Thank you, Mr. Chairman, and my thanks once again to this distinguished Committee for the opportunity to provide an update on the situation in the occupied Palestinian territory from an UNRWA perspective. While the main focus of my remarks will be on humanitarian conditions, as is natural from our mandate, I will also briefly sketch the current context in which we work, including concerns that we share with others relating to protection of the almost 2 million registered Palestinian refugees whom we serve in the West Bank and in the Gaza Strip.

Mr. Chairman,

The newly appointed Commissioner-General of UNRWA, Mr. Philippo Grandi, has just completed his first visit to UN Headquarters. He regrets very much that he did not have an opportunity, due to scheduling reasons, to be able to brief this Committee in person. However, he will be back in June in New York and he hopes very much on that occasion to have the opportunity to be able to address this Committee.

In the coming days there will be 2 high-level visits to Gaza. The first will be by Lady Ashton, the European Union's High Representative for Foreign and Security Policy, and then, as has been announced, by the Secretary-General Mr. Ban Ki Moon. The fact that the Government of Israel has agreed to their entry into Gaza has led to some cautious hopes, and I must emphasize the word cautious, of a slight easing of the blockade that has been in force now for almost 2 years, to at least allow building materials into the Territory that will allow the resumption of construction on stalled UN projects; it's a very modest start, but a start nevertheless that's needed. UNRWA alone has 93 million dollars' worth of projects that have been suspended. In recent weeks a few consignments of glass have entered for windows, but regrettably not the metal window-frames that are needed to be able to accompany them. Notwithstanding the exgratia payment of 10.5 million dollars received recently from the Government of Israel in compensation for damage to UN buildings in Gaza during Operation Cast Lead some 14-15 months ago, we've been unable to repair even our own premises. We've also been unable to be able to return to generous Arab donors who have been offering support to us, who pledged support to the reconstruction of Gaza until we can demonstrate progress in completing those old projects, some of which started almost 5 years ago and have been halted for almost 3 due to the blockade.

In the meantime, I regret to say that the illegal tunnel economy in Gaza continues to thrive. This creates an unhealthy situation which has been undermining the legitimate established business class of the territory, and a new breed of entrepreneurs, who owe their success in part at least to links to the ruling party and have created what some are calling a gangster economy, has emerged. Hamas meanwhile continues to strengthen its controls over the political and economic space in Gaza for local society but has left UNRWA alone to be able to conduct its own business. Despite the availability of many consumer goods which are being smuggled in from Egypt, the

problem remains that of deepening poverty because of a lack of employment opportunities beyond the three main sources of income who are the Palestinian public sector employees, Hamas and UNRWA itself. We may not have a humanitarian crisis today in Gaza, but certainly there is a political, social and economic crisis in the territory. Meanwhile shortages of electrical power and cooking gas remain a serious problem. Most of Gaza continues to experience power cuts of up to 12 hours a day, forcing reliance on small generators; sometimes these have been hazardous, causing accidents leading to injuries and deaths. Cooking gas also is in short supply; less than 60% of weekly requirements are being imported at the present time.

Meanwhile, Mr. Chairman, discussion continues between the United Nations and the Government of Israel on restarting badly needed water and sanitation projects which we hope will see some progress in the coming days on the occasion of the Secretary-General's visit.

On the security front, there has been relative calm in the recent period. Minor skirmishes have taken place in Gaza during the limited military incursions the Israeli forces have mounted, but casualties are continuing, albeit at a slower pace than in the past. So far in 2010 10 Palestinians, 4 of them civilians, have been killed, and 21 injured. Hamas for its part continues to enforce a crackdown on those more radical groups attempting to break the de facto ceasefire by firing home-made rockets into Israel. It's also exerting its authority on more fundamentalist Islamist groups which have been challenging its authority in Gaza.

Mr. Chairman,

Allow me now to turn to the main preoccupation of the United Nations and the international community more broadly at the present time, and that is of course the situation in Jerusalem, particularly East Jerusalem. There have been a number of worrying developments which have raised questions about the status of East Jerusalem as occupied territory and of course the intended future capital of a Palestinian State. I shall not repeat this familiar list of developments which has been eloquently described by the distinguished Chargé of the Palestinian Observer Mission. However, I should recall that UNRWA has a significant presence in East Jerusalem, through its West Bank field office and the relocation of many of its Headquarters functions to the city. It's the largest UN presence in Jerusalem. Access to East Jerusalem however is a growing problem for our local area staff. I should point out though that the new Commissioner-General has taken the decision to live and work out of Jerusalem while maintaining the Agency's headquarters in Amman and Gaza.

There are 70 000 registered refugees inside Jerusalem, for whom we have responsibility for their social and economic wellbeing. Some of them, notably those living in the Shofat camp, live in very difficult conditions. UNRWA will continue to pay close attention to this issue.

