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**UNITED NATIONS SPECIAL COORDINATOR**  
**FOR THE MIDDLE EAST PEACE PROCESS**  
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**BRIEFING TO THE SECURITY COUNCIL**  
**ON THE SITUATION IN THE MIDDLE EAST**  
**17 September 2010**

Mr. President,

1. We are at a moment of renewed hope in the search for peace in the Middle East. After months of proximity talks, Prime Minister Netanyahu and President Abbas came together on 1 and 2 September in Washington under the auspices of President Obama and Secretary Clinton to launch direct Israeli-Palestinian negotiations, and conducted a second round of talks on 14 September in Sharm el Sheikh and 15 September in Jerusalem with the participation of Secretary Clinton. The Secretary-General commends the leaders on these important first steps, thanks President Obama, Secretary Clinton and Envoy Mitchell for their commitment, and welcomes the personal support to the process of President Mubarak of Egypt and King Abdullah of Jordan.
2. Prior to the talks, the Quartet reaffirmed on 20 August its full commitment to its previous statements, including on 19 March in Moscow, and provided that direct, bilateral negotiations that resolve all final status issues should “lead to a settlement, negotiated between the parties, that ends the occupation which began in 1967 and results in the emergence of an independent, democratic and viable Palestinian State living side by side in peace and security with Israel and its other neighbours”. The Quartet expressed its determination to support the parties throughout the negotiations, which can be completed within one year, and the implementation of an agreement.
3. In Washington, Prime Minister Netanyahu affirmed that President Abbas was his partner for peace, while President Abbas condemned violence and stated his desire to see a permanent end to the conflict. The leaders agreed to seek a solution based on two states for two peoples. They agreed that the negotiations could be completed within one year, and that their aim was to resolve borders, security, refugees, Jerusalem and all other core issues. They decided to meet every fortnight and to work on a framework agreement on permanent status. This is not an interim agreement, but one that embodies the fundamental compromises necessary to achieve a comprehensive peace treaty to end the conflict and establish a lasting peace between Israel and the Palestinians, creating a democratic and viable Palestinian state alongside a secure state of Israel. In the second round of talks, the leaders began a serious discussion of the core issues.

Mr. President,

4. On 31 August, as the leaders were preparing to launch negotiations, four Israelis were killed at near point-blank range while driving in a car in Area C of the West Bank. This attack was widely condemned. Hamas claimed responsibility for it, and for a subsequent attack using similar methods on 1 September which injured two other Israelis. I commend the reaction of both leaders to this attack. President Abbas condemned it, and Palestinian Security Forces conducted interrogations and arrested four individuals allegedly involved. Prime Minister Netanyahu moved ahead with direct talks, stating that, while Israel seeks security guarantees, it will not allow terrorists to deter it from pursuing peace. It continues to be important that the parties each act to rein in extremists on their own side who will seek to undermine the political process.
5. I strongly remind Hamas that the path of non-violence, Palestinian unity, and acceptance of basic principles of the peace process is the only one through which legitimate Palestinian aspirations can be attained.
6. Nine and a half months ago, Prime Minister Netanyahu commendably instituted a partial settlement restraint, which has had a positive impact on the ground. The Secretary-General joins President Obama, Secretary Clinton and EU Foreign Ministers in calling for an extension of the moratorium beyond its scheduled expiry at the end of this month. Indeed, we reaffirm the UN's position that settlements are illegal under international law, and the Quartet's call on Israel to freeze all settlement activity, including natural growth, in accordance with the Roadmap. We count on the continued leadership of Prime Minister Netanyahu and President Abbas to refrain from provocative actions and work as partners to create an environment conducive to successful negotiations.
7. I also stress the importance of the regional context. I encourage concrete steps of support from regional countries as the process moves forward. I also encourage Israel and Syria, and Lebanon too, to respond positively to efforts to explore the way forward on the regional tracks of the peace process. All parties should work to realize the full promise of the Arab Peace Initiative.
8. To review progress in the Israeli-Palestinian talks and in the overall search for a just and lasting peace in the region, the Secretary-General will host Quartet Principals on 21 September, followed by a meeting with members of the League of Arab States Follow Up Committee on the Arab Peace Initiative.

Mr. President,

9. Members of the Ad Hoc Liaison Committee will also meet in New York on 21 September to review progress and chart the way ahead in the economic and institution-building sphere. I draw to the Council's attention the conclusion of the World Bank in its report for the AHLC meeting that "if the Palestinian Authority maintains its current performance in institution-building and delivery of public services, it is well-positioned for the establishment of a state at any point in the near future". I strongly share that assessment.

10. On 29 August the Palestinian Authority presented its "Homestretch to Freedom" document, which charts the path to completion by August 2011 of the Palestinian Authority's two-year agenda of ensuring institutional readiness for statehood. It commits to concrete deliverables, clear roles and responsibilities, and transparency and accountability for results. It also provides direction and focus for international assistance.
11. To sustain this agenda, the PA's recurrent budgetary needs and a mounting liquidity crisis must be urgently addressed. I welcome recent commitments from donors of additional funding, and encourage further commitments in order to meet the remaining critical gap in external financing.
12. The World Bank and the IMF report solid economic growth in the West Bank and Gaza this year, with growth for 2010 conservatively projected at 8%. In the West Bank, private sector confidence continued to be bolstered by sound PA management and reforms, supported by donor aid, improvements in security conditions, and fewer controls on internal movement of goods and people than in early 2009. However, the World Bank warns that unless action is taken in the near future to address the remaining obstacles to private sector development and sustainable growth, the PA will remain donor dependent and its institutions, no matter how robust, will not be able to underpin a viable state. As the PA seeks to roll out the basis for its state, measures of occupation must be rolled back.
13. In this regard, we continue to urge a reduction in incursions, a further easing of obstacles to movement, and expansion of the security remit of the Palestinian Authority. The number of obstacles to movement throughout the West Bank remained roughly constant at around 500, which is around 70 fewer than at the beginning of the year. Citing security concerns, Israeli security forces injured 22 Palestinians and arrested 162 Palestinians in 279 incursions in the West Bank, in which 6 Israeli soldiers were also injured. Today, Israeli forces killed a Hamas militant in an operation in the West Bank city of Tulkarem. Several demolition and eviction orders are pending against Palestinian communities in Area C, and we urge the Israeli authorities not to implement those orders or issue new ones.
14. The situation in East Jerusalem was largely quiet during the reporting period – a deplorable exception occurred on 26 August, when a reported attempt by Israeli settlers to enter forcefully a mosque in the East Jerusalem neighborhood of Silwan triggered clashes between Palestinian demonstrators and Israeli police forces. The status of the four Palestinian Legislative Council members from the Hamas-affiliated Change and Reform bloc remains unresolved, and we urge a sensible resolution of this unsustainable situation. While Ramadan passed in the city without major disturbances, the majority of the Palestinian population continues to be unable to access Friday prayers at holy sites in East Jerusalem. However, access to the City was more orderly this year than in previous months of Ramadan, and some 80,000 people crossed the four authorized checkpoints from the West Bank into East Jerusalem on average on Fridays during Ramadan.

Mr. President,

15. I remain heavily engaged with the parties in seeking to shift dynamics regarding Gaza, within the framework of Security Council resolution 1860.
16. In this regard, a recent upsurge in violence is alarming and can only set back efforts to make progress in Gaza. During the reporting period, Palestinian militant groups fired ten rockets and 22 mortars from Gaza into Israel, injuring two Israelis and hitting close to residential areas in southern Israel. Israeli forces conducted 10 air strikes and 18 incursions into Gaza, killing seven Palestinians and injuring four others. Three Palestinians also died in tunnel-related incidents. In a tragic incident on 12 September that raises serious concerns, an Israeli tank fire killed three Palestinian civilians; the Israel Defence Forces subsequently acknowledged that the three may not have been involved in militant activities. I strongly reiterate my call for full observance by all parties of their obligations regarding protection of civilians under international humanitarian law, and for observance of calm.
17. I am also deeply concerned at the continued denial of the basic human rights of Israeli Staff Sergeant Shalit, to whom no international access has been granted despite more than four years in solitary detention. We reiterate our call for access, and for his release.
18. During the reporting period, an average of 988 truckloads entered Gaza from Israel per week – a slight decrease over the previous period, and about half the weekly levels before June 2007. Most imports were food items, but some raw materials and machinery used for industries also entered. Movement of people remained severely restricted. Tunnel trade has dropped in items being provided through Israeli crossings, but continues in other items. Egypt continued its effort to counter smuggling of weapons, closing a number of tunnels, uncovering militant structures and missiles in the Sinai, and making arrests. The Rafah crossing remained open for humanitarian purposes and transit to other countries for foreign visa holders, including religious pilgrimage.
19. The partial easing of the Israeli blockade has helped generate 16% growth in Gaza in the first half of this year. There are now 1365 industrial establishments operating in Gaza, up from 117 in 2008, but still only a third of the 3900 operating before June 2007. While some progress has therefore been made, restrictions on the entry of construction materials and on exports are severely limiting private reconstruction and the revival of the private sector. I believe it is possible and desirable for more to be done to ease these constraints, as well as to enable Gazans to move more freely, consistent with legitimate Israeli security concerns. I continue to support efforts to enhance the presence of the Palestinian Authority at crossings.
20. I am pleased that genuine headway has been made in approvals of international projects in Gaza and I appreciate Israel's cooperation in this regard. Israel approved \$100 million of construction works in Gaza in the first six months of 2010, just under \$60 million of which was for UN projects. Since the announcement of its revised policy on Gaza in June, Israeli authorities have

- approved 31 further construction projects, including \$15 million for UNRWA projects.
21. The UN continues to consult closely with the Palestinian Authority on priority areas of work necessary in Gaza and has now presented to the Government of Israel a 12 month programme of construction and reconstruction work worth \$250 million. I expect that this programme of work will receive timely approval by the Israeli authorities, and that the procedures for the entry of material will be simplified to enable implementation.
  22. Regarding the cargo from three vessels of the 31 May flotilla, arrangements have now been finalized for the use of the construction materials in UN projects in Gaza. I underscore the exceptional nature of this arrangement. We continue to believe that the appropriate way to meet needs in Gaza is through legitimate crossings.
  23. The UN has actively supported local efforts to resolve internal Palestinian differences over electricity revenue collection, which have been causing heavy electricity shortages. Following an understanding reached last month, revenues collected from electricity bills have been transferred to the Palestinian Authority to purchase fuel for the Gaza Power Plant. As a result, power cuts were reduced by about half.
  24. I am concerned at purported approval of legislation by the de facto authorities in Gaza which will undermine the independence of a national human rights institution operating in Gaza.
  25. Since the last monthly briefing to the Council, the Secretary-General's Panel of Inquiry on the 31 May 2010 Flotilla Incident has convened for the second time, on 2 and 3 September. On 15 September, the Secretary-General received the initial progress report he requested from the Panel. This report was largely procedural in nature, explaining the Panel's understanding of the tasks at hand and the working methods it has unanimously adopted in order to carry out its mandate. The Panel indicated that it had received an interim report, with annexes and related material, from Turkey on the progress with respect to its national investigation. The Panel agreed that it would discuss and review the interim reports, once it had also received a report from Israel. The Secretary-General stated that he looked forward to the Panel's substantive treatment of the flotilla incident. He is encouraged that the Panel reported it had conducted its proceedings in a positive and collegial atmosphere.

Mr. President,

26. I have already stressed the importance of progress towards regional peace. On the ground, the situation in the occupied Syrian Golan remained stable, although settlement activity continued. I am pleased to report that during the reporting period, a delegation of 220 women and 480 men received permits from Israel to visit families in Syria.

27. Turning to the situation in Lebanon, clashes broke out on 24 August in the Beirut neighborhood of Burj Abi Haidar between supporters of Hizbullah and of Al-Ahbash, a Sunni group. Three people, including a senior Hizbullah official, were killed in street battles, which rapidly spread to surrounding areas and lasted for several hours. Leaders of Al-Habash traveled to Damascus the day after the incident and subsequently met with Hizbullah leaders; both sides agreed that the confrontation should be regarded as an isolated incident that they vowed would not be repeated. An investigation into the clashes, which has led to the arrest of at least 23 individuals, is ongoing. In response to this incident, the Lebanese Cabinet announced the reinforcement of the presence of the Lebanese Armed Forces and the Internal Security Forces in Beirut.
28. Prime Minister Hariri traveled to Damascus on 29 August for a meeting with President Assad. Over the past month, there has been increased political tension in Lebanon, linked to speculation concerning prospective potential indictments that the Special Tribunal for Lebanon might issue. The National Dialogue met again on 19 August. Participants agreed to pursue discussions on the national defence strategy and to meet again on 19 October.
29. Amendments to employment legislation adopted by the Lebanese Parliament on 18 August represent a step in the right direction in terms of providing Palestinians in Lebanon with greater rights. The United Nations looks forward to the practical application of these new entitlements, under the leadership of the Lebanese Ministry of Labour. These changes, although crucial, will need to be complemented by further steps to lift Palestinians out of poverty. Funding shortfalls for the reconstruction of Nahr el Bared remain an issue of serious concern, with 64% of total funds needed for complete reconstruction of the camp still outstanding. We urge donors to remain committed to provide generous financial support for the reconstruction efforts, as well as for UNRWA's work throughout the region.
30. Turning to the situation in the UNIFIL area of operations, on 3 September an explosion occurred on the first floor of a house in the village of Shehabiyeh, causing a fire in two rooms of the house and an adjacent garage. UNIFIL immediately launched an investigation into the incident, which is ongoing. During the month, air violations took place on an almost daily basis.

Mr. President,

31. With renewed peace talks, the opportunity is great and the stakes are high. Making peace will not be easy and carries risks, but the dangers of not trying are much graver. Both leaders have shown that they recognize this. Having summoned the courage to begin, they must now sustain the courage to progress, and find the wisdom and statesmanship to lead their governments and peoples to a peace agreement.
32. Our collective task is to support these negotiations and maximize prospects for success. The international consensus is and must remain strong behind this

process, to ensure that it is seen through to the end. The Secretary-General will continue to fully discharge his responsibilities in this regard.

Thank you, Mr. President.

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