Mr. President,

1. During the reporting period, efforts to advance the political process have continued through direct bilateral negotiations. There have been major episodes of violence, especially in and around Gaza, and continued creation of facts on the ground in the West Bank. Gaza has also witnessed heightened humanitarian distress, while conditions in the West Bank including East Jerusalem have not significantly improved despite continuing efforts.

2. The bilateral negotiations between the parties, key to the Annapolis process, consist of regular meetings at three levels – between President Abbas and Prime Minister Olmert, between their negotiating teams, and between technical experts. Confidentiality is being maintained. We continue to urge progress towards the shared goal of a peace treaty this year.

Mr. President,

3. During the reporting period, 69 Palestinians, including 15 children, were killed in IDF operations and 95 were injured. Six Israelis were killed by Palestinian militants and 27 were injured.

4. At least 70 rockets and mortars were fired at Israel or at crossing points in the reporting period. Hamas and other militant organizations also staged a number of attacks against crossing points between Gaza and Israel, which are the only outlets for international humanitarian assistance. A terrorist attack on 9 April on the Nahal Oz fuel depot by Palestinian militants killed two Israeli civilians involved in supplying fuel. On 19 April, Hamas militants conducted an attack using armored vehicles and explosives against the Kerem Shalom crossing, injuring 13 Israeli soldiers.

5. Israeli air and ground operations against militants in Gaza intensified following the 9 April attack. There were, however, several instances in which Palestinian civilians were killed in these operations. On 16 April, 12 Palestinian civilians, including children and a news cameraman, were killed in Israeli action against militants following the killing of three Israeli soldiers.

6. The Secretary-General continues to condemn rocket or other attacks by militants against civilians and the crossings. These attacks not only threaten Israeli civilians: they cause unacceptable suffering to the civilian population of Gaza, and threaten to lead to a wider escalation.

7. The Secretary-General also condemns civilian casualties in IDF operations against militants. We reiterate the Secretary-General’s repeated calls for a cessation of all acts of
violence, and for all parties to comply with international humanitarian and human rights law. Measures of collective punishment should not be continued.

8. We are deeply alarmed at the prospects of a further intensification of violence, given the terrible implications for civilians and the threat such conflict would pose to the security of all parties—the Palestinians, Israel and Egypt. We support and encourage Egypt to continue its efforts to achieve calm in Gaza leading to a reopening of crossings, as well as its ongoing efforts to ensure security along the border. We urge all parties to work with Egypt with a sense of urgency and responsibility, and we urge all states in the region with influence to work for calm.

Mr. President,

9. Special Coordinator Serry was in Gaza today, where he conveyed the United Nations’ concern over the deteriorating humanitarian and security situation.

10. Prior to the 9 April attack on the Nahal Oz fuel terminal, approximately 65% of the fuel needs of the Gaza power plant was being met by imports. Because of the attack, Nahal Oz was closed from 9 to 21 April, except for two days. The Government of Israel is now re-examining security mechanisms to ensure the secure delivery of commercial fuel into Gaza. Had Nahal Oz not been able to reopen today, the power plant would have shut down and most areas of Gaza would have experienced increased electricity cuts.

11. Equally critical are the low levels of fuel to meet transportation needs due to the continued closure of Nahal Oz. Even before the 9 April attack, import levels of diesel and petrol had been significantly reduced, with no petrol imported since 18 March and no diesel since 2 April. Vehicular traffic has effectively been brought to a standstill. The impact of the low import levels of petrol and diesel has been exacerbated by the refusal of the Palestinian Petrol Stations Association to distribute the supply that does exist, in protest against the low levels of imports.

12. The lack of fuel has also impacted adversely on water and sanitation. 15-20% of the population now receives water for 3-5 hours every four days, impacting daily hygiene. Sixty thousand cubic meters of raw and partially treated sewage continue to be dumped daily into the Mediterranean Sea. Student and teacher absences at schools and universities have reached a level as high as 20% due to the lack of fuel for transport. All classes at Gaza’s four main universities were suspended last week. Most fishing vessels are grounded, which will lead to the loss of the sardine season.

13. Humanitarian agencies are also severely affected. UNRWA’s fuel supplies will be exhausted on 24 April and in an effort to save fuel, UNRWA has prioritized food distribution, solid waste removal and sewage projects. It has stopped all monitoring activities and as of 14 April, roughly half of the 1,240 vocational students usually transported by contractors have not been able to attend their classes. As of tomorrow, unless petrol is allowed in, UNRWA will discontinue its food assistance to 650,000 refugees as well as its garbage collection services benefiting 500,000 Gazans. Another 500,000 Gazans are already living in twelve municipalities without any solid waste management capacity, largely due to the lack of fuel.

14. Import trucks were allowed through Sufa crossing on 22 April after an attack by Palestinian militants on the Kerem Shalom crossing on 17 April led to its closure. The UN has been informed by the Government of Israel that the re-opening of a secured
Kerem Shalom will take several weeks. Prior to the 17th, the level of truck imports into Gaza had almost doubled in March but still remained at one-third of that of May 2007. Only food, cattle, medical and cleaning supplies are entering on an ongoing basis. Shortages of daily necessities fluctuate, bringing corresponding price increases in accordance with supply and demand. No materials are entering for UN humanitarian infrastructure projects. Despite assurances, UNRWA has also not received approval for the import of materials needed for the annual summer games the agency facilitates for 250,000 children.

15. The Rafah crossing was opened briefly on 14 April for the transfer of 24 cancer and cardiac patients to Egypt for medical treatment.

16. Meanwhile, PA institutions in Gaza continue to come under the direct control of Hamas, and independent Palestinian human rights groups report concerns over alleged violations of human rights, including denial of legal access to Palestinian detainees. No agreement has been reached on securing the release of captured Israeli soldier Gilad Shalit or of Palestinian prisoners. The ICRC has still not been provided access to Corporal Shalit.

Mr. President,

17. On 30 March, following a trilateral meeting between US Secretary of State Rice, Palestinian Prime Minister Fayyad, and Israeli Defence Minister Barak, the Government of Israel announced a number of measures to ease conditions in the West Bank. These measures include, among others, the opening of additional Palestinian Authority police stations across the West Bank, approval for delivery of equipment to the Palestinian Security Forces, an additional 5,000 permits for Palestinian construction workers in Israel, and approval of measures to facilitate the passage of regional and international business figures to the Palestinian Investment Conference in Bethlehem. We welcome this announcement, note that some progress has been made, and strongly encourage full implementation.

18. The Government of Israel also announced its intention to remove obstacles in the West Bank, and subsequently reported that it had removed 61 obstacles. UN staff on the ground, through their extensive field work, have found that 44 obstacles have been removed, 6 have not been, and there is no evidence of the other 11 having previously existed or of their removal. Of the 44 removed, 5 were significant obstacles to movement – the other 39 did not appear on the list of 580 previously existing obstacles identified in the database managed by the UN Office for the Coordination of Humanitarian Affairs. We welcome these removals, but strongly urge further and more substantive progress to ease restrictions as envisaged in the 2005 Agreement on Movement and Access and is vital to Palestinian economic revival.

19. Tenders and construction permits for hundreds of housing units in Israeli settlements in occupied Palestinian territory were announced this month. Construction continued in many settlements as well as on infrastructure such as roads for settler use. The Secretary-General has repeatedly made public his concern that all settlement activity in East Jerusalem or elsewhere in the West Bank is contrary to international law and Security Council resolutions, and Israel’s obligations under Phase One of the Roadmap. We are also concerned that Palestinian institutions in East Jerusalem remain closed by Israeli order.
20. Construction work on the barrier continued within occupied Palestinian territory, in
development from the Green Line and contrary to the International Court of Justice advisory
opinion.

21. Restrictions on UN operations continued to increase in the West Bank, with the
installation of Israeli civilian police at checkpoints causing significant delays and
security concerns to UN staff crossing from the West Bank into Jerusalem.

22. Twenty incidents of violence between settlers and Palestinians were reported in March
in the southern West Bank alone, with two Palestinians reported killed.

23. Palestinian security forces in the West Bank have pursued militants and criminal
elements during the reporting period. Some militants were granted amnesty following
the end of a term of probation pursuant to Palestinian Authority-Israel understandings. A
newly trained battalion of Palestinian security forces is expected to be deployed in the
period ahead. Efforts to increase national security planning, reform and train security
services and strengthen all aspects of the rule of law will need to continue, with support
provided by international partners. An international conference to strengthen support in
this area is planned for Berlin in June.

24. Quartet Representative Tony Blair continued to push for concrete measures to improve
economic conditions for the Palestinian population. A Palestine Investment Conference
convened by Palestinian Prime Minister Fayyad from 21 to 23 May in Bethlehem and
supported by Mr. Blair is aimed at encouraging new investment in Palestinian business.

25. The full draft of the Palestinian Reform and Development Plan is nearly complete.
Apart from ongoing projects, the PA has just distributed a preliminary list of new
projects to facilitate the implementation of PRDP priorities.

26. The Palestinian Cabinet approved the 2008 budget on 31 March. The Palestinian
Authority is currently able to fund its recurrent costs including June, but will face a
deficit of over US$600 million in the second half of 2008. This deficit is due to
insufficient budget support commitments, the weakening dollar, and the PA’s decision to
repay public and private sector arrears faster than originally planned. We note the
historic levels of financial support being provided by the EU, the US, and other donors,
and urge others, including partners in the region who have not yet done so, to meet their
Paris pledges as soon as possible. It should be borne in mind that just under half the PA
budget is spent in Gaza.

Mr. President,

27. The League of Arab States held its annual summit in Damascus on 29-30 March. We
noted the expressions of concern over developments on the ground, and welcome the re-
affirmation of the Arab Peace Initiative, which remains a central element in the search
for peace in the region. We encourage Arab support for President Abbas’ efforts to
negotiate a peace treaty with Israel; Prime Minister Fayyad’s efforts to build the
institutions of a future Palestinian state; and for Palestinian unity. We continue to
believe in the critical importance of close consultation with Arab countries on all issues.

28. The situation in the occupied Syrian Golan has remained quiet over the reporting period,
although settlement activity continued.
29. Lebanon remains in the grip of an intense political crisis which has so far prevented the election of a new President, a position which remains vacant since 24 November 2007. The parliamentary session to elect a President scheduled for 22 April did not take place and Speaker Berri has not yet set a date for a new session.

30. The Lebanese Government decided that Lebanon would not attend the annual Arab League Summit held on 29 March in Damascus. In a televised message on 28 March addressed to Arab leaders, Prime Minister Siniora explained that his country was not attending the Summit because it considered Syria responsible for complicating the current Lebanon’s political crisis and obstructing the implementation of the LAS initiative.

31. On 22 April, a meeting of Foreign Ministers and Representatives of Egypt, France, Germany, Italy, Jordan, Kuwait, Lebanon, Qatar, Saudi Arabia, the United Arab Emirates, the United Kingdom, the United States, the League of the Arab States, the European Union and the Secretary-General of the United Nations took place in Kuwait. The participants adopted a statement which among others expressed dismay at the ongoing political stalemate in Lebanon, called for immediate presidential elections, expressed support for the LAS plan and called for a re-definition and normalization of ties between Lebanon and Syria.

32. With regards to the security situation, on 20 April, a shootout in the city of Zahle between opposing Christian factions left two dead and two injured from the Phalange party and also injured a passer-by. The Lebanese Army was quickly deployed and managed to restore calm. However, the situation in the area remains tense.

33. In the south, the situation in UNIFIL’s area of operation was mostly quiet, but tense. In early April, the IDF carried out a five-day large-scale home front exercise. The Lebanese Armed Forces were on high alert during that period. No incidents occurred.

34. During the night of 30-31 March, a UNIFIL patrol was blocked for a few minutes by two vehicles in the vicinity of Jibal al-Butm denying UNIFIL its freedom of movement in the area of operations. The five occupants of the vehicles were armed with assault rifles. The patrol challenged the individuals, who left the area before a positive identification could be made. This was the first such incident since the end of the 2006 war that UNIFIL came across armed elements in its area of operations. UNIFIL and the Lebanese Armed Forces have since introduced additional coordinated measures, including patrols and checkpoints, to ensure that unauthorized armed personnel are not present and to prevent the transfer of weapons into the area between the Litani River and the Blue Line. I also reiterate the obligations of the parties to ensure the safety, security and freedom of movement of UNIFIL and to extend their full cooperation to the Mission in the implementation of its mandate.

35. UNIFIL has recorded a steep increase in the number of Israeli air violations, which occur on a daily basis. They rose from 282 in February to 692 in March and reached 476 during the first half of April. The overflights constitute violations of Lebanese sovereignty and the Blue Line and continue to undermine the credibility of UNIFIL and the Lebanese Armed Forces.

Mr. President,
36. Israelis and Palestinians are in the most intensive set of negotiations on final status issues since the breakdown of the political process nearly eight years ago. The significance of this should not be underestimated, but neither should the grave risks to the process be overlooked.

37. Quartet Principals will meet in London on 2 May to review all aspects of the process launched at Annapolis and the situation on the ground. The Secretary-General will chair this meeting, which will take place in the margins of a meeting of the Ad Hoc Liaison Committee the same day. The AHLC convenes to assess progress in Palestinian institutional and economic development since the last meeting here in New York last September.

38. The Secretary-General and Special Coordinator Serry are working with the parties, regional partners, and in the Quartet to support the political process, encourage action to meet commitments and improve conditions on the ground, and address the grave humanitarian, political and security situation in and around Gaza.

39. The United Nations continues to work to secure through negotiations the full implementation of Security Council resolutions and a just, lasting and comprehensive peace in the Middle East.

Thank you, Mr. President.