



**Remarks by United Nations Special Coordinator for the Middle East Peace Process,
Nickolay Mladenov, at the Ad Hoc Liaison Committee (AHLIC) meeting in Brussels**

Brussels, 4 May 2017

Good Afternoon, High Representative Mogherini,

Foreign Minister Brende,

Palestinian Ministers Bishara, Ghneim and Milhem

Minister Tzachi Hanegbi of Israel,

Distinguished guests,

I am grateful to Norway and the EU for convening and chairing this important forum. I join others in welcoming Jason Greenblatt and wish him and all of us success.

Given the limited time, I will restrict my remarks to only the most pressing issues.

Firstly, let me begin with the context in which our discussions take place. The impasse of the Middle East Peace Process is pushing both Israelis and Palestinians to take unilateral steps that drive them further away from each other and reduce the prospects for peace. Settlement expansion, violence, and the absence of visionary leadership continue to define the conflict on a daily basis.

In this context political initiatives are important. In a Middle East that is the midst of a perfect storm of sectarian violence, terror and failing states developments in the Arab-Israeli conflict continue to resonate across the region. The question of Palestine remains a potent symbol and rallying cry that is easily misappropriated and exploited by extremist groups.

The first step in restoring hope is to recognize that both Palestinians and Israelis have legitimate national and historic aspirations that can only be met if they separate in two states that live in peace, security and mutual recognition. That is why now is not the time to give up on the two-state solution.

The second step is to work on the ground to build trust. Steps that reverse the negative trends, including settlement expansion, violence and incitement and address the illicit arms buildup and militant activity in Gaza. But also steps that are in line with existing agreements. Progress in the areas of housing, water, energy, and other sectors, along with significantly easing

Palestinian movement restrictions, can be made while respecting Israel's legitimate security needs. There has been much discussion of these steps in the AHLC format.

It is worth highlighting today the significant efforts of the Palestinian leadership to reduce its budget deficit as the PA faces an 800 million dollar financing gap in the coming year. We in the international community must support the Palestinian Authority's state-building efforts, or risk losing the very foundations of the future Palestinian state. So must Israel, as it is in her security and national interest to see stability and prosperity in the neighbourhood.

In our discussions in the last two days we agreed on the need for increased Palestinian and Israeli economic cooperation and an easing of restrictions on access and movement. While the goodwill and understanding is there — and important water and electricity agreements have been reached, their implementation is still severely lacking. The questions of fiscal leakages, energy, water and access have to be urgently addressed. We must support the parties in reviving their efforts to find solutions to these key economic challenges, as we work to restore a political perspective.

The third step is a return to negotiations. Today it is not just the Israeli and Palestinian leaderships that recognize the risks posed by the Middle East's turmoil. The region — Egypt, Jordan and beyond agree that cooperation — rather than confrontation, is now needed more than ever. This creates a unique opportunity that must be used. The Arab Peace Initiative is still on the table, the Middle East Quartet is engaging on the issues at hand and the new US administration has quickly taken these challenges to task. It is important that we do not miss the opportunity to help the parties find their way back to negotiations.

Allow me now to briefly turn to Gaza.

Ladies and gentlemen,

As we speak we are walking into another crisis in Gaza with our eyes wide open. For the last ten years two million people are held hostage by disagreements, divisions and closures. It is time for this situation to end. In its report to the AHLC this year UNSCO focused on the effects of the ten years of Hamas control of the Gaza strip, the ensuing military confrontations and closures.

The current electricity crisis is a manifestation of the broader political crisis. Since the shutdown of the Gaza Power Plant, hospitals are operating on minimum capacity putting patient lives at risk. The population is supplied portable water only once every four to five days. More than 100,000 cubic meters of raw sewage is being discharged daily into the Mediterranean Sea. These developments increase health risks for both Palestinians and Israelis along the coast.

I urge all parties to refrain from taking actions that would further exacerbate the situation and to seek a political solution to the standoff. This situation can only be resolved through a compromise, based on the implementation of intra-Palestinian agreements that would end the division and return Gaza to the control of the legitimate Palestinian authorities.

Until then and under the current circumstances the United Nations can only work to mitigate the impact of the crisis on the most vulnerable. The Palestinian Authority, Israel and indeed Hamas — who have controlled Gaza for a decade now – have obligations as duty-bearers for the welfare of Gaza's residents and must live up to their responsibilities.

We cannot continue business as usual. We do not have the luxury to manage the conflict, we must resolve it.

We must work in parallel on all tracks — on the political track, to restore hope;
on the trust building track, to encourage the parties to refrain from unilateral steps and improve the lives of people;
on the negotiations track, to help both sides find their way back to the negotiating table to address the final status issues;
on the international track, to support through the Middle East Quartet framework and the region a just and lasting two-state solution;
on the security front, to prevent terror and fight incitement;
and last but not least on addressing the grave situation and the risks emanating from Gaza.

There is much work to be done and I thank you for making the AHLC a very useful format for these discussions.

Thank you

ENDS