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**Item 11b: Report on UNCTAD's Assistance
to the Palestinian people**

General statements by regional groups
Speaker: The Islamic Republic of Iran
on behalf the Asian Group

Monday, 24 September 2012

*Not checked against delivery **

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Statement
by H.E. Ambassador Abbas Bagherpour, Deputy Permanent Representative
of
the Islamic Republic of Iran,
on behalf of the Asian Group
On agenda item 11b: Report on UNCTAD's Assistance to the Palestinian
people
at the 59th Session of the Trade and Development Board
Geneva, 24 September 2012

Mr. President,
Mr. Secretary General,
Excellencies,
Ladies and Gentlemen,

I have the honour to speak on behalf of the Asian Group. The Group aligns itself with the statement made by Indonesia on behalf of the G77 and China.

I would like to commend UNCTAD for its outstanding report on the economy of the Palestinian Occupied Territories.

Mr. President,

The Asian Group expresses its grave concern over the situation in the occupied Palestinian territory. UNCTAD's report convincingly indicates that the economic situation continues to regress year after year. We are alarmed by the destruction of Palestinian economic assets, especially the destruction of Palestinian products, trees, and other resources and call for an end to all acts of violence and measures that constrain Palestinian development.

UNCTAD's report speaks of high unemployment, poverty, food insecurity, restrictions on mobility and faltering donor aid. It goes on to say that despite continuous reforms, the fiscal crisis persists and as a result, the socio-economic structure of Palestinian society is being destroyed. The report also highlights the roots of the fiscal crisis, which are a direct outcome of the prolonged and ongoing Israeli occupation.

Mr. President,

We are concerned about severe poverty and chronic food insecurity, which are striking the core of Palestinian livelihood. Poverty is estimated at 78 per cent and most severe in East Jerusalem, while Food insecurity is most severe in Gaza and affecting two out of every three Palestinians.

The report deals with the root problems that concern the Palestinians people, as well as their aspirations for development, freedom, justice and statehood. The recommendations contained in UNCTAD's report are insightful, timely and urgent and provide possible solutions that are not limited to agriculture and address the Palestinian economy as a whole.

Mr. President,

We are alarmed by the fact that the long-term prospects for Palestinian economic development worsened in 2011 and early 2012. Palestinians do not have sovereignty over their borders, natural resources or key economic policy variables such as the exchange rate, monetary policy or trade policy. With these in mind, we are greatly concerned about the policy space available to the Palestinians to address the complex problems of their economy.

It is clear that whatever efforts Palestinians undertake; they will still be constrained by the realities of occupation. For example they have attempted to contain expenditure and enhance tax revenue collection. However, the deficit continues along with an overall fiscal weakness and great vulnerability.

UNCTAD's report notes that years of occupation have rendered Palestinian agriculture incapable of realizing its productive and employment potential. Only 35 per cent of Palestinian farm land is actually irrigated, which costs the economy 110,000 jobs per year and 10 per cent of the GDP. If the right steps are taken by the relevant parties, 110,000 jobs can be created. Obviously these jobs could alleviate much economic hardship and suffering for many Palestinian families.

Israeli authorities and the *Separation Wall* constructed by Israel refuse to permit and prevent thousands of Palestinian farmers from accessing their own agricultural land. Furthermore, millions of Palestinian trees have been uprooted in the course of decades of occupation. Palestinian fishermen are only allowed to fish within a three mile radius. Both farmers and fishermen are being denied the right to work to feed their families.

The Palestinian people are also prevented from using their water resources; this is alarming and will further destabilize the unjustly impoverished Palestinian people and deprive them from their right to their own natural resources and the right to development.

Mr. President,

The situation is alarming and needs to be addressed seriously. There is an urgent need to address the problem of the lack of Palestinian control over land and water resources, without which there is little scope for designing and implementing plans to develop and optimize the use of scarce Palestinian land and water resources. The Asian group expresses its full solidarity with the Palestinian people and urges the international community to enhance their support and find solutions to stop the unjustified and imposed pressures on Palestinian people. We fully agree with the report that the key obstacles facing the Palestinian economy are all related to occupation and ending occupation is the sine qua non for sustainable development to take root.

In conclusion, Mr. President, The Asian group thanks UNCTAD for its assistance to the Palestinian People and its important and continuous work on the

Palestinian economy. We also urge the international community to extend its full support to UNCTAD's programme of Assistance to the Palestinian people and take concrete actions to end occupation.

I thank you Mr. President.