

UNITED NATIONS CONFERENCE ON TRADE AND DEVELOPMENT

Trade and Development Board, fifty-ninth session
Geneva, 12–28 September 2012

General statements by member States
Speaker: Israel

Monday, 24 September 2012

*Not checked against delivery **

* This statement is made available in the language and form in which it was received. The views expressed are those of the author and do not necessarily reflect the views of UNCTAD.

STATEMENT ON BEHALF OF THE STATE OF ISRAEL
UNCTAD Trade and Development Board
Geneva, 24 September 2012

Mr. Chairman,
Distinguished Delegates,

At the outset, I would like to express, on behalf of the Government of Israel, our support for any program or project which promotes and improves the Palestinian economy. A prospering economy is an important factor in contributing to the conditions that can lead to a lasting Peace.

Israel has also expressed interest in UNCTAD's work towards achieving increased institutional and policy capacities and we encourage programs that work towards the sustained development of the Palestinian economy.

Mr. Chairman,

It is therefore especially disappointing that Israel again finds itself confronted by a report on UNCTAD's assistance to the Palestinians that involves itself in politics and partisanship rather than progress and professionalism. A report that is far from impartial, full of faulty references and biased sources.

While in previous years, UNCTAD has at least consulted Israeli government officials and utilized Bank of Israel data, this year UNCTAD's secretariat has chosen to completely ignore all Israeli government sources. This cannot contribute to a balanced and factual report, and merely confirm the political and biased nature of this document.

When reading the report, it seems that its authors had decided to first shoot the arrow and then draw the target around it. In their mind, no matter what, Israel is responsible for almost all the problems of the Palestinian economy, and all achievements and successes are belittled or explained away.

Mr. Chairman,

Since this year's report deals mainly with the agricultural sector, allow me to elaborate a little on the issue of water and share with you some facts that the report blatantly ignores.

The Water Agreement between Israel and the Palestinian Authority gives a veto right to each side, a right that was used by the Palestinians more than once. The agreement also sets future allocations of water that go beyond the interim period.

Israel not only fulfills its obligations under the Water Agreement, but goes beyond them. Israel supplies 52 Million Cubic Meters per year of water to the Palestinians far beyond 31 MCM per year that it is required to under the agreement.

There are no restrictions on digging new wells in the west bank, as long as they get the approval of the Joint Water Committee.

In 2011 alone, Israel has approved, through the JWC, the renovation of 54 existing wells and the digging of 3 alternative wells in the eastern aquifer.

In the last two years Israel has conducted number of training courses to Palestinians, including from Gaza, on water desalination and sewage treatment. Israel had provided all necessary approvals for water projects in Gaza, projects that are not implemented due to financial reasons.

Unfortunately Mr. Chairman, I have failed to locate this information in the report.

Mr. Chairman,

Water is a cross-boundaries issue and needs a cooperative approach, especially in the dry region of the Middle East. Unfortunately, the Palestinians demonstrated more than once that creating a sense of humanitarian crisis around the issue of water is in their interest and perfectly serves their political aims.

Let me give you some examples - Israel has worked on granting permits for 7 projects approved in the JWC, but their implementation was held up by the Palestinians. Israel has offered the Palestinians to assist in designing an alternate plan for 61 unused wells in the north-east aquifer, an offer that was not welcomed. Israel has agreed to allocate additional water to the Palestinians in Hebron and Beit Lehem in a reduced price, an offer that was rejected by them. Unlike Israel, and in violation of the Water Agreement, the Palestinians did not invest in developing alternate water resources. For more than two years, the Palestinians refuse to conduct a joint survey with Israel to precisely determine the natural water cycle in the area, a survey that would enable their claims to be thoroughly examined. Instead of resolving their disagreements directly with Israel, they prefer – on the account of their own people - to use it as yet another platform for Israel bashing.

That was the water issue alone, but UNCTAD's report fails to mention other positive, very real and concrete steps that have been and are continuing to be taken by the Israeli Government to improve the Palestinian economy and the lives and conditions of the Palestinians. Let me give you few examples:

- Israel has twice taken upon itself to transfer advance payments to the PA in order to facilitate the timely payment of salaries to PA employees. Altogether, NIS 380 Million have been transferred.
- Israel appealed to the IMF to support Prime Minister Fayyad's call for special IMF assistance.
- Following an approach by the PA, Israel confirmed its intention to engage in a meaningful discussion with the aim of developing the Gaza Marine gas field.
- Israel and the PA have agreed on the transfer of goods and related tax procedures. These arrangements will reduce illegal trade and tax evasion and will enhance the Palestinian tax system.

- Agreement was signed between custom authorities of both sides.
- Since February 2012, Israel had increased the quota of working permits for Palestinian in Israel by 40%. 42,000 Palestinians work in Israel with permit, about 30,000 work illegally, and 26,000 work in the Jewish settlements in the west Bank. In total, more than 100,000 Palestinians make a living out of Israel and are being paid almost double than the average salary in the territories.
- Unlike the findings of UNCTAD's report, Israel has reduced the number of roadblocks in the West Bank and has significantly improved checkpoints' operational procedures.
- Despite the very real and constant threat posed by the terrorists in Gaza, Israel has approved 176 projects and has upgraded the infrastructure and capacity of the Kerem Shalom crossing far beyond actual needs. More people are exiting Gaza for humanitarian and commercial purposes.

In its April 2011 Seventh Annual Review of Progress, the IMF recognized that Agricultural exports from Gaza have been expanded. Thousands of tons of construction materials for international projects have been shipped into Gaza.

And let me remind you that since the end of Operation Cast Lead, 1,094 rockets have been launched from Gaza into Israel as well as numerous terror attacks.

Distinguished delegates,

Let me quote "Gaza is free of occupation and contiguity with the outside world is easier as visitors from all over the world visited the coastal enclave...the economic situation has improved noticeably and the Gaza strip became self-reliant in several aspects". End of quote.

That wasn't an Israeli official saying, certainly not an UNCTAD personnel's. It is no other than Hamas leader Mahmoud Al-Zahhar himself in an interview to Ma'an news agency on 15.9.

A very different picture than the one described in the report.

Mr. Chairman,

Before concluding, I would like to emphasize one last point, which I think everyone in this room who contributes to the Palestinian Authority should be aware of.

According to different sources, every year the Palestinian Authority pays 54 million dollars to convicted terrorists in Israeli jails. Those terrorists receive salaries range from 350 to 3000 dollars every month, while the average salary in the West Bank is 485 dollars a month. The amount allotted to each terrorist corresponds to the length of their sentence. The longer the sentence – and therefore the more destructive the crime – the greater the salary.

For example, Hamas master mind of the suicide bombing attack in Park Hotel in 2002 that killed 30 Israeli civilians, Abbas al-Sayyed, is paid by the PA 3000 dollars a month. The PA also grants monthly stipends to the families of suicide bombers, amounting to 78 million dollars a year.

All together these 132 million dollars distributed yearly by the PA to terrorists and their families constitutes 6% of the PA's overall budget.

Think about that – 6% of the PA's overall budget.

Mr. Chairman,

I would like to stress again that Israel is in favor of any action or project that helps the Palestinian economy. It is precisely for this reason that Israel will continue to take positive steps to aid the Palestinian economy, steps that we would have hoped would be recognized in this report, but which sadly are not.

I would like to express therefore, Israel's reservation with regards to this report, and I kindly ask you to reflect this reservation in the President's Summary text.

Thank you.