June, I met Justice Richard Goldstone when he arrived in Gaza through Rafah to conduct a first phase of fact-finding, pursuant to the mandate given to him by the Human Rights Council. The mission is expected to return to the Strip at the end of this month. Regrettably, the Government of Israel has not extended cooperation to this mission.

Mr. President,

22. We continue to believe strongly in the potential for activating the regional tracks of the peace process alongside a rejuvenated Palestinian track. US Envoy Mitchell visited Lebanon and Syria on 12 and 13 June for discussions on the revitalisation of regional peace efforts. The situation in the occupied Syrian Golan was quiet during the reporting period although Israeli settlement activity continues.

23. We continue to support the Arab Peace Initiative as a key framework for comprehensive peace, and welcome and encourage the active engagement of Arab countries in the efforts underway to create the conditions for resumed negotiations. We also continue to support the convening of an international conference in Moscow.

Mr. President,

24. Turning to Lebanon, and mindful that the Secretary-General will submit his tenth report on the implementation of resolution 1701 at the end of this month, allow me to focus on the most salient issues since the last briefing on 20 April.

25. The 7 June parliamentary elections were held in an atmosphere of calm and without any major security concerns. International observation missions assessed that the elections were largely free and fair. The Secretary-General congratulated the people of Lebanon and all Lebanese parties and institutions concerned on the peaceful conduct of the elections. According to the official results released by the Ministry of Interior,
candidates from the 14 March coalition won 71 out of 128 seats in Parliament, while 8 March candidates won 57 seats.

26. Against this background, a climate of dialogue and cooperation has prevailed in Lebanon since election day. Prime Minister Siniora’s cabinet has been acting in a caretaker capacity since the formal end of the legislative period on 20 June. The election of a new Speaker of Parliament will take place on 25 June. After this step is completed, President Sleiman will designate the Prime Minister-designate, who will then hold formal consultations on the formation of a new government. The Secretary-General has expressed his hope the process of forming a new government will proceed as expeditiously as possible and take place in a calm and secure environment.

27. Lebanon’s Ambassador to Syria arrived in Damascus to take up his post on 20 April and his Syrian counterpart presented his credentials to President Sleiman on 29 May. Both countries now operate functioning embassies in each other’s capitals.

28. In the period since the last briefing, there have been a large number of arrests, including of former and current military officials, over allegations of spying for Israel.

29. On 16 June, a low-ranking Fatah member was assassinated in Saida's Ain el-Hilweh Palestinian refugee camp. The assailants remain unknown. In spite of this attack, it must be noted that the situation inside the refugee camps remained calm during the elections. As concerns the reconstruction of Nahr el-Bared refugee camp, much work remains to be done. Complications due to the discovery of archeological artifacts at the old camp site during rubble removal have recently caused new delays in the reconstruction schedule.

30. On 29 April, the four generals held since 2005 in connection with the assassination of former Prime Minister Rafiq Hariri were released upon the recommendation of the pre-trial judge of the Special Tribunal for Lebanon.

31. The overall situation in UNIFIL’s area of operations remained generally quiet over the reporting period. UNIFIL and the Lebanese Armed Forces continued to carry out intensive joint operational activities during this period. Israeli air violations continued on an almost daily basis during the reporting period.

Mr. President,

32. As we prepare for Friday’s Quartet meeting, we will be looking for a strong affirmation of the international framework for peace as embodied in the resolutions of this Council, existing agreements, and the Arab Peace Initiative. I urge both Israelis and Palestinians to carefully assess the opportunity before them to serve the legitimate interests of their peoples. Israelis have an opportunity to achieve lasting peace and recognition within secure and recognized borders. Palestinians have an opportunity to see the occupation end and a Palestinian State emerge. We need both Israeli and Palestinian governments clearly committed to a two State solution achieved peacefully through negotiations on all core issues; to implementing their Roadmap commitments; and to changing the dynamics in Gaza. International determination is stronger than ever before to ensure that commitments made are commitments monitored and commitments kept.

Thank you, Mr. President.