Mr. President,

1. In the reporting period, both parties have engaged separately with the Quartet in the framework of the 23 September 2011 statement. While this is constructive, direct negotiations without preconditions, in which the parties would be expected to table territorial and security proposals within 90 days, are still not taking place. Provocations continue to damage confidence and make resuming direct negotiations very difficult. Settlements are expanding, undermining the territorial basis for a future Palestinian State and the credibility of Palestinian moderates. The Palestinian UN bid is viewed negatively by Israel, and the Palestinian Authority’s tax revenue is being withheld by the Government of Israel. UNESCO’s funding has also been affected. Palestinian unity has not moved forward, though there is speculation about future developments. Meanwhile, Gaza has once again witnessed dangerous violence, after rocket fire by militants into Israel and Israeli strikes.

2. President Abbas has publicly warned that the status quo cannot endure. We have to find a meaningful diplomatic path forward. As the Secretary-General’s envoy, I am engaged with both parties and my Quartet and regional partners in this effort. His Majesty King Abdullah of Jordan paid an official visit to Ramallah today for consultations with President Abbas, underscoring his concern at the current situation, and his support for the Palestinian Authority and for a resumption of meaningful negotiations for the creation of a Palestinian State.

3. The 23 September statement of the Quartet reaffirmed the international legal basis for peace talks. It continues to provide the framework for a way forward if both parties show flexibility and responsibility. Quartet Envoys and Quartet Representative Blair met on two occasions in Jerusalem with Israeli and Palestinian representatives separately, on 26 October and on 14 November. Quartet Envoys stressed the need for the parties to avoid provocations, develop serious proposals on borders and security, and discuss them directly with each other without delay or preconditions, with active Quartet support.

4. As the United Nations, we appreciate the substance that has been discussed by the Palestinian side, which shows serious intent. At the same time, we believe its potential can only be realized in direct negotiations. We appreciate Israel’s stated security concerns and its readiness to enter direct talks. But we also believe that Israel should provide genuine assurances
that it is willing to present serious proposals, including on territory, in the context of direct negotiations. Moreover, direct engagement should be facilitated by a conducive environment.

5. This remains very difficult given a lack of mutual trust and tensions on the ground. In particular, Israel continues to engage in settlement activity, including in highly sensitive areas, and demolitions of Palestinian structures are ongoing. On 1 November, Israel announced the accelerated construction of housing units in occupied East Jerusalem after the decision by UNESCO to admit Palestine as a member. Israel subsequently publicized its intention to invite tenders for the construction of 1,557 new units in East Jerusalem and 673 units in other areas of the West Bank. On 2 November, the Secretary-General strongly criticized settlement activity, which runs contrary to international law and the Roadmap and prejudices final status negotiations. Unilateral actions on the ground will not be recognized by the international community and must cease.

6. The Palestinian application for membership in the United Nations remains before this Council. Meanwhile, on 31 October, UNESCO’s General Conference voted in favour of the Palestinian membership. The decision was the prerogative of Member States. The Secretary-General had urged that all parties approach this issue wisely in determining a course of action. Since the decision, he has indicated that he wishes to work with Member States on practical solutions to preserve UNESCO’s financial resources.

7. The Israeli Government reacted to the UNESCO outcome by freezing the transfer of VAT and customs revenues it collects on behalf of the Palestinian Authority pursuant to the Paris Protocol. These funds amount to approximately USD 100 million per month, and represent two-thirds of the Palestinian Authority’s annual revenues. Withholding this level of funding would cripple any government, let alone an authority under occupation. If not immediately unblocked, this action threatens the state-building gains made by the Palestinian Authority, including the increased good governance felt by the Palestinian people and the development of the security forces that uphold law and order in the West Bank. The United States is also partially withholding assistance funds that it was providing to the Authority.

8. We must de-escalate this situation. In addition to acting on its settlement obligations, Israel should heed the calls of the Secretary-General and other international leaders to unfreeze transfers to the Palestinian Authority immediately in accordance with existing agreements. Donors should also unblock their funding to the Palestinian Authority. For its part, the Palestinian Authority should find ways to contribute to de-escalation of the situation and improving the prevailing divisive climate, including in the international arena. De-escalation will be necessary to create an environment conducive for direct talks. In this regard, as Israel prepares for a further prisoner release pursuant to the swap of two months ago, I hope Israel will
be mindful of the continuing appeal of the Palestinian Authority for prisoners to be released, some dating back to before the signing of the Oslo Accords.

9. We underscore the importance of the security efforts of the Palestinian Authority and continued coordination. Palestinian security forces seized and defused unexploded devices on two different occasions in the reporting period. An eighth battalion of internationally trained Palestinian security forces has been deployed on the ground, bringing their total number to over 4,000. In a positive gesture, 51 alleged militants being held in protective custody by the Palestinian police in the West Bank were granted amnesty by Israel on 4 November.

Mr. President,

10. Weekly demonstrations continued against the barrier in the occupied West Bank, which deviates from the green line in contravention to the advisory opinion of the International Court of Justice. The route of the barrier was reportedly recently moved in the northern Jordan Valley, resulting in a de facto annexation of Palestinian land. During a speech marking the seventh anniversary of President Arafat's death, President Abbas firmly rejected violence, but called for the widest possible Palestinian “non-violent resistance”. On 15 November, Palestinian activists boarded an Israeli bus near Ramallah that headed to Jerusalem to protest travel restrictions, and seven were detained by the IDF.

11. However, violent incidents continue. Citing security concerns, the Israel Defence Forces conducted 218 operations, during which 44 Palestinians were injured, including three children, and 113 Palestinians were arrested, including a prominent West Bank Hamas leader, who was placed in administrative detention without charge for six months on 31 October.

12. Meanwhile, 21 settler attacks on Palestinians resulted in six injuries and the destruction of another 174 olive trees during the harvest season. On 15 November, the IDF arrested six Israeli settlers near Ramallah for throwing stones at Palestinian vehicles. Palestinian stone throwing against Israeli vehicles in the West Bank resulted in three injuries, and several Palestinian arrests. A Jewish holy site in Nablus was desecrated on 31 October.

13. I wish to note that the weekly average of attacks by settlers increased by 40% in 2011 compared to 2010, and by 165% compared to 2009. Israel recently made some arrests in connection with previous “price-tag” incidents. On 1 and 7 November, the IDF demolished structures in three West Bank settlement outposts, resulting in clashes with settlers and several arrests. However, on 10 November the Israeli Government delayed the demolition of two unauthorized West Bank settler outposts built on private Palestinian property. Israel must remove outposts consistent with its Roadmap commitments, and provide adequate law enforcement for
acts of settler violence in line with its obligations towards the Palestinian civilian population under occupation.

Mr. President,

14. Preserving calm in Gaza and southern Israel continues to be crucial for improvements there and for the overall political atmosphere. The United Nations remains committed to promoting implementation of Security Council resolution 1860. The fragility of the relative calm was once again demonstrated on 26 October when a Grad rocket launched by militants in Gaza exploded near the Israeli city of Ashdod. Between 29 and 31 October, a dangerous escalation ensued. Tens of Grad and homemade rockets as well as mortars landed in Israel. Israel conducted air strikes in Gaza, targeting mainly Islamic Jihad militants. Throughout the episode, both Israel and the de facto Hamas authorities in Gaza signaled their desire to de-escalate. Diplomatic efforts led by Egypt helped to restore a relative calm on 1 November. However, Islamic Jihad released footage purporting to show its possession of increasingly sophisticated mobile rocket launchers smuggled into the coastal strip, highlighting the need for more effective steps to prevent illicit trafficking of arms and ammunition.

15. During the reporting period a total of 56 rockets -- including 24 Grad rockets -- and 16 mortar shells were fired into Israel, killing one Israeli civilian and injuring four others. We condemn these indiscriminate attacks, which must stop. The IDF fired nine tank shells and conducted 25 airstrikes and four incursions into Gaza, killing 14 Palestinian militants and injuring 12 others, while two Palestinian civilian were killed and five were injured. A 14 November Israeli airstrike injured a French consular official in Gaza as well as his daughter and pregnant wife, who miscarried. Israel must exercise maximum restraint and minimize the risk to civilians. We reiterate the Secretary-General’s call for all to fully respect international humanitarian law.

16. In a welcome development, on 8 November, the Government of Israel granted four new sets of approvals for construction projects valued at approximately USD 5.5 million to be carried out by UNDP and also ICRC, Sweden, and USAID. I also welcome the start of the delivery of aggregate, bar and cement for use by the private sector in Gaza, in a pilot arrangement that represents a significant step toward rebuilding the Gaza economy. We are urgently awaiting further approvals of vital UNRWA housing projects. With due consideration for Israel’s legitimate security concerns, I continue to call for further measures towards the lifting of the land closure on Gaza, such as imports of construction materials at scale, exports, the extension of the Gaza fishing zone, and freedom of movement of people. Opening Gaza is vital for the wellbeing of Gazans and for closing gaps in supply increasingly filled by other actors, including illicit tunnel trade largely controlled by the de facto authorities. During the reporting period the Israeli navy stopped two boats attempting to reach the Gaza Strip by sea.
17. Following Fateh-Hamas contacts, a further high-level meeting is being prepared to discuss implementation of the reconciliation accord agreed in Cairo in May. The reconciliation accord envisages, inter alia, elections in one year, in May 2012, following the formation of a technocratic transitional government. Prime Minister Fayyad, who has constantly supported reconciliation efforts, has publicly reaffirmed his long-standing position that he will not be an obstacle to an agreement on a new government. The issues among the Palestinians remain challenging, while the substance of any reconciliation arrangement will be carefully assessed by donors. As the United Nations, we continue to support reconciliation efforts within the framework of the commitments of the Palestine Liberation Organization, the positions of the Quartet and the Arab Peace Initiative.

Mr. President,

18. The situation in Syria is a source of deep and growing concerns for the United Nations. Violent repression by the Syrian security forces has escalated. There are also worrying signs of an armed confrontation taking place in several areas of the country. The League of Arab States has intensified its efforts to stop the bloodshed and seek a political solution to the crisis, announcing on 2 November a work-plan to which the Syrian government agreed in principle. In the absence of full implementation by the Syrian authorities, the ministerial Council of the League suspended Syria from participating in its meetings and activities and decided to consider imposing economic sanctions. The League is currently seeking to dispatch an Arab observer Mission to monitor the implementation of the plan and protect civilians in Syria.

19. Secretary-General Ban Ki-moon has repeatedly called for an immediate end to the bloodshed. He has remained closely engaged with Arab partners and the Secretary-General of the Arab League in this regard. We call for the Arab workplan to be implemented fully and expeditiously. All violence should stop for a Syrian-led process of comprehensive political change to take place that will address the democratic aspirations of the Syrian people regardless of their political, religious or ethnic background.

20. In this challenging context, there was no progress towards peace between Syria and Israel, which continues to maintain settlements in the occupied Syrian Golan. No incident has been reported in the area of separation since the events of June.

Mr. President,

21. I now turn to the situation in Lebanon, where developments in neighbouring Syria have continued to stoke political tension. Lebanon’s vote on 12 November against the League of Arab States’ proposal to suspend Syrian membership has become a divisive issue between the coalition in power and the opposition. The discussion in the Parliamentary Human Rights Committee of the disappearances of four Syrian opposition figures in Lebanon earlier this year also sparked a heated debate between the 14 and 8 March movements.
22. The situation along Lebanon’s border with Syria also remains a concern. The Syrian army planted landmines on the Syrian side of the border, in areas most commonly used as illegal crossing points into Lebanon. At least one person was admitted to Lebanese health facilities as a result of injuries from the explosion of a landmine. The United Nations continues to coordinate closely with the Government of Lebanon on the provision of assistance to the displaced Syrian nationals, as well as on matters of protection and the determination of their status. As of mid-November, UNHCR and the Government have registered 3,581 displaced persons.

23. Two explosions took place in the southern city of Tyre on 16 November, targeting a hotel and a liquor store. They caused only material damage, including to two UN vehicles that were parked near the hotel. The Lebanese authorities have launched an investigation into the explosions. Thus far, neither the motive nor identity of the perpetrators is clear. There are no indications that the UN was targeted.

24. The situation in the UNIFIL area of operations has otherwise remained generally quiet and stable. However, Israeli flights over Lebanese airspace continue on an almost daily basis. The Under-Secretary-General for Political Affairs will brief you in greater detail on 29 November, during consultations on the implementation of resolution 1701.

Mr. President,

25. In conclusion, the stakes remain high. As I warned in my briefing before this Council in July, without a credible political path forward, accompanied by more far-reaching steps on the ground, the viability of the Palestinian Authority and its statebuilding agenda – and, I fear, of the two State solution itself – cannot be taken for granted. Gaps of trust, perception and substance remain between the parties. It will not be easy to overcome them. However, I appeal to them to de-escalate, refrain from provocations and adhere to their obligations, enter direct negotiations, and come forward with concrete and negotiable proposals. The United Nations stands ready to play its full role in supporting such efforts in good faith, based on the international legal basis affirmed by the Quartet, including the resolutions of this Council and existing agreements between the parties.

Thank you very much.