

Trade and Development Board, sixtieth session
Geneva, 16–27 September 2013

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

Speaker: Israel

Tuesday, 24 September 2013

*Not checked against delivery **

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STATEMENT ON BEHALF OF THE STATE OF ISRAEL

UNCTAD Trade and Development Board

Geneva, 24 September 2013

Mr. Chair,

Distinguished delegates,

The Secretary General, Dr. Mukhisa Kituyi, said in his speech during the plenary of this TDB on the 16th of September, that "UNCTAD was in the past polarizing existing political conflicts, but not anymore". Unfortunately, one has to admit that this modus operandi is still used nowadays, and especially when it comes to a specific item of the agenda. This specific item, 11b, which is dedicated only to one people (Palestinian) constitutes an excellent example of this politicization. This polarization of a political conflict has no legitimation in a UN organization such as UNCTAD. The conflict has to be solved through other channels and in other places than New York and Geneva.

This organization should focus on delivering professional and technical assistance and on finding pragmatic ways to solve problems, aside from political judgments.

Mr. Chair,

It looks comfortable to the writers of the report to recurrently point an accusing finger towards Israel on every subject that affects the Palestinian society. That's an easy argument to make, a false solution, which keeps a blind eye on the structural crisis, the fiscal crisis, the corruption within the PA and the eternal fights between the Hamas terrorist organization in Gaza and the PA in the West Bank.

Furthermore, the report does not take into account the security constraints of the Israeli side. Were Israel placed in a peaceful environment out of the Middle East, the report would make more sense. But one has to remember that Jerusalem is no Geneva. The government of the state of Israel has to provide, first and foremost, security to its citizens. It has to ensure that children arrive safely to school, that men and women arrive safely to their workplace and that all enjoy a normal life,

regardless of the potential dangers of an eventual terrorist attack.

Mr. Chair,

While the present Palestinian fiscal crisis was caused by a shortfall in donor aid, there was also overspending in the implementation of the PA 2011 budget. On its part, Israel has twice taken upon itself to transfer advance payments to the PA. During the years, billions of dollars have been donated from different sources to the PA, and it's about time to ask what purposes these colossal amounts have served. The PA has to be accountable to its donors. In this regard, we wish to remind this honorable assembly that every year the Palestinian Authority pays 54 million dollars to convicted terrorists in Israeli jails. Those convicted terrorists receive salaries that range from 350 to 3000 dollars every month, while the average salary in the West Bank is 485 dollars a month. Altogether 132 million dollars are "spent" yearly by the PA to terrorists and their families, which constitutes 6% of the PA's overall budget. The

money genuinely given by the donors is hijacked by the PA.

Terrorism is not a development goal.

Mr. Chair,

Being placed in the dock, it is our right and duty to respond in detail to the various allegations formulated against us.

Strangely, the data of a research made by the Bank of Israel in 2010 has been re-used for your report about 2012 and has been misinterpreted. As a result, your report's conclusion, based on false assumptions, is that quote "The Palestinian Authority loses 300 million dollars in trade taxes a year to Israel". The writer of the report has written a reaction that I would like to read you out some extracts:

"About \$115 million of UNCTAD estimate are based on the assumption that "39 percent of the recorded imports from Israel ... could therefore be considered indirect imports." This is a misinterpretation of our 2010 report, which ascribed the 2008-share of sales to the PA to wholesale and retail trade

industry regardless the origin of the exported goods (Israel / abroad)(...)

(...) the report speculates that unreported exports, aka "smuggled goods", account for about 25 percent of total Israeli exports to the PA. This guess and other questionable assumptions yield an estimate of a \$190 million revenue loss to the PA." End of quote.

Mr. Chair,

I would like to emphasize that a flourishing Palestinian economy is also in the interest of the state of Israel, and we are engaged in various activities in cooperation with the Palestinians to assist them in fulfilling that goal. Israel has taken a series of measures reflecting this will to support the PA's economic stability and to help the PA manage the fiscal crisis that affects it. Now, let me give you a few details of the measures taken, that conveniently enough, did not find their way to UNCTAD'S report. As a way of contributing to the betterment of the Palestinian workers, the state of Israel has conducted, through governmental channels or non-

governmental ones, trainings and capacity-building workshops to Palestinian workers in different spheres of activity.

In agriculture for example, the cooperation has been reinforced: every year, the Civil Administration Agriculture Department organizes or coordinates training sessions and meetings for Palestinian agriculturalists in Israel. In 2012, 4 programs were organized for the veterinary service of the PA, workshops on animal products, standards and regulations.

Passage and movement: the security situation having improved, there remain only a few crossings within the West Bank, that are activated only in the event of a security alert or situation. In 2012, although it was a calculated risk, roadblocks on smaller roads have been removed in order to facilitate movement in smaller villages. In this context, let me remind you that only in the last 48 hours, two Israelis have been killed by Palestinians.

Mr. Chair,

Both sides have recently come back to the table of negotiations, being aware that paving the way to peace is tantamount to

paving a way to economic development for the sake of the two peoples. The state of Israel deeply and sincerely hopes for a successful ending of these negotiations that will bring peace and prosperity to both sides.

Thank you.

