



# Press Release

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## **PALESTINIAN REFUGEE AGENCY STILL FACES MAJOR CHALLENGES AS SITUATION IN OCCUPIED TERRITORIES**

### **WORSENS, COMMISSIONER-GENERAL TELLS FOURTH COMMITTEE**

#### **Presenting Annual Report, He Cites Israeli Military Operations, Funding Shortfalls**

The United Nations Relief and Works Agency for Palestine Refugees in the Near East (UNRWA) continued to face major challenges in implementing its mandate amid an ever-worsening socio-economic and humanitarian situation in the occupied Palestinian territories, the Agency's Commissioner-General told the Fourth Committee (Special Political and Decolonization) this afternoon.

Presenting his annual report to the Committee, Commissioner-General Peter Hansen said UNRWA had seen a mild improvement in its overall financial health, which could lead to a restoration of the quality of services that had existed before a long period of under funding. However, major challenges to the Agency's operations were hampering its ability to assist Palestine refugees, some 60 per cent of whom were now living below the poverty line. Those challenges included Israeli military operations, closures, curfews, demolition of buildings and an ever-worsening economy.

Describing the difficulties facing UNRWA, he said a main feature of the past year had been an increase in the demolition of refugee shelters in the Gaza Strip, where some 616 had been destroyed. In the West Bank, close to 100 shelters had been destroyed and many more needed repair. While major projects were under way in Jenin, Khan Yunis and Rafah, there was no way the Agency could keep pace with the rate of destruction, he added.

Addressing the Agency's financial situation, he said UNRWA's funding was not keeping pace with the growing population that it was mandated to serve. While management reforms had led to significant improvements, the Agency had been grappling with the absence of working capital and cash flow insufficiencies that had threatened staff salary payments. The reliance of Palestine refugees on UNRWA to help them survive had increased due to the retrenchment of other international agencies and donor fatigue. "More money is needed, not less", he emphasized.

The Observer for Palestine said that UNRWA's operating environment remained volatile and unstable, imposing even more burdens on the Agency and its resources. The delivery of humanitarian supplies, including food, medicine, blood and other urgently needed items, was often blocked or delayed and Agency staff were frequently prevented from reaching their jobs and returning to their homes. Six staff members had been killed during the reporting period and UNRWA schools, training centres and health facilities had been damaged by the actions of the occupying forces.

Jordan's representative said his country hosted more than 1.7 million Palestinian refugees registered with UNRWA, or some 42.1 per cent of the total number of Palestine refugees and about 90 per cent of the total number of Palestinians displaced since 1967. Jordan spent some \$400 million on educational services, health, infrastructure, social welfare and security services for those refugees in addition to improving living conditions in 13 camps around the country. Jordan called on donor countries to increase their contributions until a final solution was found to the question of Palestine refugees.

Lebanon's representative said the question of Palestine refugees could not be reduced to issues of food and shelter since it was also a question of freedom, dignity and a return to one's own land. Lebanon's position was based on the refusal of the Palestinians to stay in Lebanon and their call for a return to their own homeland. It was also based on Lebanon's refusal to settle the refugees on its territory, a refusal that was now enshrined in the Lebanese Constitution. Furthermore, the refugees were a burden that exceeded Lebanon's ability to cope, besides causing a demographic imbalance in the country.

Syria's representative said that as a host, his country did everything it could to support the Palestine refugees. However, providing them with a dignified way of life was a tremendous financial burden, costing the Government some \$94 million this year alone for education, social services, health care and housing. Syria encouraged donors to increase their contributions so that UNRWA could carry out its responsibilities more easily. The situation facing the Palestinian refugees was the result of Israel's bloodthirsty policies, which proved that Israel was not ready to reach a fair and comprehensive peace.

Also speaking this afternoon were the representatives of Bangladesh, United States and Italy (on behalf of the European Union).

Hans Jacob Frydenlund (Norway), Rapporteur of the Working Group on the Financing of UNRWA, introduced that body's report.

The Fourth Committee will meet again at 10 a.m. on Monday, 3 November to continue its consideration of UNRWA's activities.

#### **Background**

The Fourth Committee (Special Political and Decolonization) met this afternoon to consider the activities of the United Nations Relief and Works Agency for

Before the Committee was the report of the Commissioner-General of UNRWA (document [A/58/13](#)) for the period 1 July 2002 to 30 June 2003, which notes that the crisis in Iraq was an important development as it affected tens of thousands of Palestinians living in Iraq, many of them refugees. The agency remained in close touch with the Office of the United Nations High Commissioner for Refugees (UNHCR) throughout the crisis to address the needs of the persons affected, participated in delivering emergency assistance to Palestinian families fleeing the conflict and temporarily accommodated them in tented camps on the Jordanian-Iraqi border.

The report says that during the reporting period, the conditions of strife in the occupied Palestinian territory persisted and suicide bombings inside Israel continued, causing heavy loss of life. The reoccupation of Israeli force of almost all of the West Bank and Gaza Strip and the ensuing large-scale military operations caused heavy loss of life and widespread damage to and destruction of Palestinian property and infrastructure, including governmental institutions, residential buildings, water and electricity supply systems and sewerage disposal systems. There was a significant increase in the incidence of large-scale military incursions into refugee camps, particularly in the Gaza Strip, during the reporting period. As a result, the number of fatalities rose markedly and the demolition of refugee shelters by the Israeli Defense Forces (IDF) increased significantly.

According to the report, the severe economic downturn that the Palestinian economy had been experiencing since September 2000 intensified during the reporting period. Labour flows have virtually ground to a halt as closures and other measures continued to keep large numbers of Palestinians unemployed. According to the World Bank report published in May 2003, 92,000 Palestinians have lost their jobs in Israel and the Israeli settlements while another 105,000 jobs have been lost in the occupied Palestinian territory. Real per capita income fell by 46 per cent, and total investment declined by approximately 90 per cent during the same period. As a result, approximately 60 per cent of the Palestinian population is living below the poverty line.

The report says UNRWA is once again a direct casualty of the continuing hostilities. Six UNRWA staff members were killed during the period, the Israeli authorities detained 64 staff members and the Agency was systematically refused access to members of its staff in detention, only one of whom was charged with any offence. The environment in which the Agency has to carry out its operations continues to affect negatively its ability to deliver services. The World Bank estimated that the physical damage from the conflict had reached a figure of about \$728 million by 30 August 2002. Among the buildings damaged and equipment destroyed were UNRWA installations such as schools, training centres and health-care facilities. Closures and checkpoint delays prevented schools from operating normally as large numbers of teachers and students could not reach their schools or return to their homes. Office workers, doctors and nurses could not reach their health centres and clinics, trucks carrying humanitarian supplies could not reach their destinations in time, ambulances were delayed or prevented from moving patients needing urgent treatment and UNRWA school buildings were taken over by Israeli forces for use as bases and detention centres.

Military operations by Israeli forces in the West Bank had an adverse impact on the Agency's ability to carry out its humanitarian functions in support of the Palestine refugees, the report says. The movement of humanitarian goods, particularly in places where supplies of food, medicines and other items were urgently needed, was often blocked, delayed or made very difficult. In a number of instances, UNRWA vehicles and staff had to face life-threatening situations as they came under fire from Israeli forces. In the Gaza strip, the external closures imposed on the area and the internal closures that effectively bisected or trisected the Strip for significant periods of time led to severe disruption in the delivery of UNRWA humanitarian supplies to distribution centres and other installations.

The report says that the international community's response to UNRWA's appeals in 2000 and 2001 was prompt and generous. The response to the appeals for 2002 was slower and at the end of that year, only \$96.8 million had been pledged. However, the end of the reporting period saw the emergence of a glimmer of hope. The adoption of the "[Road Map](#)" proposed by the Quartet (United Nations, European Union, United States and Russian Federation), and the first efforts towards its implementation, did not yield concrete results in the reporting period itself. During the current reporting period, the Government of Israel proceeded with the construction of a "separation wall" inside the West Bank. The Agency fears that the wall, when completed, will impoverish and isolate thousands of refugee families and will constitute a new and formidable obstacle to the delivery of essential UNRWA services to refugees living in the vicinity of the wall along the entire length of its route.

During the reporting period, the report says, UNRWA continued to implement its regular programme, providing education, health, social services and microcredit assistance to Palestine refugees in its five fields of operation. It also vigorously pursued its processes of internal reform, with a view to enhancing the Agency's overall efficiency and effectiveness. However, chronic underfunding of the Agency's regular programmes has had an adverse impact on its human resources and infrastructure, thus affecting the programme services it provides for the refugees. The financial situation requires concerted steps by donor countries to increase their contributions to UNRWA to keep pace with the increase in the refugee population, eliminate the structural deficits in the Agency's budget and re-establish a sound basis for its future financial viability. Those steps would also end the end-of-financial-year crises that the Agency has had to cope with in recent years.

The Commissioner-General says the Agency has continued to receive strong support from the governments of Jordan, Lebanon, Syria and the Palestinian Authority. The largest number of Palestine refugees resides in Jordan, where the majority enjoy full Jordanian citizenship and are able to work in government offices and in the local economy. The Government of Jordan has reported expenditures amounting to \$423,121,161 on behalf of Palestine refugees and displaced persons during the reporting period.

Palestine refugees in Lebanon, are among the most disadvantaged, the report says. They have only limited access to government services and have to depend almost entirely on the Agency for basic education, health and relief and social services. Lebanese authorities continued to restrict construction in certain refugee camps and the refugees suffer from poor living and housing conditions and high rates of unemployment. New legislation aims at preventing refugees from buying immovable property and depriving them of their inheritance rights. There are similar attempts to retroactively annul the Lebanese nationality obtained by certain refugees in 1994. Palestine refugees in Syria continued to have full access to government services and the Government reported expenditures of \$93,722,541 on behalf of the refugees during the reporting period.

Also before the committee was the Commissioner-General's report on the 2004-2005 programme budget (document [a/58/13 add.1](#)). Established by General Assembly resolution 302 (iv) of December 1949, UNRWA's mandate has been repeatedly renewed, most recently in December 2001, when it was extended until 30 June 2005. The Agency's goal is to promote the human development of the Palestine refugees and strengthen the refugee community's self-reliance. Where feasible, UNRWA incorporates cost sharing and self-support measures into its programmes to ensure efficient use of resources and encourage participation by the beneficiary population in the provision of services. During 2004-2005, the Agency will continue to provide basic education, health and relief and social services to more than 4 million registered Palestine refugees living in Jordan, Lebanon, Syria and the West Bank and Gaza Strip. The 2004-2005 biennium budget reflects the Agency's bare minimum requirements to sustain essential services, with only limited provisions for additional activities it must implement to carry out its mandate.

Regarding the budget's format, the report notes that programmatic aspects of the budget have been integrated with the resource narrative by employing a results-based budgeting approach linking clearly defined programme activities to programme objectives and expected accomplishments with key performance indicators. The budget is based on a biennial work programme and covers the Agency's total financial requirements for regular programme activities, including both the general fund and the project budget. Although UNRWA prepared its budget on a biennial basis, operations are financed on an annual basis. The budget's structure reflects both recurrent and non-recurrent activities and the means by which they are funded. The budget is divided into two parts: the regular

budget, comprising recurrent staff and non-staff costs, and the project budget, which comprises non-recurrent costs funded by earmarked project contributions.

The report explains that although developmental needs in the Agency's area of operations have become greater, the project budget has been reduced from \$116 million in 2002-2003 to \$93 million in 2004-2005 by the application of strict criteria consistent with the best level of anticipated donor funding. The project budget neither reflects the real needs nor the totality of projects that are ready to move should funding become available. An additional \$1.2 million has been included under the regular budget to cover the cost of four additional posts, including a D-1 post, required to cope with increased challenges. Concerning external factors affecting UNRWA's operations, the report says that should conflict persist, military operations, security issues, deteriorating economic conditions, restrictions on the flow of goods, services and individuals will continue to affect its work. Should peace talks progress, the Agency may be authorized to begin phasing out certain activities and may be asked to assume new temporary tasks as required by a peace settlement.

Regarding the financial outlook for 2003, current projections of income and expenditure for 2003 indicate a gap of some \$24.3 million when comparing the net budgeted expenditure of about \$315.1 million with total expected income of \$290.8 million. Unless further contributions are forthcoming, the Agency will not be in a position to fully implement its Assembly-approved budget. The Agency has been under severe pressure in terms of cash during the last years. Current forecasts show that it will run out of cash before the end of the year, with an expected shortfall of some \$19.5 million.

Also before the Committee was the report of the Secretary-General on Persons displaced as a result of the June 1967 and subsequent hostilities (document [A/58/119](#)), which refers to correspondence between the Secretary-General and the Permanent Representative of Israel regarding actions taken by the Government of Israel in implementing resolution 57/119. Adopted on 11 December 2002, the resolution reaffirmed the right of all persons displaced as a result of the June 1967 and subsequent hostilities to return to their homes and endorsed the efforts of the Commissioner-General of UNRWA to provide humanitarian assistance, on an emergency basis and as a temporary measure, to such persons.

The report presents the information made available by the Commissioner-General to the Secretary-General on the return of refugees registered with the Agency to the West Bank and the Gaza Strip from places outside the occupied Palestinian territory. The Agency is not involved in any arrangements for the return of refugees, nor is it involved in any arrangements for the return of displaced persons who are not registered as refugees. The UNRWA knows of 879 refugees who have returned to the West Bank and Gaza from places outside the occupied Palestinian territory between 1 July 2002 and 20 June 2003. However, some of these may not themselves have been displaced in 1967, but may be members of the family of a displaced registered refugee. Thus, the number of displaced registered refugees who are known by the Agency to have returned to the occupied territories since June 1967 is about 23,930.

Also, before the committee was the report of the Secretary-General on Offers by Member States of grants and scholarships for higher education, including vocational training, for Palestine refugees (document [A/58/339](#)). It says that in 2002/2003, the Government of Japan awarded 12 fellowships through UNRWA to Palestine refugees employed by the Agency as vocational training staff. From the programme's inception in 1985 until 2002, a total of 211 scholarships were offered by the Government of Japan, of which 199 have been processed.

The report says the Government of Switzerland contributed \$1,703,581 between 1989 and 1996 and \$338,000 in 1997 to the UNRWA scholarship programme for secondary school graduates. Of the 315 students who benefited from part of the 1997 Swiss contribution for one year only, 67 graduated in 1998, seven failed and 87 were granted scholarships in 1998/1999 from savings realized from previous Swiss contributions.

According to the report, the United Nations Educational, Scientific and Cultural Organization (UNESCO), as part of its long-standing agreement with UNRWA, granted 10 scholarships for Palestinian students during the 2001-2002 biennium. In the academic year 2002/2003, the World Health Organization (WHO) provided a total of 15 fellowships/study tours for qualified candidates nominated by the Palestinian Authority.

Also before the Committee was the report of the Secretary-General on Palestine refugees' properties and their revenues (document [A/58/206](#)), which states that on 13 and 19 June 2003, the Secretary-General sent notes verbales to Israel and all other Member States, drawing attention to the relevant provisions of General Assembly resolutions 57/117 to 57/123, in particular paragraph 4 of resolution [57/122](#), and requesting information by 18 July 2003 concerning any action taken or envisaged in relation to their implementation.

A reply dated 1 July 2003 from Israel stated that in light of that State's desire to end all acts of violence and terrorism in the region and achieve a negotiated settlement, as well as the efforts currently under way to restart the peace process, Israel regretted that the aforementioned resolutions, concerning UNRWA's efforts continued to be rife with irrelevant politicized rhetoric that detracted from the important efforts at hand. As a humanitarian agency, it was incumbent upon UNRWA to refrain from any actions or statements concerning political questions beyond its mandate. Further, Israel was also concerned that UNRWA had failed to address the problems caused to the fulfilment of its mandate by the extensive terrorist infrastructure that had taken root in Palestinian "refugee camps" and drew the Agency's attention to their misuse by armed elements.

The Committee also had before it the report of the Secretary-General on the University of Jerusalem "Al-Quds" for Palestine refugees (document [A/58/205](#)), which says that the Secretary-General, pursuant to Assembly resolution 57/123 of 11 December 2002, requested the Government of Israel to facilitate the visit of an expert to complete the functional feasibility study on establishing the proposed University of Jerusalem "Al-Quds" for Palestine refugees. In a note verbale of 26 June 2003 to the Secretary-General, the Permanent Representative of Israel stated that Israel had voted against the resolution and that its position remained unchanged. In view of the position taken by the Government of Israel, it has not been possible to complete the functional feasibility study on the proposed university.

Also, before the Committee was the report of the Working Group on the Financing of the United Nations Relief and Works Agency for Palestine Refugees in the Near East (document [A/58/450](#)), which describes that body's activities during 2003.

#### Statement by UNRWA Commissioner-General

PETER HANSEN, Commissioner-General of UNRWA, said that since September 2000, UNRWA had faced huge challenges in attempting to ameliorate the effects the intifada had had on the well-being of the Palestine refugees in the West Bank and the Gaza Strip. The Agency had continued to provide services to Palestine refugees in all five fields of its operations, namely Syria, Lebanon, Jordan, the West Bank and the Gaza Strip.

The UNRWA's regular programme of activities, he said, provided services to refugees in the education, health and social services. It also ran a self-sustaining microfinance and microenterprise programme. The UNRWA's education programme was its largest activity with 651 schools and 490,000 pupils. It also ran five secondary schools in Lebanon. The growing population required the Agency to build new schools each year. Consistent under-funding had eroded its performance and the Agency was struggling to keep up with new requirements put into place by host countries to improve their curriculum, in particular through the compulsory introduction of computer science.

The UNRWA's health programme focused on the provision of primary health care, he continued. In attempting to do more with less, the Agency had implemented management reforms in areas regarding health information, hospital management and drug supply management. Cooperation with the Palestinian Red Crescent Society had improved the provision of cost-effective secondary health care in Lebanon. In Syria and Lebanon, major water and sewerage projects were under way to preserve a healthy environment for the refugees.

In the area of relief and social services, UNRWA attempted to address the needs of the most vulnerable among the refugee population, he said. The Agency's special hardship programme was in increasing demand due to the difficult socio-economic situation in Jordan, continuing restrictions on employment of Palestine refugees in Lebanon and the crisis in the occupied Palestinian territory. The UNRWA's microfinance and microenterprise programme had been upgraded to a full Department and had expanded its activities into Jordan and Syria.

Concerning UNRWA emergency activities in the occupied Palestinian territory, he said the period covered by the report was characterized by a continuing decline in the economic situation in the occupied Palestinian territory. Real gross national income had declined by some 38 per cent since 1999, unemployment affected over 30 per cent of the working population, not including those who had abandoned the search for employment and were doing what the World Bank called "unpaid family labour". Some 200,000 jobs had been lost in Israel and in the occupied Palestinian territory. Approximately 60 per cent of the Palestinian population was living below the poverty line. "Macro statistics, bad as they are, do not do justice to the current plight of the Palestine refugees", he said.

The Agency had provided food aid, emergency employment, shelter repair and cash assistance, he said. Food distribution targeting some 127,000 families in the Gaza Strip and 90,000 in the West Bank had continued during the report period. The International Committee of the Red Cross (ICRC) had been forced to terminate its own limited voucher-based food aid programme, not because the needs had disappeared but because of the fact that it could not sustain that level of support for lengthy periods.

By the end of June 2003, the Agency had provided emergency employment to some 41,000 Palestine refugees; more than 250,000 people, including dependants, had benefited from short-term jobs directly managed by UNRWA. Many more had benefited from work opportunities created through private sector construction projects contracted by UNRWA and community-based infrastructure works in refugee camps funded by the Agency.

A main feature of the past year had been the increase in the demolition of refugee shelters in the Gaza Strip, he continued. Some 616 shelters had been destroyed throughout the Gaza Strip. In the West Bank, close to 100 shelters had been destroyed and many more needed repair. Major projects were under way in Jenin, Khan Yunis and Rafah, and 228 new dwellings had been delivered to refugees whose shelter had been destroyed. There was no way, however, the Agency could keep pace with the rate of destruction. The recent large-scale destruction in Rafah at the southern tip of the Gaza Strip had left 298 refugee families homeless in the month of October 2003 alone. He said UNRWA was always immediately on the spot to provide emergency assistance.

Israel had a right and obligation to ensure the safety and security of its citizens, he said. Suicide bombings targeted innocent civilians and were totally unacceptable. But how was the security of Israeli citizens improved by bombing, shelling, and destroying refugee shelters? Why was it necessary to humiliate thousands of Palestinians at checkpoints, to prevent farmers from reaching their fields and harvesting their crops? How did that contribute to security? he asked.

On the financial situation, he said UNRWA's funding was not keeping pace with the increased population it was mandated to serve. In that regard, the Agency had taken two actions, namely efficiency reforms and austerity measures. The reform process was well under way and had led to significant improvements. Austerity measures, however, did not bring improvement but rather erosion and destruction of capital investment. Years of nibbling away at necessary maintenance were taking their toll. The lowering of area staff salaries was creating serious problems in attracting and retaining quality staff.

The negative consequences of austerity measures might give the erroneous impression that the Agency was balancing its books and that all was well, he said. That was not the case. Regarding the general fund, UNRWA had been grappling with the absence of working capital, and cash flow insufficiencies that had threatened staff salary payments. For the first time in eight years, the Agency was not facing a cash flow crunch this year. That was due to a slightly increased level in cash income, mostly due to the appreciation of the Euro as compared with the United States dollar. The Agency had also received reimbursements from the Palestinian Authority of value added tax payments made by UNRWA. Some increases in cash contributions had also been helpful. It was his duty to translate the mild improvement in UNRWA's overall financial health into a strategy to restore the quality of services to levels before the long period of under funding.

Regarding the emergency appeal, he said the Agency was witnessing the pernicious effects of donor fatigue. Whereas needs had increased, donor response was declining, forcing the Agency to reduce food distributions and other needed activities. The reliance of Palestine refugees on UNRWA to help them survive had increased due to the retrenchment of other international agencies. "More money is needed, not less", he added.

Mr. Hansen said that UNRWA enjoyed good working relations with Syria, Jordan and the Palestinian Authority but would welcome a more constructive approach to solving the Agency's problems regarding the construction of facilities from Lebanon. Any improvement in the treatment of Palestine refugees by the host government would also be most welcome and lessen the strain on the Agency, he added.

The main issues facing the Agency in its operations, he said, were those related to the implementation of its mandate in the occupied Palestinian territory, where military operations, external and internal closures, and also the non-issuance of visas and permits had continued to seriously hamper UNRWA's work and had affected both its regular programme activities and its emergency interventions.

The commitments entered into between the Israeli authorities and Catherine Bertini [of the United Nations] during her visit to the region fell far short of international obligations incumbent upon Israel, he said, and even those modest gestures of cooperation had not been put into effect.

He noted that during the reporting period, six of UNRWA's staff members had died and reminded the Committee that the Agency's area staff were the only United Nations staff members working in the area who did not receive hazard pay, whereas they were arguably exposed to the most danger.

He expressed concern regarding the wall/security fence currently being built in the West Bank and said it would very likely constitute a formidable new obstacle to UNRWA's work, since it would separate numerous refugees from the services that the Agency and others provided to them.

He said UNRWA was currently considering what were its "medium-term challenges", the way forward in the coming years and determining how it could ensure that its infrastructure and the services it rendered were once again at a level of which the Agency could be proud. To stimulate this process, the Agency had accepted the invitation of the Swiss Government to host a special conference of UNRWA's major donors and host countries in June 2004 in Geneva, he added.

#### Introduction of Report

HANS JACOB FRYDENLUND (Norway) presented the report of the Working Group on the Financing of UNRWA in his capacity as Rapporteur of that body. He expressed deep concern about the Agency's financial prospects, noting that repeated funding shortfalls had affected its ability to provide services to more than 4 million Palestine refugees.

Advising UNRWA to improve its management, he also expressed alarm at the effect of austerity measures on the Agency's operations. At the same time, the international community as a whole should address the situation of Palestine refugees as failure to do so could be destabilizing for the region. Governments

that were not already doing so should start contributing to UNRWA and those that were contributors should increase their help in a timely manner.

FEDA ABDELHADY-NASSER, Observer for Palestine, said millions of refugees continued to live in what were intended to be temporary shelters in 59 refugee camps scattered throughout Jordan, Lebanon, Syria and the occupied Palestinian territory. Today, UNRWA continued to be as essential as when it was first established and in light of the continuing decline of the political, economic, social and security situation in the region, the Agency's services were a necessity for the basic survival of many refugees.

She said that while conditions in the refugee camps in Lebanon continued to be very difficult, the condition of camps in the occupied Palestinian territory remained most dire. In addition to the extremely negative impact of the ongoing Israeli military aggression, the grave deterioration in the situation seriously impaired UNRWA's work. The operating environment remained volatile and unstable, imposing even more burdens on the Agency and its resources. The UNRWA's delivery of humanitarian supplies, including food, medicine, blood and other urgently needed items was often blocked or delayed and Agency staff were frequently prevented from reaching their jobs and from returning to their homes. Six staff members had been killed during the reporting period and UNRWA schools, training centres and health facilities had sustained damage as a result of the actions of the occupying forces.

She said the situation had once again forced the Agency to launch emergency appeals to raise funds for its emergency programmes, including food aid, cash assistance, shelter repair, emergency medical assistance, remedial education and employment-generation programmes. Were it not for the additional contributions made by donors, the Agency would have been unable to provide emergency assistance in a manner commensurate with the needs of the refugees. The chronic under-funding of UNRWA's regular programmes had, among other things, adversely impacted its human resources and infrastructure and affected its services to the refugees.

HARON HASSAN ( Jordan ) said that the great majority of Palestinian refugees and displaced persons in his country enjoyed Jordanian nationality, while at the same time claiming legal and historic rights in Palestine. Jordan hosted more than 1.7 million Palestinian refugees registered with UNRWA, representing some 42.1 per cent of the total number of Palestine refugees, and about 90 per cent of the total number of displaced Palestinians since 1967. Jordan spent some \$400 million on educational services, health, infrastructure, social welfare and security services for those refugees, in addition to improving the living conditions in 13 camps around the country. While UNRWA had spent some \$72.7 million from its budget in Jordan this year, the Government of Jordan had spent about \$423.1 million between July 2002 and June 2003.

The UNRWA should continue its work until a final solution to the Palestinian refugee problem was found, he said, calling on donor countries to continue paying their contributions to the Agency's budget. He thanked the United States for its recent donation of some \$595,000 to build a new school for Palestinian refugees in Jordan.

Israeli practices in the occupied Palestinian territories were obstructing the work of UNRWA personnel, he said. The economic and humanitarian situation of the Palestinian people continued to deteriorate, as Israel continued to build the separation wall deep inside Palestinian territory in contravention of international law and international humanitarian law. The wall seriously threatened the livelihood of the Palestinian people, and its construction meant the acquisition by force and annexation of Palestinian lands, the isolation of Palestinian cities, and the emptying of those cities indirectly through the de facto creation of uninhabitable conditions. The wall also threatened UNRWA's access to the occupied Palestinian territories and restricted the delivery of essential humanitarian aid. All such measures would only cause more suffering for the Palestinian people.

IBRAHIM ASSAF ( Lebanon ) said he stood by UNRWA and supported the Agency as it confronted mounting challenges. The Palestine tragedy had a political and legal aspect. He said he refused to reduce the question of the refugees to issues of food and shelter since it was also a question of freedom, dignity and return to one's own land. In that context, he quoted from several relevant General Assembly resolutions.

Israel, he said, had sought to displace the Palestine refugees through acts of aggression inside the refugee camps. It was also seizing UNRWA funds and entering the Agency's schools to turn them into prisons.

He said the question of the Palestine refugees was a high priority for Lebanon. His country's position was based on the refusal of the Palestinians to stay in Lebanon and their call for return to their homeland. It was also based on the fact that Lebanon refused to settle the refugees in its territory and that that refusal was now part of his country's Constitution. Further, he said, the refugees were a burden that exceeded Lebanon's ability to cope and caused a demographic imbalance in the country.

He thanked donor and host countries for their assistance in serving the cause of those refugees and stressed that UNRWA was a temporary solution to the question of the Palestine refugees.

MUSTAFIZUR RAHMAN ( Bangladesh ) said he was appalled by the humanitarian crisis in the occupied Palestinian territory. Some 10,000 Palestinians had lost their homes since September 2000. The construction of separation walls, closures, curfews and other restrictions imposed by the Israeli authorities had severely affected the mobility of Palestinians, and had worsened their already dire humanitarian situation. Restrictions had also adversely affected the Agency's work. Incremental obstructive measures pointed to a calculated effort to undermine the Agency's activities and were in violation to the United Nations Charter, the Fourth Geneva Convention and the 1967 Comay-Micheltmore Agreement. He condemned such violations and demanded that Israel ensure the Agency unrestricted mobility.

Applauding UNRWA's resolute response to the emergency in the occupied Palestinian territory, he said the Agency continued to undertake its responsibilities with courage and dedication. Continued support for UNRWA was crucial, however, and sustained donor support was needed as the Agency struggled to cope with severe budget shortfalls and increased demands for services. In that context, he appealed to the international community to enhance contributions to UNRWA's budget. He also encouraged the Agency to continue its reform exercises so that it could be better equipped to discharge its mandated responsibilities.

WALID MAALOUF ( United States ) said that his country, through its substantial financial contribution to UNRWA, had demonstrated its support for humanitarian relief efforts for Palestinian refugees. In the last year, the United States had committed some \$88 million to the regular budget and \$31 million towards the 2002 emergency appeal. The United States continued to be the largest single contributor both to UNRWA's regular budget and emergency appeals. It supported the Agency's mandate and believed that its programmes were a force for stability in the region.

Noting that the Agency's 2004-2005 budget had been praised by the Advisory Committee on Administrative and Budgetary Questions (ACABQ) as a model for other agencies, he commended UNRWA for its efforts to continue the necessary management reforms and to deliver services effectively, despite the deterioration of the situation on the ground. The need for more financial support, however, was urgent and the United States encouraged other countries to increase their contributions.

As the largest single donor to UNRWA, the United States wished to support a General Assembly resolution relating to humanitarian assistance provided by the Agency to Palestinian refugees, he said. However, it had not supported some of the resolutions under the agenda item because it believed they went beyond purely humanitarian concerns and contained language that would prejudice final status negotiations.

During the plenary debate on United Nations reform, the United States had called for the clustering of items, biennializing and triennializing items where possible,

he recalled. Since the fifty-sixth General Assembly session had already extended the Agency's mandate until 30 June 2005, an argument could be made for triennializing the UNRWA agenda item. The Committee must continue to discuss the item, however, until there was a just settlement of the refugee problem. The United States sought the Committee's support in consolidating critical elements pertaining to UNRWA's humanitarian mandate and hoped a consolidated resolution could be adopted. That initiative was a "win-win" proposal: a win for the international community, a win for General Assembly reform, and a win for the Palestinian refugees.

MARCELLO SPATAFORA ( [Italy](#) ), speaking on behalf of the European Union, expressed the hope that positive developments would soon revive the peace process, leading without delay to a fair, stable and equitable solution to the Palestine refugee question in the framework of a final and comprehensive permanent status agreement.

Noting with concern the Commissioner-General's report on how refugees were particularly affected by the severe deterioration of humanitarian conditions in the West Bank and Gaza, he said malnutrition and the destruction of shelters in refugee camps were of particular concern. As UNRWA's largest donor, the European Union stood ready to assist the Agency in facing the additional burden and appealed to the Israeli Government to take no action to aggravate the humanitarian and economic plight of the Palestinian people.

Reiterating the European Union's opposition to the building of the Israeli separation barrier along the current track, he said it not only departed significantly from the "Green Line", thus jeopardizing a political solution to the conflict, but also had dramatic humanitarian consequences on the Palestinian population.

He noted that the European Commission and European Union member States had provided altogether more than 160 million Euros to UNRWA in 2002 and planned to increase their support to Palestinian refugees throughout the region. In that context, the European Union was concerned by the wide financing gap in the emergency appeals, which risked diminishing further the level of assistance provided given the increasing needs.

LOUAY FALLOUH ( [Syria](#) ) said that for more than 50 years, the world had witnessed a catastrophe in the Middle East without a shred of hope for ending the situation of the Palestinian people. The occupying Power had intensified its bloodthirsty terrorist campaign, using weapons to attack innocent Palestinian civilians. That policy had resulted in deteriorating health conditions, increased poverty and the displacement of thousands whose homes had been destroyed. The report discussed the obstacles facing UNRWA as a result of Israel's lockdown policy and other savage policies. Israel had attacked and even killed UNRWA personnel, reflecting the terrorist nature of its policies, which were serious violations of international law, the United Nations Charter and the Fourth Geneva Convention.

As a host country, Syria had offered all the help it could to the Palestinian people, he said. Palestinian refugees were treated on an equal footing with Syrian citizens and the Government did everything it could to support them. Providing the refugees with a dignified way of life was a tremendous financial burden and Syria had spent some \$94 million this year alone for education, social services, health care and housing. Encouraging donors to increase their contributions so that UNRWA could discharge its responsibilities more easily, he said Syria opposed any reduction in the Agency's services and emphasized the importance of continuing its programmes, including in-kind forms of assistance. The UNRWA should not increase the financial burden on the refugees or the host countries because of the crisis it was undergoing. The situation created by Israel was the result of its bloodthirsty policies and proved that Israel was not ready to reach a fair and comprehensive peace in the region.

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