

Statement by
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On behalf of the
Organisation of Islamic Cooperation (OIC)
Report on UNCTAD Assistance to the Palestinian people
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بِسْمِ اللَّهِ الرَّحْمَنِ الرَّحِيمِ

Mr. Chairman,

I have the honour to present statement, as the coordinator of the Organisation of Islamic Cooperation (Geneva Group) in economic and development affairs, under Agenda Item 6 on behalf of the OIC.

The OIC Member States took note with great interest of the UNCTAD informative report on its assistance to the Palestinian people. The report reflects the worsening socio-economic conditions in the Occupied Palestinian Territory caused by the worsening occupation. The OIC echoes with concern the warnings, contained in the report, with regard to the declining donor support, the high rate of unemployment, deepening poverty and decrease in per-capita income of the Palestinian People.

The OIC would like to express its serious concern, in particular, about the grim situation in Gaza, where socio-economic conditions are deteriorating. As you may know, Gaza suffers the highest unemployment rate in the world. Half of the population of Gaza live under the poverty line and income per-capita keeps declining. In 2018 alone, income per-capita declined by over 10 per cent. The OIC concur with UNCTAD assessment that the consequences of the tightening of land, air and sea blockade by the occupying power, are severe, and, thus, the costs of remedy will be greater, if such trends are not reversed immediately.

Mr. Chairman,

The OIC would like to compliment UNCTAD for this insightful report, which highlights the severity of the fiscal shock caused by the occupying power's unilateral and unwarranted deductions of \$11.5 million per-month from the Palestinian fiscal revenues. The OIC shares the warnings of the UNCTAD report that the Palestinian public finances are near collapse. Due to confiscation of its revenue by the occupying power, since March, the Palestinian Government was not able to pay completely, and public employees have received only half of their salaries. The Government; arrears to the private sector continued to accumulate, and public debt to commercial banks increased. UNCTAD report also warns against the impact of this fiscal shock on the whole Palestinian banking sector, which started to show alarming signs in the key indicators, such as: non-performing loans as well as credit to deposit ratio and deposits. The fiscal shocks, together with the declining donor support, have coupled the already severe socio-economic conditions, pushing the Palestinian economy and society into deeper despair.

The OIC urges the international community to step in to stop Israel; unilateral and arbitrary deductions and to ensure the occupying power lives up to its obligations under the Paris Protocol by transferring rightful revenues to the Palestinian Government in full and without delay. The OIC emphasizes on the right of the State of Palestine to have full political, legal, economic and fiscal sovereignty, like all other UN Member States.

Mr. Chairman,

The OIC would like to highlight and warn the environmental breakdown in Gaza, due to the 12-year blockade and the destruction and disrepair of the sanitation infrastructure. No one should remain indifferent towards this reality that over 100 million liters of untreated sewage are dumped into the Mediterranean Sea every day.

Mr. Chairman,

The occupying power continues building illegal settlements in the West Bank, the imposition of over 700 obstacles to the movement of Palestinian people and their trade, as well as construction of the Separation Barrier. It also uses the West Bank as a "sacrifice zone" to dump in the Palestinian land the hazardous waste, such as sewage sludge, infectious medical waste, used oils, solvents, metals, electronic wastes and batteries. This is illegal and a criminal act under the international law. The occupying power must refrain from damaging the environment of the Palestinian land and protect public health in the occupied territories.

Mr. Chairman,

The exceptional UNCTAD report presents a grim picture of the ravished Palestinian economy. The report goes on to highlight the huge wealth of oil and natural gas in the sea and land of the State of Palestine, which the occupying power prevents the Palestinian Government from developing.

Distinguished Delegates,

Ladies and gentlemen,

It goes without saying that positive role of natural resources, such as gas and oil, could play in generating income and the achievement of sustainable development and energy security in the Palestinian territories. The OIC recognizes the sovereignty of the State of Palestine over its natural resources, as a principle of international law, and supports the right of the Palestinian People to develop and exploit their natural resources, without any restriction. The OIC urges the occupying power to respect the Palestinian people's human rights to development and to benefit from their natural resources.

Mr. Chairman,

The OIC appreciates the work of UNCTAD program of assistance to the Palestinian people. The forty-sixth session of the OIC Council of Foreign Ministers, held in Abu Dhabi, in March 2019, adopted a resolution on "The Cause of Palestine", which condemns the systematic, restrictive and destructive measures imposed by Israel, the occupying power, that deprive the Palestinian people of their right to development, inflict heavy costs on the Palestinian economy, distort its development, and undermine the viability of the economy of the State of Palestine.

Moreover, the OIC calls upon Member States to provide the required financial and political support to the United Nations Conference on Trade and Development (UNCTAD) for establishing an analytical framework within the United Nations system for an accurate, comprehensive, inclusive, evidence-based annual assessment and reporting on the economic costs of the Israeli occupation for the Palestinian people.

In this line, **Mr. Chairman**, the OIC recalls the urgent need for the proper and full implementation of paragraph 55(dd) of the Nairobi Maafikiano final document to strengthen UNCTAD programme of assistance to the Palestinian people, with the required additional regular budget and extra-budgetary resources, so that it can respond adequately to the increasingly complex needs of the Palestinian people and their development plans.

Furthermore, the OIC calls on all UN Member States to secure the resources necessary for UNCTAD to fulfil the contents of the other relevant UN General Assembly resolutions 69/20, 70/12, 71/20, 72/13 and 73/18, which request UNCTAD to assess the economic costs of the Israeli occupation for the Palestinian people and report the results to the UN General Assembly.

I thank you