Madam President,

1. We believe we are once again at a critical juncture in the effort to move to serious Israeli-Palestinian negotiations aimed at achieving a two State solution. These talks are essential for ending the 1967 occupation, ending the conflict, and resolving all core issues between the parties, including Jerusalem, borders, refugees, security, settlements and water, as prescribed in the resolutions of this Council and agreements between the parties.

2. Six rounds of proximity talks have now been facilitated by US envoy Mitchell, and both President Abbas and Prime Minister Netanyahu have visited Washington. President Abbas, Prime Minister Netanyahu, and Special Envoy Mitchell each met Egyptian President Mubarak in Cairo on 18 July. The Secretary-General met Prime Minister Netanyahu in New York on 7 July and Special Coordinator Serry saw President Abbas in Ramallah earlier today.

3. It remains the shared goal of the Quartet to bring about direct negotiations facilitated by the United States as soon as possible. This should take place in a framework of respect by the parties of their obligations as well as the requisite commitments regarding negotiations. Intensive discussions on this centrally important matter are continuing. I note that the Arab League follow-up Committee is due to meet on 29 July to review
progress. We urge the parties not to miss the current opportunity to make progress and move to direct negotiations with active third party involvement and close Quartet support.

Madam President,

4. On 20 June, the Government of Israel announced a package of measures aimed at easing the blockade on Gaza. The Quartet welcomed this announcement while restating its overall goals for Gaza, and expressed the hope that the package would contribute to the fulfillment of Security Council resolution 1860, including for the unimpeded flow of humanitarian aid, commercial goods and persons to and from Gaza. The United Nations and the Quartet are following closely the implementation of these measures.

5. On 5 July 2010, as a first step which the Secretary-General welcomed, the Government of Israel switched from a “positive” list of goods allowed into Gaza to a “negative” list of goods whose entry is prohibited or restricted. Under the new guidelines, anything that may be used as military material including so-called “dual use” goods and items continue to be subject to specific, exceptional permission to enter Gaza. Construction items and materials are to be allowed entry only for projects authorized by the Palestinian Authority and implemented by the international community.

6. Since the announcement of the new policy, new food and productive items have entered Gaza and the volume of imports into Gaza has increased steadily. A weekly average of 780 truckloads entered during the reporting period – a 40 percent increase compared to the weekly average in 2010 prior to the announcement. Approvals have also been given for a number of additional UN projects in the vital areas of education and health.
7. While these are positive steps forward, we hope they can be enhanced to address the deplorable conditions in the Strip. Further measures need to be taken to enable exports and movement of people and to streamline procedures for project approval. Our goal remains full opening of land crossings, in the framework of the Agreement on Movement and Access.

8. The situation in Gaza has been compounded by the electricity crisis. Given internal disputes over revenue collection and funding for fuel for the Gaza power plant, its output has declined steadily. UNSCO is active between the Palestinian Authority and the de facto authorities in Gaza to urge a Palestinian solution to this problem.

9. The Rafah border crossing with Egypt has remained open since 2 June, and there has been a significant increase in the number of people allowed to cross for humanitarian purposes. Egypt continues its efforts to counter smuggling along its border with Gaza.

10. I am pleased to report that arrangements agreed by UNSCO to ensure that the cargo of the Turkish vessels in the 31 May convoy reaches beneficiaries in Gaza are being implemented, and agreement has been reached to effect similar arrangements for the cargo of the “Rachel Corrie”. The Libyan-sponsored vessel which sailed on 12 July with aid for Gaza arrived in an Egyptian port without incident. Arrangements are being made by the Egyptian Government to transfer the material into Gaza. Such convoys are not helpful to resolving the basic economic problems in Gaza and needlessly carry the potential for escalation.

11. The Government of Israel has initiated investigations into the 31 May incident. A military investigative committee headed by former National Security Adviser Eiland has issued its report. A public Commission headed by Justice Tirkel, on which two Israeli-nominated
internationals are participating as observers, is underway. The Security Council has called for a prompt, impartial, credible and transparent investigation conforming to international standards. The Secretary-General continues to be in contact with the parties to gain agreement for his proposal for an international panel of inquiry that would be based on domestic inquiries.

12. Israeli Corporal Gilad Shalit has entered his fifth year in captivity. We call for his immediate release. The fact that there has been no humanitarian access is inexcusable. We also note the detention of over 9,000 Palestinians in Israeli jails. We urge the completion of a prisoner exchange agreement, as well as releases of Palestinian prisoners to the Palestinian Authority.

13. The reporting period saw a lack of progress in intra-Palestinian reconciliation based on the Egyptian-mediated proposal. We restate our full support for reunification of Gaza with the West Bank within the framework of the legitimate Palestinian Authority.

14. The Secretary-General condemned the cowardly attack on 28 June by militant elements in Gaza on an UNRWA children’s camp. This is the second attack against such a facility in a month. It is crucial that there be respect for, and no interference with, United Nations operations on the ground, and we reiterate the responsibility of the de facto authorities in this regard. We are also concerned by reports of political arrests by the de-facto Hamas authorities.

15. On 12 July Special Coordinator Serry and the Executive Director of UNIFEM visited Gaza to meet with representative of women and reaffirm the importance of the implementation of Security Council resolution 1325.
16. During the reporting period, Palestinian militant groups fired 41 rockets and mortars into Southern Israel, causing no injuries. The IDF conducted six air strikes and 21 incursions, killing four Gazans including one alleged militant, and injuring 23. Citing security concerns, the Israeli security forces continue to restrict Palestinian access to areas close to the border with Israel by opening “warning fire” on people entering this area, killing one person and injuring 18, including 4 children, during the reporting period.

Madam President,

17. We continue to follow closely developments in Jerusalem. In 2006, four Jerusalemite lawmakers from the Hamas-affiliated Change and Reform bloc were charged with not fulfilling the minimum loyalty to the State of Israel, stripped of their Jerusalem resident status, and handed prison sentences of up to four years, which they served. Following their recent release, they were given 30 days to leave East Jerusalem. Court proceedings are continuing. I wish to stress that the prospect of expulsion from their home city of Palestinian legislators would be a serious step backwards and would undermine hopes of making political progress.

18. Notwithstanding comparative restraint on the ground in East Jerusalem in recent months, on 12 July, the Jerusalem Municipality approved the construction of 32 new apartments in an East Jerusalem settlement. On 13 July, the Municipality demolished six Palestinian structures in East Jerusalem, displacing 26 people including 14 children. We have repeatedly stated that the international community does not recognise Israel’s annexation of East Jerusalem and that the Fourth Geneva Convention is applicable. The future of Jerusalem remains to be determined in final status negotiations, and a way must be found for the city to emerge as the capital of two states.
Madam President,

19. The ten-month moratorium on West Bank settlements construction is largely being observed, but is set to expire on 26 September. We call for the moratorium to be extended and expanded to cover all settlement activity throughout the occupied Palestinian territory, including East Jerusalem. No further steps have been taken towards dismantlement of settlement outposts erected since March 2001. During the reporting period, the Israeli authorities demolished a total of 106 structures in Area C of the West Bank. We reiterate the Quartet’s call on 19 March in Moscow for the parties to implement their obligations under the Roadmap and international law.

20. The barrier, constructed in deviation from the Green Line and in contravention of the advisory opinion of the International Court of Justice, continues to pose significant challenges to movement of Palestinians in the West Bank. Despite efforts to ease restrictions on movement and access, the number of obstacles in the West Bank remained at 505 during the reporting period.

21. Palestinian security forces continued to maintain law and order and to fight extremism in the West Bank during the reporting period, in furtherance of Roadmap commitments. During the reporting period, the Israeli security forces conducted 376 incursions in the West Bank, resulting in 74 Palestinians injured and 322 arrested, while 11 members of the Israeli security forces were injured. In demonstrations against the barrier, dozens of Palestinians and peace activists were injured, arrested or suffered from gas inhalation.

Madam President.

22. There were 21 violent clashes between Israeli settlers and Palestinians in the West Bank during the reporting period in which three Palestinians were injured and/or suffered
damages to their property. In several separate incidents in the past two months, Israeli settlers used their vehicles to run over and kill or injure Palestinians. Settlers were also injured by stones thrown at their vehicles.

23. I am pleased to report that according to the preliminary growth figures for the first quarter of 2010 released by the Palestinian Central Bureau of Statistics, Gross Domestic Product in the occupied Palestinian territory increased by 12.5%, as compared to the first quarter of 2009. To ensure that the enabling reforms undertaken by the Palestinian Authority are not undermined, continued external financing to support the Authority’s recurrent budgetary needs is critical.

Madam President,

24. There were tensions in the occupied Syrian Golan during the reporting period. On 11 July Israeli policemen conducting a search operation were surrounded by a large crowd. In the course of events, there were reports that more than 40 civilians residents of the Golan suffered from tear gas inhalation and of damage to three Israeli police cars. Settlement activity in the occupied Syrian Golan continued throughout the reporting period. During this period an Israeli bill which would require a referendum before any withdrawal from the occupied Syrian Golan passed a committee reading.

25. Turning now to Lebanon, where the situation remains stable, allow me to recall that the Special Coordinator for Lebanon and DPKO briefed the Council on 14 July on the implementation of Security Council resolution 1701. Since the tensions in south Lebanon earlier this month, the situation there has remained quiet. Throughout the month, Israeli aerial violations continued.
26. Lebanese Prime Minister Hariri visited Damascus on 18 July 2010, where he led a large ministerial delegation to discuss bilateral affairs. The two governments signed 17 agreements covering various aspects of cooperation between the two countries.

27. The Lebanese Parliament has continued discussions on draft legislation on the civil rights of Palestinian refugees. Consensus appears to be within reach and the United Nations would welcome this as a first step. The United Nations has also focused on the need to ease restrictions on access to Nahr al-Bared refugee camp. Reconstruction of the camp continues and the return of the first two thousand residents is expected by the end of the year. I urge donors to continue to provide vital financial assistance to UNRWA.

Madam President,

28. In the period ahead, we must work to bring the parties into direct talks without delay on a basis that gives confidence in the possibility of genuine progress on the core issues and on the ground, including restraint in Jerusalem, implementation of Roadmap obligations on settlements and further measures to empower the Palestinian Authority. We must ensure that policy change towards Gaza is fully implemented and followed with further steps. And we must place these efforts in their larger regional context, and reinvigorate the search for a just, lasting and comprehensive peace.