Mr. President,

1. At the outset, I wish to inform the Council that this briefing will focus mainly on developments relating to Gaza; the Secretariat will report fully on other developments in next month’s briefing.

2. Following the Presidential Statement of the Security Council on 1 June on the flotilla incident of 31 May, the Secretary-General and I have been active to address the immediate aftermath of the tragedy and renew our urgings for a fundamentally different approach to Gaza, while underscoring UN support for all efforts to preserve and promote the broader political process. The Secretary-General has been in contact with a number of regional and world leaders and I have been engaged on the ground, including with the parties and Quartet colleagues.

3. I reiterate the Secretary-General’s regret for the loss of life and injuries resulting from the use of force during the Israeli military operation and his condemnation of the acts which, as now appears, resulted in the deaths of 9 civilians and injuries to at least 30 others, together with 7 IDF soldiers.

4. By 2 June, 682 detained civilians were repatriated. Five Israeli citizens were questioned in Israeli custody and conditionally released between 1 and 3 June. The vessels remain in Israeli ports.

5. A further vessel, the “Rachel Corrie”, was intercepted by Israeli naval forces as it sailed for Gaza on 5 June, without violence from any party, and was re-routed with its passengers and cargo to the Israeli port of Ashdod. There continue to be reports of
intentions to send further ships from several quarters to try to reach Gaza. I reiterate the Secretary-General’s earlier comments that all parties should act responsibly and with caution, to avoid any further kind of incident.

6. In its 1 June Presidential Statement, this Council called for a prompt, impartial, credible and transparent investigation conforming to international standards. The Secretary-General held consultations with the permanent members of the Security Council and a host of other concerned parties on the modalities to comply with the Council’s call. In this context, he has proposed an international panel, one that is under the aegis of a third party seen as impartial and in which both Turkey and Israel actively participate. He has briefed the leadership of both Turkey and Israel.

7. On 14 June, the Israeli Prime Minister announced the formation of a public Commission to examine the flotilla incident, to be composed of three Israeli members and two international personalities, who will participate as observers. The Secretary-General has taken note of Israel’s announcement and recognises that a thorough Israeli investigation is important, and could be consistent with the Secretary-General’s own proposals for an international panel – the two combined would fully meet the international community’s expectation for a credible and impartial investigation. The Secretary-General’s proposal is not incompatible with domestic inquiries, in fact, the two approaches are complementary, so his proposal, accordingly, remains on the table.

8. Mr. President, consistent with the wish of this Council for the cargo to reach its destination, as expressed in the Presidential Statement of 1 June, and after consultations with the parties concerned, I wish to announce that the United Nations is ready to accept this responsibility on an exceptional basis. The United Nations has obtained the consent of the cargo owners of the three Turkish-registered vessels to take possession of and responsibility for the entire cargo and ensure its timely distribution in Gaza for humanitarian purposes as determined by the United Nations. The Government of Israel has agreed to release the entire cargo to the United Nations in Gaza, again on the understanding that it is for the United Nations to determine its appropriate humanitarian use in Gaza. We have reason to believe that the de facto authorities in Gaza will respect the independence of UN programming in this regard. I appreciate the constructive role played by the Government of Turkey in facilitating this process.

9. We will begin to operationalize this understanding as soon as possible, maintaining close contact and full transparency. It will be essential that all parties respect the independence of the United Nations as we undertake this work. It is equally important to stress that the amount of material on the vessels in question, which includes medical and construction supplies, is comparatively modest in scale compared with the needs in Gaza.

Mr. President,
10. It is these needs which must be the focus of immediate action, and the Council’s attention. The flotilla crisis is the latest symptom of a failed policy. As the Secretary-General has repeatedly stated, the situation in Gaza is unsustainable and the current policy is unacceptable and counter-productive and requires a different and more positive strategy. The closure and blockade of the Gaza Strip needs to come to an end.

11. There is now a welcome international consensus on Gaza. It is fully agreed by the Quartet that there must be a fundamental change to the situation. To this end, Quartet Principals have engaged with the Israeli leadership and Quartet Representative Blair has had several meetings with the government. I have been informed that Israel is now conducting a review of its Gaza policy. I believe it is vital that this results in an end to measures which punish the civilian population. It is important that measures taken by all parties are part of a broader strategy to implement Security Council resolution 1860 in all of its aspects.

12. The basic principle that should guide the policy on Gaza is clear. Everything should be allowed into Gaza, unless there is a specific and legitimate security reason. Israel should therefore move from the current policy – where only about 116 items are approved to enter Gaza – to a policy in which all goods and materials are able to enter Gaza unless there is a legitimate security rationale against it. Even in such cases, existing understandings between Israel and the UN that have enabled some UN construction projects to begin recently demonstrate that even so-called “dual use” items can enter Gaza and be used for proper civilian purposes. Accordingly, Israel should facilitate and fast-track UN projects on a large scale, particularly in areas such as water and sanitation, energy, education, and health. Needs are immense in these sectors, in the face of a collapsing aquifer, a burgeoning student population, pressures on the public health system, and an urgent need for spare parts for the power plant and electricity grid. Other key development projects should also be approved on a similar basis to meet the needs of a growing population half of whom are under 18 years old. In addition, we strongly hope that exports would now be facilitated at a proper scale, and that the categories of people permitted to enter and leave Gaza would be significantly expanded.

13. To implement these measures, it will be crucial to expand capacity at commercial crossings between Israel and Gaza. Practical steps should be taken in this regard to reinstate the framework of the Agreement on Movement and Access, including the Palestinian Authority’s appropriate presence at crossings.

14. A fundamental change in policy would empower moderation in Gaza while ensuring that its civilian population was not reliant on an illicit economy which empowers smugglers and militants. It would also begin to address unmet needs in Gaza, which are easily illustrated with a few statistics. Given the state of economic collapse and rising poverty levels, 61% of Gaza’s households are food insecure and 80% of the population receives some kind of humanitarian assistance, mainly food and cash assistance. At least 70
percent of industrial establishments are totally closed, with the remainder working at very low capacity. According to a UNDP survey, three-quarters of the damage wrought by Operation Cast Lead has not been repaired or rebuilt – including homes, schools and hospitals. Electricity production from the Gaza Power Plant now stands at 38% of its full capacity, leaving the majority of the population in Gaza with power cuts of 8-12 hours per day.

15. Between 16 May and 13 June, 566 truckloads went into Gaza on average per week, a 6% drop compared to the previous reporting period. This included building materials for the approved UN package, on which work is proceeding, as well as for a French project to repair a hospital in Gaza City.

16. Between 15 and 20 May, the Rafah border crossing with Egypt was exceptionally opened for six days, facilitating the entry and departure of thousands of Gazans for humanitarian purposes. Since 2 June, the Egyptian authorities have opened the Rafah crossing for pedestrian passengers to and from the Gaza Strip; some 5000 Gazans flocked to Rafah on the first day. Egypt destroyed a number of smuggling tunnels and continues to install preventive measures including steel sheeting along its border with Gaza. Over the reporting period, eight people died and 14 more were injured in tunnel-related incidents.

17. On 25 June, Israeli Corporal Gilad Shalit will have been in captivity for four years. We call on his captors to urgently allow third party access to him, and to release him immediately. We also note the detention of over 9,000 Palestinians in Israeli jails, among them women and children, and persons detained without charge. We urge the completion of a prisoner exchange agreement, as well as further releases of Palestinian prisoners to the Palestinian Authority.

18. Since the flotilla incident, the de facto authorities maintained comparative calm with Israel. Nevertheless, militant groups fired some 29 indiscriminate rockets into Southern Israel during the reporting period, causing no injuries. The IDF conducted 10 incursions and 12 airstrikes, killing 13 Palestinians, all of whom were alleged militants, and injuring 44, of whom 40 were reportedly civilians, including six women and seven children. We continue to condemn rocket fire, which indiscriminately targets civilians, and acts of disproportionate military force which endangers civilians. We urge calm and full respect by all parties of international humanitarian law.

19. We are also making directly clear to interlocutors in Gaza that, just as we urge a significant change in Israel’s policy at the crossings, we would be looking for a significant change from Hamas in its policies as well, particularly in declaring an extended ceasefire and acting to prevent all forms of violence against Israel.

20. During the reporting period there was a worrying spate of attacks on international and civil society organizations in Gaza. The Secretary-General has condemned the disturbing
vandalism of an UNRWA summer camp for Gazan children on 23 May, with accompanying threats to the safety of UN personnel. I am however pleased to report that the UNRWA Summer Games, which will provide much-needed recreation and relief from the stresses of living in the Strip for some 250,000 children, have been successfully underway in 144 locations since 12 June. In early June, Hamas security forces broke into a number of NGO offices – including UN partners – in Gaza City and Rafah, closing them down and confiscating their equipment. In a statement on 3 June, I called for the reversal of these repressive and unacceptable actions, which only harm Palestinians. The United Nations will continue to discharge its full responsibilities towards the civilian population in Gaza, and will engage and work actively with NGO partners.

21. Despite continuing efforts to promote internal dialogue by Palestinian figures, Hamas continues to refuse the Egyptian-mediated proposal for Palestinian reconciliation. I can therefore report no progress in efforts to reunite Gaza with the West Bank within the framework of the legitimate Palestinian Authority. I would stress here that Palestinian unity is a key component to finding a sustainable solution to the crisis in Gaza. The need for tangible steps on intra-Palestinian reconciliation is cited in Resolution 1860.

22. I note that, on 13 June, the Secretary-General of the League of Arab States visited the Gaza Strip, urging an end to the blockade of Gaza and Palestinian reconciliation in order to advance towards legitimate Palestinian aspirations for the creation of an independent Palestinian State as part of a two State solution.

Mr. President,

23. I have focused on Gaza, and will speak only briefly on other issues, pending a fuller briefing next month. The Quartet is agreed that it is vital to push ahead with the proximity talks. Special Envoy Mitchell held a further round of talks with President Abbas on 19 May and with Prime Minister Netanyahu on 20 May, and both sides reaffirmed their commitment to continue the talks in the aftermath of the flotilla incident. Special Envoy Mitchell visited the region again from Wednesday, 2 June for a further three days of what he described as constructive and substantive talks, and he is due to return to the region again this week.

24. I wish to underline to the Council precisely how delicate and urgent these negotiations are. Israel’s settlement restraint policy will expire in three months from now, while President Abbas’ support from the Arab League for continuing negotiations has a similar timeframe. Within that time, we must have made sufficient progress at the table and on the ground to enable a move to meaningful direct negotiations, otherwise it is difficult to see how a political process can be sustained – much less how negotiations can converge, meaningfully and decisively, on an agreement on the core issues of the conflict. This, ultimately, is the only path to peace.
25. The proximity talks must be supported by positive actions on the ground and I urge the parties to implement their obligations and refrain from provocations. This includes Israel’s obligation to freeze all settlement activity, including natural growth, dismantle outposts erected since March 2001, and reopen Palestinian institutions in East Jerusalem; and Palestinian action to combat violence and terror and continue the reforms that have made important strides in recent years.

26. I particularly stress the sensitive situation in Jerusalem, where tensions have continued in the reporting period. I also stress the importance of calm in the West Bank, where there have been a number of worrying violent incidents, including Israeli settler attacks on Palestinians and yesterday’s attack on an Israeli police patrol, resulting in the death of a policeman, which was condemned by the Palestinian Authority.

27. The second Palestinian Investment Conference was successfully held between 2-3 June in Bethlehem, resulting in pledges of almost one billion US dollars of investments in Palestinian businesses. This is an encouraging sign of investors trust in the PA’s institution building efforts, including those to restructure the Palestinian economy and create an enabling environment for investors. Meanwhile, the PA has received US$ 491 million to support recurrent budgetary costs. In order to ensure continued support to the Palestinian Authority reform agenda, a total of $1.2 billion in external financing is required in 2010.

28. The Israeli, Palestinian and other members of the International Women's Commission met on 1 and 2 June in Madrid where participants gathered to highlight the 10th anniversary of resolution 1325 and the work that remains outstanding to ensure its implementation. I will be working with the IWC and other groups in the coming months to ensure the provisions of the SCR 1325, and issues relating to the rights and representation of women, are advanced in the effort for peace in the Middle East.

Mr. President,

29. Regrettably, I can report no concrete developments to renew Israeli-Syrian negotiations or on the broader regional aspects of peace. The situation in the occupied Syrian Golan remained stable, although settlement activity continued during the reporting period. A fire was started on 26 May by an Israeli military drill which destroyed an estimated 5,000 acres.

30. Turning now to Lebanon, I will be brief, as the Secretary-General’s report on the implementation of resolution 1701 will be submitted to you at the end of this month. The situation in the past month has been stable. Municipal elections were held on four Sundays during the month of May. The elections were conducted in a peaceful and calm atmosphere with the exception of Saida, where some security incidents resulted in injuries but no fatalities were reported.
31. Funding for the reconstruction of the Nahr el Bared refugee camp remains a major concern. There is currently a deficit of USD 209 million in funds needed for rebuilding the camp. The United Nations urges the international community to renew its financial support.

32. The situation in the area of operations of the United Nations Interim Force in Lebanon remains quiet. During the period under review, Israeli air violations continued on an almost daily basis mostly by unmanned aerial vehicles but also by fighter jets.

Mr. President,

33. Mr. President, this body clearly stated two weeks ago that the situation in Gaza is not sustainable. We agree that it must change. There is a welcome Quartet consensus on this and on the policy changes expected from Israel to end the closure regime in a manner consistent with its legitimate security concerns. This should also be the catalyst for addressing the broader issues as set out in Resolution 1860. The Secretary-General is determined to transform this crisis into an opportunity for real change on the ground and he will continue to work for this objective in close cooperation with the Quartet and the Council. The United Nations is already playing a crucial role in addressing the manifold issues confronting Gaza and is ready to significantly expand its interventions.

34. At the same time, we must not lose track of the need to sustain the proximity talks on the core issues, and buttress them by concrete progress on the ground in both the West Bank, including East Jerusalem, and Gaza, with a view to moving to direct talks as soon as possible. I call on the parties to keep up their cooperative approach in this regard, and count on the support of this Council to help maintain a climate conducive to peace.