Mr. President,

Allow me to start by congratulating the new members of the Security Council at the start of their term. Let me also welcome the Foreign Minister of observer State of Palestine, Mr. Riyad al-Malki, and the Ambassador of Israel, Mr. Ron Prosor.

Members of the Council,

We meet today against the backdrop of ongoing events in the Middle East that could affect the peace process itself. Israel held elections yesterday and Jordan is holding elections today. The US administration also commenced a second term this week. While the process of forming a government in Israel could take weeks, we look forward to engaging the next Israeli government in the common pursuit of peace. This is not a time to be idle. Instead, we are entering a critical period ahead, in which concerted action will be vital if we are to salvage the two-state solution. The Secretary-General has repeatedly highlighted that 2013 will be a decisive year for the two-state solution and that the parties must now show the political will to cooperate with renewed efforts to achieve a two-state solution.

I recently visited Egypt and Jordan, two key Arab stakeholders with peace treaties with Israel, and my interlocutors reiterated their direct interest in assisting the parties to realize the two-state solution at long last and their concern with the dire regional consequences if no movement is achieved. Regional and international partners are increasingly alarmed that the only way to resolve the Arab-Israeli conflict in accordance with Security Council resolutions and international law is slipping away. They have also questioned the effectiveness of international efforts to bring about decisive results. Quartet envoys met again on 10 January in Amman, Jordan. Everyone recognized the urgent need for action, but I must express my genuine concern that a clear and realistic path ahead is still lacking. The United Nations will remain an integral part of efforts to urgently address the dangerous political vacuum and we are willing to work with any initiative that will achieve our common goal, including in the context of the Quartet. We have also taken note of the EU Council decision of 10 December that reaffirmed the EU’s vision for a way forward. We look forward in particular to renewed US engagement.

No international effort alone is sufficient for progress absent the requisite will from the parties themselves. If they want to provide themselves and others with the opportunity to get on track in the period ahead, then now is not the time for actions that further undermine mutual trust. As previously reported, after the General Assembly accorded Palestine Non-Member Observer State status in the United Nations, we have witnessed developments such as a dramatic increase in Israeli settlements announcements, including in the critical E-1 area, and the withholding and redirection by Israel of tax revenues it collects on behalf of the Palestinian Authority, which have been widely deplored, including by the United Nations. President Abbas has warned that
building in ‘E1’ is a ‘red line’ and if plans proceed he would consider raising his opposition in international fora, including the International Criminal Court. I urge both sides to abstain from actions that will make efforts to resume meaningful negotiations even harder in the critical period ahead and I call on Israel to restore the timely, predictable and transparent transfers of tax and customs revenues without further delay.

The withholding of clearance revenues has already seriously weakened the capacity of the Palestinian government to meet its obligations. Key amongst these is the payment of salaries to civil servants, who have only received partial salaries since November and launched strikes in protest since mid-December. The government also ended the refugee exemption from paying for electricity, which resulted in protests and clashes with Palestinian security on 1 January in Nablus.

In 2012 the recurrent budget deficit of the Palestinian Authority exceeded one billion US dollars. International contributions amounted to 600 million USD in support of the recurrent budget last year, but further timely disbursement of aid is essential to sustain institution-building and prevent disruption of core operations. I welcome reports of the recent contribution from Saudi Arabia and statements of support by some Gulf states during yesterday's Riyadh Summit but members of the Arab League have yet to provide financial assistance in accordance with their communiqué of 9 December, and I urge them to do so urgently and heed to the appeals of Prime Minister Fayyad. At the same time, we should be under no illusion: the viability of the Palestinian Authority will be increasingly at stake if its standing is based on political ‘quick sand’. Ultimately, there is no future for the Palestinian Authority without a two-state solution.

Mr. President,

All this is taking place amidst worrying events and trends on the ground, including continued settlement construction and increased violence. In East Jerusalem, on 19 December plans to approve 2,600 units in the settlement of Givat Hamatos were advanced and 1,242 units were approved on 25 December in the settlement of Gilo. On 19 December, Israeli authorities advanced a plan to build 523 units in the Gush Etzion settlement South-West of Bethlehem. On 16 January there were further tenders issued for construction in Efrat and Kiryat Arba near Hebron. The reporting period also witnessed continued activity in Palestinian neighborhoods of East Jerusalem including Beit Safafa and related to the construction of a military academy on the Mount of Olives. Israeli security forces demolished 105 structures in the occupied West Bank during the reporting period, resulting in the displacement of 170 Palestinians. Settlement construction in the West Bank including East Jerusalem is contrary to international law and cannot prejudge the outcome of final status negotiations. Clashes between settlers and Palestinians in the West Bank resulted in 14 Palestinian casualties including one girl shot dead this morning near Hebron.

The reporting period has been characterized by increased Israeli operations, a total of 379, and arrests in the West Bank—both of which are up nearly 90 per cent compared to the last reporting period, as well as increased clashes and renewed protests over the fate of Palestinian prisoners in Israeli jails. There are also continuing signs of tensions in security coordination, including the IDF arrest of one Palestinian security officer at a checkpoint near Nablus.
As a result of the operations two Palestinians were killed, including a teenager, 158 injured and 379 arrested. Four Israeli soldiers were also injured. Increased use of live fire by Israeli security forces has been reported in the West Bank and is of concern.

On 1 and 3 January undercover Israeli operations, in one instance to arrest a member of Islamic Jihad, resulted in clashes with civilians injured by live ammunition. On 25 December Israeli security forces arrested ten PFLP members in Ramallah and other West Bank villages. Two of them allegedly confessed to planning to kidnap Israelis to force the release of PFLP leader Ahmad Saadat.

Palestinian attacks on Israeli security forces in the West Bank included throwing stones and Molotov cocktails, with one instance against an IDF post at Rachel’s Tomb in Bethlehem on 27 December. A repeat attempt was thwarted by Palestinian Security Forces on 1 January. On 5 January Palestinian security forces arrested members of a Palestinian group in Hebron that had announced a “third Intifada” and threatened to abduct IDF soldiers. Palestinian security forces also intervened in several refugee camps to prevent some members of Al-Aqsa Martyrs’ Brigades from rearming and reverting to armed resistance. Demonstrations in Ramallah over the alleged Israeli mistreatment of Palestinian prisoners led to clashes with Palestinian security forces on 20 January. We continue to be concerned about the fate of Palestinian prisoners on administrative detention in Israeli jails, especially those on prolonged hunger strike.

All of the above paints a grim picture and absent a new perspective on the political track, I fear such negative trends will only worsen.

Palestinian demonstrations continued to be organized against the barrier, which deviates from the Green Line in contravention to the advisory opinion of the International Court of Justice. On 11 January over 100 Palestinians and international activists moved to the E1 area of the West Bank and established an encampment named Bab al-Shams ("Gateway to the Sun"), consisting of over 20 large tents, aimed at countering Israeli plans to expand settlement construction there. Demonstrators were evicted in the early hours of 13 January. On 18 January, the Secretariat received a letter from Ambassador Prosor, in which he considered the incident as “a provocation staged against Israel.” The Secretary-General has expressed his grave disappointment about the announced plans for Israeli settlement construction in the so-called E-1 area and repeated his call that such plans must be rescinded. The Secretary-General also stresses the importance for protests to continue to remain peaceful and for the right to peaceful protest to be fully respected. Another encampment named Bab al-Karamah (or "Gateway to Dignity") was set up on 18 January in the Palestinian village of Beit Iksa, between Jerusalem and Ramallah, to impede the construction of the barrier on village land. The encampment was subsequently dismantled by Israeli security forces on 21 January.

Mr. President,

In Gaza, the calm brokered by Egypt in November has largely held, but remains tenuous. It is significant to report that no rockets or mortar shells landed in Israel during the reporting period, and only one rocket has landed in Israel since the end of November. Israeli forces conducted
three incursions into Gaza this period and fired six tank shells. One Palestinian civilian was killed and ten Palestinian civilians were injured by Israeli fire, mostly while attempting to approach the border fence. I traveled to Cairo last week to continue our close work with Egyptian authorities to encourage further progress on all aspects of the understanding for the ceasefire.

As part of its commitments in the understanding reached, Israel began allowing gravel for commercial use through the Kerem Shalom crossing. In the past month 551 trucks carrying more than 38,000 tons of gravel entered Gaza. Israel has also allowed Palestinian farmers access up to 100 metres from the fence with Israel and Palestinian fishermen have been able to access up to six nautical miles from shore.

This is important progress. However, a further extension of the fishing limit to at least 9 nautical miles is necessary for a significant increase in the catch of the fishermen. We also continue to call for unrestricted entry of all construction materials. Assessments of damage to residential properties and civilian infrastructure resulting from the escalation in November 2012 highlight the urgent need to remove the ongoing restrictions. Further measures to lift the closure should include transfers of goods between Gaza and West Bank, exports to Israel and beyond, and as needed increased capacity at Kerem Shalom and a re-opening of Sufa crossing. To further advance this important agenda and address Israel's legitimate security interests, it is essential that in parallel efforts continue to enforce the calm and prevent the smuggling of weapons into Gaza.

In a new development, since 29 December, Egypt has allowed the entry of an average of 30 trucks per days carrying construction materials through the Rafah crossing for a range of Qatar-funded projects.

Implementing resolution 1860 in full also means overcoming the Palestinian divide. In this regard, President Abbas met with Hamas leader Khaled Meshaal on 10 January in Cairo to discuss the implementation of previous Palestinian reconciliation deals. On 17 January, members of Fatah and Hamas held in Cairo the first of what is intended to become a series of regular meetings. The Palestine Liberation Organization (PLO) temporary body that includes all PLO factions as well as the leaders of groups outside of the PLO is expected to meet in early February. Additionally, both sides have made positive gestures, as Fatah was permitted to hold an anniversary rally in Gaza earlier this month, following the Hamas anniversary rallies in the West Bank last reporting period. Reconciliation and negotiations remain essential for achieving the two-state solution. The peace process and reconciliation is not an “either-or” proposition and must be made compatible by advancing both in a mutually reinforcing way. But for real progress to be made, the time has come for Hamas to make clear where it stands on the central issues at stake.

Mr. President,

Turning now to Syria, I will be succinct, as the Joint Special Representative for Syria Mr. Brahimi will brief the Council at the end of this month.
The conflict, now in its 22nd month, continues unabated. Nearly 60,000 have been killed between 15 March 2011 and 30 November 2012. Thousands remain in detention. Many have suffered torture and ill-treatment, including sexual violence. Indiscriminate shelling, armed clashes and the general state of insecurity have driven more than 670,000 Syrians outside. There are now over 18,000 Palestinian refugees displaced from Syria hosted in Lebanon and assisted by UNRWA, up from 10,000 in early December, as well as 3,200 in Jordan. More than 67,000 Iraqi refugees from Syria have had to return to Iraq. Since mid-December Yarmouk Camp, a Palestinian refugee camp in Damascus, has been the site of fighting between Syrian rebels and gunmen loyal to the government, leading to massive displacement of the camp’s population.

On 21 January, the Secretary-General and the Joint Special Representative expressed deep disappointment and anguish at the appalling levels of killing and destruction carried out by both the Government and the opposition, fuelled by outside powers providing weaponry to both sides. They also expressed their consternation about the lack of a unified international posture that could lead to a transition as agreed at Geneva last June and put an end to the desperate suffering of the Syrian people.

The UN is doing its utmost to assist all in need inside and outside Syria. The Secretary-General will chair a high-level donor conference in Kuwait on 30 January to support our humanitarian assistance programmes. We are hopeful that Member States will contribute generously to bridge the funding gap.

The situation in UNDOF area of operation remains volatile. Armed clashes between the Syrian army and armed opposition take place sporadically inside the Area of Separation, posing risks to the ceasefire between Israel and Syria as well as the safety and security of civilians and UNDOF personnel. This situation clearly jeopardizes regional stability and the ceasefire between the two countries. We have repeatedly called on both sides to respect the Disengagement agreement.

Mr. President,

The situation in Lebanon has been relatively quiet since last month’s briefing, in spite of persisting tensions linked with the ongoing conflict in Syria. In Tripoli, the Lebanese Armed Forces continued to maintain calm between the Sunni and Alawite communities of Bab al Tabbaneh and Jabel Mohsen. There was however an attack on the convoy of the Minister of Youth on 18 January in which 11 were injured. One eleven year old Lebanese boy was killed by gunfire coming from Syria on 25 December but generally the bad weather and heavy snow in the border region contributed to a decrease in violence and in smuggling activity. The nine Lebanese pilgrims who remain in the custody of Syrian opposition forces since May 2012 have still not been released. The bodies of some 10 of the fighters killed in the Tel Kalakh incident on 30 November were returned for burial in Lebanon and at least one Lebanese fighter is believed to be held by Syrian government forces.

As a result of the continued political stalemate between the two main blocs, the session of the national dialogue scheduled for 7 January was postponed indefinitely by President Sleiman who continues to hold consultations with all parties. Members of the parliamentary sub-committee
started a series of meetings on 8 January to discuss the different proposed drafts of a new electoral law. It is a positive development that the parties are working together constructively in this manner and we hope that broad consensus emerges over a new law. It is important that elections are held on time in accordance with the constitution and for the stability of the country.

The situation in the UNIFIL area of operations remained generally quiet and stable. Israeli violations of the Lebanese airspace continued on a frequent basis.

Mr. President,

In conclusion, given internal political calendars we have weeks to prepare for a new initiative. Israeli and Palestinian leaders have stated, like us, that they are convinced the two-state solution is the only path toward a durable peace. But they should realize that absent serious engagement, the peace process will remain on life-support and stability on the ground will be put at risk even further. The consequences for inaction could be dire for everyone. Therefore the parties must not only remain open to new initiatives to overcome the current impasse, but they must also demonstrate their seriousness. If Israel is serious about the two-state solution it must recognize the negative impact of continued settlement construction. Palestinian seriousness could be demonstrated by pausing further action in the international arena while talks begin.

Both parties must re-affirm their commitment to a negotiated two state solution consistent with the UN Charter, that will fulfill Security Council resolutions 242 and 338, resolve the core issues – territory, security, Jerusalem, refugees, settlements, water – and constitute the end of the Israeli-Palestinian conflict and all claims related to it. As a result of negotiations, two states for two peoples, Israel and Palestine, will live side-by-side in peace, security and mutual recognition of each other’s legitimate rights, including self-determination. Each state will ensure equal civil rights for all its citizens, and will be committed to respect for human rights and human dignity. That, in our view, is in essence the vision of a two state solution endorsed by the international community and accepted in the Arab Peace Initiative as the basis for ending the Arab-Israeli conflict and achieving regional peace. None of the steps to realize the vision are easy, but we cannot afford another year without courageous action undertaken for the purpose of achieving a two state solution.