

Mr. Chairman, Foreign Minister Brende, Mr. Secretary General Ban Ki Moon, Prime Minister Hamdallah, Secretary of State Kerry, High Representative Mogherini, ladies and gentlemen:

I am honored to represent Israel at this very important forum. I want to take this opportunity to thank the Norwegian Government for its tireless efforts in promoting peace between Israelis and Palestinians.

It was here at the United Nations that US President Lyndon Johnson said:

"Peace is a journey of a thousand miles and it must be taken one step at a time."

In this room we are united in the goal of taking the concrete steps needed to complete this journey.

Yet, even as we convene here to discuss tangible ways of promoting economic growth and cooperation, the Palestinian leadership is yet again focusing its energies on publicity stunts, this time under the pretense that raising a flag in New York will in some way advance them towards their goals.

The truth, of course, is that it will not. States are not born out of grandstanding, or negating their neighbors' rights, but rather out of a positive vision.

Israel is a case in point. Over the course of several short decades, we have built an OECD economy, state of the art agro-industry, center of educational and scientific excellence and hub of international cooperation.

When the Palestinians finally abandon their antics and join us in earnest at the negotiating table, we will finally be able to see real progress towards peace.

In this regard, I would like to reiterate the words of Prime Minister Netanyahu: Israel is ready to resume direct negotiations with the Palestinians **immediately**, with **no conditions whatsoever** for their resumption.

We understand the key role of economic development in achieving peace. The promotion of a prosperous, peaceful and democratic Palestinian society is as much an Israeli, as a Palestinian, interest.

Allow me therefore to present several recent developments in this regard vis à vis the Palestinian Authority and Gaza.

With respect to the Palestinian Authority:

Despite continuing security risks and a rise in terror attacks, Israel is taking important steps to boost economic activity in the PA.

Thus, we have recently approved door-to-door goods transports to and from Ashdod port. At the Allenby crossing, we are providing the resources for the compound which will enable the operation of a new scanner donated by the Netherlands, scheduled to be operational by August 2016.

To alleviate Palestinian unemployment, Israel has approved an additional 1000 work permits.

Israel has also recently approved an additional 13 master plans, beyond the 19 that have already been authorized.

I am pleased to note that the resumption of the Financial Dialogue announced in May was given a boost by the meeting of the Israeli and Palestinian Ministers of Finance this past August.

A key concern in this context is the Palestinian debt to the Israel Electric Corporation, currently amounting to 1.7 billion shekels. I would like to take this opportunity to call on our Palestinian counterparts to take the necessary regulatory and financial measures to prevent the further accumulation of this debt in the future.

Israel welcomes the good spirit of the Joint Technical Committee's talks on allocating 3G cellular frequencies. We hope the exchange of drafts between the sides will produce agreement in the very near future.

We are very pleased that the first residents of Rawabi have entered their homes in recent days, following the connection of the city's water infrastructure by Israel. We are eager to resume the work of the Joint Water Commission so that such projects can be advanced without delay.

In a sign of upgraded business ties between Israelis and Palestinians, just last week a joint business lounge was opened at Sha'ar Ephraim, one of the biggest transfer points for goods between Israel and the PA. We look forward to opening similar lounges in Tarqumiya and Gilboa in 2016-2017.

We continue to invest in fostering agricultural knowhow among Palestinians, with 169 participants from the PA taking part in Israel's MASHAV courses over the past year.

With respect to Gaza:

Despite the continuation of rocket fire against Israel and ongoing expansion of terror tunnels, Israel is committed to fostering economic development and to speeding up reconstruction efforts.

Given the nature of the Hamas regime – an internationally recognized terrorist organization which just last summer bombarded Israeli civilians with thousands of missiles while maintaining its open commitment to Israel's destruction – the steps we have taken to facilitate Gaza's reconstruction are truly remarkable.

We appreciate the recent comments of Special Coordinator Mladenov in which he noted that the reconstruction efforts have been “visibly accelerated.”

In a key development, Israel has decided to approve in principle the connection of Gaza to Israel's gas infrastructure in Ashkelon. This is a project whose feasibility study alone will cost hundreds of millions of shekels.

Also in the field of energy, Israel has approved in principle the development of the Gaza-Marine gas field, which holds promise of contributing greatly to the Palestinian energy sector.

To stimulate economic growth we have raised the quota of entry permits to Israel to 5000, approving the marketing of industrial goods and produce to Judea and Samaria and expanding Gaza's fishing zone to 6 nautical miles.

The Nahal Oz Pipeline, in operation since March 2015, provides an average of 700 cubic meters of water per hour, supplying potable water to about 100,000 residents of Gaza.

In the last year, Israel has enabled almost 2 million tons of construction material to enter Gaza through the Kerem Shalom crossing, despite the risk of their being diverted to the construction of terror tunnels.

In addition to building materials, the more than 800 daily truckloads passing through Kerem Shalom also contain food, medicine and other civilian goods. Indeed, in the last year, over 8000 tons of goods have been exported from Gaza through Kerem Shalom and some 20,000 people pass through the crossing every month. Moreover, Israel is investing over 10 million shekels to expand the crossing and increase its capacity to 1000 truckloads a day.

Also at Kerem Shalom, in January 2016 an additional scanner generously donated by the Netherlands is scheduled to join the already operating scanner, enabling a significant upgrade in the volume of goods going in and out of Gaza.

After addressing the housing needs of over 96,000 Palestinians, a second phase of construction has commenced, in which 2600 new building units have been approved, of which 1300 are already in construction.

Under the Gaza Reconstruction Mechanism, 180 projects are in progress, with a total of 350 projects approved thus far. An additional 140 projects have been approved with international partners. These include water and sewage infrastructures, schools and clinics.

Mr. Chairman,

Everyone in this room shares the goal of promoting development to create the conditions for true peace. Yet, as we progress along this path, we must be mindful of three things: the regional context, the role of education and values, and the importance of historical truth.

In the earthquake shaking the Middle East in the last few years, the vacuum left by crumbling traditional frameworks has been filled by forces of radical Islam and terrorism. We have seen this in Hamas-led Gaza, just as we will in Judea and Samaria, if we fail to learn the lessons presented to us by our region on a daily basis.

One key lesson is that physical infrastructures do not themselves make peace. Peace is made between people who uphold values of tolerance and who reject violence.

Thus, it doesn't matter how many roads or city squares are constructed in Palestinian towns if they continue to be named for arch-terrorists. And no

amount of foreign donations will bring us closer to peace so long as Palestinian children are taught to dream of replacing Israel with a Palestinian state, through violence, mass migration, or both.

Israeli children dream of becoming engineers to establish the next great start-up.

In a chilling demonstration of the huge educational gap between Israel and the PA, a Palestinian child was recently shown on Palestinian television expressing his wish to become an engineer – and I quote – “so as to kill the Jews”.

Lastly, but perhaps most importantly, historical truth is a value which needs to be insisted on if peace is to be ultimately achieved.

Until the Palestinians come to terms with and recognize the ancient ties between the Jewish people and the Land of Israel, it is difficult to see how the conflict can be resolved.

Moreover, the pre-judgement of final status issues distances peace by legitimizing the Palestinians’ refusal to recognize Israel as the Jewish nation-state and by giving them the false hope that they can achieve their goals by bypassing Israel via the international arena.

When the cradle of Jewish civilization – Judea and Samaria – is systematically misportrayed over the course of decades as “OpT – Occupied Palestinian Territory” – as if to erase 4000 years of Jewish history in the stroke of a pen – this, ladies and gentlemen, is a travesty of the truth.

When the renewal of Jewish life on these ancient hilltops, a central expression of our collective self-determination, is branded as 'illegal', there is something very wrong about the way that this emotive term is being used, or should I say, abused.

The continued repetition of such positions encourages the Palestinians to avoid engaging in negotiations and to prefer the kind of pointless theatrics we are witnessing today with their flag ceremony.

The sooner we can resume direct talks free of attempts to delegitimize Israel's rightful claims, the sooner we will be able to resolve the conflict.

Mr. Chairman,

As a young mother, I am confident that we can bring about a better future for all of our children, Israelis and Palestinians.

The many developments I've noted are part of an ongoing process for fostering economic development within Palestinian society to which Israel is fully committed. We remain open and eager to continue our joint work so as to create the material circumstances for the emergence of peace.

My appeal to you, the donor countries, is to make sure that we invest as much in fostering values of tolerance and coexistence among Palestinians as we invest in physical infrastructures.

The key to completing the journey towards peace is to realize that even when all around is ablaze, we must continue to stubbornly build the conditions – physical and moral – which will ultimately make peace a reality.

Please allow me, therefore, to express our sincere thanks to all of you, the donor countries, for being steadfast partners in this long, sometimes difficult, but ultimately rewarding, venture.

Thank you.