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BRIEFING TO THE SECURITY COUNCIL ON THE SITUATION IN THE MIDDLE EAST

20 September 2007

- 1. We are at a very important juncture in the search for peace in the Middle East. A new push for peace is being made, and holds genuine promise. However, the situation on the ground remains of deep concern.
- 2. Prime Minister Olmert and President Abbas continue their bilateral dialogue. They recently agreed to set up negotiating teams to assist them in transforming their discussions into an agreed text. A lot of work remains to be done if these talks are to produce a substantive agreement. US Secretary of State Rice is currently in the region to take stock of progress and encourage further effort. She will brief the Quartet when it meets here in New York on Sunday.
- 3. Quartet Representative Blair recently completed his second visit to the region to develop his agenda on economic revival and institutional reform. He will also brief the Quartet on Sunday. The UN continues to give Mr. Blair's efforts its full support.
- 4. As these diplomatic efforts have proceeded, violence among Palestinians has killed 11 and injured 95, including 8 children. There have been several violent confrontations with heavy exchanges of fire, reflecting a deep and continuing political crisis.
- 5. In Gaza, Hamas has replaced senior personnel in Ministries, while adopting increasingly repressive measures to solidify its control. I am particularly concerned at reports of mounting human rights abuses at the hands of paramilitary Hamas forces, including the violent dispersal of demonstrations and the illegal detention of other Palestinians.
- 6. In the West Bank, Palestinian Authority security forces have been arresting alleged Hamas members. The Palestinian Authority has closed over 100 charities and NGOs. In the absence of sessions of the PLC, President Abbas continues to rule by decree. A recent decree introduced major changes to the electoral law by adopting a full proportional system and requiring any party participating in future elections to be committed to the 1988 PLO Declaration of Independence as well as the Basic Law. Hamas has strongly attacked this decree.
- 7. The continued division of the occupied Palestinian territory is a matter of deep political, security and socio-economic concern. Obviously, the longer it continues, the harder it will be to overcome. President Abbas and Prime Minister Fayyad insist that Hamas must apologize for its violent takeover of Gaza in June, reverse the steps it has taken and recognize the Palestinian Authority. However, Hamas continues to reject these demands and to call for dialogue, while solidifying its *de facto* rule in Gaza

Mr. President,

- 8. Violence between Israelis and Palestinians has also continued. In the reporting period, 20 Palestinians were killed and 89 injured, while 1 Israeli was killed and 50 were injured.
- 9. I condemn the continued indiscriminate rocket fire by Palestinian militants in Gaza against civilian population centres in southern Israel. These attacks have caused casualties and damage particularly in Sderot, at which ten rockets were fired in the opening two days of the school year. A rocket fired by Islamic Jihad also struck an Israeli army base at Zikim on 11 September, injuring 44 soldiers, including one critically, while 23 others were treated for shock. Israeli soldier Gilad Shalit remains in captivity in Gaza and efforts to renew talks for his release appear to have made no headway.
- 10. Yesterday, the Israeli security cabinet declared Gaza an "enemy entity" and announced its intention to interrupt essential services such as electricity and fuel to the civilian population. Israel has also closed the Strip for the movement of Palestinians in and out and indicated that it will severely restrict the movement of internationals. As noted yesterday, while we fully understand Israel's security concerns, the steps announced would, if implemented, violate Israel's obligations towards the civilian population under international humanitarian and human rights law. There are 1.4 million people in Gaza, including the old, the young and the sick. They should not be punished for the unacceptable actions of militants and extremists. Israel should re-think this decision.
- 11. IDF actions have also caused civilian casualties. On 22 August, Palestinian twins aged 10 and a twelve year old from the same family were killed by an IDF missile targeting northern Gaza. No satisfactory public investigation or action has been taken in similar incidents to give confidence that the IDF is making a maximum effort to prevent such casualties.
- 12. In the West Bank, the IDF conducted 110 searches, detaining 175 Palestinians. The IDF claims that its security measures have prevented a number of planned suicide bombings and that earlier in the month it uncovered an explosives laboratory in Nablus. A raid into Nablus which began on 18 September and is continuing has left a 17 year old Palestinian and a disabled Palestinian man dead. An Israeli soldier has also been killed in the incursion.

- 13. Earlier steps to build confidence and improve conditions on the ground in the West Bank have not been built upon in the reporting period. For example, a welcome Israeli initiative to release a further number of Palestinian prisoners appears to have been slowed down.
- 14. No action has been taken to ease obstacles to freedom of movement in the West Bank, which have risen to 563. This level of restriction is contrary to the Agreement on Movement and Access and to the goal of rejuvenating the Palestinian economy. Action on this matter is now critical.
- 15. Settlement construction is continuing on both sides of the barrier in the majority of settlements. No action has been taken against outposts. A new outpost is visible within 100

metres of an Israeli army post at the northern entrance to Ramallah. Continued settlement expansion is contrary to international law and the Road Map, and discredits efforts to advance the peace process.

- 16. Construction of the barrier deep within the West Bank continues, contrary to the advisory opinion of the International Court of Justice. On 4 September the Israeli High Court ordered a section of the barrier re-routed where it deviates from the 1967 armistice line to incorporate the settlement bloc of Modiin. The Israeli army was unable to make a security case for the planned route in front of a judge, and the route was altered as a result.
- 17. The Palestinian Authority under PM Fayyad is working to impose law and order, institute reform and good governance, and improve living conditions. On security, more needs to be done to build confidence among both Israelis and Palestinians that the PA security services will operate with professionalism and determination to prevail over militias. This is a key test for the PA and meeting it is vital for the success of the political process. For example, further action is required to disarm militants Israel has agreed to remove from wanted lists.
- 18. With the resumption of Israeli transfers of Palestinian tax revenue, public sector salaries are being paid in the West Bank and Gaza, though in the case of Gaza most public sector employees are not reporting to work due to the dispute over who they report to.
- 19. The government has embarked on an integrated budgeting and planning approach which will result in a Palestinian Development and Reform Plan for 2008-2010. The Plan aims to improve resource allocation to national priorities, increase the predictability of funding for services, and provide the basis for strengthened public expenditure management.
- 20. The scale of the challenge to rejuvenate the PA economy is underlined by the World Bank in a report prepared for the Ad Hoc Liaison Committee, which documents a comprehensive drop in socioeconomic indicators throughout the occupied Palestinian territory. Per capita GDP declined from \$1612 in 1999 to \$1129 in 2006. Chronic diseases have increased by 31% since 2005. One in 10 Palestinian children under 5 years old is now stunted as a result of malnutrition. Palestinian private sector capability and investment potential is declining. The economy is becoming increasingly reliant on short term aid, mostly spent on recurring expenditure rather than development.
- 21. The report goes on to recommend a series of measures capable of reversing these trends if implemented in parallel: full implementation of the November 2005 Agreement on Access and Movement; more work to consolidate the rule of law in the oPt; and aid delivered predictably and through the Palestinian Authority. The Bank also stresses that the Gaza Strip represents 40% of the population of the oPt and must be incorporated into any recovery plan.
- 22. In this context, the continued closure of Gaza is a source of deep concern. While humanitarian supplies are reaching the population, Karni and Rafah crossings have been closed since the Hamas takeover in mid-June. This has caused severe personal and economic hardship. \$200 million worth of UN and World Bank infrastructure programs in the Gaza strip have been halted. A third of students have begin their school year without textbooks. Almost all exports from the Gaza Strip have ceased, though recently arrangements have been made to facilitate a limited amount of exports through Kerem Shalom. The inflow of

foodstuffs into the Gaza Strip is slowly declining – approximately 27 truckloads per day less in August when compared with July. WFP reports that current levels of food imports only cover about 60 percent of food import needs.

23. The Acting Special Coordinator is developing in close consultation with many interested parties a proposal to increase access through the crossings, including re-opening Karni. I call on all concerned to work with the UN to find a secure and satisfactory way to re-open the crossings.

- 24. I turn now to the regional situation. During the reporting period, a number of Arab League member states as well as the Arab League Secretary-General have stressed that the Israeli-Palestinian dialogue must produce substantive results if it is to receive Arab support and be the basis for a successful international meeting. They have also called for the meeting to be comprehensive.
- 25. On 9 September 2007, the Permanent Representative of the Syrian Arab Republic wrote to the Secretary-General and the President of the Security Council alleging a "breach of the airspace of the Syrian Arab Republic" by the Israeli air force on 6 September. The Israeli government has not commented on these allegations, which have been the subject of extensive media speculation.
- 26. In Lebanon, MP Antoine Ghanem of the 14 March parliamentary group was assassinated yesterday. Seven other people were killed and many more were injured in the explosion. The Secretary-General strongly condemned this act of terrorism that, like others before it, was aimed at undermining Lebanon's stability. The Secretary-General also urged the Lebanese for utmost calm and restraint and encouraged continuing dialogue among them. I would also like to inform you that yesterday the Secretary-General received a letter from Prime Minister Siniora of Lebanon requesting that the United Nations International Independent Investigation Commission would extend assistance in the investigation of this heinous crime. The Secretary-General will convey this letter to the Security Council.
- 27. In a positive development, on 2 September, after fifteen weeks of fighting in and around the Nahr el-Bared refugee camp, the Lebanese Armed Forces declared victory over Fateh el-Islam. The fighting, which started on 20 May, resulted in 166 Lebanese soldiers killed. Approximately 222 militants were also killed and 202 were arrested. In recent days, the Army has continued to arrests militants who had managed to escape and is also questioning those under arrest. I pay tribute to the LAF soldiers and stress the importance of the Lebanese Government exercising its full sovereignty and control over all Lebanese territory, and for securing a victory for all of Lebanon against a clear threat to its sovereignty and stability.
- 28. In order to address the immediate and longer-term requirements of both the Palestinian and Lebanese communities affected by the fighting, the Government of Lebanon has appealed for approximately \$382 million, which includes a new Emergency Flash Appeal issued by UNRWA for \$55 million. The UNRWA appeal remains underfunded, with only \$17 million in pledges to date. I urge Member States to assist the Government of Lebanon to meet the humanitarian and reconstruction challenges.

- 29. Political tension remains high surrounding the upcoming presidential elections. It is paramount that the elections be held in accordance with the timeframe and procedures stipulated in the Lebanese Constitution. This requires an open and genuine dialogue among the parties with a view to electing a President who enjoys the broadest support of the Lebanese people. The Secretary-General has been in contact with Lebanese leaders to encourage them to spare no effort in reaching an agreement on a President. The Special Coordinator for Lebanon is also continuing to work closely with all parties on the ground towards this end.
- 30. The situation in UNIFIL's area of operation remains calm, with no serious incidents to report. In the monthly tripartite meetings, the parties agreed on the modalities for visibly marking an initial 6 km section of the Blue Line. Cooperation between UNIFIL and the LAF is being further enhanced by the initiation of some coordinated patrolling activities, which it is hoped will increase in the weeks ahead. During the reporting period, the Commander of the Lebanese Armed Forces also visited UNIFIL and a successful joint UNIFIL-LAF military exercise was held.
- 31. Israeli air violations of the Blue Line have continued. UNIFIL observed a total of 99 violations since the last briefing to the Council. Israel continues to claim that the violations are necessary to counter breaches of the resolution 1701 arms embargo, which it alleges continue to occur. The United Nations will continue to assert in the clearest terms with both parties that one violation cannot justify another.

- 32. As the Council is aware, the Quartet meets this Sunday, 23 September, followed by an "iftar" with a number of members of the Arab League. The Ad Hoc Liaison Committee meets the following day. The Secretary-General will host or co-host these events.
- 33. The Quartet will hear from Mr. Blair on his plans for the period ahead and take stock of progress in the bilateral talks and discuss the way ahead in preparation for the international meeting called by President Bush. The Secretary-General will also impress upon his colleagues his concerns for the welfare of the Palestinian population in Gaza.
- 34. The iftar is an opportunity for the Quartet to convey its determination to work closely with its Arab Partners in an effort to realize the potential of the Arab Peace Initiative and to advance the cause of a comprehensive regional peace.
- 35. The AHLC meeting is the occasion for Prime Minister Fayyad to present his government's plan for Palestinian economic revival, and for donors to signal their support, in advance of a donor pledging conference before the end of the year.
- 36. These meetings will only be as useful as the agreements and steps of implementation they help bring about, and the changes on the ground they help to catalyze. Much is at stake in the coming few months. The situation on the ground is volatile and there are many obstacles to progress. The united effort of the international community will be vital to ensure that the renewed diplomatic effort produces something meaningful and durable. There will be difficult and unpopular choices ahead. Calculated risks are required for peace. The risks of inaction or timidity are incomparably greater than the risks of action. Now is the time for

leaders to put their long-suffering people first, to think of the next generation and to do what needs to be done.

Thank you, Mr. President