Mr. President,

1. The Council meets at a difficult but also formative moment for the future of the Middle East. A number of realities have to be squarely addressed if peace is to be advanced: the severe humanitarian, economic and political repercussions of the Gaza crisis; continued Palestinian divisions; a new political situation in Israel; the inconclusive results of last year’s Israeli-Palestinian negotiations; unmet Roadmap obligations, especially regarding settlements; and the freeze in indirect Israeli-Syrian negotiations.

2. The challenges are daunting, but peace can prevail, and it must. In the year ahead, the international community will need to be united and determined, and intensify its efforts. In this regard, the Secretary-General takes heart from the active engagement of the Security Council, including through resolutions 1850 and 1860. The Secretary-General also welcomes the clear statements of intent and early engagement of President Obama and his new Administration, including the appointment and deployment of Special Envoy Mitchell. The United Nations and its members, including those gathered in the Quartet, have political responsibilities that need to be shouldered.

3. Israelis and Palestinians need to shoulder their responsibilities too. Palestinians must face the challenge of reconciliation. We note the resumption of direct Fateh-Hamas contacts in recent weeks, and look forward to the planned meeting of all Palestinian factions in Cairo on 22 February. We urge them to find common ground in Cairo so that the many outstanding issues can be tackled and unity achieved, leading to a united government and paving the way for the conduct of Presidential and legislative elections. We urge all regional and international parties to create an environment conducive to the success of Egypt’s efforts. As the Quartet agreed in December, restoring unity on the basis of the PLO principles would be an important factor of progress towards the Quartet’s principles – the more so in the context of a durable Gaza ceasefire. As the Secretary-General informed the Council last month, the United Nations will work with a united Palestinian government encompassing Gaza and the West Bank under President Abbas.

4. On the Israeli side, the challenge ahead is the formation of a new government after elections on 10 February produced a result with no clear winner. Following consultations with party leaders, President Peres is expected to commission one of them to try to form a coalition government, a process which could take several weeks. Prime Minister Olmert will continue to lead the government until a new coalition is formed. Any Israeli government should abide by Israel’s
commitments, including to implement its Road Map obligations and to pursue continuous final status negotiations on all core issues without exception, as was reaffirmed by the parties before the Quartet in Sharm-el-Sheikh last November.

Mr. President,

5. Even as we await the outcome of these internal processes, an immediate priority is to address the situation in Gaza as called for in resolution 1860. Egypt is conducting talks with Israel and Hamas aimed at achieving a durable and sustainable ceasefire. I visited Cairo on 3 February and reiterated the Secretary-General’s support for these efforts, as backed by the League of Arab States. We await progress in the efforts underway.

6. It is clear from the experience of last year’s tahdi’a that a ceasefire regime will only be durable if there is broader progress, including an exchange of Palestinian prisoners for the release of Israeli captive Gilad Shalit, continued cooperation and action to prevent resupply of weapons to Gaza, the full implementation of the Agreement on Movement and Access, and Palestinian unity – steps which would also pave the way for the longer term recovery and reconstruction of Gaza. A coordinated international response to concrete progress on these issues would be crucial, to share information regarding implementation and assist in crisis prevention and management, in support of Egypt’s efforts.

7. I emphasize these points, Mr. President, because one month since unilateral ceasefires were declared, a proper ceasefire regime is still not in place, and there is an ever present danger of a return to the unsustainable conditions of last year, or even for renewed and more devastating violence. Since the end of major hostilities, in attacks that are as irresponsible as they are unacceptable, Palestinian militants have fired 15 rockets and 12 mortars towards Israel and detonated an explosive device against an IDF jeep on the Israeli side of the fence. The Israeli army has conducted 19 airstrikes in Gaza. One Israeli soldier was killed by Palestinians and another 3 soldiers and 2 civilians have been injured. Six Palestinians, including one child, were killed by the Israeli army and another 30 Palestinians, including 8 children, were injured. There is an urgent need for all acts of violence to cease and for full respect of international humanitarian law by all parties. I should also add that there have been reports of a number of concerning incidents of Hamas in Gaza purportedly taking revenge on alleged collaborators, which has led to the death of at least one activist from a rival movement.

8. In the month since major hostilities ceased, a daily average of 146 truckloads entered Gaza. This is four times what entered Gaza in December 2008, but only a third of what entered in May 2007. The Gaza Strip remains desperately short of basic household, commercial and industrial goods and supplies as more than 90% of all imports during the reporting period were food and medical supplies. Only 52% of needed industrial fuel and 23% of the necessary quantity of cooking gas entered the Strip during the reporting period. The total ban on the import of petrol and diesel in place since 2 November 2008 has continued, except for small quantities delivered to UNRWA. Twelve trucks of bulk paper to print UNRWA teaching materials have not been able to enter Gaza, leaving 60% of childrenin
UNRWA schools without required textbooks. There have been no exports for thirteen months, save for a solitary truck, with flowers for export to Europe, which left Gaza last week after third party intervention.

9. UNDP estimates that the Israeli operation damaged and destroyed 14,000 homes, as well as public buildings, schools, and entire industrial estates, leaving destruction in some places that is shocking to see. Thousands of Gazans remain homeless. Despite gradual improvement in the supply of food since the ceasefire, the level of food insecurity is estimated at 75% due to shortages and inflated prices. While some cash was recently transferred, more must be allowed into the Strip as there is a physical inability for people to pay for goods. Tens of thousands are without water and hundreds of thousands suffer from intermittent supply as a result of damage to infrastructure, which cannot be repaired due to the lack of spare parts. It is positive that electricity shortages have decreased as a result of increased amounts of industrial fuel entering the Strip, and that only small shortages of medicines are reported.

10. On 2 February 2009 in Geneva, the United Nations issued a flash appeal covering funding needs of $613 million over nine months for 188 NGO and UN projects in the fields of food needs, cash for work and cash assistance programs, shelter, agriculture, mental health support, protection, and others. The United Nations is in constant dialogue with the Government of Israel regarding humanitarian conditions and access into Gaza, in pursuance of the approach outlined by Under-Secretary-General Holmes in his recent briefing. While we appreciate Israel’s stated readiness to address humanitarian needs, we have not yet seen truly open crossings for required access, which is so crucial given the extent of the needs in Gaza. Meeting the humanitarian needs of the people of Gaza is Israel’s obligation under international law.

11. The United Nations continues to take concrete steps to ensure the integrity of its humanitarian operations. On 6 February, UNRWA suspended operations after Hamas confiscated food aid and blankets. Following the return of the confiscated goods, distribution resumed on 9 February. We call on Hamas not to interfere in the UN’s operations.

12. The UN Mine Action team on the ground is working to render safe unexploded ordnance and has made significant progress in ensuring the safety of the civilian population and enabling humanitarian operations to provide much needed aid. The removal by unknown persons to an unknown location of several un-exploded aircraft bombs from a local police traffic compound underscores the need for identification of a secure site to which unexploded ordnance can be transported and secured. The UN is seeking the return of these hazardous materials.

13. For its part, the Palestinian Authority is preparing a Gaza Early Recovery and Reconstruction Plan to be presented at the conference to be held in Sharm el-Sheikh on 2 March, which the Secretary-General looks forward to attending. The PA plan will constitute the basis for donor pledges. Ahead of presentation of the plan, we welcome the initiatives of Prime Minister Fayyad to provide immediate assistance to the civilian population in Gaza, with UN assistance. These include $50 million in cash transfers for temporary shelter; $11 million and $6 million for
electricity and water pipeline repairs; and a $600 million housing loan guarantee scheme to supplement cash assistance.

14. The Board of Inquiry established by the Secretary-General into incidents in Gaza has commenced its work in New York, and is expected to travel soon to the region. The Board will review and investigate a number of specific incidents that occurred in the Gaza Strip between 27 December 2008 and 18 January 2009 in which death or injuries occurred or damage was done to United Nations premises. The Secretary-General expects that the Board will enjoy the full co-operation of all parties concerned.

Mr. President,

15. The situation in Gaza must not divert us from the overall political process, or the challenges on the ground in the West Bank. It is a testament to the efforts of President Abbas and Prime Minister Fayyad that relative calm and security was maintained in the West Bank during the Gaza crisis. This has preserved the important law and order gains made in 2008 for the well-being of the Palestinian people. In fulfillment of their Road Map obligations, Palestinian Security Forces have resumed actions to disarm militants. We note that a commission of enquiry has been established regarding the death of a Hamas member in PA custody under unclear circumstances.

16. There is a continuing need for donors to deliver quickly on pledges, as the government is still obliged to meet regular monthly budgetary commitments through interim measures. The amounts anticipated for Gaza’s recovery and reconstruction are, of course, in addition to the PA’s existing salary, pension and other social safety net commitments.

17. On the ground, Israel has eased certain closure measures, although curfews were imposed on 17 January on Nablus and Qalqilya. Over 150 Palestinians have been arrested by the IDF, and there have been three fatalities, including one child, and 96 injuries, including 22 children, from IDF actions.

18. Illegal settlement activity continues, prejudicing final status negotiations and undermining Palestinians who seek a negotiated peace. According to one monitoring group, there was a 69% increase in the number of new structures built in settlements in 2008 over the previous year. Planning to seize over 1,700 dunums of Palestinian land for the expansion of the settlement of Efrat has been reported. On 2 February the Israeli Government submitted a proposal in the High Court to evacuate the settlement outpost of Migron, built on privately owned Palestinian land, by relocating 45 settler families to permanent structures in another settlement, Givat Binyamin. Meanwhile, there have been a number of Israeli settler attacks on Palestinians, including a shooting attack on 12 February which injured seven Palestinians, five of them children, as well as continued incidents of settlers attempting to force Palestinians off their land by blocking access, placing trailers or clearing for cultivation.

19. Palestinian institutions in East Jerusalem remain closed by Israeli order. The barrier continues to be constructed within occupied Palestinian territory in
deviation from the Green Line and contrary to the advisory opinion of the International Court of Justice.

20. As the Council is aware, I and my colleagues report the same basic points regarding settlements in every briefing. The approach taken since Annapolis to secure implementation of Roadmap commitments to freeze settlement activity, including natural growth, and remove outposts has not worked. This is a clear challenge that must be addressed.

21. In this context, in the aftermath of the Gaza crisis and the continuing political uncertainties, official communication between the Israeli and Palestinian governments is limited. The bilateral negotiation process on the core issues, on which so much effort was expended during 2008, is for now effectively on hold.

Mr. President,

22. Turning to Lebanon, and mindful that the Secretary-General will present his report on the implementation of resolution 1701 at the end of this month, allow me to brief the Council on issues that will not be addressed in the upcoming 1701 report.

23. The crisis in Gaza led to considerably increased tension in Lebanon. Frequent demonstrations took place throughout the country, including inside several Palestinian camps. For the most part, these demonstrations were quite small and peaceful. Divisions between the PLO and Hamas have not translated into open confrontation in Lebanon, where local Palestinian party leaders continue to stress that it would be in no one's interest to escalate intra-Palestinian tensions. There is still concern that events might affect Palestinian camps in Lebanon. On 29 and 30 January, two explosions took place in the Palestinian camps of Wavel and Ein el Hilweh. The motives are unknown, and no injuries were reported.

24. Progress, albeit slow, continues to be made towards the reconstruction of the Nahr el Bared refugee camp. Despite the considerable amounts of unexploded ordnance that continue to be found at the site, there has been progress with rubble removal and reconstruction is set to start within the next month. On 29 January, the Lebanese Cabinet signed a decree relating to property located in the camp, paving the way for faster progress in reconstruction. Securing adequate funding for the reconstruction of Nahr el Bared remains an issue of serious concern.

25. Domestically, Lebanon continues to enjoy a period of relative stability, and implementation of the May 2008 Doha agreement took place on schedule. There are, however, signs of increased political tension in the run up to the parliamentary elections, which the Ministry of Interior announced would take place on 7 June 2009. Technical preparations for the elections appear to be on track. Candidates will have approximately one month to register starting on 2 March.

26. The National Dialogue, which brings together Lebanon’s main political leaders or their representatives, met on 22 December and 26 January to discuss, among
other issues, the Gaza crisis and the national defense strategy. The next session of the Dialogue will be held on 2 March.

27. A rally took place on Martyr's Square on 14 February, commemorating the fourth anniversary of the terrorist attack that killed former Prime Minister Hariri and twenty-two others. A politician close to Druze leader Walid Jumblatt was stabbed to death after attending the commemoration. An investigation is underway. On 16 February, a rally was organised to commemorate the one year anniversary of the killing of Imad Mugniah

Mr. President,

28. Turning to other regional aspects, settlement activity in the occupied Syrian Golan has continued. Israeli-Syrian talks facilitated by Turkey were discontinued as a result of the Gaza crisis, at a time when there appeared to be prospects for progress. We continue to believe in the importance and potential of Israeli-Syrian negotiations, and hope that it will be possible in the year ahead to further this track alongside a reinvigorated Israeli-Palestinian track.

29. The Secretary-General believes a comprehensive regional approach to peace, as embodied in the Arab Peace Initiative and the resolutions of the Security Council, is required if bilateral efforts are to bear fruit. He looks forward to a collaborative finalization of plans for an international conference in Moscow.

30. The Secretary-General intends to actively engage his regional and international partners, including in the Quartet, on the way ahead. We look forward to an active and systematic international effort at conflict resolution – one which combines the weight, resources and legitimacy of the Quartet’s members and partners, and ensures that a process which has been described as irreversible is just that. The Secretary-General remains firmly committed to doing everything he can to achieve an end of occupation and end of conflict, resulting in two states living side-by-side in peace within secure and recognized borders, and comprehensive peace in the region in accordance with Security Council resolutions.

Thank you, Mr. President.