What a pleasure to be in Israel - my fourth visit as UN Secretary-General.

And what an honour to address this distinguished gathering of the annual Herzliya Conference.

Your chosen theme this year is apt: "In the Eye of Storms: Israel and the Middle East."

The “storms” of the Arab Spring are indeed sweeping the region. Change keeps coming, with blinding and often bewildering speed.

Some in Israel, and elsewhere, view these events with concern.

One year later, they say that the Arab Spring has failed… that these dramatic transformations have moved the Middle East backward, not forward. Others fear new governments will emerge that are unfriendly to Israel.

Understandably, they point to the conflict in Syria… to the emergence of Islamist-oriented leadership in some governments… to critical issues concerning Iran

Yet to speak frankly among good friends, I would have to say that it pains me to hear such complaints.

I am Secretary-General of the United Nations, an organization dedicated to promoting democracy, human rights and the worth of the individual. These principles are deeply embedded in the UN Charter and the Universal Declaration of Human Rights.

We have worked to advance these ideals for many, many years. It is hard not to view the dramatic events of the past year as a fulfilment of our most noble aspirations.

Cast your eye over this new landscape, so profoundly different from a year ago. We see a newly democratizing Egypt and Tunisia. A newly liberated Libya rebuilding itself on basic principles of democracy and the rule of law.

Everywhere, people are expressing a fundamental human yearning … the universal hunger for dignity, freedom and human rights.

Young people have been in the vanguard. As have women, standing for their rights against those who would deny them.

Surely, no one in the modern world would conclude that a repressive regime that grants no rights to its people … or seeks to limit them … is somehow preferable to a democracy.

We should welcome this historic - this inevitable - evolution.

We should not perpetuate the fallacy that the Arab world is not ready for democracy.
Two decades ago, a previous generation rebelled against tyranny in Eastern Europe. The international community was quick to help. Today, the international community should step up once again. We should help these new Arab governments as they try to respond to the needs and aspirations of their citizens.

The road to democracy is not easy. It has to be shaped and formed in a true democratic spirit.

This a once-in-a-generation opportunity. And I have put helping nations in transition at the very top of my priorities for my second term as Secretary-General.

Israel, the United Nations and the entire international community should unite in this effort.

As I see it, there is no “eye” in this sea of geopolitical storms. There is no untouched “safe haven,” no island of calm.

We all recognize that Israel has special security concerns. That is why as Secretary-General I have spoken out, loudly and repeatedly, against anti-Semitism and anti-Israel hate-speech. Again and again, I have condemned those who would deny the Holocaust.

I have stood firm against terrorist attacks and defended Israel strongly in world bodies where it has been singled out.

And that is why, tonight, I say that Israel’s future is not in isolation. Israel’s place is in this larger world, firmly anchored in a newly democratic Middle East.

Ultimately, the best way to survive and thrive amid change is to embrace it … and help shape it.

Ladies and gentlemen,

This brings me to the question of peace and Israel's responsibility to achieve it.

The United Nations helped bring the State of Israel into this world. It did so in the name of peace, not war. Yet the Israeli-Palestinian conflict is entering its seventh decade.

The current peace process began in Madrid more than 20 years ago. It raised high hopes - but delivered two decades of delay, mistrust and missed opportunities.

A succession of failed talks created a climate of mistrust. So-called “rejectionists” gained strength. Many have come to question the very basis of the peace process - land for peace.

And yet we have come close. Civil society initiatives have shown that the gaps can be bridged … that differences are not beyond the ability of people of good will to resolve.

And recent years have brought another welcome and positive development -- the emergence of a credible Palestinian partner, serving its people and, I suggest, challenging Israel to rethink some of its assumptions.

In some ways, the Palestinian Authority is ahead of the regional curve. In the West Bank, it is building the institutions for a functioning democracy and a future Palestinian state. Yesterday, I once again visited Ramallah. Every time I go, I am impressed by the pace of progress.

I was also struck by the professionalism of the security forces, as well as the broader sense of economic and social progress. The creation of functioning and well-governed Palestinian
institutions is clearly a strategic Israeli interest. Yet these advances are at risk. Why? Because the politics is not keeping pace with developments on the ground.

Negotiations have bogged down. We see too many pointless provocations. Israel continues to erect settlements, some in the most sensitive areas for any future peace.

Meeting with Palestinians in the West Bank yesterday, I heard their deep frustration. The international community’s position is well-known: these settlements are illegal.

I strongly agree.

For Palestinians, the borders of a future state based on the 1967 lines, with agreed swaps of territory, are the essence of its viability.

It is not surprising, therefore, that growing numbers of Palestinians see what is happening elsewhere in the region and are coming to support popular, non-violent action - a “Palestinian Spring,” some call it. They can also be expected to take their case for statehood to the United Nations and its various funds and programmes, as they have already with UNESCO. All of us here today understand Israel’s very real security concerns. I saw for myself the terrible effects of the rocket attacks out of Gaza at Sapir College, only 3 kilometres from the border.

We must work together to stop the smuggling of weapons into Gaza. We must strengthen the institutions of mutual security in the West Bank, and we must promote a culture of tolerance and mutual acceptance in both Israel and the Occupied Palestinian Territories.

And clearly, we must condemn all acts of violence. We must speak clearly for Israel’s right to exist, always bearing in mind that a negotiated peace must rest on accepted principles of self-determination in their own democratic states.

In these circumstances, Israel must think carefully about how to empower those on the other side who wish for peace. Now is the moment for a demonstration of good will by both sides.

There is much Israel can do.

By opening Gaza to construction materials, for example, Israel would give ordinary Gazans a chance for a normal life. For people to live normal lives, they have to have schools, decent housing and health care. There has to be an economy, with jobs and a free flow of commerce.

Palestinian poverty is not Israel’s friend.

Ladies and gentlemen,

Our highest priority must be to return to negotiations - not merely procedural talks, but genuine and substantive negotiations to resolve the core issues. And when those talks begin, both sides should understand the profound costs if they lead nowhere, particularly in terms of public alienation.

As you know, Israeli and Palestinian representatives are meeting in Jordan.

That is why I travelled to Amman earlier this week. I commended King Abdullah for his stewardship, and I told him that I would do anything possible to push the negotiations forward.

That is also why I have visited Israel and the Occupied Palestinian Territories. I have used this occasion to urge both the Israeli and Palestinian leadership to act constructively and refrain from provocations.
Prime Minister Netanyahu and President Abbas each re-affirmed their commitment to a negotiated solution.

I told each, as well, that this is their moment. This is the moment to try to rebuild the confidence and momentum that has so sadly - and often so needlessly - been lost.

The road is not easy, but every step counts.

Confidence demands that Palestinians and Israelis are able to live normal lives. It demands that both sides accept that each has a legitimate narrative and legitimate needs, and that neither demonize the other. A radicalization of societies would hurt Israel and Palestine alike.

Negotiations will go nowhere without a shared sense of urgency and a genuine determination to succeed.

The Palestinians must engage, seriously, on security. Israel must engage, seriously, on territory.

The elements of peace are what they have long been: an end of the 1967 occupation, a just resolution of all core issues including security, borders, Jerusalem and refugees, and the creation of a Palestinian state living side-by-side in peace with a secure Israel.

Ladies and gentlemen, friends:

I have spoken frankly, today, because I believe that time is running out and because I am a true friend of Israel.

If this chance is not seized, future conferences here at Herzliya will face even more difficult questions and challenges.

The world is ready to help ensure Israel’s security, just as it is ready to help Palestinians to establish a new nation - so long overdue.

You have my personal commitment as Secretary-General to spare no effort to help Israelis and Palestinians arrive at a new and brighter future - and to place at the centre of this profoundly changing region an historic peace whose benefits will be felt in every corner of the world.

Toda raba. (Toh-DAH rah-BAH) Thank you.

Thank you very much.