



DIVISION FOR
PALESTINIAN RIGHTS

Bulletin

on action by the United Nations system and
intergovernmental organizations
relevant to the question of Palestine

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I. UN PALESTINIAN RIGHTS COMMITTEE SUBMITS 2023 ANNUAL REPORT

On 1 September, the United Nations Committee on the Exercise of the Inalienable Rights of the Palestinian People submitted its annual report to the General Assembly. The report's ([A/78/35](#)) conclusions and recommendations are reproduced below.

Conclusions and recommendations of the Committee

89. In developing its recommendations set out below, the Committee has taken into account the deliberations at Committee and Bureau meetings, briefings received, outreach, international conferences and events involving Member States, civil society organizations and regional organizations.

A. Action by the Committee in response to the conflict and human rights violations

90. The Committee condemns the recurring human rights violations committed by Israel, the occupying Power, against the Palestinian civilian population in the Occupied Palestinian Territory, including East Jerusalem, as amply documented by international organizations, including the United Nations and its human rights mechanisms, and human rights organizations, including from Israel. It calls for an immediate end to the excessive use of lethal force by Israeli forces and armed settlers against Palestinian civilians, including children, which has resulted in an unprecedented number of killings and injuries. The Committee reiterates that the indiscriminate launching of rockets towards Israeli population centres is prohibited by international humanitarian law and must stop immediately.

91. The Committee condemns the punitive measures imposed by the Government of Israel to perpetuate the occupation and weaken the Palestinian Authority and repress the Palestinian people. It deplores the significant increase in violence and terror against Palestinians by armed Israeli settlers. The Committee calls on Israel to immediately reverse the measures against the Palestinian Authority, disarm Israeli settlers in the Occupied Palestinian Territory and provide protection to Palestinian civilians as called for in Security Council resolution 904 (1994) and General Assembly resolution ES-10/20 and in line with its obligations under international humanitarian law.

92. The Committee calls on Israeli government officials to halt their provocations, rhetoric and incitement in the Occupied Palestinian Territory, including East Jerusalem, and to end acquiescence to or support for, including by the Israeli army, settlers' attacks on Palestinians and destruction of Palestinian homes and livelihoods. It further appeals to political, religious and community leaders to reject hate speech and violence and to speak up against those who try to inflame the situation.

93. The Committee strongly recommends that the United Nations and the international community take additional measure to ensure accountability, including arrest warrants from the International Criminal Court, because Israel has ignored its responsibility to investigate and prosecute acts committed by its agents or third parties that involve grave breaches of international humanitarian law and gross violations of the human rights of Palestinians.

94. The Committee calls on Israel to uphold its obligations under international humanitarian and human rights law and calls for full respect for the status quo at the holy sites in Jerusalem, including the historic and legal status quo at the Aqsa Mosque compound, recognizing the special role of the Jordan. The Committee decries the harassment of Muslim worshippers and the increasing number of attacks against Christians and their religious symbols in Jerusalem, and it urges Israel to ensure that Muslims and Christians can peacefully practice their respective religions without fear of violence. The Committee also calls for special measures to prevent future provocations during Muslim and Christian religious observances.

95. The Committee underscores the seriousness of the findings in the report of the Secretary-General on children and armed conflict (A/76/871-S/2022/493) in relation to the situation of Palestinian children and calls for measures to protect children and prevent grave violation against them. The Committee urges the Israeli occupation forces and Palestinian armed groups to abide by their obligations under international humanitarian and human rights law and ensure that the principles of distinction, proportionality and precaution are upheld during any military operation.

96. In the light of the continuation and escalation by Israel of violence and disproportionate use of military force, including air strikes and ground operations targeting densely populated civilian areas, the Committee urges the Secretary-General and the relevant human rights mechanisms, including the Special Representative of the Secretary-General for Children and Armed Conflict, to take action consistent with their mandates and findings and consider potential listings of parties involved in violations against civilians, including women and children, as a deterrent measure, in order to protect civilian lives.

B. Action by the Committee in response to annexation and settlement activities

97. The Committee is gravely concerned at the stated objective of the Government of Israel to dramatically increase the number of settlers in the occupied West Bank, including East Jerusalem, openly referring to these territories as the “land of Israel”, contrary to international law, countless United Nations resolutions and the international consensus on the two-State solution based on the pre-1967 borders. The Committee supports the demands made by the Security Council, the Human Rights Council, and the General Assembly for the cessation of all such illegal activities, including expropriation of and encroachment on Palestinian land and demolition of Palestinian homes and properties.

98. The Committee reiterates that the annexation of any part of the Occupied Palestinian Territory, including East Jerusalem, is illegal. It calls on the Israeli authorities to cease all actions aimed at changing the demographic composition, status, and character of the Occupied Palestinian Territory, and to abide scrupulously by its international legal obligations. Such illegal colonization measures undermine the prospect of achieving a two-State solution by systematically eroding a contiguous, independent, viable and sovereign Palestinian State, based on the pre-1967 borders, with East Jerusalem serving as the capital of Palestine, in accordance with international law, the pertinent United Nations resolutions, including, inter alia, Security Council resolution 2334 (2016) and General Assembly resolution 77/26, as well as the Madrid principles and the Arab Peace Initiative.

99. The Committee urges the Government of Israel to refrain from seizing Palestinian land, stop carrying out demolitions, including of donor-funded structures, and end all forced evictions and forcible displacement of Palestinians, in particular in Area C of the West Bank and East Jerusalem. The recent announcement by the occupying Power of a dramatic increase in the construction of settlement units, its attempts to retroactively “legalize” illegal outposts and its decision to allow settlers into previously vacated settlements to resume settlement activities are particularly concerning and must be halted.

C. Action with the Secretary-General, the Security Council, the General Assembly, and the Human Rights Council

100. The Committee concurs with the stance of the Secretary-General on the question of Palestine, which is based on international law and numerous United Nations resolutions, and it urges him to continue leveraging his good offices to pursue a just resolution to the question of Palestine.

101. The Committee urges the Security Council and the General Assembly to ensure implementation of the long-standing parameters for peace affirmed in relevant United Nations resolutions, including Council resolution 2334 (2016) and Assembly resolution 77/25, including by ensuring that Member States and intergovernmental organizations take tangible measures to implement their obligations under these resolutions, the foremost of which is to distinguish between Israel and the territories that have remained under its occupation since 1967, as well as the obligation not to aid, assist or recognize as legitimate any illegal measures taken by the occupying Power in the Occupied Palestinian Territory, including East Jerusalem.

102. The Committee requests the Secretary-General to continue to submit his reports to the Council on the implementation of resolution 2334 (2016) in written format and, pursuant to paragraph 5 of the resolution, to include references to the implementation of the provision by Member States. Pursuant to paragraph 11 of the resolution, the Committee also calls upon the Council to examine practical ways and means to secure the full implementation of relevant Council resolutions, including the use of sanctions on States and private entities violating Council resolutions.

103. The Committee encourages the Security Council and the Middle East Quartet to actively pursue opportunities to revitalize the peace process and to seek multilateral mechanisms to revive the much-needed dialogue between Palestine and Israel, as that is essential for promoting a just solution to the conflict.

104. The Committee concurs with the findings of the Independent International Commission of Inquiry on the Occupied Palestinian Territory, including East Jerusalem, and Israel that discrimination against Palestinians and the continued occupation of Palestinian territory are the leading causes of the region’s ongoing tensions, instability, and conflict. The Committee raises deep concern regarding the situation in the Occupied Palestinian Territory, including land seizures, unlawful killings, forced displacement, movement restrictions and denial of the human rights of Palestinians. Those actions, which are akin to apartheid under international law, demand urgent scrutiny and action to safeguard human rights.

105. The Committee notes that any initiative aimed at achieving a just solution to the question of Palestine must, first and foremost, take into account the legitimate rights and aspirations of the Palestinian people, engage the Palestinian leadership and be based on the two-State solution, in accordance with international law and the relevant United Nations resolutions.

106. The Committee appreciates the decision by the General Assembly to implement the recommendation made in the report of the Independent International Commission of Inquiry on the Occupied Palestinian Territory, including East Jerusalem, and Israel (A/77/328) to urgently request an advisory opinion from the International Court of Justice on the legal consequences of, inter alia, the continued refusal on the part of Israel to end its occupation of the Occupied Palestinian Territory, including East Jerusalem. In addition, the Committee calls on the Security Council to consider further action, as requested under paragraph 92 (b) of the report, to require Israel to bring its permanent occupation to an end.

107. The Committee insists that the Israeli air, land, and sea blockade of Gaza, as well as all restrictions imposed by the occupying Power, be lifted in accordance with Security Council resolution 1860 (2009), and it urges the international community to address the plight of the Palestinian people with a human-rights-based approach, rather than a humanitarian one.

D. Advocacy and outreach with the international community and civil society

108. The Committee calls upon regional organizations, in particular LAS, the European Union, the Movement of Non-Aligned Countries and OIC to take a politically active role in stopping the annexation and facilitating an end to the occupation and a just solution to the question of Palestine. Any comprehensive resolution will require a regional approach, such as the approach set out in the Arab Peace Initiative.

109. The Committee fully supports the ongoing efforts by Algeria, Egypt and other Member States, as well as the Special Coordinator for the Middle East Peace Process, to promote calm and a just and lasting peace to the question of Palestine. The Committee commends the Government of Algeria for its efforts in promoting Palestinian unity and welcomes the Algiers Declaration of 13 October 2022 as a crucial step towards intra-Palestinian reconciliation and the establishment of a unified Palestinian leadership. In addition, the Committee encourages the organization of elections to strengthen democracy and democratic institutions in the State of Palestine and the Palestinian administration.

110. The Committee further welcomes the recommendations made in the report of the Independent International Commission of Inquiry on the Occupied Palestinian Territory, including East Jerusalem, and Israel, which was presented to the Human Rights Council on 8 June. The Committee urges Member States to carefully review the use by Israel of anti-terror legislation to designate Palestinian civil society organizations as terrorist organizations and restrict their funding, with a view to delegitimizing and isolating them, undermining their activities and ending international funding and support for them.

E. Action by Member States and regional organizations

111. The Committee calls on Member States and regional organizations to put pressure upon Israel, the occupying Power, to fulfil its responsibilities to safeguard Palestinian civilians under international law and to engage in a meaningful process of negotiations leading to the establishment of an independent and viable State of Palestine, with East Jerusalem as its capital, living in peace and security within internationally recognized borders.

112. The Committee deems unilateral decisions taken by Member States to recognize Jerusalem as the capital of Israel and the transfer of embassies from Tel Aviv to Jerusalem as null and void, as those actions violate Security Council resolutions, including resolutions 476 (1980), 478 (1980) and 2334 (2016). The Committee welcomes decisions taken by Member States to rescind their recognition of West Jerusalem as the capital of Israel and re-join the international consensus in that regard, and it calls on other Member States to rescind similar decisions.

113. The Committee welcomes the update issued on 30 June by OHCHR to the database of business enterprises involved in certain activities relating to settlements in the Occupied Palestinian Territory.

114. The Committee notes the alarming financial shortfall facing UNRWA and reiterates the call by the Secretary-General for Member States to provide the Agency with predictable, sustained and sufficient funding to assist Palestine refugees. The Committee notes that a further decline in the Agency's financial situation and interruption of its indispensable operations could have significant humanitarian, political and security consequences for the region and beyond.

115. The Committee urges Member States to officially recognize the State of Palestine in order to promote the two-State solution. The Committee calls on Member States to support the fiscal stability of the Palestinian Government and strengthen Palestinian institutions, in order to improve the economic and social conditions of the population in the State of Palestine. The Committee notes that efforts by the parties and the international community to stabilize and improve conditions on the ground should be linked to a credible political framework to resolve the conflict justly and comprehensively.

116. The Committee will continue to encourage all supporters of the two-State solution to assist with the resumption of meaningful multilateral negotiations towards the achievement of a peaceful settlement on the basis of the long-standing international parameters for a just solution. The Committee vows to continuing advocating for initiatives in support of that goal, including holding an international peace conference leading to a two-State solution.

F. Action by the Secretariat and other United Nations entities

117. The Committee conveys its gratitude to the Division for Palestinian Rights of the Department of Political and Peacebuilding Affairs for its support for the Committee's work. It requests the Division to continue to provide substantive and secretariat support for all aspects of its mandate. The Committee encourages the Division to continue to disseminate information on the question of Palestine by broadening its outreach and promoting multilingualism on the Committee's website and social media platforms. It also requests the Division to continue to implement projects, including capacity-building for officials of the State of Palestine, that promote

inclusivity and gender balance and encourage South-South and triangular cooperation between countries and regional and subregional organizations.

118. The Committee requests the continuation of the special information programme on the question of Palestine of the Department of Global Communications, which has made an important contribution to informing the media and the public.

II. UNRWA COMMISSIONER-GENERAL LAZZARINI APPEALS TO THE ARAB LEAGUE FOR SUPPORT

On 6 September, Mr. Philippe Lazzarini, the Commissioner-General of the United Nations Relief and Works Agency for Palestine Refugees in the Near East (UNRWA), delivered the following [statement](#) at the 160th session of the League of Arab States Council.

I am grateful for the renewed opportunity to bring the situation of Palestine Refugees to your attention. This Council is a crucial forum that I particularly prioritize, given our common interest in seeing their rights upheld.

Since last I addressed the Council in March, the situation for millions of Palestine Refugees in the region has further deteriorated. The Israeli military operation in the Jenin camp and the armed clashes in Ein el Hilweh camp are just two of several worrying developments. Gaza saw renewed escalations amid an ongoing crippling blockade that deprives Gazans of economic growth or any kind of normality.

Palestine Refugees in Syria are recovering from the devastating earthquake, without adequate support. 180,000 Palestine Refugees in Jordan, who fled from Syria or from Gaza in 1967 live in poverty and growing debt.

For nearly 75 years, UNRWA has provided public-like services to Palestine Refugees across the region. While running schools, health centres and social protection, the Agency has also responded to urgent humanitarian crises by providing food, cash assistance and rehabilitating damaged shelters. I am proud of the positive impact UNRWA has had on the communities across the region.

Unfortunately, though, the Agency might not be able to continue to play its role in the same way for much longer. You heard more than once about our financial situation. It sometimes sounds like a broken record. The reality is that the crisis deepens year after year, while the needs of the refugees increase. The gap between resources and the demand for services is now too wide to be contained by internal financial manoeuvres. The status quo we are locked in today has become our main existential threat. If nothing changes, the Agency will reach an inflexion point.

More than ever, universal human rights such as the right to education or healthcare are at risk. I am convinced that no one in this room would like to see UNRWA having to deprive hundreds of thousands of children to access education or millions of others to access primary health care. This

is something we should not allow. Palestinian Refugees have been failed too many times. Their dignity is all that still remains. Their right to a dignified life cannot be negotiable.

There is an alternative path, one that places Palestine Refugees at the center of a renewed discussion about their rights and how to protect them. The discussion today needs to be elevated from a financial to a political one, a discussion addressing Palestine refugees' dignity and wellbeing and through it, the stability of the region and the quest for peace.

The League of Arab States and its members, especially those who host the refugees are key partners. You are also our allies in our efforts to raise funds and ensure that global solidarity with Palestine Refugees remains strong. I say this as Palestine Refugees have waited 75 years for a political solution. They have always relied on the Arab world for solidarity. They have no closer ally, no better partner.

We are aware of renewed efforts to revive a dialogue in the region that can lead to long term peace. I welcome such initiatives and reiterate that a political solution to the longest conflict in the region is the only possible outcome. And such an outcome must include a just and lasting solution to the plight of Palestine Refugees. And I look forward to engaging more closely with the region on this issue.

Immediate financial support is an essential and urgent priority in the short term. As of now, UNRWA needs between US\$ 170-190 million to sustain core services until the end of this year. In addition, we need another 75 million dollars to continue our life-saving food pipeline to more than half of the population in Gaza. But as we approach 75 years of UNRWA's existence, the Palestine Refugees look toward the Arab countries for more than immediate funding to the Agency. They want education and employment opportunities. They want to be relevant to the regional and global job markets, even if they are sitting in Gaza. They want to think beyond their daily struggle and into a more prosperous and stable future.

UNRWA and Palestine Refugees need Arab States to be at the forefront of a transformation from the current status quo that has run its course to a new direction, a direction where Palestine Refugee have a tangible reason to hope for a long-term solution. I urge you to put the issue of Palestine Refugees back to the top of your political agendas. This is the only way we can have a sustainable, peaceful, and prosperous Middle East for all.

III. IMF SUBMITS ITS REPORT TO THE AD HOC LIAISON COMMITTEE OF PALESTINE'S DONORS

On 8 September, the International Monetary Fund submitted its [report](#) to the Ad Hoc Liaison Committee. The key issues and recommendations are reproduced below.

...

Key issues

The outlook for the Palestinian economy remains dire, with risks tilted to the downside. Amid a deteriorating security, political and social situation, the recovery is losing momentum and per capita income is projected to decline over the medium term. The fiscal crisis remains unresolved, amid limited prospects for much-needed deep expenditure reforms and resolution of the outstanding fiscal files with Israel. The banking sector remains stable and well-monitored, but early signs of asset quality deterioration are emerging.

Achieving higher growth and overcoming the fiscal crisis are intertwined objectives, requiring coordinated efforts from the Palestinian Authority, Israel, and the international donor community. This report elaborates on the transformative fiscal and structural reforms needed to improve the Palestinian living standards over the medium term.

Key Recommendations

- Consolidate the strong fiscal revenue performance and pursue ambitious expenditure reforms in a gradual and socially-balanced way, first focused on the wage bill, health system, and net lending.
- Continue to try to engage the Government of Israel (GoI) to achieve tangible outcomes to alleviate Israeli-imposed movement, access, and investment restrictions and to resolve the outstanding fiscal files, including Area C taxation.
- Adopt reforms to further enhance the business climate, advance the digital transformation of the economy, and carry out critical energy infrastructure projects.
- Further strengthen the risk-based supervisory framework for banks and continue working with the Bank of Israel on new correspondent banking arrangements.

IV. THE WORLD BANK ECONOMIC MONITORING REPORT TO THE AD HOC LIAISON COMMITTEE

On 13 September, the World Bank submitted its [report](#) to the Ad Hoc Liaison Committee. The executive summary is reproduced below.

The Palestinian economy slowed during the first months of 2023. Preliminary data for the first quarter (Q1) of 2023 indicate that growth slowed to 3.1 percent, year-on-year (y/y), largely due to the waning of post-pandemic recovery. Meanwhile, systemic restrictions imposed by the Government of Israel (GoI) continue to curtail economic activity, especially in Gaza, where the economy contracted by 2.6 percent in Q1 2023, according to data by the Palestinian Central Bureau of Statistics (PCBS). This is largely on account of a decline in the agricultural, forestry, and fishing sector, which shrank by almost 30 percent following a decision by the GoI to restrict the sale of Gazan fish in the West Bank in August 2022. On the other hand, in the West Bank the economy grew by 4.3 percent y/y in Q1 2023, thanks to continued expansion of private consumption which in turn supported the growth of wholesale and retail trade and services.

The economic context in the West Bank and Gaza continues to be marked by elevated risks. The economy will continue facing a combination of slow growth and high poverty rates, unless substantial policy change takes place. Under the baseline scenario, the Palestinian economy is expected to continue languishing under the multi-layered system of Israeli restrictions on movement access and trade in the West Bank, the near blockade of Gaza, the internal divide, and a reform program lacking conclusiveness and momentum on the Palestinian Authority (PA) side. These constraints will continue to hinder economic activity and discourage private-sector development, preventing the Palestinian economy from reaching its potential. Under these assumptions, economic growth is expected to hover around 3 percent over the medium term, and due to rapid population growth, the real income per capita is expected to stagnate at best. Moreover, downside risks remain elevated. An escalation of Russia's invasion of Ukraine could further strain global supply chains and increase pressure on food and energy prices, slowing the growth of the Palestinian economy. Meanwhile, renewed clashes between Palestinians and Israeli forces in the West Bank and Gaza would increase the already elevated levels of political and economic uncertainty and could further limit Palestinian workers' access to the Israeli labor market. The PA has little fiscal scope to counter such shocks, and political uncertainty in Israel could contribute to exacerbate the macroeconomic and fiscal risks facing the West Bank and Gaza.

The PA's fiscal situation is predicted to worsen as we move further into 2023, and financing options are more and more limited, worryingly raising fiscal sustainability risks. Public revenue is performing well and expected to grow by 6 percent, to around 24 percent of GDP in 2023, thanks to increased tax efforts and economic growth in the West Bank; however, expenditures are estimated to rise by 2.4 percent, reaching 26.5 percent of GDP. This increase is driven by as yet partial implementation of recent agreements with labor unions, leading to a significant rise in the wage bill. As a result, the overall deficit before grants is forecast to be US\$561 million, equivalent to 2.8 percent of GDP. When accounting for Israeli deductions from clearance revenues, the deficit could reach US\$817 million or 4.1 percent of GDP. Aid inflows are expected to partially narrow the deficit to US\$493 million or 2.5 percent of GDP, with US\$324 million coming in the form of budget support and development financing. If pressure from unions results in the full implementation of labor agreements by September 2023, the deficit could further increase to US\$533 million. In the absence of clear policy change, the fiscal deficit is anticipated to hover around 2.5 percent of GDP over the medium term, but financing options will become increasingly limited. Domestic bank financing is no longer viable, leading to the deficit being financed through the accumulation of arrears to the private sector, public employees, and the pension fund. The accumulation of such arrears over time poses meaningful risks to macro-fiscal stability, as it reduces market liquidity and can reverberate in the banking sector.

PA reform efforts are necessary but not sufficient to establish the strong macroeconomic foundations required to achieve much-needed fiscal sustainability. The PA can and needs to continue its efforts to substantially decrease the fiscal deficit through reforms, while implementing further actions to enhance the business environment and foster private-sector expansion. Nonetheless, comprehensive analysis by the World Bank and other development institutions clearly reveals that the largest hindrances to growth and private-sector development are related to the GoI-imposed restrictions on movement and economic activity in the West Bank, along with the near-total blockade of Gaza. Despite extensive and constructive dialogue among all parties

about these issues, action continues to lag behind. Until the restrictions are removed, the Palestinian economy is projected to persist in operating below its full potential.

Meaningful cooperation by the GoI remains crucial to improve the PA's fiscal situation and enable the Palestinian economy to reach its full potential. For instance, the 1995 interim agreement states that the Israeli civil administration is expected to collect revenues from Israeli businesses operating in Area C and remit them to the PA. While these funds are collected by the GoI, thus far they have not been transferred to the PA. The GoI must also work with the PA to implement institutional measures to sustainably reduce fiscal leakages from clearance revenues, which are vital to reinforce the PA's finances. The following recommendations (detailed on pages 11–12) can help advance these objectives while yielding a number of mutually beneficial outcomes:

- A. Fully implement the e-VAT clearance system.
- B. Transfer customs responsibilities to the PA and establish Palestinian bonded warehouses.
- C. Remit all VAT on Israel-Gaza trade to the PA.
- D. Establish greater transparency regarding deductions from clearance revenues.
- E. Renegotiate the fee charged by the GoI for handling Palestinian imports.
- F. Exempt the PA's fuel imports from taxes.
- G. Collaboratively determine the exit fee collected at the Allenby Bridge and allocate the resulting revenue according to the shares specified in the Paris Protocol.

Similarly, donor support is an irreplaceable factor to the success of the PA's reform agenda, particularly in the short and medium term. Despite broad-based agreement on this, there are few-to-no signs of increase on aid flows. To prevent adverse social and economic repercussions, the PA should adopt a gradual approach in reforming revenue and expenditure management, especially given the large fiscal multipliers. At the same time, ongoing fiscal consolidation efforts are susceptible to external shocks, and success will also depend on the political climate and cooperation by the GoI. In such a context where ensuring a smooth fiscal consolidation path and mitigating political and economic uncertainty remain top of the agenda having adequate and predictable budget support becomes a pivotal and indispensable element for attaining success. In the medium term, donor assistance should be redirected towards development projects that stimulate economic growth. Additionally, implementing further public financial management reforms and cross-cutting governance measures could attract additional donor resources. While discussions with the international community to increase foreign aid to the PA are ongoing, their ultimate materialization remains uncertain.

A recent positive development is a gradual stabilization of the Palestinian banking sector's direct exposure to the public sector, at pre-COVID levels. At the same time, the combination of direct and indirect exposure remains sizeable overall, and warrants continued monitoring by the authorities. During periods of heightened fiscal stress, the PA has repeatedly increased its borrowing from domestic banks, at times exceeding the public-sector exposure limits set by the

PMA. Following several years in which annual PA borrowing remained broadly stable at about US\$1.3–1.4 billion, the banking system’s exposure to the public sector increased considerably, reaching US\$2.5 billion in December 2021. By June 2023, PA borrowing had fallen to US\$2.3 billion, slightly above the PMA-imposed prudential limit and pre-pandemic levels. In addition to direct borrowing by the PA, bank loans to public employees, which are fully or partially backed by future PA salaries have created indirect exposure to the public sector. Together, borrowing by the PA and public employees amounts to about US\$4.2 billion, representing almost 37 percent of total banking-sector credit.

Limited progress on securing stable correspondent banking relationships (CBRs) continues to threaten the stability of cross-border payments. In recent years, Israeli banks have signaled plans to curtail or terminate CBRs with Palestinian banks, citing concerns around potential money laundering and the financing of terrorism. Serious disruptions to CBRs would significantly impact the Palestinian economy. Both the West Bank and Gaza heavily rely on Israel as their primary trading partner, and their predominantly cash-based economies depend on the Israeli Shekel. Limits on the repatriation of shekels from Palestinian banks to Israel has contributed to an estimated accumulation of NIS 4.5 billion in excess shekel-denominated liquidity in Palestinian banks, equivalent to 6.4 percent of their assets as of end-September 2022. To mitigate the risk of immediate disruptions to CBRs between the two banking systems, the GoI approved a temporary indemnity and immunity package for Israeli banks engaging with Palestinian banks in 2017. This arrangement has been extended multiple times, most recently until March 2024, as the PA and GoI strive to establish a more stable framework for cross-border payments. However, progress has been limited due to several unresolved disagreements, including the status of proposed Israeli legislation and the pending due diligence process of participating Palestinian banks.

This report also offers a focus chapter on the Palestinian health system, demonstrating large resource constraints hinder the health system’s ability to cope with the mounting burden of non-communicable diseases (NCDs). The rising incidence of NCDs such as cancer, cardiovascular conditions, diabetes, and kidney disease is increasing the cost of health services across the Palestinian population. Moreover, the Israeli occupation and the broader macro-fiscal context in the Palestinian territories have a significant impact on the Palestinian health system’s ability to deliver services, by reducing investments in facilities and infrastructure and restricting the movement of people and goods. As a result, medicine stockouts are common, particularly in Gaza. A recent official joint WB-IMF mission to Gaza directly observed the critical conditions of the hospitals in the Strip, and in particular—the challenges faced by cancer patients, especially in relation to the availability of local treatment as well as to the acquisition of timely permits to travel outside Gaza. Such hurdles often make it impossible to provide adequate and/or timely healthcare, in several cases resulting in the serious worsening of health conditions or even the death of patients. Importantly, in recent years, the average availability of essential medicines in Gaza has been equivalent to just 55 percent of need, compared to 90 percent in the West Bank.¹⁰ In addition, unfavorable work conditions and low salaries intensify human-resource constraints. Finally, recurrent armed conflict episodes have directly affected the delivery of health services: between 2019 and 2021, 563 attacks affected 151 health facilities and injured 463 health workers.

Many patients are referred to hospitals that are not managed by the Palestinian Ministry of Health (PMOH), resulting in increasingly unsustainable health expenditures, which further exacerbates an already strained fiscal position. NCDs often require sustained treatment and

continuous access to preventive, curative, and palliative care, which the Palestinian public health system is not able to offer. Since 2015, almost 90,000 cases per year (23 percent from Gaza and 73 percent from the West Bank) have been referred from public health facilities to private or NGO-run hospitals in the east Jerusalem Hospital Network (EJHN).¹² the West Bank, Gaza, or Israel, resulting in an average annual financial burden of about NIS 850 million (almost US\$250 million), equivalent to one-third of annual PMOH health expenditures or roughly 1.3 percent of GDP (2022). This is in addition to over US\$345 million in cumulative arrears to hospitals for services provided. Between 2020 and 2022, the top three conditions for these outside medical referrals (OMR) were cancer, cardiovascular conditions, and urological conditions. Together, these conditions represented a combined 60 percent of all referral expenditures. The Israeli and Palestinian authorities should coordinate more effectively to ensure access to essential health services, reduce the financial burden of healthcare, and strengthen the Palestinian health system. Significant physical constraints limit timely access to high-quality essential OMR services, and the PA's current spending on these services is unsustainable. The focus chapter of this report describes in detail the constraints on access to health services and the respective roles and responsibilities of the Israeli and Palestinian authorities (Section 1 of Chapter 2), analyzes the fiscal implications of OMR expenditures (Section 2 of Chapter 2), and provides some actionable policy recommendations for all stakeholders to improve access to quality health services, as summarized in the table below.

V. UN REPORT TO AHLC WARNS THAT THIRTY YEARS SINCE OSLO, PALESTINIAN STATEHOOD IS AT RISK

On 18 September, the Office of the United Nations Special Coordinator for the Middle East Peace Process (UNSCO) issued the [following](#) press release concerning the newly published UNSCO report to the Ad Hoc Liaison Committee. The complete report is available [through this link](#).

A newly published United Nations report sets forth immediate steps and a way forward towards reversing the dangerous deterioration of the situation on the ground, the fragility of the Palestinian Authority (PA) and insufficient engagement between the parties.

As we mark the 30-year anniversary of the Oslo Accords, it is incumbent upon Israeli and Palestinian leaders, and members of the international community who have supported the Oslo process and the Palestinian state-building agenda over the last decades, to take stock and reflect on the road travelled since Oslo and where we are now.

Key 'permanent status' issues in the Oslo Accords remain unresolved and prospects for a negotiated solution remain elusive. The Palestinian state-building project, which has rallied members of the AHLC around a common objective and for which significant political and financial capital has been invested over three decades, faces significant challenge by developments on the ground and from the stalled peace process.

This report, issued by UNSCO for the upcoming meeting of the AHLC in New York on 20 September 2023, notes that the escalating violence and attacks in the occupied West Bank and Israel, recurrent escalations in the Gaza Strip and ongoing unilateral steps, are contributing to a downward spiral on the ground that requires an urgent and collective response. Unprecedented settlement advancement, Israeli access and movement restrictions, including restrictions on land use by Palestinians in Area C, and the persistent Palestinian divide are deepening the fragmentation of the Occupied Palestinian Territory (OPT) and, alongside the shrinking fiscal space for the PA to meet the needs of Palestinians, are further undermining efforts to restore a political horizon. “Declining budget support to the PA and the funding and liquidity crises facing UN humanitarian programmes, such as UNRWA and the World Food Programme, are additional destabilizing factors”, the report adds.

United Nations Special Coordinator for the Middle East Peace Process, Tor Wennesland outlined a number of immediate steps that if implemented by both parties, with support from regional and international partners, can reverse the current negative trajectory. These include:

- Serious political talks, supported by the international community, should begin to address key territorial and security issues, including those related to settlements and settler violence;
- Restoring mechanisms that facilitate more regular and sustained contacts between both sides to address key issues, including economy;
- A coordinated package of short-term investments to (i) restore access to basic services in education, health, and social support; (ii) create employment opportunities for youth and women; (iii) repair basic infrastructure; and (iv) to strengthen the fiscal stability of the PA;
- Greater strategic coordination among the international community and with the PA to prioritize, coordinate and deliver such assistance;
- Near-term bridge financing to the PA for a timebound and transitional period, not only to sustain and preserve the investments in Palestinian state-building, but to facilitate the implementation of reforms that are critical to improving the PA’s fiscal stability.

UN Special Coordinator Wennesland noted that the urgency of the moment calls for immediate renewed commitment and stepped-up action by both sides and the international community. “Collectively and with better coordination there must be both immediate, short-term stopgap measures and greater attention to addressing the fundamental political issues that would preserve the internationally agreed parameters and unlock a return to meaningful negotiations”, he added. The report reiterates that thirty years since Oslo, the overarching goal of the United Nations remains supporting Palestinians and Israelis to resolve the conflict and end the occupation.

VI. UNRWA’S LAZZARINI WARNS MINISTERIAL MEETING AT UNHQ THE AGENCY’S FINANCIAL CRISIS THREATENS TO REVERSE YEARS OF INVESTMENT

On 18 September, UNRWA Commissioner-General Philippe Lazzarini addressed a ministerial meeting at the United Nations Headquarters in New York, on the side-lines of the 78th session of

the General Assembly, on the “Peace Day Effort: An Effort for Middle East Peace.” His [statement](#) is reproduced below.

I want to start by commending this initiative and hope that it will lead to peace and stability. I see at least three key opportunities today:

First, an opportunity for a genuine reflection on what an Israeli-Palestinian peace would mean for relations in the Middle East and beyond.

Second, an opportunity to see wins for the Palestinians, the Israelis and the region through a peace agreement.

And *third*, an opportunity to find a just solution to the plight of Palestine Refugees living within the oPt and in the region.

A sustainable peace can emerge if it is based on relevant UN resolutions and builds upon the untapped potential of the Arab Peace Initiative. A sustainable peace is also one that addresses the plight of Palestine Refugees as enshrined in international and UN resolutions. For nearly 75 years, UNRWA has run schools and health centers and has offered social protection to the most vulnerable. It has responded to numerous urgent humanitarian crises with food, cash assistance and shelter rehabilitation. However, today, the Agency’s existential financial crisis threatens to reverse years of investment in human rights and regional human security. Together, we must move from a discussion about UNRWA’s finances to a more political discussion on its role and future.

UNRWA is soon turning 75. We must achieve a sustainable solution for Palestine refugees, to avoid having to mark a 100th commemoration and to achieve a lasting peace in the Middle East. This is the only way we can have a sustainable, peaceful, and prosperous Middle East for all.

VII. CEIRPP STUDY ON THE LEGALITY OF THE ISRAELI OCCUPATION PUBLISHED AS OFFICIAL UN DOCUMENT

On 20 September, the Chair of the Committee on the Exercise of the Inalienable Rights of the Palestinian People Ambassador Cheikh Niang sent the [following letter](#) to the UN Secretary-General. The Legal Study is now [available](#) as document A/78/378-S/2023/694 of the General Assembly and the Security Council.

I have the honour, in my capacity as Chair of the Committee on the Exercise of the Inalienable Rights of the Palestinian People, to transmit herewith a study entitled “The legality of the Israeli occupation of the Occupied Palestinian Territory, including East Jerusalem” (see annex)

The study was commissioned by the Committee and prepared by the Irish Centre for Human Rights at the University of Galway School of Law (Ireland). I would be grateful if the present letter and its annex could be circulated as a document of the General Assembly, under agenda items 34, 35, 49, 50, 59, 61, 69, 70, 71, 72 and 73, and of the Security Council.

VIII. AD HOC LIAISON COMMITTEE MEETS IN NEW YORK

Below is the [Chair Summary](#) of the Ad Hoc Liaison Committee meeting that took place on 20 September in New York.

The Ad Hoc Liaison Committee (AHLC) met in New York on 20 September 2023. The Chair commends the Palestinian and Israeli delegations for their participation. The Chair also thanks the International Monetary Fund, the Office of the Quartet, the United Nations, and the World Bank for their valuable reports to the meeting.

The meeting took place at a critical juncture for the Palestinian state building project, 30 years after the Declaration of Principles on Interim Self-Government Arrangements (Oslo I Accord) was signed and the AHLC established. During these three decades, the Palestinians have made significant achievements in building public institutions, with support from AHLC members. Donors have invested considerable political and financial capital in line with the shared objective of realizing an independent and functioning Palestinian state, in the context of a two-state solution. However, the “permanent status” issues in the Oslo Accords remain unresolved. Prospects for resolving the Israeli-Palestinian conflict remain elusive. Palestinian state building cannot be finalized until there is a political solution to the conflict, and an end to the occupation.

The AHLC expressed serious alarm for the fragile and deteriorating situation on the ground. Among key issues raised by participants in that regard were the high level of violence and the increased settlement activity. The Palestinian economy is under tremendous pressure. Persistent low growth and significant fiscal constraints on the Palestinian Authority (PA) reinforce each other, reducing the PA’s ability to provide essential public services to the population. Israeli deductions in clearance revenues add substantially to the PA’s fiscal challenges. Israeli restrictions on access and movement and economic activity in the West Bank, particularly in Area C, and the closure regime around Gaza remain the most important obstacles to economic growth, private-sector development, and job creation in Palestine. Moreover, the internal Palestinian divide, and limited momentum on the PA reform programme although some progress has been made, remain key challenges. Several AHLC members also encouraged elections to be held in Palestine, including in East Jerusalem.

Developments on the ground challenge the viability of the internationally agreed principles for ending the conflict. The AHLC discussed how to rethink our efforts in order to address immediate challenges and to ensure that our actions contribute to the long-term objective of peace between Israelis and Palestinians and a two-state solution. A renewal of our shared commitment to the purpose of the AHLC requires stronger engagement by all sides.

AHLC members welcomed the UN’s efforts to promote a coordinated package of short-term support and investments focused on restoring basic services for Palestinians – in health, education, and social support, creating employment opportunities for youth and women, repairing basic infrastructure, and strengthening fiscal stability of the PA. The World Bank’s multi donor trust fund PURSE and the European Union’s PEGASE mechanism were emphasized as channels for support to Palestinian state building and reform and the strengthening of Palestinian institutions.

Despite positive developments on some fronts, the AHLC expressed regret for the lack of progress on several outstanding issues that have been on the AHLC’s agenda for many years.

These have been detailed in previous Chair's Summaries and thoroughly described in the reports by the OQ, IMF, UN, and World Bank to the AHLC, including this year.

The AHLC welcomed steps to improve relationships among countries in the region. It was raised that it is essential that the Palestinians are involved, and the two-state solution advanced, for such processes to become genuine vehicles for peace between Israelis and Palestinians.

A thematic session was held in preparation for the Ministerial Meeting. Participants engaged in a detailed discussion on the various challenges, particularly in the economic field, and how Palestine, Israel and international partners can develop a more structured approach to addressing the critical situation. Enhanced strategic coordination of the two parties and with the international community is needed to maximize the impact and effectiveness of assistance to the Palestinians. Returning to the structures envisioned in signed agreements would be a step toward resetting the relationship between Israel and the PA.

The AHLC called on:

- Both parties to respect signed agreements and restore mechanisms for more regular and sustained contact between them, including the Joint Economic Committee (JEC); to consider agreed adjustments to the provisions of the Paris Protocol; to fully implement the e-VAT clearance system, transfer customs responsibilities from Israel to Palestine and establish Palestinian bonded warehouses, to renegotiate the fee charged by Israel for handling Palestinian imports; to collaboratively determine the exit fee collected and accumulated at the Allenby Bridge and allocate the resulting revenue according to the shares specified in the Paris Protocol; to take joint action to improve access to health care for Palestinians; to develop an agreed-upon approach that will enable Palestinian-led development in Area C including of renewable energy and to move forward on other key infrastructure measures, including in energy, telecom, water and trade; and to hold AHLC working group meetings ahead of the next AHLC meeting in 2024.

- The Palestinian Authority to continue, with the support of the donors, reform efforts across different sectors, in particular on the wage bill, health sector and net lending as well as passing the hydrocarbon law, establishing the natural gas company, and finalizing the Gas Sales and Purchasing Agreement; to ensure fiscal transparency; to agree to resume meetings in the JEC; and to facilitate coordination of international assistance, including through the Aid Information Management System (AIMS) and the Local Aid Coordination Secretariat (LACS).

- Israel to lift restrictions on access and movement, in particular in and out of Gaza and in Area C; to stop unilateral developments of infrastructure in the West Bank; to stop measures that weaken the Palestinian Authority; to provide greater transparency regarding deductions from clearance revenues; to remit all VAT on Israel-Gaza trade to the PA; to exempt the PA's fuel imports from taxes; to approve PWA Water and Wastewater packages in the West Bank, the construction of infrastructure and entry of materials for the associated works to the Gaza Central Desalination Plant; and to advance the implementation of the 4G and 5G-Non Stand Alone Principles Agreement.

- The international community to increase financial and other kinds of assistance to the Palestinians, including budget support to strengthen the Palestinian Authority and its reform efforts, as well as to UNRWA and short-term investments to cover urgent needs on the ground; to

follow up the discussion on a more strategic and structured coordination between donors, the PA and Israel and on a common effort; to provide transparent information about their contributions; and for the IMF, OQ, UN and WB to continue to provide factual and relevant analyses and recommendations in their respective reports to the AHLC.

- All actors to renew their efforts for Palestinian state building and for charting a path toward an end to the conflict

IX. COMMISSION OF INQUIRY ON OPT AND ISRAEL ISSUES A POSITION PAPER RELATED TO THE ICJ ADVISORY PROCEEDINGS

The Independent International Commission of Inquiry on the Occupied Palestinian Territory, including East Jerusalem, and in Israel, published, on 26 September, the following [position paper](#) related to the General Assembly request for an Advisory Opinion to the International Court of Justice, excerpted below.

...

III. JURISDICTION

5. The Court is competent to “give an advisory opinion on any legal question at the request of whatever body may be authorized by or in accordance with the Charter of the United Nations to make such a request”. The General Assembly is competent to request an advisory opinion pursuant to Article 96, paragraph 1 of the Charter, provided that it is on a “legal question”. The Commission considers that the two questions presented to the Court in this request for an advisory opinion are legal in character and that the Court has jurisdiction to give an advisory opinion as requested by the General Assembly in resolution 77/247.

IV. THE COMMISSION’S POSITION ON THE QUESTIONS PRESENTED

6. The right of a people to self-determination is a peremptory norm of international law that implies obligations of an *erga omnes* character for the international community as a whole. In implementing its mandate from the Human Rights Council, the Commission has concluded on reasonable grounds that the continuing violation by Israel of the right of the Palestinian people to self-determination is unlawful under international law. In addition, the Commission has concluded that the occupation of the Palestinian territory by Israel is now unlawful under international law owing to its permanence and actions undertaken by Israel to annex parts of the land *de jure* and *de facto*. The commission of these unlawful acts results in state responsibility for the State of Israel. Israel is under an obligation to cease the unlawful acts, offer assurances and guarantees of non-repetition, and make full reparations. The commission of these unlawful acts also obligates Member States of the UN to not recognize the illegal situation arising out of the violation, to not render aid or assistance in maintaining the illegal situation and to co-operate with a view to putting an end to the violations.

A. Legal consequences arising from the ongoing violation by Israel of the right of the Palestinian people to self-determination.

7. The principle of self-determination, as promulgated under the UN Charter, and set forth as the right to self-determination in both the International Covenant on Civil and Political Rights and the International Covenant on Economic, Social and Cultural Rights, provides for the obligation to respect the will of a people to form a sovereign independent State. The Court has stated that General Assembly resolution 1514 (XV) “clarified the content and scope of the right to self-determination” and considered that the resolution had a “declaratory character with regard to the right to self-determination as a customary norm”. The General Assembly in 1970 recognized “that the people of Palestine are entitled to equal rights and self-determination, in accordance with the Charter of the United Nations”. The Court has observed that “the right of peoples to self-determination, as it evolved from the Charter and from United Nations practice, has an *erga omnes* character”, and that subsequent developments of international law made the principle of self-determination applicable to all non-self-governing territories.”

8. In 2004, the Court concluded that the building of a wall or barrier by Israel on land that is part of the Occupied Palestinian Territory impeded the exercise by the Palestinian people of its right to self-determination. The Court also noted, “Israel is bound to comply with its obligation to respect the right of the Palestinian people to self-determination and its obligations under international humanitarian law and international human rights law.”

9. Numerous UN Security Council resolutions have addressed the establishment of Israeli settlements and the occupation of territories by Israel and concluded that they are invalid under the Fourth Geneva Conventions, and repeatedly called upon Israel to abide by its legal obligations. The Commission stresses that Article 25 of the UN Charter provides that Members of the United Nations agree to accept and carry out the decisions of the Security Council in accordance with the Charter.’ As such, Member States are under an obligation to comply with decisions adopted by the Security Council under Article 25 of the UN Charter. The Commission further emphasizes that this obligation attaches to all Member States equally, including Members of the Security Council that voted against the decision and Member States that are not members of the Council. Accordingly, a “binding determination made by a competent organ of the United Nations to the effect that a situation is illegal cannot remain without consequence.” In relation to Israel’s admission into the United Nations, the preamble of General Assembly Resolution 273 (III) of 11 May 1949 reiterates the declaration that Israel “unreservedly accepts the obligations of the United Nations Charter and undertakes to honour them from the day when it becomes a Member of the United Nations”.

10. In the Commission’s report to the General Assembly in September 2022, the Commission noted that, in the West Bank and East Jerusalem, the expansive Israeli settlements and outposts enterprise has been a significant driver of the protracted occupation, despite being considered illegal under international law. The Commission found that these settlements had fragmented and isolated Palestinians from their land and from other Palestinian communities. The Commission concluded that the occupation and de facto annexation policies of the Government of Israel had violated the right of the Palestinian people to self-determination.

11. The Commission considers that Israel’s violation of the right of the Palestinian people to self-determination is unlawful and has legal consequences for the State of Israel. Accordingly, Israel has an obligation to respect the right of the Palestinian people to self-determination and obligations under international humanitarian law and human rights law.” Israel has the obligation

bring to an end all actions that violate the right of the Palestinian people to self-determination, including its prolonged occupation, settlement and annexation of the Palestinian territory occupied since 1967. Equally significant, the Commission emphasizes that Israel shall give appropriate assurances and guarantees of non-repetition in relation to its unlawful occupation. To this end, Israel must repeal and render ineffective all adopted legislation and regulations that have involved or resulted in violations of Israel's obligations under international law. Israel is under an obligation to make reparations for the damages arising from its unlawful conduct, and restitution in kind."

12. The Court has stated that, since the right to self-determination is an obligation *erga omnes*, all States have a legal interest in protecting that right." All Member States of the UN are also under an obligation to not recognize the illegal situation arising out of the violation of the right of the Palestinian people to self-determination. States shall not render aid or assistance in maintaining the illegal situation and shall co-operate with a view to putting an end to the violations and to ensuring that reparation will be made."

B. Legal status of the occupation and the legal consequences that arise for all States and the United Nations

13. International law does not prescribe specifically when a situation of belligerent occupation becomes unlawful. The main sources of law that govern occupation include the Hague Regulations of 1907," the Fourth Geneva Convention of 1949, Additional Protocol I of 1977 and customary international law. These provisions, however, cannot be considered in isolation but must be interpreted and applied in the context of international law as a whole, including the jus cogens of absolute prohibition on the acquisition of territory by force.

14. The law of occupation is primarily concerned with the temporary nature of the occupation and the protection of the occupied population. In wartime, occupation is a temporary and exceptional circumstance where the occupying power is the de facto administrator of the occupied territory with the view that the territory will be returned to the sovereign people of the territory. This does not, however, deprive the people in the occupied territory of its statehood or sovereignty. For the occupied Palestinian territories, the applicable legal framework is the law of belligerent occupation which consists of the rules enshrined in the 1907 Hague Regulations, the Fourth Geneva Convention and customary international humanitarian law."

15. The Court has relied on Article 42 of the Hague Regulations for determining the existence of an occupation under international humanitarian law. Article 42 states that "territory is considered occupied when it is actually placed under the authority of the hostile army. The occupation extends only to the territory where such authority has been established and can be exercised." In 2004, the Court stated that the territories situated between the Green Line and the former eastern boundary of Palestine under the Mandate had been occupied by Israel since 1967 and that all of these territories, including East Jerusalem, remained occupied territories with Israel as the occupying power."

16. In 2004, the Court had considered that the construction of the wall and its associated regime created a "fait accompli" that could become permanent, which would amount to de facto annexation. Since the Court's advisory opinion in 2004, Israel has continued and still continues to be the occupying power in the Occupied Palestinian Territory, including East Jerusalem. Both the Hague Regulations and the Fourth Geneva Convention envisage that occupation would be a

temporary state that would end when peaceful arrangements have been met to end the armed conflict. As such, situations of belligerent occupation cannot exist indefinitely and in no situation do they grant any right of sovereignty to the occupying power. Absent any formal declaration or “de jure annexation” by the occupying power, there is no legal definition or authority as to when an occupation which is permitted under international humanitarian law crosses the threshold into a situation of illegal acquisition of territory.

17. The Commission, in its 2022 report to the General Assembly (A/77/328), focused on two indicators that may be used to determine the lawfulness or otherwise of the occupation: the permanence of the Israeli occupation, and actions amounting to annexation, including unilateral actions taken to dispose of parts of the Occupied Palestinian Territory as if Israel held sovereignty over it. The Commission distinguished between de jure and de facto annexation, noting that “de facto annexation” was the term used by the Court in 2004. The Commission found that there were reasonable grounds to conclude that the Israeli occupation of the Palestinian territory is now unlawful under international law owing to its permanence and actions undertaken by Israel to annex parts of the land de facto and de jure. The Commission highlighted policies and laws that maintain the permanence of the occupation and ensure the sovereignty of Israel over the occupied territories.

18. As stated in the previous section, the right of the Palestinian people to self-determination has been and continues to be violated by Israel. The occupation itself denies the Palestinian people their right to self-determination due to its permanence and actions amounting to annexation, including unilateral actions taken to dispose of parts of the Occupied Palestinian Territory as if Israel held sovereignty over it. It can be concluded that, when an occupation rests on a violation of a peremptory norm of *erga omnes* character, such as the right to self-determination, the occupation itself is unlawful.

19. The Commission considers that, whatever the status of the current occupation the responsibility of the State of Israel is engaged under international law. Israel must comply with its obligations under international humanitarian and human rights law and has an obligation to put an end to the violation of international law, namely the occupation. Israel may also be required to give appropriate assurances and guarantees of non-repetition, meaning, in this case, the ending of the occupation on a permanent basis. Israel should be required, inter alia, to ensure the restoration of property requisitioned or expropriated from Palestinians, including land and property taken for expansive settlements; provide reparations and/or restitution; repeal restrictive laws on citizenship and status; respect the right of return of Palestinians who have suffered forcible transfer or deportation; and dismantle the dual legal system that applies in a discriminatory manner to Palestinians.

20. The Court stated that, under Article 1 of the Fourth Geneva Convention, “all States are under an obligation not to recognize the illegal situation resulting from the construction of the wall in the Occupied Palestinian Territory, including in and around East Jerusalem” and that all States are “also under an obligation not to render aid or assistance” in maintaining the illegal situation. Similarly, in this case, the Commission argues that all States are under the same obligation not to recognize the unlawful occupation and not to render aid or assistance in maintaining the unlawful occupation. Similarly, in this case, the Commission argues that all States are under the same obligation not to recognize the unlawful occupation and not to render aid or assistance in

maintaining the unlawful occupation. In terms of non-recognition, States should distinguish, in all of their dealings, between the State of Israel and Palestine, such as abstaining from diplomatic or other activity that may lead to the actual or implied acceptance or prolongation of the occupation. States should not render aid or assistance in maintaining the occupation, including financial assistance and business relations.

21. In 2004, the Court expressed the view that the UN, especially the General Assembly and the Security Council, should consider what further action is required to bring to an end the illegal situation resulting from the construction of the wall and the associated regime. The Commission notes that, despite numerous resolutions from the General Assembly and Security Council, there has been little or no implementation by Israel. The Commission identifies a need for the Court to articulate the actions that the UN, representing the international community as a whole, should take to bring an end to the unlawful acts and the legal consequences for their lack of action or enforcement.

22. The Commission notes that, where cooperation within the UN fails, States continue to have a duty to cooperate. States should uphold their obligations under international law, including obligations under common article 1 to the four Geneva Conventions and articles 146, 147 and 148 of the Fourth Geneva Convention. States should still discharge their obligations to the best of their ability and may do so in regional organizations, within other international organizations, or bilaterally or multi-laterally.

V. CONCLUSION

23. The Commission has concluded that Israel has violated and continues to violate the right of the Palestinian people to self-determination by its prolonged occupation, settlement and annexation of the Palestinian territory occupied since 1967. The legal consequence of the violation of right to self-determination, which is an obligation *erga omnes*, is the responsibility of the State of Israel. The current occupation, which has lasted 56 years to date, is unlawful under international law. The result of the unlawful acts entails legal consequences for Israel to bring an end to the “internationally wrongful act”. All States and the UN are also under an obligation to act urgently to bring the unlawful acts to an end.

X. UN SPECIAL COORDINATOR BRIEFS THE SECURITY COUNCIL ON THE IMPLEMENTATION OF RESOLUTION 2334 (2016)

On 27 September, United Nations Special Coordinator for the Middle East Peace Process Tor Wennesland, presented the 27th report on the implementation of Security Council resolution 2334 (2016) covering the period from 15 June to 19 September. The text of his [briefing](#) is reproduced below.

Today’s briefing is devoted to the 27th report of the Secretary-General on the implementation of Security Council resolution 2334 (2016). The reporting period is from 15 June to 19 September.

...

Security Council resolution 2334 (2016) calls on Israel to “immediately and completely cease all settlement activity in the Occupied Palestinian Territory, including East Jerusalem” and to “fully respect all of its legal obligations in this regard.” Settlement activity has, nevertheless, continued.

Israeli authorities advanced plans for 6,300 housing units in Area C, including the retroactive “legalization”, under Israeli law, of three outposts near the settlement of Eli. In East Jerusalem, approximately 3,580 housing units were advanced.

On 11 September a plan for 3,500 housing units was advanced, most of which are located in East Jerusalem on land owned by the Greek Orthodox Church. The Church said the units will be for members of the Christian community.

On 18 June, the Israeli Government removed the requirement for Ministerial approval at interim stages of settlement planning and delegated this authority to the Additional Minister in the Ministry of Defence, likely expediting settlement expansion.

On 2 August, the Israeli Supreme Court dismissed a petition to dismantle an outpost established in the former settlement of Homesh in the occupied West Bank, evacuated under the 2005 Disengagement Law.

Demolitions and seizures of Palestinian-owned structures continued across the occupied West Bank, including East Jerusalem. Citing the lack of Israeli-issued building permits, which are almost impossible for Palestinians to obtain, Israeli authorities, demolished, seized or forced people to demolish 238 structures, displacing 183 people, including 46 women and 91 children. 32 structures were donor funded.

On 11 July, Israeli Security Forces evicted a Palestinian family living in Jerusalem’s Old City since the 1950’s, handing the property to a settler organization, following a Supreme Court ruling that the property is owned by a Jewish trust, based on Israeli laws that allow only Jews to reclaim property they owned pre-1948.

On 17 August, a Palestinian elementary school in Ein Samiya serving nearly 80 pupils was demolished days before the start of the school year. Fifty-nine schools, serving some 6,500 Palestinian students, are at risk of demolition.

In a continuing trend, many Palestinians, including children, left from their communities citing violence by settlers and shrinking grazing land. Mister President,

Security Council resolution 2334 (2016) calls for “immediate steps to prevent all acts of violence against civilians, including acts of terror, as well as all acts of provocation and destruction.” Unfortunately, daily violence continued.

Over the reporting period, 68 Palestinians, including 18 children, were killed by Israeli security forces during demonstrations, clashes, security operations, attacks or alleged attacks against Israelis, and other incidents.

2,830 Palestinians, including 30 women and 559 children, were injured. Of that number, 271 were injured by live ammunition and 2,119 by tear gas inhalation. In addition, two Palestinians

were killed and 73 injured, including three women and 12 children, amid a high level of attacks by Israeli settlers.

10 Israelis, including one woman, two children and three Israeli security forces personnel were killed, and 122 Israelis, including six women and six children, and 33 ISF personnel, were injured by Palestinians in attacks, clashes, stone-throwing and other incidents.

Israeli security forces carried out 1,042 search-and-arrest operations in the West Bank, resulting in 1,504 Palestinians arrested, including 88 children. Israel currently holds 1,264 Palestinians in administrative detention, the highest number in over a decade.

...

The high number of fatal incidents during the reporting period precludes us from detailing all but allow me to highlight a few.

Many Palestinian casualties in the occupied West Bank occurred in the context of Israeli operations in Area A, including some during subsequent armed clashes with increasingly sophisticated weaponry. On 15 August, in Aqbat Jaber refugee camp, south of Jericho, two Palestinians, including a 16-year-old boy were killed by Israeli security forces two others were killed on 17 and 22 August, including a 16-year-old boy, in Jenin and nearby az-Zababida village. On 19 September, four Palestinians were killed by ISF in the Jenin refugee camp during intensive armed exchanges.

Settler-related violence continued throughout the reporting period, including on 4 August, when armed Israeli settlers approached Burqa village near Ramallah, leading to stone-throwing confrontations with Palestinians. Settlers killed a 19-year-old Palestinian and injured another; one Israeli was injured by Palestinians throwing stones. Israeli Police arrested two Israelis and placed them under house arrest. In addition, on 27 August, Israeli settlers burned land south of Nablus and threw stones at two Palestinian houses.

Three Israelis, including one woman, were killed by Palestinian gunmen in shooting attacks in the occupied West Bank on 19 August and on 21 August.

In other incidents, on 15 August, armed Palestinians near Jenin attempted and failed to launch an improvised rocket towards an Israeli settlement in the area.

In Gaza, since late August, Palestinians resumed protests near the perimeter fence. Palestinian protestors have thrown stones and explosive devices towards ISF and launched incendiary balloons, and ISF have fired live ammunition and tear gas at protestors, resulting in casualties.

...

Security Council resolution 2334 (2016) calls for the parties to refrain from acts of provocation, incitement and inflammatory rhetoric. Unfortunately, such acts continued.

In an interview, an Israeli Minister said, “My right and that of my wife and my children, to travel on the roads in Judea and Samaria, is more important than the freedom of movement for Arabs.” A Member of the Israeli Knesset said that any “Palestinian running away from an Israel

Defence Forces soldier must be shot,” adding, “A Palestinian who approaches an IDF soldier must [also] be shot.” An Israeli minister visited the Holy Sites on the Jewish commemoration day of Tisha B’av and called on Israelis to “return” to the Sites and “show our governance.”

In a speech, a senior Palestinian Authority (PA) official said that Hitler “fought against the Jews because they were dealing with usury and money” and denied that “Hitler killed the Jews for being Jews.” Officials or official social media posts from Fatah, Hamas and other Palestinian factions glorified perpetrators of attacks against Israeli civilians.

...

Resolution 2334 (2016) reiterated calls by the Middle East Quartet for “affirmative steps to be taken immediately to reverse negative trends on the ground that are imperilling the two-State solution.” Notwithstanding some positive steps, negative trends continued.

During this period, Israeli authorities reduced the handling fee for fuel that Israel transfers to the PA to increase revenues in the PA.

On 9 July, Israel’s Security Cabinet voted to act to “prevent the collapse of the Palestinian Authority”.

On 30 July, President Mahmoud Abbas chaired a meeting of Secretaries-General of Palestinian factions in Egypt, calling for a follow-up committee to complete dialogue to “end divisions and achieve Palestinian national unity.”

On 10 August, President Abbas issued a Presidential Decree, removing 12 of 16 PA Governors from office, including four from Gaza.

On 14 August, participants at a Hamas-organized meeting called for elections to take place in Gaza under Central Elections Commission (CEC) supervision; the call was welcomed by Hamas.

On 17 September, Erez Crossing was closed for exits due to Jewish holidays and has remained closed due to the violence near the security fence, with some exceptions including the transfer of patients for medical treatment. Over 22,000 work and business permit holders have been denied exit since the closure.

Meanwhile, funding shortages continue to undermine the UN’s ability to provide crucial services to Palestinians. UNRWA urgently needs USD 75 million to maintain food assistance through year-end for 1.2 million Palestinians in Gaza; while the World Food Programme requires USD 32 million to restore social assistance to priority families across the OPT. In addition, the humanitarian appeal for Palestinians throughout the OPT is funded at only 33 per cent.

...

In resolution 2334 (2016), the Security Council also called upon all States “to distinguish, in their relevant dealings, between the territory of the State of Israel and the territories occupied since 1967.”

On 26 June, the U.S. Department of State confirmed that it had circulated foreign policy guidance to relevant agencies advising that “engaging in bilateral scientific and technological cooperation with Israel in geographic areas which came under the administration of Israel after June 5, 1967, and which remain subject to final status negotiations, is inconsistent with U.S. foreign policy.”

Resolution 2334 (2016) also called upon “all parties to continue, inter alia, to exert collective efforts to launch credible negotiations.”

On 12 August, Saudi Arabia appointed an Ambassador to the State of Palestine and Consul General in Jerusalem for the first time since 1947.

On 14 August, Egyptian President Abdel Fattah el-Sisi, Jordan’s King Abdullah II and Palestinian President Abbas met in Egypt. Their joint statement noted, “the importance of Israel halting all settlement activity, the confiscation of Palestinian land and the eviction of Palestinians from their homes”, while underscoring that a “just and comprehensive solution” to the Palestinian cause is the key to stability in the region.

On 18 September Saudi Arabia, the League of Arab States and the European Union, in cooperation with Egypt and Jordan, convened a ministerial meeting to “discuss practical ways to reinvigorate” the Middle East Peace Process.

Mister President, in closing, allow me to share the Secretary-General’s observations on the implementation of Security Council Resolution 2334 (2016).

1. I remain deeply troubled by the unrelenting expansion of Israeli settlements and settlement outposts in the occupied West Bank, including East Jerusalem, with over 10,000 housing units advanced in this reporting period alone. Settlements further entrench the occupation, fuel violence, impede Palestinian access to their land and resources, and systematically erode the viability of a Palestinian State as part of a two-State solution. I reiterate that settlements have no legal validity and constitute a flagrant violation of international law and United Nations resolutions. I call on the Government of Israel to cease all settlement activity and dismantle outposts immediately, in line with its obligations under international law.

2. The demolition and seizure of Palestinian structures, including internationally funded humanitarian projects, entail numerous human rights violations and raise concerns about the risk of forcible transfer. I call upon the Government of Israel to end this practice, in line with its international obligations, and to allow Palestinian communities to build and address their development needs.

3. I remain gravely concerned by the intensification of violence in the occupied West Bank and Israel – at levels not seen in decades – and the use of increasingly lethal weaponry, including in densely populated areas. Immediate steps are needed to de-escalate tensions.

4. I condemn all acts of violence against civilians, including acts of terror. Such acts can never be justified and must be condemned by all. Perpetrators must be held accountable and swiftly brought to justice. I am disturbed by the high levels of settler-related violence, often in the proximity of Israeli Security Forces, with perpetrators rarely held accountable. Israel must act to

stop all settler violence. I urge Israel, as the occupying Power, to abide by its obligations under international law to protect the Palestinian population against all acts or threats of violence.

5. I am appalled that children continue to be victims of violence. Children must never be the target of violence, used, or put in harm's way. 6. Security forces must exercise maximum restraint and use lethal force only when it is strictly unavoidable to protect life. I call on Israel to abide by its obligations under international law, including with regard to the proportional use of force, and ensure thorough, independent and prompt investigations into all instances of possible excessive use of force, holding those responsible to account.

7. In Gaza, the resurgence of violence near the perimeter fence is a reminder of the fragility of the situation and the risk of escalation. Despite some easing of access restrictions, more needs to be done to alleviate the humanitarian situation and improve the economy and freedom of movement. However, only sustainable political solutions, with the ultimate goal of lifting the debilitating Israeli closures in line with Security Council resolution 1860 (2009), will restore hope to Gaza's long-suffering population.

8. I am disturbed by the multiple instances in which officials have used dangerous or racist rhetoric and engaged in incitement, which must be rejected by all.

9. I welcome President Abbas' convening of Palestinian factions in Egypt and encourage all actors to take concrete steps towards reuniting Gaza and the occupied West Bank under a single, democratic Government. The absence of intra-Palestinian unity continues to undermine Palestinian national aspirations.

10. I remain concerned by the critical state of Palestinian Authority finances that is impacting the Government's ability to deliver services and pay public sector salaries. I note the Israeli Security Cabinet's decision to strengthen the Palestinian Authority and encourage Israel, and relevant stakeholders, to take tangible steps in this regard, while also encouraging the PA to undertake reforms.

11. I also urge Member States to enable UNRWA to deliver on its General Assembly mandate, to ensure delivery of essential services crucial to stability throughout the region. I also encourage additional support to WFP, so it can continue delivering vital assistance to the most vulnerable Palestinian families. I welcome the additional pledges made to UNRWA during the Ministerial meeting on 21 September.

12. There is no substitute for a legitimate political process that will resolve the core issues driving the conflict. I remain committed to supporting Palestinians and Israelis to end the occupation and resolve the conflict in line with international law, relevant United Nations resolutions, and bilateral agreements in pursuit of the vision of two States – Israel and an independent, democratic, contiguous, viable, and sovereign Palestinian State – living side by side in peace and security within secure and recognized borders, on the basis of the pre1967 lines, with Jerusalem as the shared capital of both States