Madam President,

1. At the outset, let me express once again my sympathy and that of the Secretary-General to Israel following the death of 43 people in a fire on Mount Carmel two weeks ago. This tragedy was one of the worst natural disasters in the country’s history. Assistance came from the region including from the Palestinian Authority, Egypt, Jordan and Turkey, as well as from further afield. Prime Minister Netanyahu expressed Israel’s gratitude for the solidarity and material support.

Madam President,

2. In September, Prime Minister Netanyahu and President Abbas pledged to seek a framework agreement on permanent status within a year. While this goal remains in place, the process to achieve it has suffered a serious setback. In particular, the Secretary-General regrets Israel’s failure to institute a renewed settlement freeze. On 8 December, American efforts to create a conducive environment for the resumption of direct talks by the renewal of a settlement freeze were brought to a close. Palestinian President Abbas has reaffirmed that he will not return to direct negotiations unless Israel freezes settlement activity.

3. During the reporting period in East Jerusalem, Israeli authorities approved 130 new homes in the settlement of Gilo and the construction of 625 new units was announced in the Pisgat Zeev settlement. In the remainder of the West Bank, according to various reports there has been a significant increase in construction since the moratorium expired on 26 September. According to
the Israeli NGO Peace Now, construction for 1,600 settlement units have started. By way of comparison, approximately 1920 units were commenced during 2009. We wish to make clear that the United Nations will continue to emphasize that settlement activity is contrary to international law, the Roadmap, and the position of the Quartet. We reiterate the united position of the international community that Israel should meet its obligations to freeze all settlement activity and dismantle outposts erected since March 2001.

4. Here in New York on 10 December, Quartet envoys met with US Envoy Mitchell in advance of his trip to the region, and US Secretary of State Clinton gave a speech in Washington on the same day. The need to shift strategy is evident. We understand that the US will now engage both sides in indirect talks on all the final status issues and the Secretary-General expects the parties to engage seriously. We also note that the United States intends to be a proactive participant offering ideas and bridging proposals when appropriate. We believe it is clear that a substantive third party role in mediation is now required. The goal must be a two State solution based on an end to the 1967 occupation and a resolution of all core issues.

5. US Envoy Mitchell is currently in the region, and saw Prime Minister Netanyahu yesterday and President Abbas today, before President Abbas’ departure for a meeting of the Arab League Follow-Up Committee tomorrow in Cairo. We expect close consultation within the Quartet on the effort in the period ahead. Quartet envoys are preparing a meeting of Quartet Principals which we expect to take place soon in the new year. The Secretariat will continue to keep the Security Council apprised of developments through the monthly briefings.

6. In response to requests from President Abbas, Brazil and Argentina recognized the “independent State of Palestine” – within borders that conform to the ceasefire lines of 1967 – on 3 and 6 December, respectively. Yesterday, the EU Council of Ministers reiterated its readiness, when appropriate, to recognize a Palestinian state.

Madam President,
7. Quartet envoys also discussed the urgent need to further enable the statebuilding efforts of the Palestinian Authority. A number of Israeli steps have been under consideration for some time, among them the further easing of restrictions on movement and access; a reduction of Israeli incursions; measures to enable the Palestinian Authority’s efforts to extend into Area C of the West Bank; and the release of prisoners. Such measures are now timely and essential. Israel needs to roll back measures of occupation as the Palestinian Authority rolls out the basis for statehood. Quartet Representative Blair’s efforts are important in this regard.

8. The World Bank reports that in the third quarter of 2010, the Palestinian Authority made steady progress on implementing its reform program, maintaining financial discipline and achieving its budget targets for expenditures. Public financial management systems were further strengthened, while a pension reform plan was adopted to improve efficiency and sustainability.

9. Palestinian security forces continue to make commendable efforts to maintain security in areas currently under their control in the West Bank. As the Secretary-General noted in his speech on the International Day of Solidarity with the Palestinian people, it is indisputable that a reliable security partner has emerged. According to estimates the number of Israeli troops operating in the occupied West Bank is at its lowest level since 2005.

10. However, tensions persist. Israeli security forces, citing security concerns, conducted 193 incursions into Area A in the reporting period, resulting in 21 Palestinians injured and 98 arrested, among them a Palestinian Legislative Council member from the Hamas-affiliated Change and Reform bloc. On 23 November Israeli security forces discovered seven pipe bombs in a Palestinian vehicle at a checkpoint near Tulkarem, and subsequently seized arms and ammunition in a raid. Violent clashes continued between Israeli security forces and anti-barrier demonstrators, and on 6 December an Israeli military tribunal extended the detention of anti-barrier activist Abdallah Abu Rahmah beyond his scheduled release. We note reports that the number of arrests and interrogations of children have increased significantly, in particular in the Silwan district of East Jerusalem in recent months. There were eight attacks by Israeli settlers against Palestinians or their property, injuring two Palestinians, while three attacks by Palestinians resulted in one Israeli settler injured.
11. The number of obstacles to access and movement in the West Bank currently stands at 513; I believe these can and should be meaningfully reduced in quantity and quality consistent with maintaining security.

12. The parties should show discipline and responsibility in refraining from provocative actions. In this regard, I am worried that there has been a rise in demolitions of Palestinian-owned structures in the reporting period, with 14 structures demolished in Area C and 12 demolished in East Jerusalem, displacing 53 people. I have also expressed publicly my concern that, on 8 December, a Palestinian Legislative Council member of the Hamas-affiliated Change and Reform bloc was forcibly transferred from Jerusalem to Ramallah following an Israeli court order. This case and that of three other lawmakers currently facing court proceedings continue to raise serious human rights concerns regarding Palestinian residency rights in East Jerusalem.

13. I am concerned that a study prepared under the auspices of the Palestinian Authority Ministry of Information denied the religious significance of the Western Wall to Jews. I note that this regrettable study has been removed from the Authority’s website. I stress the need for figures of political and religious authority on both sides to refrain from denial or denigration of the other’s heritage, rights and dignity.

14. We continue to follow with concern indications by the Israeli authorities that more restrictive procedures will be applied for crossing points between East Jerusalem and the remainder of the West Bank. While we are cognizant of security concerns, proposed changes must not add new impediments to UN and other international operations, which will be to the detriment of beneficiaries. We are engaging the Israeli authorities on the matter both in New York and on the ground.

15. The Humanitarian Consolidated Appeals Process was launched on 30 November, totaling US$575 million and comprising 213 projects. The CAP articulates a humanitarian strategy for critical needs in Gaza and the West Bank, including East Jerusalem. It aims at addressing humanitarian needs, focusing particularly on areas where the Palestinian Authority has limited
control and where needs are not fully met by the Government of Israel. UN agencies are increasingly facing difficulties in obtaining the required funds from the international community. I ask donors to fully support the CAP 2011 to prevent further deterioration in living conditions.

Madam President,

16. This brings me to Gaza, where we are concerned at recent volatility as well as ongoing closure measures. However, there have also been positive developments. On 8 December, Israel decided to allow exports from Gaza, consistent with security conditions. The resumption of exports is key to reviving Gaza’s economy and its legitimate business sector. We welcome this measure and hope that it will comprise all commercial goods, subject to security considerations, and that crossing capacity will be enhanced as necessary to meet demands. The implementation of this decision will be closely monitored. I appreciate the continued engagement of Quartet Representative Blair on this issue. The United Nations continues to seek the end of closure of the Gaza Strip within the framework of Security Council Resolution 1860 (2009).

17. The weekly number of truckloads entering the Gaza Strip decreased slightly to 997 from 1,026 during the last reporting period and 566 in June 2010 before the announcement of the revised Israeli Gaza policy. A weekly average of 2,800 trucks entered Gaza in June 2007.

18. United Nations agencies have received approval to complete construction projects in Gaza totaling $110 million. This is a positive step but further progress is critical. I have discussed with the Israeli authorities the need for approval and implementation procedures to move faster, and urged them to allow the provision of construction material to the private sector in Gaza and to expedite further approvals of UN projects, including more UNRWA schools before the end of the year. I remind the Council that with very few exceptions, the 1.5 million people of Gaza are unable to leave the Strip for the normal purposes that most of us take for granted, and freer movement of people must also be a priority.

19. It is essential that calm is maintained. The de facto authorities have publicly repeated their desire to maintain calm, however militant groups fired five rockets and twenty mortar shells from Gaza
into Israel. A mortar wounded an Israeli on 8 December in the western Negev, while a rocket hit a civilian house the same day. A rocket the previous day for which the PFLP claimed responsibility struck the south of Ashkelon. I condemn indiscriminate rocket fire at Israel. Allegations continue to be made of weapons smuggling into the Strip. During the reporting period, Israeli Security Forces conducted four air strikes and 12 incursions into Gaza. In total, four Palestinian militants were killed and one was injured, while 23 Palestinian civilians were also injured. I stress the importance of maximum Israeli restraint. I underscore the need for all parties to protect civilians and respect international humanitarian law.

20. I reiterate the calls of the United Nations for the immediate release of Staff Sergeant Gilad Shalit and for humanitarian access to be granted to him. I commend President Abbas' call on Shalit’s captors to release him. It is deeply regrettable that a prisoner exchange deal has not yet been concluded. I also note that an International Arab Conference stressing concern for Palestinian prisoners was hosted in Algeria on 5 and 6 December.

21. I am concerned that the de facto authorities in Gaza issued a temporary closure order to the offices of the Sharek Youth Forum, an important NGO partner of the United Nations and other international agencies. I call for Sharek to be permitted to continue its work in Gaza without further delay or undue hindrance. I stress the importance of full respect for the work of legitimate civil society organizations in Gaza and the need to uphold fundamental freedoms of association and expression.

22. There has been no progress in efforts to restore Palestinian unity within the framework of the legitimate Palestinian Authority and PLO commitments. On the ground, I am concerned at signs of tensions. My office continues to urge an end to any challenges to the legitimate Palestinian Authority, and respect for human rights by all security forces in Gaza or the West Bank. Palestinian Authority security forces arrested members of a Hamas cell in the West Bank, allegedly preparing attacks against Palestinian and Israeli targets, and Hamas security forces detained a number of Fateh members throughout the Gaza Strip. Internal calm is needed if reconciliation is to progress
Madam President,

23. We are also concerned at the continuing lack of progress in the effort to promote peace negotiations between Israel and Syria, and at public expressions of lack of confidence in the prospects for progress. While the situation in the occupied Syrian Golan has remained stable despite continued settlement activity, the resolution of the conflict between these two countries on the basis of Security Council resolutions is important in its own right and critical for regional stability, and is an essential part of realizing the vision of the Arab Peace Initiative.

24. I note that contacts continue by diplomatic actors with a view to exploring possibilities for progress. Recalling also that Turkey has in the past been an important facilitator of efforts on the regional track, we hope that recent contacts between Israel and Turkey in the aftermath of Turkey’s provision of assistance to fight the Carmel fire can help both countries overcome past tensions.

Madam President,

25. I now turn to Lebanon, where political activity continues to be dominated by speculation concerning the Special Tribunal for Lebanon. The differences between political camps brought about the suspension of cabinet meetings from 10 November until a meeting now scheduled for tomorrow, 15 December. Lebanese parties continue to express their support for efforts by countries in the region, particularly Syria and Saudi Arabia, to promote stability in Lebanon. In his meetings with representatives from a broad range of political parties in Lebanon, Special Coordinator Williams has continued to encourage all parties to resolve any disagreement through dialogue and through the regular institutions of the state.

26. The reconstruction effort in the Palestinian refugee camp of Nahr al-Bared continues to face challenges. With the return of the first two thousand refugees to the camp expected by January 2011, I urge donors to continue to provide vital financial assistance to the reconstruction of Nahr al-Bared and to UNRWA’s General Fund.
27. Over the last month, the overall situation in the UNIFIL area of operations has been generally quiet. Air violations have continued to take place on an almost daily basis. During the reporting period, Special Coordinator for Lebanon Williams, and UNIFIL Force Commander, Gen. Asarta, held consultations with the parties to discuss details related to the 17 November decision of the Israeli security cabinet to accept, in principle, the United Nations proposal for a withdrawal of the IDF from the northern part of the village.

Madam President,

28. I cannot over-emphasize the importance of the period we are now entering. The Parties have set for themselves important timelines that have received strong international endorsement, and 2011 is the year in which these are to be met. It is vital that both parties are now fully forthcoming on substance in talks with the United States; and that further measures are taken on the ground without delay to strengthen and enable the agenda of Palestinian state building. We must also continue to focus on improving conditions in Gaza, while calm must be maintained.

29. We must focus with urgency on the essential elements of a negotiated two-State end-game, for the benefit of both peoples. We urge both leaders to do so, and we also believe that an active third party role on substance is essential if this is to be done. Close consultation within the Quartet is important in this regard. In the year ahead, the credibility of the political process and of its sponsors, including the Quartet, will also be at stake. The Secretary-General will continue to work with the parties, the Quartet, and regional and international partners in pursuit of a lasting two State solution and comprehensive peace in the region.

Thank you, Madam President.