

## **Ministerial meeting of the Ad Hoc Liaison Committee (AHLC)**

### **Chair's summary**

**New York, 30 September 2015**

The Chair of the AHLC, Norway's Foreign Minister Børge Brende, convened today a ministerial meeting of the AHLC in New York, hosted by UN Secretary-General Ban Ki-moon. The Chair commended the Israeli and Palestinian delegations for their cooperative spirit.

The AHLC reaffirmed its commitment to the two-state solution with the vision of an independent, democratic and sovereign state of Palestine, living side by side with Israel in peace and security.

The AHLC welcomed the reports from the PA, the World Bank, IMF, UNSCO and the Office of the Quartet and expressed concerns about the downside risks of the current political impasse, a Palestinian economy in recession, and continued Israeli restrictions.

The AHLC emphasized that economic development is conducive to peace, and that continued efforts to sustain economic progress and institution building are necessary, underlined that the Palestinian economy will not be sustainable until a final political resolution is reached, and stressed that economic development cannot be a substitute for a political process.

On this basis the AHLC:

1. Urges the parties to take necessary steps to build trust, demonstrating their commitments to preserving the viability of the two-state solution and to securing the foundation for resumption of a credible political process;
2. Reiterates its assessment from 2011 of the Palestinian Authority's state readiness and reaffirms its support to further develop and sustain the institutions and the economy needed for a viable Palestinian state;
3. Commends the Palestinian Authority for its reform efforts that start showing results, its efforts to sustain fiscal discipline and for managing the liquidity crisis from the withholding of clearance revenues in the first half of 2015, and calls on the PA to continue implementing necessary reforms and improve the quality of public spending, in line with the recommendations of the World Bank and the IMF;
4. Welcomes the measures taken by Israel for easing restrictions on movement of people and goods, and underlined the need to significantly expand on them in order to sustain substantial economic development, particularly in Area C of the West Bank and in Gaza, which is essential for sustainable economic development and state-building.

5. Stresses the need for an improved economic dialogue between the parties, and the need for more effective implementation of the Oslo Accords, including the Paris Protocol, as well as stressing the need for transfer of revenues to be predictable, unconditional and transparent with only agreed deductions;
6. Calls for the Joint Liaison Committee to be convened as soon as possible, in order to strengthen economic cooperation between the parties, to facilitate implementation of economic measures, as well as resolving outstanding issues;
7. Calls for increased efforts to step up the reconstruction in Gaza particularly with respect to infrastructure, energy, water and sanitation in addition to housing; while stressing the need for more speedy donor aid disbursements, resumption of PA-governance in Gaza, and further easing of restrictions on movements and goods, including the dual-use list;
8. Urges donors to increase their assistance to meet the financial needs of the Palestinian Authority until there is a final resolution to the conflict, to support viable economic measures, and to honor their pledges to Gaza made at the Cairo Conference in October 2014, as well as considering a follow-up meeting with the donors to re-assess further funding needs.