



**Statement by Iraq on behalf of the Asia-Pacific Group  
Trade and Development Board  
Sixty-Eighth Executive Session  
*Delivered by First Secretary Mahmoud Alatiyyah  
Item 6- UNCTAD assistance to the Palestinian people***

2 October 2019

Mr. Chairman, Excellences, Distinguished Colleagues,

I have the honor to deliver this statement on behalf of the Asia-Pacific Group. The Group would like to associate itself with the statement delivered by Ecuador on behalf of the Group of 77 & China.

Mr. Chair

The Asia-Pacific Group would like to thank Mr. Mahmoud Alkhafef for the presentation of the report. We also thank UNCTAD's secretariat, especially The Assistance to the Palestinian People Unit, for its report on UNCTAD's assistance to the Palestinian people. The report, Mr Chair provides member states and the international community with the recent updates on the economy, and socioeconomic conditions in the Occupied Palestinian Territories. The trends identified by the report are indeed extremely worrying and there are no signs that they will be reversed soon.

The Asia-Pacific Group is highly concerned about the deterioration of situation in Gaza, where the economy has contracted by 7% implying a 10% decline in per capita income. Unemployment skyrocketed as two out of three people in Gaza are unemployed, 53% of people in Gaza live under the poverty line of \$4.6 a day. We are also alarmed by the continuation of the electricity shortages, lack of access to clean water and the continuation of the blockade into the 12th year.

The prolonged occupation and, its restrictions undermined the viability of production and competitiveness of Palestinian producers. In the West Bank, 705 permanent obstacles restrict the movement of Palestinian workers and goods. They include checkpoints, gates, earth mounds, roadblocks, and

trenches. Furthermore, Israel bans the import of a long list of technological and intermediate goods as well as other critical production inputs under the pretext that the items can be used for non-civilian purposes. That list is arbitrary defined by Israel and diverges widely from international norms related to dual use items.

The Report highlights the severity of the fiscal shock caused by Israel's unilateral, unfair and unjustifiable monthly deductions of \$11.5 million from Palestinian fiscal revenues. This leaves the Palestinian government with unmet obligations for its civil servants, and private sector contractors. It also exposes Palestinian finances to a greater risk of collapsing.

Withholding the Palestinian revenues violates the Paris Protocol and could have devastating consequences not only for the Palestinian government but also for the prospects of peace in the Middle East. The Palestinian government refused to accept anything less than its total rightful revenue so as not to set a precedent. The unlawful actions by the occupying force deprive the Palestinian government of two-third of its fiscal revenue. To cope with this serious blow, the government pays its employees only half of their salaries, and has implemented painful cuts to the cash transfers to the poorest and most in need households.

The Group echoes the report's warning about the impact of this fiscal shock on the banking sector which started to show some alarming signs in the key indicators such as non-performing loans, credit to deposit ratio and deposits. We also concur with the report that this fiscal shock, combined with decline in donors support, will have sever socioeconomic consequences and will accelerate the decline in the already ravished economy of the OPT.

Mr. Chair

The Asia-Pacific Group regrets the continuing victimization and injustice done to the Palestinian people. As confirmed by the 20 June 2019 briefing to Security Council by Mr. Nickolay Mladenov, the UN Special Coordinator for The Middle East Peace Process. Punitive demolitions and seizures of Palestinian-owned structures by Israeli authorities also continued across the occupied West Bank, including East Jerusalem and reached its highest level since 2009, resulting in the displacement of Palestinian people. The Group calls on Israel, the Occupying Force to immediately desist from destroying Palestinian assets and other assets in East Jerusalem and Area C.

The report highlights the environmental cost of occupation. We are seriously alarmed by the Israeli use of the West Bank as a "sacrifice zone" to which it

transfers large amounts of hazardous waste produced inside Israel such as sewage sludge; infectious medical waste; used oils; solvents; metals; electronic waste and batteries. This practice threatens the health of the Palestinian people and contaminates their environment and natural resources.

Mr. Chair

The Asia-Pacific Group urges UNCTAD to make all efforts to secure regular and extra-budgetary resources required for full implementation of the General Assembly resolutions requesting UNCTAD to assess the economic cost of occupation and paragraph 55(dd) of the Nairobi Maafikiano that was adopted by the consensus of the member States.

Finally, Mr. Chair, Our Group expresses its solidarity with the Palestinian people in their extremely difficult social and economic situation, we are confident that the establishment of an independent State of Palestine, as called for by the international community and numerous UN resolutions, is the only viable route for prosperity and a lasting peace in the Middle East and the world.

I thank you Chair.