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Implementation of Security Council resolution 2334 (2016)

Report of the Secretary-General

I. Introduction

1. The present report, the ninth quarterly report on the implementation of Security Council resolution 2334 (2016), provides a review and assessment of the implementation of the resolution since my previous report on the subject, which was delivered orally by my Special Coordinator for the Middle East Peace Process and Personal Representative on 18 December 2018. The report covers developments from 15 December 2018 to 15 March 2019.

II. Settlement activities

2. In its resolution 2334 (2016), the Security Council reaffirmed that the establishment by Israel of settlements in the Palestinian territory occupied since 1967, including East Jerusalem, has no legal validity and constitutes a flagrant violation under international law and a major obstacle to the achievement of the two-State solution and a just, lasting and comprehensive peace. In the same resolution, the Council reiterated its demand that Israel immediately and completely cease all settlement activities in the Occupied Palestinian Territory, including East Jerusalem, and that it fully respect all of its legal obligations in that regard. No such steps were taken during the reporting period.

3. During the reporting period, Israeli authorities advanced, approved or tendered some 3,150 housing units in Area C of the occupied West Bank, including East Jerusalem. This figure comprises plans advanced for some 2,500 units and announcements of tenders for about 650 units.

4. Nearly half of the total units promoted are to be built in outlying locations, deep inside the occupied West Bank, including 500 units in the Nablus area and 120 in the Hebron Governorate. One of the plans effectively legalizes the outpost of Ibei HaNahal as a neighbourhood of the Ma'ale Amos settlement in the Hebron Governorate. This is the first such decision in almost five years.

5. On 19 December, the Knesset passed, in a preliminary vote, a bill endorsed by the Government to advance the legalization of some 66 illegal outposts throughout the occupied West Bank within two years of its adoption. The bill would also require Israeli authorities, during the two-year period, to provide the outposts with funding,





electricity and other services and to freeze the implementation of demolition orders unless instructed otherwise by the Government.

6. In a separate step, in mid-December, the Israeli Government established a team to fast-track the legalization of outposts and housing units in settlements built illegally according to Israeli law. The move followed an opinion issued by the Attorney General's office on 13 December that allows the Government to initiate steps to retroactively legalize settlement units built "in good faith", including on private Palestinian property, which, at the time of construction, was mistakenly believed to be "State land" under Israeli law. Some 2,000 settlement units throughout the occupied West Bank could be retroactively legalized using this mechanism, commonly referred to as the "market regulation" principle.

7. On 3 January, following an order by the Jerusalem District Court, the Israel Defense Forces evacuated dozens of settlers from the site of the former Amona outpost, on the outskirts of the Ofra settlement in the northern occupied West Bank, which was evacuated in February 2017 in compliance with a ruling of the Israeli Supreme Court. On 12 February, Israeli authorities removed and confiscated several mobile homes used as outposts near the settlement of Itamar.

8. During the reporting period, demolitions and seizures of Palestinian-owned structures continued across the occupied West Bank, including East Jerusalem. In all, 133 structures were demolished or seized by Israeli authorities, resulting in the displacement of 252 people, and leaving 20,157 others affected, on the grounds of lack of Israeli-issued building permits, which are almost impossible for Palestinians to obtain.

9. Among the structures demolished were parts of three water connections in Area C, that supplied, or were about to supply, Beyt Dajan and Beyt Furik villages in Nablus (housing approximately 18,000 people), 13 herding communities in the Masafer Yatta area of Hebron (1,200 people), and the Bedouin community of Wadi Abu Hindi now living in Jerusalem (320 people). All of these communities suffer from severe water shortages, especially in the summer. Two of the water connections were funded by international donors as part of humanitarian assistance efforts.

10. In occupied East Jerusalem, on 17 February, following an Israeli court decision, Israeli security forces evicted a Palestinian family from their home in Jerusalem's Old City and facilitated its handover to Israeli settlers, who had invoked an Israeli law that allows Israelis, but not Palestinians, to claim lands owned prior to 1948. The eviction displaced eight family members, including three children. Another seven families in the Old City are at risk of eviction and, according to the Office for the Coordination of Humanitarian Affairs, a total of 200 Palestinian families in occupied East Jerusalem face similar evictions. In the Sheykh Jarrah neighbourhood, 32 Palestinians are also facing imminent risk of eviction.

III. Violence against civilians, including acts of terror

11. In its resolution 2334 (2016), the Security Council called for immediate steps to prevent all acts of violence against civilians, including acts of terror, as well as all acts of provocation and destruction, for accountability in this regard and for compliance with obligations under international law for the strengthening of ongoing efforts to combat terrorism, including through existing security coordination, and to clearly condemn all acts of terrorism. The reporting period, however, was characterized by acts of violence throughout the Occupied Palestinian Territory, including the continued use of lethal force against Palestinian demonstrators in Gaza

and the firing of rockets, mortars and incendiary devices from Gaza towards Israel by Hamas and other Palestinian militants.

12. Overall, 27 Palestinians, including 10 children, were killed by Israeli security forces, including during demonstrations, clashes, airstrikes, security operations and other incidents.

13. In Gaza, ongoing demonstrations continued at the perimeter fence, with relatively small crowds participating during the week and numbers approaching 10,000 every Friday. While most demonstrations remained peaceful, some participants engaged in violent activities, such as launching incendiary and explosive devices towards Israel, planting improvised explosive devices or attempting to breach the fence. The Israeli security forces responded using tear gas, rubber-coated metal bullets and live ammunition.

14. In February, after a lull of several months, Palestinian militants resumed the launching of balloons carrying incendiary or explosive devices into Israel from Gaza: one such device exploded near a house, causing damage to it. During the reporting period, 40 incendiary devices were flown towards Israel. No casualties were reported. The Israel Defense Forces responded by striking what they identified as militant targets in Gaza.

15. During the reporting period, in Gaza, 20 Palestinians were either killed by Israeli security forces using live ammunition, or died of wounds sustained previously, including 1 woman, 7 children and 1 person with a mental disability. In addition, some 3,415 people were injured; and 4 Israeli soldiers were injured by firebombs, explosive devices, stones and gunfire.

16. During the reporting period, Palestinian militants launched 46 rockets and six mortar shells towards Israel. The Israeli Air Force fired 123 missiles on military sites and open areas in Gaza. On 22 January, Palestinian militants from Gaza opened fire twice at soldiers of the Israel Defense Forces patrolling the perimeter. One soldier was lightly injured when a bullet fired by a sniper struck his helmet. The Israel Defense Forces responded by firing shells at militant observation posts, killing one member and injuring four other members of the Hamas Al-Qassam Brigades. In response, the Israeli Air Force also launched five missiles on Hamas military targets, with no injuries reported. On 14 March, militants fired 10 rockets towards Israel, including two towards Tel Aviv for the first time since the 2014 conflict. Israel responded by striking what the Israeli Air Force identified as over 100 militant targets in Gaza. No casualties were reported.

17. Health providers in Gaza continued to struggle to treat those injured during the demonstrations. A significant number of the wounded have required complex medical procedures not currently available in Gaza. Overall, 67 per cent of patients who sought treatment outside Gaza during the reporting period were granted permits by Israel. Out of the patients who were injured during the demonstrations, 5 per cent of those seeking treatment outside of Gaza were granted permits by Israel.

18. The Office of the United Nations High Commissioner for Human Rights (OHCHR) reported shooting incidents at sea off the shore of Gaza, which resulted in the injury of 11 Palestinian fishermen, including 1 injured with live ammunition fired by the Israeli Navy; 20 others were arrested, including a child, and nine boats were confiscated during the incidents.

19. Beginning on 14 March, and lasting for several days, thousands of Palestinians in Gaza protested the dire economic situation and the injustice due to Palestinian division and the Hamas takeover of Gaza by force and violence. Hamas security forces responded by conducting a campaign of arrests and violence against protesters, including women and children. Journalists and staff from the Independent Commission for Human Rights were also brutally beaten and had their homes raided.

20. During the reporting period, in the occupied West Bank: 7 Palestinians were shot and killed, including 3 children; and 797 were injured by Israeli security forces, including 193 children injured during demonstrations, clashes, security operations and other incidents. Overall, Israeli forces arrested 127 Palestinians, including 20 children.

21. On 7 February, a 19-year-old Israeli woman was attacked, sexually assaulted and stabbed to death in a forest south-west of Jerusalem. Israeli security forces arrested a Palestinian suspect, who confessed to having a nationalist motive behind his crime. He was indicted for murder and sexual assault on 7 March.

22. During the reporting period, the Office for the Coordination of Humanitarian Affairs recorded 71 incidents in which Israeli settlers attacked Palestinians or damaged their property, a 23 per cent increase in the number of attacks compared with the previous reporting period. The Office also recorded 47 Palestinian attacks against Israeli settlers in the West Bank, which resulted in 12 injuries and damage to 37 vehicles.

23. On 25 December, the convoy of the Palestinian Prime Minister was hit with stones, injuring two bodyguards. The attack occurred in the same location where settlers had thrown stones at a Palestinian car in October, killing a Palestinian woman. In addressing the latter crime, on 24 January, Israeli authorities charged a 16-year-old Israeli for the killing of the Palestinian woman.

24. On 26 January, armed Israelis from the Adei Ad outpost entered neighbouring Mughayyir village near Ramallah, where they attacked Palestinian residents, including with live ammunition. The ensuing clashes resulted in the killing of a 38-year-old Palestinian man and the injury of 15 others. The Israel Defense Forces stated that it dispersed the crowd with "riot dispersal means". According to eyewitnesses, the Israel Defense Forces used tear gas canisters and live ammunition to disperse the Palestinians but did not intervene to prevent the violence on the part of the settlers. An investigation into the incident by the Israel Defense Forces and the Israeli Police is reportedly ongoing.

25. OHCHR has also observed a rise in settler violence and harassment in the H2 area of Hebron following the 28 January decision of the Government of Israel not to renew the mandate of the Temporary International Presence in Hebron. On 12 February, two settlers accompanied by four Israeli security forces entered the house of a Palestinian family living in Hebron's Old City, adjacent to a settlement, and reportedly threatened to kill them and take over their house. On 17 February, a 14-year old Palestinian boy of the same family was arrested, handcuffed and blindfolded by the Israeli security forces in the Old City for alleged stone-throwing: the boy released the following day. Pressure by settler organizations also reportedly led another organization, the World Council of Churches, to temporarily suspend its protective presence through the Ecumenical Accompaniment Programme in Palestine and Israel. In the weeks following the withdrawal of the Temporary International Presence in Hebron, Israeli security forces declared closed military zones over various parts of the H2 area for varying lengths of time, further hindering access of humanitarian and human rights organizations, including protective presence organizations.

IV. Incitement, provocations and inflammatory rhetoric

26. In its resolution 2334 (2016), the Security Council called upon both parties to act on the basis of international law, including international humanitarian law, and their previous agreements and obligations, to observe calm and restraint and to refrain from provocative actions, incitement and inflammatory rhetoric with the aim, inter alia, of de-escalating the situation on the ground, rebuilding trust and confidence, demonstrating through policies and actions a genuine commitment to the two-State solution and creating the conditions necessary for promoting peace. Provocation, incitement and inflammatory rhetoric generation, incitement and inflammatory rhetoric generation.

27. Some officials from Fatah and the Palestinian Authority continued to glorify perpetrators of attacks against Israelis, including on social media accounts, by regularly referring to them as "heroes" or a "source of pride", and welcoming attacks when they occurred. In late February, an official Fatah social media account shared a contemptuous anti-Semitic falsehood suggesting that Jews are morally corrupt and therefore deserved their fate in the Holocaust. The post was later removed. In mid-February, a senior Fatah official declared that Prime Minister Benjamin Netanyahu had attended the Warsaw Conference on peace and security in the Middle East "in order to remind us of the Holocaust and Auschwitz, [while] in every city in Palestine... there is an Israeli Auschwitz to massacre Palestinians". Hamas and the Palestinian Islamic Jihad in Gaza also continued to use inciteful and inflammatory rhetoric during the reporting period. On 22 February, a member of the Hamas politburo told the media that the Great Return March was a message that Palestinians will "cleanse their land of the [impurity] and would stop only at martyrdom or victory."

28. At the same time, some Israeli politicians also continued to make inflammatory statements. Several ministers openly rejected the Palestinian right to statehood, stating that a Palestinian State would "endanger" Israel's existence. Others called for the creation of "facts on the ground" with the annexation and application of sovereignty over Area C. In February, a member of the Government and leader of a party running for the upcoming legislative elections, proposed annexing the West Bank Area C and granting "full citizenship" to Palestinians living there. One member of the Knesset also called for Israel to "go back to targeted assassinations" in the Gaza Strip.

29. In Jerusalem, tensions erupted at Haram al-Sharif/Temple Mount on 16 February, when Israeli police installed a metal fence and a lock at the top of the stairs leading to the Bab al-Rahmah (Gate of Mercy), two days after prayers were held there for the first time since 2003. The Gate and the building located therein had not been used since 2003, when an Israeli court banned the Islamic World Heritage Committee from accessing it because of claims that the site was being used for illicit activities. The Waqf Council maintains that the building should be opened for Muslim prayers and restored for use. Between 17 and 21 February, Israeli Police and Palestinian worshippers clashed repeatedly when worshippers tried to remove the metal fence to access and conduct prayers at the Bab al-Rahmah area. Tensions between Palestinian worshippers and Israeli Police have continued since that time.

V. Affirmative steps to reverse negative trends

30. In its resolution 2334 (2016), the Security Council called for affirmative steps to be taken immediately to reverse the negative trends on the ground that are imperilling the two-State solution. Some positive developments were witnessed

during the reporting period, but they were significantly outweighed by negative trends.

31. Significant headway was made in the implementation of the package of urgent humanitarian and economic projects endorsed by the Ad Hoc Liaison Committee for the Coordination of International Assistance to Palestinians in September in an effort to stabilize the situation in Gaza, prevent an escalation and support Egyptian-led reconciliation efforts. Since then, nearly \$110 million (out of \$210 million) has been raised by the United Nations: \$60 million for fuel; \$4.6 million for health care; and \$44.25 million for cash-for-work programmes.

32. The implementation of the cash-for-work programmes has created 4,200 jobs, with another 15,000 expected soon. These developments occurred against the backdrop of high levels of unemployment (50 per cent in the fourth quarter of 2018), poverty and food insecurity. Over 2,370 families, some 13,300 people, remain internally displaced as a result of the 2014 hostilities. During the reporting period, funding cuts by donors have forced the World Food Programme to reduce its cash-based transfer entitlements for 166,000 people across Gaza by 20 per cent, from \$10 to \$8 per person per month.

33. Funding received to date has enabled a temporary increase in the supply of electricity in Gaza to between 9 and 12 hours of electricity per day, supporting the delivery of large quantities of essential medicines and allowing thousands of emergency surgeries to be carried out. Despite the increase in the supply of electricity, emergency fuel for back-up generators for emergency and surgery rooms during power outages is still needed and is running out. This shortage has forced the reduction or suspension of services at some hospitals and clinics, especially with regard to sterilization, diagnostic imaging and cleaning services. The situation is exacerbated by shortages of essential medicines and supplies due to lack of funding. The lack of generator fuel has also had a negative impact on critical water and sanitation facilities.

34. In February 2019, the Central Emergency Response Fund allocated \$8 million for the Occupied Palestinian Territory, 70 per cent of which is for health, water and sanitation needs in Gaza. On 4 March, the humanitarian pooled funds managed by the Office for the Coordination of Humanitarian Affairs also announced an allocation of \$12 million, 75 per cent of which is for Gaza.

35. Progress continued on the repair of houses totally destroyed or partially damaged during the 2014 conflict, with the reconstruction of 167 houses and the repair of 44 others completed during the reporting period. An additional \$23 million was disbursed towards the housing reconstruction effort.

36. The temporary Gaza Reconstruction Mechanism continued to play an important role in reconstruction efforts, as well as in new construction work. The reporting period witnessed significant improvements as a result of the joint review of the Gaza Reconstruction Mechanism conducted by the Government of Israel, the Palestinian Authority and the United Nations. The improvements are expected to significantly enhance the effectiveness, functionality, predictability and transparency of the Gaza Reconstruction Mechanism, including by making it more user-friendly, expediting approval times for the entry of materials and stimulating economic activity.

37. In addition, and in order to support the implementation of critical humanitarian and economic projects, the United Nations has established a project management unit in Gaza. The unit, which began its work in January 2019, provides guidance and support to users of the Gaza Reconstruction Mechanism. The unit also works with United Nations agencies to increase the effectiveness of programmes on the ground, and to support the implementation of the above-mentioned package of urgent humanitarian and economic projects for Gaza being undertaken by the Ad Hoc Liaison Committee.

38. The Rafah crossing between Egypt and Gaza remained open in both directions during the reporting period, despite the recall of its personnel from the crossing by the Palestinian Authority on 7 January. A total of 9,405 people entered Gaza and 14,473 exited through Rafah between 15 December and 11 March. Monthly exit rates of Palestinians from Gaza into Israel reached their highest in over two years in December, January and February, with the volume of exports from Gaza also peaking since the tightening of closures by Israel in 2007.

39. On 2 January, for the first time since 2000, Israel extended a small section in the middle of Gaza's fishing zone to 12 nautical miles. Fishing in the areas off the northern and southern shores of the Gaza Strip is still restricted to 6 nautical miles. Fishing, however, is still not permitted outward to the full 20 nautical miles of the Maritime Activity Zone L agreed upon in the Oslo Accords.

40. On 14 January, Israeli and Palestinian ministers participated alongside their counterparts from Cyprus, Egypt, Greece, Jordan and Italy in a regional summit in Cairo, in which they discussed cooperation on developing recently discovered natural gas resources and related industries in the Eastern Mediterranean.

41. On 10 March, Palestinian President Mahmoud Abbas asked Mohamed Shtayyeh to begin consultations on the formation of a new government, following the resignation of the cabinet of Prime Minister Rami Hamdallah on 29 January.

42. Negative trends continue to overshadow positive developments. On 17 February, the Israeli Government began implementing the law adopted by the Knesset in July 2018 obliging the Israeli Government to freeze, from the clearance revenues it collects on behalf of and transfers to the Palestinian Authority, an amount equal to the sums paid by the Palestinian Authority "directly or indirectly" to Palestinians, or to the families of Palestinians convicted by Israeli courts of involvement in alleged "terrorist activities" or other security-related offenses, as defined by Israeli law, or who were killed while carrying out such activities. The legal view of Israel is that such payments violate the obligation of the parties to the Oslo Accords, namely to "take all measures necessary to prevent acts of terrorism, crime and hostilities directed against each other" and to prevent incitement. Accordingly, on 17 February, Israel announced that it would freeze approximately \$139 million from the Palestinian Authority's clearance revenues over the course of 2019, amounting to a little over 6 per cent of the total amount of revenue transfers in 2018.

43. On 21 February, the Palestinian Authority informed the Israeli Government of its rejection of this unilateral decision, stating that under the Paris Protocol no amount may be deducted without the consent of both parties and that it will not cease its social welfare payments to the families of prisoners. The Palestinian Authority has since refused to accept any clearance revenue transfers from Israel, noting that it will only accept the revenue if the full amount payable is transferred. Clearance revenues from Israel constitute up to 65 per cent of the total revenues of the Palestinian Government. This decision has prompted the Palestinian Government to take severe austerity measures, including reduced salary payments to Government employees, cessation of all promotions, appointments and bonuses, purchase of property and cars and reduced expenses on travel, hospitality and fuel. In addition, the Palestinian Authority has delayed the transfer of social payments to some of the poorest families in the country.

44. On 28 February, the independent international commission of inquiry on the protests in the Occupied Palestinian Territory, mandated by the Human Rights Council in its resolution S-28/1, released its report on the demonstrations held in Gaza between 30 March and 31 December 2018, the response of Israeli security forces to

the demonstrations and the impact on civilians in Gaza and Israel. The commission found reasonable grounds to believe that, in all but two of the 189 fatalities and more than 300 injuries it investigated, the use of live ammunition by Israeli security forces against demonstrators was unlawful.

45. Tensions between Fatah and Hamas increased during the reporting period, further entrenching the divide between Gaza and the West Bank. The lack of progress in advancing intra-Palestinian reconciliation has also adversely affected the already deteriorating conditions of the health and education sectors in Gaza. During the reporting period, the salaries of over 5,000 public sector employees in Gaza were cut. In January, the Ministry of Health in Gaza stated that 263 of its employees, most of whom were doctors, were not paid by the Palestinian Authority. Another 400 employees in the education system, including approximately 270 teachers, reportedly also did not receive their salaries in January 2019.

46. The Cairo agreement enabled the Palestinian Authority to take over the control of crossings into Gaza in November 2017. However, as at the end of February 2019, the Palestinian Authority no longer had a presence at either the Kerem Shalom or the Rafah crossing. The Palestinian Authority withdrew its personnel from Rafah on 7 January as a result of increased tensions with Hamas. Staff hired by Hamas also reassumed control of the Palestinian side of the Kerem Shalom crossing on 17 February. These changes led to a temporary and partial closure of Rafah, which has since reopened in both directions. To date, no changes have been recorded in the procedures or flow of goods through the Kerem Shalom crossing.

47. In December 2018, the United Nations Relief and Works Agency for Palestine Refugees in the Near East (UNRWA) announced that it had raised sufficient funds to cover its 2018 funding shortfall of \$446 million. Over 42 donors increased their contributions from 2017 and UNRWA undertook internal measures to reduce costs.

VI. Efforts by the parties and the international community to advance the peace process and other relevant developments

48. In its resolution 2334 (2016), the Security Council called upon all States to distinguish, in their relevant dealings, between the territory of the State of Israel and the territories occupied since 1967. There were no known developments related to States doing so during the reporting period.

49. In resolution 2334 (2016), the Security Council also called on all parties to continue, in the interest of peace and security, to exert collective efforts to launch credible negotiations and urged in this regard the intensification and acceleration of international and regional diplomatic efforts and support aimed at achieving, without delay, a comprehensive, just and lasting peace in the Middle East on the basis of the relevant United Nations resolutions, the Madrid terms of reference, including the principle of land for peace, the Arab Peace Initiative and the Quartet road map, and an end to the Israeli occupation that began in 1967.

50. At the invitation of the Russian Federation, representatives of 12 Palestinian factions, including Fatah and Hamas, participated in the third intra-Palestinian meeting in Moscow, held from 11 to 13 February. Fatah officials welcomed the meeting as an opportunity for Egypt to resume its efforts to implement the agreements previously signed in Cairo. Hamas also stated that Palestinian factions agreed, inter alia, on the need to end division, to strengthen national unity and to achieve the right of return. In the course of the meeting, 8 out of the 12 participating factions agreed on the proposed text of a final statement, with the Palestinian Islamic Jihad and Hamas notably abstaining over the reference to the Palestine Liberation Organization

as the sole and legitimate representative of the Palestinian people. and over the reference to the establishment of a Palestinian state on the territory occupied since 1967 with its capital in East Jerusalem.

51. On 18 and 19 February a group of Arab and European Foreign Ministers met in Dublin to discuss the Middle East peace process. Participants expressed alarm at the deterioration of the situation on the ground and reaffirmed their continued support and commitment for the two-State solution, in line with relevant United Nations resolutions, long-standing international parameters and prior agreements. Participants also emphasized the importance of advancing Palestinian reconciliation.

52. On 25 February, during their first joint summit in Sharm el-Sheikh, Egypt, the leaders of the League of Arab States and the States members of the European Union reaffirmed their common positions on the Middle East peace process, including on the status of Jerusalem, and on the illegality under international law of Israeli settlements in the occupied Palestinian territories. They reiterated their commitment to reaching a two-State solution based on all relevant United Nations resolutions, as the only realistic way to end the occupation that began in 1967, including of East Jerusalem, and to achieve a just, lasting and comprehensive peace between Israelis and Palestinians through direct negotiations between the parties that address all final status issues. They recalled the importance of upholding the historic status quo for the Islamic holy sites in Jerusalem, including with regard to the Hashemite custodianship of the sites. They also called on all parties to take immediate steps to produce a fundamental change for the better in Gaza, in full respect of international law, including human rights and humanitarian law, especially with respect to the protection of civilians, and reaffirmed the indispensable role of UNRWA.

53. On 28 January the Prime Minister of Israel announced that Israel would not extend the mandate of the Temporary International Presence in Hebron beyond 31 January. On 1 February the Foreign Ministers of the contributing countries for the Temporary International Presence (Italy, Norway, Sweden, Switzerland and Turkey) issued a joint statement regretting Israel's unilateral decision and stating that it constituted a "departure" from the Oslo II Accord and undermined one of the few established mechanisms for conflict resolution between Israelis and Palestinians.

VII. Observations

54. The expansion of illegal Israeli settlements in the occupied West Bank, including East Jerusalem, continues unabated. The advancement, approval or tender of more than 3,000 units in the occupied West Bank is the largest batch since May 2018. I reiterate that the establishment of settlements in the Occupied Palestinian Territory, including East Jerusalem, has no legal effect and constitutes a flagrant violation of international law, as stated in resolution 2334 (2016), and must cease immediately and completely. The existence and expansion of settlements fuel anger and disillusionment among the Palestinian population and significantly undermine the prospects for ending the occupation and achieving the two-State solution by systematically eroding the possibility of establishing a contiguous and viable Palestinian state. Moreover, attempts to pass legislation that would directly apply Israeli law to the territory of the occupied West Bank raise fears of future annexation plans.

55. The demolition and seizure of Palestinian structures also continues. The demolition of structures linked to vital water connections in Area C communities already suffering water shortages is particularly troubling. I am concerned by the continued pressure being placed on Palestinians in the occupied West Bank, including East Jerusalem. The forced eviction of Palestinians from their homes in East

Jerusalem and the risk of high numbers of further evictions to facilitate the expansion of future settlements highlight the growing problem of Palestinians in East Jerusalem facing displacement. Such policies must be reversed and Israel should abide by its obligations under international law.

56. The situation in Gaza continues to be at risk of a major escalation, and the immense suffering of the people continues. I remain gravely concerned by the number of deaths and injuries of Palestinians along the Gaza perimeter fence. Serious concerns remain over Israel's use of force during the Gaza protests at the perimeter fence with Israel. Israeli security forces have the responsibility to exercise restraint and lethal force must be used only when strictly unavoidable in order to protect life. Force must not be used against medical personnel exclusively carrying out their medical duties. Children should never be the target of violence and Hamas and other militant groups have an obligation to protect children, ensuring that they are never put in harm's way. The indiscriminate launching of rockets and mortars towards Israeli civilian populations is prohibited by international humanitarian law and must immediately cease. The launching of incendiary and explosive devices towards Israel must also stop. The organizers of the demonstrations must ensure that protests remain peaceful.

57. The violent response by Hamas security forces against protesters, including women and children, in Gaza is unacceptable. The long-suffering people of Gaza have the right to protest without fear of reprisal.

58. There is no justification for terrorism and I call on all members of the international community to join the United Nations in condemning it unequivocally.

59. I am concerned by reports of increased number of settler attacks and incidents of harassment compared to the previous reporting period. I am very concerned about the Palestinian population, protective presence actors and human rights defenders in the H2 area of Hebron following the withdrawal of the Temporary International Presence in Hebron on 1 February 2019, particularly noting that parts of the H2 area were designated as closed military zones. I call on Israel to ensure the safety and security of the Palestinian population, to refrain from any steps that may cause further tension, to allow humanitarian actors and human rights defenders to carry out their activities freely and safely and to ensure that any attacks are thoroughly, impartially and independently investigated and the perpetrators held accountable.

60. Provocative and inflammatory rhetoric by Palestinian and Israeli officials during the reporting period also continues to deepen the divide and fuel mistrust and hatred between the parties, while undermining efforts to advance the goal of peace. Leaders have a responsibility to demonstrate a willingness to pursue compromise and to promote positive dialogue between both sides. Fuelling tensions, promoting conspiracy theories and cultivating hate between communities only serves to perpetuate the conflict.

61. I am deeply concerned about developments relating to the clearance revenues of the Palestinian Authority, in particular the political, economic and security implications for both Palestinians and Israelis, which undermine the Oslo Framework and the chances of achieving the two-State solution. At \$2.3 billion, clearance revenues account for over 65 per cent of the total annual revenue of the Palestinian Authority. Both sides need to engage in a constructive manner with the goal of restoring the revenue transfers in full, in line with the Paris Protocol on Economic Relations. They must do their utmost to prevent a further deterioration and to recommit, with the support of the international community, to the basic tenets enshrined in long-standing bilateral agreements.

62. I note the criticality of continued support for UNRWA, which requires \$1.2 billion in funding in 2019 for its regular programmes and humanitarian operations. To avoid any disruption in services in 2019, UNRWA needs its donors to maintain funding levels and to increase the number of multi-year agreements to ensure enhanced financial stability. The recent establishment of a developmental "Waqf" fund for Palestine refugees, as announced by the Council of Ministers of the Organization for Islamic Cooperation, is an important step in this regard. I call upon Member States to continue their support for UNRWA.

63. Regrettably, the few and modest affirmative steps taken by the parties were insufficient for reversing negative trends. Instead, the viability of the two-State solution is under increasingly grave threats. I once again call on all parties to refrain from unilateral steps that undermine the prospects for a two-State solution and that are not in line with bilateral agreements, including the Paris Protocol.

64. I remain deeply concerned by the deteriorating humanitarian and economic situation in Gaza. Taking into consideration its legitimate security concerns, I urge Israel to ease the restrictions on the movement of goods and people to and from Gaza, with the goal of ultimately lifting them. Only by fully lifting the debilitating closures, in line with Security Council resolution 1860 (2009), can we hope to sustainably resolve the humanitarian crisis. Restrictive measures by the Palestinian Authority continue to compound the impact of the long-standing closures, further widening the intra-Palestinian political and administrative gap. Funding received to date has enabled the temporary increase in energy supply in Gaza and has supported the delivery of a large quantity of essential medicines and the performance of thousands of emergency surgeries. However, with the funding provided by Qatar for fuel for the Gaza power plant set to run out in April 2019, there is a real concern that, without additional funds or a sustainable solution for the energy crisis, energy outages will again reach 20 hours per day, significantly impacting the provision of essential services. This comes against a backdrop of rising needs, with humanitarian partners facing record-high funding cuts and an increasingly restricted operating space. The 2019 Humanitarian Response Plan, launched on 17 December, called for \$350 million for the Occupied Palestinian Territory, \$270 million of which is for Gaza. I urge donors to increase their contributions to allow for a modicum of relief to the needs of the population.

65. On a positive note, improvements in the Gaza Reconstruction Mechanism are expected to significantly enhance its effectiveness, functionality, predictability and transparency, to make it more user-friendly and to help stimulate economic activity. I also welcome the decision by Egypt to keep the Rafah border crossing open, with due respect for its security concerns. In addition, I welcome the expansion of Gaza's fishing zone to 12 nautical miles in a small area off the Gaza coast, but remain concerned by ongoing arrests of and injuries to Palestinians fishing within permitted waters.

66. These are positive steps that can avert another violent confrontation between Israel and Hamas in Gaza, but any long-term solution requires restoring intra-Palestinian national unity, returning Gaza to the control of a legitimate Palestinian Government and lifting the crippling Israeli closures.

67. It is critical that the important Egyptian-led intra-Palestinian reconciliation efforts continue. The United Nations stands firm in its support of Egypt's efforts in this regard, and I call on all Palestinian factions to make serious efforts to ensure the reunification of Gaza and the West Bank under a single, democratic, national government. Only then can we hope to sustainably resolve the humanitarian crisis and begin the important task of development. Gaza is, and must remain, an integral part of a future Palestinian state as part of a two-State solution.

68. I remain greatly concerned by the state of our collective efforts and the weakening of the international consensus to achieve an end to the occupation and the realization of a negotiated two-State solution of the Israeli-Palestinian conflict, and I have repeatedly raised the alarm about the conflict's dangerous trajectory. Given the interconnected nature of conflicts throughout the region and the potential of the Palestinian-Israeli conflict to fuel extremist narratives worldwide, creating conditions for the parties to return to meaningful bilateral negotiations remains critical. In the absence of a political process to end the conflict, the United Nations partners in the Middle East Quartet provided a series of recommendations in the report of July 2016, which, if implemented effectively, would begin to establish such conditions.

69. The United Nations has advocated for a strengthened commitment to bilateral agreements and is implementing a series of humanitarian projects aimed at supporting Gaza and Palestinian reconciliation, and ultimately lifting the closures. We have continued to stress that the recommendations contained in the 2016 report of the Middle East Quartet remain deeply relevant. I reiterate that there is no viable alternative to the two-State solution, with Israel and Palestine living side by side in peace and security with Jerusalem as the capital of both States. What is needed, first and foremost, is the necessary leadership and political will to take concrete steps in support of ending the military occupation and realizing a lasting peace. Until that can be found, for yet another generation, Israelis and Palestinians are destined to spend their lives searching in vain for an elusive peace.

70. I express my deep appreciation to my Special Coordinator for the Middle East Peace Process, Nickolay Mladenov, for his outstanding service in what remains a challenging context. I pay tribute, too, to all staff working under difficult circumstances in the service of the United Nations.