

**MR. B. LYNN PASCOE, UNDER-SECRETARY-GENERAL
FOR POLITICAL AFFAIRS**

**BRIEFING TO THE SECURITY COUNCIL
ON THE SITUATION IN THE MIDDLE EAST**

20 AUGUST 2008

Mr. President,

1. This reporting period has seen a number of significant developments in the region. On 30 July, Prime Minister Olmert announced that he will not be seeking re-election as leader of the Kadima party in a primary scheduled for 17 September, and will therefore be stepping down as Prime Minister. Mr. Olmert is expected to remain in office until either a new government is formed by the new party leader or after general elections.

2. Despite this development, the Israeli-Palestinian negotiations continue, as do the indirect talks with Syria. There was a rise of internal Palestinian violence as Hamas took action to consolidate its hold over the Gaza Strip. The fragile ceasefire between Hamas and Israel continues to hold, but the situation on the ground in the West Bank and East Jerusalem remains a cause for concern.

Mr. President,

3. The negotiations with the Palestinians as part of the Annapolis process are ongoing, at both a political and a technical level, and on 6 August, Prime Minister Olmert met again with President Abbas. It would appear that gaps

between the parties' positions remain and I reiterate the Secretary-General's call for the need to press ahead to make real progress in overcoming differences to reach the goal of an agreement by the end of this year, despite the political constraints.

4. During this reporting period there was a major increase in Palestinian internal violence, contributing to the overall total of 43 Palestinians killed and 366 injured. One Israeli soldier died of injuries sustained on 11 July in East Jerusalem, and nine Israelis were reported injured.

5. The rise in internal Palestinian violence stemmed from an incident on 25 July in which five Hamas members and a child were killed in a beachside bombing in Gaza. Hamas claimed that the Fatah-affiliated Hillis clan were sheltering the perpetrators and attacked the clan's stronghold in eastern Gaza City, the last bastion of Fatah military presence in the Gaza Strip. The ensuing violence left 10 members of the Hillis family dead and dozens of members of the clan fled to the West Bank through Israel. Members of the Hillis family were detained by Hamas along with dozens of Fatah and other activists, and there have been allegations of torture committed by Hamas against detainees.

6. Following the 25 July bombing, Hamas initiated a well-orchestrated campaign for total control of the Gaza Strip. Hamas forces raided over 200 community-based organisations in Gaza and closed them down. The closures of these organisations disrupted activities involving thousands of beneficiaries, as 23 of the institutions are supported by UN agencies. 80 of the organisations have been re-opened following Hamas reviews of their

operations. Hamas also seized control of the last remaining PA institutions within the Strip, most notably the Governorates which Hamas had previously recognised as legitimate PA structures and which had continued to report to President Abbas. Three Governors were detained by Hamas forces and two Governors are still in prison. These actions severely prejudice the prospects for Palestinian reunification within the framework of the legitimate Palestinian Authority. We are also concerned at the potential consequences for UN operations in Gaza.

7. In reaction to Hamas' actions in Gaza, Palestinian security forces in the West Bank arrested dozens of Hamas activists, most of whom were later freed on the orders of President Abbas. PA security forces closed a number of Hamas-linked institutions in the West Bank. Hamas and the Palestinian Authority should both release detainees seized as a result of the recent violence. This could serve as a first step in a process leading to reconciliation and the reunification of Gaza and the West Bank under the Palestinian Authority, which the Secretary-General remains committed to.

8. The Egyptian-mediated ceasefire which began on 19 June has largely held but remains fragile. Ten rockets and one mortar were fired from Gaza into Israel, without causing casualties. During this reporting period, no IDF air strikes or incursions were reported, though one Palestinian child was injured by IDF shooting near the border. Twelve other Palestinians were killed and 34 injured due to the collapse of tunnels along the Gaza-Egypt border. Over 25 tunnels were closed as a result of Egyptian efforts against smuggling.

9. Talks for the release of Israeli captive Gilad Shalit are stalled. The ICRC has still not been provided with access to him after two years in captivity. We welcome Israel's decision on 17 August to release approximately 200 Palestinian prisoners as a goodwill gesture to President Abbas.

10. In the West Bank, three Palestinians, including two children, were killed, and 185, including 47 children, were injured during the reporting period. Both children that were killed were shot by the IDF using live ammunition against Palestinian demonstrators at Naalin village. There has also been a rise in settler violence during the reporting period, including at least 34 settler attacks on Palestinians, resulting in 35 injuries, including nine children, and extensive property damage, including an attempt to set fire to the Ar-Ras mosque in Hebron on 13 August.

11. Settlement activity continues across the West Bank and particularly, in East Jerusalem. On 24 July, approval was given for 20 permanent housing units at Maskiyot in the West Bank, outside the footprint of any existing settlement. We are also concerned at reports that the trailers of the Migron settlement outpost are to be evacuated in exchange for the construction of permanent residential units in other nearby settlements. Also in this reporting period, tenders were announced for over 400 new settlement units in East Jerusalem. The Secretary-General has repeatedly stated that all settlement activity in the occupied Palestinian territory, including East Jerusalem, is contrary to the Fourth Geneva Convention and Israel's commitments under the Road Map and the Annapolis process.

12. On 10 August, two major checkpoints in the West Bank were partially re-opened for Palestinian traffic, leading to a significant improvement in access to those areas. However, the overall number of closures during the reporting period remains unchanged at 608, as some previously removed obstacles were reinstalled; the weekly average of flying checkpoints stood at 80. Construction continues of the barrier around East Jerusalem and within the West Bank in deviation from the Green Line and contrary to the advisory opinion of the International Court of Justice.

Mr. President,

13. The PA faces a budget shortfall of approximately \$400 million from October to the end of the year, meaning that PA salaries may not be paid from the end of September. We urge donors to fulfil outstanding pledges and direct external assistance to budget support. The fiscal performance of the PA has continuously improved and measures have been taken to strengthen the line ministries' capacity for preparing the 2009 budget and a medium-term expenditure framework for 2009-2011.

14. The implementation of Quartet Representative Tony Blair's May package advanced during the reporting period. Selected obstacles to movement have been eased, and on 28 July a telecommunications contract was signed between the Government of Israel and the Palestinian Authority, enabling a second mobile phone operator to launch in the occupied Palestinian territory. This deal was an important part of the package intended to stimulate economic growth. However, to achieve a significant

economic impact, all outstanding measures need to be implemented rapidly and as originally negotiated.

15. While the number of trucks entering Gaza during this reporting period increased by over 75% compared to the previous period, it represented only 54% of that in May 2007. Most basic commodities, from school stationery, mechanical spare parts to bedding, remain in short supply. 42% of the imports were gravel, while the import of the necessary complementary building materials such as cement, steel bars, flooring materials, etc., remained low. 95% of Gaza's local industry remains closed.

16. There is a severe lack of fuel in the Gaza Strip which impacts agriculture as farmers are unable to run water pumps for irrigation. A lack of both fuel and spare parts means that approximately 84,000 litres of raw and partially treated sewage continue to be dumped into the Mediterranean Sea every day. Power cuts continue to occur for at least four to five hours a day across Gaza. Normal economic and daily life is extremely difficult throughout Gaza, due to petrol shortages and the corresponding lack of transportation. The benefits of the ceasefire have not yet translated into any significant improvement in the living conditions of the people of Gaza.

17. Further to the Secretary-General's discussions with Prime Minister Olmert in Paris last month concerning stalled UN projects in Gaza, the Israeli authorities are positively considering the import of additional quantities of construction materials for UN priority projects focusing on housing, school construction and water sanitation. We welcome movement

in this regard and hope for the early resumption of all suspended UN projects in Gaza.

Mr. President,

18. On 29 July, a further round of indirect Syrian-Israeli talks was held under Turkish auspices. Another round of talks scheduled for this month has not yet been held following the announcement of Prime Minister's Olmert's decision not to take part in the Kadima party primary. The situation in the occupied Syrian Golan remained quiet during the reporting period, with one incident of a Syrian infiltrator lightly wounded by the IDF on 14 August. Settlement activity in the Golan continues.

Mr. President,

19. Turning now to Lebanon, the past month was marked both by positive political developments and continued security concerns. After several weeks of discussion among members of the national unity government, the cabinet's ministerial declaration was agreed upon and presented to Parliament.

20. The Parliamentary session that followed witnessed differences of opinion on certain elements of the proposed ministerial declaration, including the role of Hezbollah's weapons. On 12 August the declaration received a vote of confidence through an overwhelming majority of the Members of Parliament. This vote represents a new and important milestone in the implementation of the Doha agreement. We welcome the intention to

begin the national dialogue led by the President of the Republic, as referred to in the ministerial declaration, and to consolidate the sovereignty, stability and security of the Lebanese State. The United Nations looks forward to working closely with the new Government to meet these objectives and Lebanon's obligations under the relevant Security Council resolutions.

21. On 13 August, Presidents Suleiman and Assad met in Damascus in their first summit meeting since the Lebanese President was elected in May. Among other commitments, the two heads of state agreed to establish diplomatic relations, to reactivate a joint committee charged with the delineation of their two countries common border and to take joint action to address cross-border smuggling activities. The Secretary-General welcomed these constructive decisions and encouraged both parties to begin implementation as soon as possible, in keeping with relevant Security Council resolutions.

22. These positive developments were over shadowed by security incidents which continue to take place in and around the northern city of Tripoli. On 13 August, hours before the Damascus summit, an improvised explosive device was detonated at a bus stop frequently used by Lebanese Army soldiers in Tripoli. Fifteen people were killed in the bombing, including 10 soldiers. The Secretary-General and the Security Council vigorously condemned this brutal attack. We welcome the steps taken by the Government of Lebanon to contain the violence in Tripoli and address the root causes of the situation.

23. During the period since the last Security Council briefing, UNIFIL's area of operations has remained generally quiet. UNIFIL and the Lebanese Armed Forces have continued coordinated operational activities throughout the area south of the Litani River, in accordance with their responsibilities under resolution 1701 (2006). UNIFIL continues to record Israeli air violations which have occurred on an almost daily basis.

Mr. President,

24. The Quartet will meet here in New York in the margins of the General Assembly in September, followed by an *iftar* hosted by the Secretary-General with Arab partners, as well as a meeting of the Ad Hoc Liaison Committee. These occasions will enable us to take stock of the progress that has been made and the gaps that remain to be bridged and to assist urgently in the implementation of donor pledges to address the impending Palestinian budget crisis.

25. The Secretary-General remains committed to a just and lasting, comprehensive regional peace in the Middle East, based on Security Council Resolutions 242, 338, 1397 and 1515.

Thank you, Mr. President.