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Plenary on Item 11b:
Report on UNCTAD assistance to the Palestinian people

Speaker: Asian Group

Tuesday, 24 September 2013

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ASIAN GROUP

**Statement by H.E. Ambassador Mohammad Sabir Ismail,
Permanent Representative of the Republic of Iraq,
on behalf of the Asian Group,
at the sixty session of the
Trade and Development Board**

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

Tuesday, 24 September 2013

**Mr. President,
Mr. Deputy-Secretary General,
Excellencies,
Distinguished Colleagues,**

I would like to thank the secretariat for its presentation and the documentation prepared under this agenda item. The Asian Group would also like to thank the UNCTAD secretariat for its excellent work in identifying the major obstacles to economic development in the occupied Palestinian territory.

This year, the report examines several recent development challenges as well as the structural constraints that have become persistent, hampering Palestinian economic development. The Asian Group expresses its grave concern over the fact that these constraints have worsened mainly due to measures imposed by the Israeli occupation. It also draws needed attention to the significant decline in donors' aid to the Palestinian people and the deepening of the Palestinian Authority's fiscal crisis.

UNCTAD's report addresses the roots of the Palestinian fiscal crisis and rightly concludes that Palestinian economic development and fiscal autonomy will continue to be an illusion as long as the occupation remains in place.

The report addresses the key problems that are causing great suffering to the Palestinians on the ground, including the blockade on Gaza, mobility and access restrictions in the West Bank and Jerusalem, the construction of the separation Barrier, long standing isolation from international markets and inability to participate in international trade and inflated production costs, continued restrictions on imports and exports as well as tax revenues that cripple competitiveness as a result of occupation policies.

We also strongly echo the report's conclusion that the Palestinian people should have the liberty to trade freely with other countries at normal costs. This would help the Palestinian people to overcome the forced dependence on trade with occupying power, and give them access to cheaper, more competitive sources of imports, as well as increase fiscal revenue without laying additional burdens on Palestinian consumers. Palestinian customs brokers should also be allowed access to ports and borders to expedite customs procedures and facilitate the clearance of imports.

Mr. President.

The situation of the Palestinian people in Gaza is grave and bears special attention. In addition to the destruction and vast underutilization of human and natural capital, Gaza's population has had to endure severe energy and water shortages, a complete blockade including the psychological impact of being imprisoned behind the separation wall, and continued near total ban on exports and imports, especially imported inputs of production. We are deeply concerned with the result: the loss of more than half of its real income since 2004.

We therefore underscore and express great concern that it is clear that Palestinian development efforts, within the context of occupation, have reached their limits and that further progress is impossible without rolling back occupation and reversing the heavy economic losses it has caused. Preserving the PA's achievements in building institutional capacities requires the continued donor support to ease the fiscal constraint and, no less importantly, the removal of the occupation constraints on development. However and although the donor support is necessary, as the report highlights, in the Palestinian case, the main cause of donor fatigue is occupation. The result is nothing less than a people denied the opportunity to develop and to freely exercise their right to self-determination. Therefore the international community should take concrete actions and call on Israel, the occupying power, to end the occupation immediately.

In this context, we call for concerted global action to alleviate the plight of the Palestinian people, and to reverse the economic destruction that appears to a deliberate policy to prevent the establishment of a meaningful and prosperous basis for a sustainable Palestinian State.

Thank you Mr. President.