



General Assembly

A/54/13 (SUPP)
1 November 1999

General Assembly
Official Records
Fifty-fourth Session
Supplement No. 13

**Report of the Commissioner-General of the United Nations Relief and Works Agency
for Palestine Refugees in the Near East**

1 July 1998-30 June 1999
United Nations New York, 1999

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Abbreviations

ACABQ	Advisory Committee on Administrative and Budgetary Questions
CBO	Community-based organization
CRC	Community rehabilitation centre
DOTS	Directly observed short-course treatment strategy
EC	European Community
EGH	European Gaza Hospital
EPA	Expanded programme of assistance

ESF	Educational Sciences Faculty
FSS	Field social study system
KTC	Kalandia training centre
MCH	Maternal and child health
MEC	Microenterprise credit
PA	Palestinian Authority
PIP	Peace Implementation Programme
PLO	Palestine Liberation Organization
RMTC	Ramallah men's training centre (West Bank)
RWTC	Ramallah women's training centre (West Bank)
SEMEP	UNESCO South-Eastern Mediterranean Project
SGL	Solidarity-group lending
SHC	Special hardship case
SMET	Small and microenterprise training
SSE	Small-scale enterprise
UNAIDS	Joint United Nations Programme on HIV/AIDS
UNDP	United Nations Development Programme
UNESCO	United Nations Educational, Scientific and Cultural Organization
UNFPA	United Nations Population Fund
UNICEF	United Nations Children's Fund
UNRWA	United Nations Relief and Works Agency for Palestine Refugees in the Near East
UNSCO	Office of the United Nations Special Coordinator in the Occupied Territories
UNTSO	United Nations Truce Supervision Organization
URS	Unified registration system
WHO	World Health Organization
WPC	Women's programme centre
YAC	Youth activities centre

Letter of transmittal

30 September 1999

I have the honour to submit to the General Assembly my annual report on the work of the United Nations Relief and Works Agency for Palestine Refugees in the Near East (UNRWA) for the period 1 July 1998 to 30 June 1999, in compliance with the request contained in paragraph 21 of resolution 302 (IV) of 8 December 1949 and with paragraph 8 of resolution 1315 (XIII) of 12 December 1958.

During the period covered by my report, UNRWA's financial problems continued to affect the level of services it was able to deliver to over 3.6 million Palestine refugees in its five fields of operation.

In the introduction in chapter I, a precis of events and developments in the region is provided, with particular reference to UNRWA operations in Jordan, Lebanon, the Syrian Arab Republic, and the West Bank and Gaza Strip.

Chapter II covers general developments in UNRWA's main programmes in education; health; relief and social services; income-generation; donor-funded projects under the Agency's Peace Implementation Programme; and projects funded under the Lebanon Appeal.

Chapter III covers financial matters, with reference to the structure of the various funds; budget, income and expenditure; extrabudgetary activities; and the Agency's current financial situation.

Chapter IV deals with legal matters, in particular those relating to Agency staff, services and premises, as well as constraints affecting Agency operations in the West Bank and Gaza Strip.

Chapter V provides information on UNRWA's operations and three main programmes in Jordan, while chapter VI deals with Lebanon, chapter VII with the Syrian Arab Republic, chapter VIII with the West Bank and chapter IX with the Gaza Strip.

Annex I provides statistical and financial information; annex II refers to pertinent records of the General Assembly and other United Nations bodies.

Following established practice, the annual report in draft form was distributed in advance to the 10 members of UNRWA's Advisory Commission, whose relevant comments and observations were given careful consideration. The draft report was discussed with the Commission at a meeting held at Amman on 30 September 1999. The views of the Commission are contained in a letter addressed to me from the Chairperson of the Advisory Commission. A copy of the letter follows.

I have maintained the practice of showing my report in draft form to representatives of the Government of Israel and giving due consideration to their comments, both in the context of the situation prevailing in the West Bank and Gaza Strip since 1967 and subsequent developments. In connection with the General Assembly's decision in 1993 that the Advisory Commission establish a working relationship with the Palestine Liberation Organization (PLO), a representative of the PLO attended the meeting of the Commission on 30 September 1999 and a copy of the draft report was also shared with him.

(Signed) Peter Hansen
Commissioner-General
United Nations Relief and Works Agency
for Palestine Refugees in the Near East

President of the General Assembly
United Nations
New York

**Letter dated 30 September 1999 from the Chairperson of the Advisory Commission
of the United Nations Relief and Works Agency for Palestine Refugees in the Near East
addressed to the Commissioner-General of the Agency**

At its regular meeting on 30 September 1999, the Advisory Commission of the United Nations Relief and Works Agency for Palestine Refugees in the Near East (UNRWA) considered your draft annual report on the Agency's activities and operations during the period 1 July 1998 to 30 June 1999, which is to be submitted to the General Assembly at its fifty-fourth session.

The Advisory Commission expressed great appreciation for UNRWA's programmes of assistance for 3.6 million Palestine refugees in Jordan, Lebanon, the Syrian Arab Republic, Gaza and the West Bank. These services are critical to the continued socio-economic well-being of the refugees and contribute to stability in the region.

The Advisory Commission expressed great appreciation to the host Governments for their continuing support and services provided to Palestine refugees.

The Commission reiterated its support for the Middle East Peace process and welcomed the recent agreement at Sharm el-Sheikh as further progress along that road, and called for extensive efforts to reach a just and comprehensive peace on all tracks. The Commission noted that it was essential that UNRWA continue to deliver all its services to Palestine refugees until final resolution of the refugee issue is reached and implemented. The Commission expressed hope that progress would be achieved in the resolution of issues slated for final status negotiations, including the refugee issue, in accordance with relevant United Nations resolutions.

The Advisory Commission viewed the Agency's continuing difficult financial situation as extremely grave. Although some donors annual contributions increased in absolute terms, the Agency's resources were still constrained. The Commission thanked the donor countries that had maintained or increased their annual contributions, and called on other donors for similar levels of support to ensure that the Agency is able to fulfil its mandate in providing services to Palestine refugees. The Commission called on UNRWA to continue its efforts to expand its donor base. Mindful of the cumulative negative effect of austerity, cost-containment and budget reduction measures on the well-being of Palestine refugees, the Commission noted the limited options available to the Agency to further contain expenditure.

The Commission welcomed the Agency's decision to adjust and clarify its 2000-2001 budget format, which UNRWA will use as a planning, managerial, and fund-raising tool. It increases transparency and hopefully will improve programme management. The Commission noted that the

Agency estimates that its regular operational budget for 1999 would break even in terms of income and expenditures. The Commission voiced concern, however, that a large amount of unpaid liabilities, carried over from 1998 to 1999, will create a significant financial crisis in the last quarter of 1999.

The Commission commended the Agency for its efforts to sustain a partnership with its stakeholders to foster a deliberative and cooperative approach to problem-solving. With regard to the Agency's financial situation, the Commission recommended that the Agency, in its communications with stakeholders, maintain a clear distinction between its annual budget and overall financial health. The Agency's cashflow difficulties and resort to the temporary use of the project funds to cover running expenses in 1999 are symptoms of the Agency's poor financial health.

The Commission noted with approval the Agency's continued commitment to internal restructuring and heartily supported your efforts in this regard. The Commission also expressed its hope that the work of the Agency's new Policy Analysis Unit would soon play a demonstratively beneficial role in the Agency's operations and internal strategic planning.

The Commission welcomed the findings of the report of the Office of Internal Oversight Services of the United Nations Secretariat on allegations of corruption in Lebanon, which found no evidence of endemic corruption. The Commission urged the Agency to implement and follow up recommendations made in that report agency-wide. Such action is essential to remove any lingering concern, especially among the refugee community in Lebanon, that the Agency's operations there are subject to criticism in terms of efficiency or adherence to Agency regulations.

The Commission also reviewed Agency efforts to date to resolve outstanding debts owed to the Agency, notably the \$21 million unpaid value-added tax (VAT) reimbursements and port charges owed to the Agency by the Palestinian Authority, \$11.5 million needed to cover expenditures on the European Gaza Hospital, and \$5.2 million needed to cover the balance of the account set up for the move of Agency headquarters to the region. The Commission was pleased that the Agency had recently assumed a leadership role in energizing stakeholder efforts to resolve those debts, especially since the Palestine Liberation Organization/Palestinian Authority had expressed positively its willingness to reimburse the VAT payments.

In considering the period under review, the Advisory Commission expressed its concern over the difficulties facing UNRWA as a result of restrictions imposed by the Israeli Authorities in the occupied territories.

The Commission expressed its appreciation to the essential and important role played by UNRWA and its staff in maintaining the provision of services to Palestine refugees until a just and final resolution has been reached. The Commission also expressed its appreciation of your leadership of UNRWA in a difficult time. Finally, the Commission paid tribute to all the Agency staff, who have shown unwavering commitment in their work on behalf of Palestine refugees, often under exceedingly trying conditions.

(Signed) Marguerite Rivera **Houze**
Chairperson of the Advisory Commission

Chapter I

Introduction

1. The United Nations Relief and Works Agency for Palestine Refugees in the Near East (UNRWA) is one of the largest United Nations programmes in the Middle East, employing some 22,000 persons and operating or supporting some 900 facilities. Through its regular programmes, UNRWA continues to provide education, health care, relief and social services to the 3.6 million Palestine refugees registered with the Agency in Jordan, Lebanon, the Syrian Arab Republic, and the West Bank and Gaza Strip. Agency services include elementary and preparatory schooling; vocational and technical training; comprehensive primary health care, including family health; assistance towards hospitalization; environmental health services in refugee camps; relief assistance to particularly needy households; and developmental social services for women, youth and persons with disabilities. Those services are for the most part provided directly by UNRWA to the beneficiaries, in parallel to public sector services. Where appropriate and feasible, refugees contribute to the cost of Agency services by means of voluntary contributions, co-payments, self-help schemes, volunteer efforts and participation fees. In addition, the Agency carries out a range of infrastructure projects and other activities under its Peace Implementation Programme (PIP), and operates a highly successful income-generation programme, which gives loans to micro and small enterprises.

2. Achievement, austerity and anxiety characterized UNRWA's work and operating environment during the period 1 July 1998-30 June 1999. Living standards among Palestine refugees remained generally poor, despite modest economic growth in some host countries. UNRWA's external environment was volatile, with a number of incidents in some fields affecting Agency activities. Despite recurrent financial difficulties and the uncertain political environment, the Agency was able to maintain basic health, education and relief and social services to Palestine refugees. But those services could only be sustained through the retention of a series of austerity and cost reduction measures imposed in previous years. Even with such measures in place and additional ad hoc contributions from donors, the Agency ended 1998 with a deficit of \$61.9 million compared to the regular cash budget of \$314 million, and with depleted cash and working capital reserves. At the beginning of 1999, the financial outlook for the year was equally difficult, as the Agency again faced a large shortfall in funding for the regular budget by year end, and a serious liquidity crisis from the third quarter of 1999. Seeking to address both problems, UNRWA appealed to major donors in spring 1999 to make additional contributions, pay existing pledges promptly and consider advancing their year 2000 contributions. Austerity and other cost-reduction measures were rigorously maintained. The Commissioner-General undertook a series of visits to donor capitals to underline the gravity of the Agency's financial situation, and to appeal for donor assistance in fund-raising. Some donors responded positively. By mid-1999, latest estimates indicated that the Agency's regular cash budget would break even in terms of income and expenditure, although expenditure would be far below the level envisaged in the budget for 1999 presented to the General Assembly. Payment of the 1999 contribution from the European Community (EC), which was still delayed at mid-1999 pending implementation of a three-year UNRWA/EC convention, remained of critical importance. UNRWA hoped that the retention of austerity measures and the introduction of certain administrative measures, including new staff rules, would continue the reduction which had occurred in 1999 in the volume of the structural deficit, allowing the Agency to return over time to a more stable financial platform from which to deliver its services. Continued and consistent levels of donor support remained crucial. The Agency's finances are discussed in greater detail in chapter III of the present report.

3. Further progress was achieved during the reporting period in UNRWA's internal restructuring and reform programme. The Agency participated in a technical brainstorming workshop on management reform at Montreux, Switzerland, in December 1998. Donor funding was used to provide technical assistance in three reform-related areas: implementing finance system reform, improving education planning mechanisms, and improving UNRWA's procurement policies and procedures. It was expected that additional donor funding would permit the development and implementation of a new Agency-wide financial management system. In the context of the partnership approach which UNRWA had sought to develop, the Agency held regular meetings and briefings with local donor and host government representatives. The Agency continued to seek, within the limited resources available, further ways of improving performance and efficiency.

4. As part of its ongoing reform process, UNRWA implemented a major initiative to improve its budget process and format in connection with the preparation of its 2000-2001 budget (see addendum to the present report). The primary aims of that initiative were to enhance the budgets usefulness as a planning, management and fund-raising tool, and to offer greater transparency. UNRWA hoped that the new approach would result in increased donor resources being made available to the Agency, thereby safeguarding the quality and level of services provided to Palestine refugees. In that context, preparation was oriented towards a programme-based budget structured more around the Agency's service-providing activities, and integrated with programme plans. Among the changes incorporated in the 2000-2001 budget were the budget being derived from a detailed programme of work for the biennium, specifying results-oriented goals/objectives/targets for each substantive programme; more detailed explanation and justification being provided for budgeted activities and for changes in budget allocations; the budget covering the totality of the Agency's financial requirements for regular activities, including not only the regular budget but also unfunded project activities; budget categories being restructured and expenditure reattributed to reflect more accurately the cost of programme activities; and budget preparation being guided by planning assumptions rather than budget ceilings. By applying a comprehensive, programme-based and forward-looking approach, UNRWA hoped to achieve full funding of its 2000-2001 budget and to move beyond the financial crisis of recent years. That would enable UNRWA's vital humanitarian assistance to Palestine refugees to be placed on a solid financial footing and preserve the Agency's role as an element of stability in the region.

5. A related reform measure concerned the manner in which UNRWA dealt with project funding. Such funding had become an increasingly important source of income to the Agency, accounting for 17 per cent of total income between 1994 and 1998. It was, furthermore, the means by which the Agency covered nearly all its capital costs (school construction, upgrading of health centres etc.) as well as other key service-related costs (environmental health improvements, shelter rehabilitation etc.). In that context, the Agency introduced a new approach to project funding comprising several elements: a set of Agency-wide priorities for project funding was prepared, to make the allocation of project funds more transparent and systematic; a project review board was established to screen project proposals and develop updated priority project lists to be provided to donors at regular intervals; and project funding needs were incorporated into the 2000-2001 budget to provide a more complete picture of financial requirements and directly link project-funded activities with regular budget activities. The project budget contained some \$60 million in new project funding needs per annum, on average what the Agency had been receiving in recent years. That amount represented 10 per cent of the pledges announced for 1999-2003 at the Second Conference to Support Middle East Peace and Development, held at Washington, D.C., on 30 November 1998. The new approach sought to increase the level and predictability of project funding and the effectiveness with which it was mobilized and allocated, with the aim of maintaining the quality and level of services to Palestine refugees. While project funding remained essential for programme activities, full funding of the regular budget would continue to be UNRWA's top priority for the 2000-2001 biennium and beyond.

6. The new policy analysis unit, established at headquarters Gaza in mid-1998, completed a number of assignments linked to the reform process, including work on the new biennial budget format detailed above; a comparative study of the Agency's historical levels of income and expenditure, which revealed that average annual spending per refugee had fallen from about \$200 in 1975 to about \$70 in 1997; and a study on the impact on Agency services of austerity and cost reduction measures introduced in the second half of the 1990s. Those measures affected the level and quality of some Agency services. Some measures, such as the squeeze on the hospitalization budget, the freezing of emergency cash assistance to special hardship cases and the lack of adequate funds for the expansion and maintenance of education infrastructure, were felt most directly by the refugee community. Others, such as the temporary general freeze on recruitment and reduction in international posts, mainly affected Agency staff, who faced heavier workloads and were expected to achieve the same level of results with limited financial and human resources. Despite those pressures, Agency staff sought to deliver basic services at a high standard. In general, they succeeded, as evidenced by, *inter alia*, the continuing academic achievements of UNRWA students relative to their counterparts in government schools and the performance of the Agency's health care system. The performance of individual programmes and the impact of austerity measures is discussed in more detail in chapter II.

7. During the reporting period, UNRWA developed new area staff rules covering an improved package of entitlements, which would regularize the situation of those staff, mainly but not exclusively teachers, who had been working on temporary contracts since the mid-1990s. The new rules, which would also apply to new recruitment, were due to be introduced from mid-1999.

8. The Palestine refugee community and host authorities in all fields of operation continued to express concern about the perceived reduction in UNRWA services, although there was no repeat of the wide-scale protests sparked by the imposition of austerity and cost-reduction measures in August 1997. The Agency's financial difficulties were seen by many as politically motivated, signalling a weakening in the international community's commitment to the refugee issue, and a dereliction by UNRWA of its humanitarian duties. In some cases, the protests were politically motivated, even where there was no reduction in services. The continuing absence of tangible progress in the peace process exacerbated the Palestine refugees' frustration. On the Israeli-Palestinian track, after intensive United States-brokered negotiations the Wye River memorandum signed in October 1998 included a blueprint and timetable for further redeployments and other mutual actions to implement previous agreements. Initial optimism at the breakthrough was soon replaced by frustration as the majority of the Wye agreement remained unimplemented in an atmosphere of mutual recrimination. Tension increased in the occupied West Bank and Gaza Strip, as the original May 1999 deadline for completion of final status negotiations, as envisaged in the Oslo process, passed without any sign of movement in the peace process. There was no progress on the Lebanese and Syrian tracks of the peace process. However, by mid-1999 the election of a new Government in Israel and developments in the Arab world brought hope and expectation that peace efforts would be reinvigorated.

9. UNRWA continued to cooperate with the Governments of Jordan, Lebanon and the Syrian Arab Republic, and with the Palestinian Authority (PA), in providing services to Palestine refugees. The Agency cooperated with the Government of Israel, as required, on a number of issues related to UNRWA operations in the West Bank and Gaza Strip. The Agency continued to raise with the Israeli authorities the issue of constraints to its operations caused by, *inter alia*, restrictions on the movement of staff and goods between the West Bank and Gaza, and Israel (see chap. IV below). The host authorities provided direct assistance to refugees parallel to UNRWA services. The Agency appreciated the host authorities' strong support

for UNRWA, especially their efforts to raise awareness of, and help to resolve, the Agency's continuing financial difficulties. The League of Arab States also reiterated its support for UNRWA's work, and urged its member States and others to increase contributions to the Agency.

10. The Palestinian Authority continued to support and facilitate UNRWA's work in the occupied territory, including in the self-rule areas, with significant cooperation in planning, policy formulation and service delivery in the respective UNRWA and PA programmes. The further development of Palestinian Authority institutions during the reporting period was instrumental in broadening the scope and range of such cooperation. The European Gaza Hospital project was one example. Ongoing contacts between UNRWA, the Palestinian Authority and the European Community culminated in the appointment, in mid-1999, of an international management team which would undertake work required to enable the hospital to open and manage its initial operation. The Agency's financial problems prevented further progress in the harmonization of some services in the West Bank and Gaza Strip, notably in the education cycle (see para. 34 below). A number of high-level discussions during the reporting period between UNRWA and the Palestinian Authority failed to yield significant progress on resolving the issue of reimbursement by the PA of payments made by UNRWA against value-added tax (VAT) and port and related charges. By the end of June 1999, those charges had reached a cumulative value of some \$21 million. That non-reimbursement and other outstanding financial commitments to the Agency exacerbated UNRWA's precarious financial situation and threatened to disrupt core services. In various forums, UNRWA's major donors emphasized the importance of a speedy resolution of the issue of outstanding VAT and other charges. Similarly, UNRWA continued to work closely with the Palestinian Authority to attempt to resolve the issue of co-payments at the Agency-run Qalqilia hospital (see para. 177).

11. The situation in the occupied West Bank was tense for much of the reporting period. There were intermittent clashes, some of which resulted in fatalities, between Palestinians and Israeli settlers and between Palestinians and the Israel Defence Forces (IDF). Hebron, which witnessed a number of clashes, remained particularly volatile. Citing security concerns, the Israeli authorities continued to impose full closures of the West Bank and Gaza Strip and curfews and closures in various West Bank localities, although to a lesser degree than in the previous reporting period (see paras. 98 and 99 below). Such closures negatively affected socio-economic conditions and hindered economic activity, in particular by preventing Palestinian labourers from working in Israel. The West Bank remained divided into non-contiguous separate zones, with area A under full Palestinian control, area B under Palestinian civil control but Israeli security control, and area C under full Israeli control, except for civil responsibilities not related to territory.

12. Socio-economic conditions remained difficult in the Gaza Strip, whose residents continued to rely heavily on employment opportunities inside Israel. The security situation in the Gaza Strip was in general less tense than in the West Bank, although there were a number of serious incidents. A suicide bombing near an Israeli settlement in October 1998 resulted in the death of an Israeli soldier in addition to the bomber, and led to a temporary closure of the Gaza Strip. There were a number of other security incidents involving Palestinians, the IDF and Israeli settlers, reflecting continuing tension around settlements. There were serious clashes in the Gaza Strip in early 1999 between Palestinian civilians and Palestinian security forces, in connection with the killing of a preventive security officer and the subsequent sentencing to death of three men. Two Palestinians were killed and dozens injured during the riots; UNRWA health facilities treated the wounded. Calm was restored when the death sentences were suspended and an investigation committee established.

13. Notwithstanding the closures mentioned above, labour and trade flows between Israel and the West Bank and Gaza Strip were higher in 1998 than in 1997. Real gross domestic product and gross national product in the West Bank and Gaza Strip grew by 3 and 5.5 per cent, respectively, in 1998, which marginally raised incomes for the first time since 1994. Despite the relative economic recovery in 1997 and 1998, the decline in average real household expenditure persisted in 1998, probably due to a combination of accrued indebtedness on the one hand and higher levels of savings on the other. Despite the modest economic recovery, refugee communities remained among the poorest in Palestinian society, especially in the Gaza Strip, where an estimated 40 per cent of the population lived in poverty. With registered refugees accounting for three quarters of the population, the highest proportion of any field, UNRWA played a major role in providing services in the Gaza Strip. UNRWA sought to alleviate the hardship faced by Palestine refugees through a range of relief and social services and its income-generation programme. Focused mainly on the Gaza Strip, that programme was recognized as one of the leaders in the field in the Middle East, as it reached the poorest and most disadvantaged sections of society, including women. With repayment rates in excess of 95 per cent, the programme was able not only to meet its own costs but also to expand the number of beneficiaries and scope of activities. UNRWA's 1999 regular programme budget for the Gaza Strip and West Bank fields was \$103.5 million (\$98.8 million in 1998) and \$56.1 million (\$54.1 million in 1998), respectively.

14. The Palestine refugee population in Jordan, the largest of any field, witnessed a year of transition, with the death of King Hussein in February 1999 and the subsequent coronation of his son as King Abdullah II. Palestine refugees enjoyed full citizenship in Jordan, giving them access to government services and development assistance aimed at improving the country's socio-economic situation. Relations between UNRWA and the Government of Jordan remained excellent; UNRWA enjoyed close cooperation in many areas and active government support for the Agency's activities. The Government reported expenditures on behalf of Palestine refugees and displaced persons of \$323 million during the reporting period, mainly on education, rent and utilities, subsidies and rations, camp services, health care, public security and social services. The Agency's 1999 regular programme budget for the Jordan field was \$75 million (\$73.8 million in 1998).

15. The Palestine refugee community in Lebanon, which was among the most disadvantaged of any field, suffered from poor living and housing conditions, restrictions on mobility and high rates of unemployment. Palestinians welcomed a decision by the new Lebanese Government in early 1999 to lift a series of travel restrictions on Palestine refugees. The difficult socio-economic situation of Palestine refugees in Lebanon was reflected in the high proportion of special hardship cases registered with the Agency (see para. 150 below). UNRWA remained the main provider of basic education, health, and relief and social services to Palestine refugees, who had limited access to government services and whose access to expensive private services was restricted by limited financial resources. Palestine refugees continued to react negatively to any perceived reduction in UNRWA services, and in summer 1998 some Palestinian factions staged a series of peaceful protests, mainly in the Saida and Tyre areas, demanding an improvement in Agency services. Following upgrading of Palestine Red Crescent Society (PRCS) facilities and in order to enhance access for Palestine refugees, UNRWA made arrangements to use PRCS hospitals in Lebanon. The Lebanese authorities continued to prohibit construction in certain refugee camps, and in certain other camps entry of construction materials and construction was subject to military permission, which was not always granted; one major UNRWA project suffered delays throughout the reporting period due to those measures. In June 1999, the authorities established checkpoints and barriers restricting movement to and from the Ein el-Hilweh camp following a number of violent incidents, in particular the murder of four high-ranking judges in Saida Court. Internal Palestinian disputes resulted in a number of killings and other violent incidents inside the camps. The ongoing situation in South Lebanon continued to influence the security situation in the rest of the country, but UNRWA operations were not disrupted. In autumn 1998, UNRWA called in the Office of Internal Oversight Services of the United Nations Secretariat to help to investigate allegations of corruption in Agency operations in Lebanon, which had been reported in the Lebanese press and elsewhere. Following a thorough investigation, the allegations were subsequently found to be baseless. UNRWA maintained a constructive relationship with the Government of

Lebanon, which reported expenditures on behalf of Palestine refugees of \$5 million during the reporting period on education, administration and housing, with additional expenditure on other items. The Agency's 1999 regular programme budget for the Lebanon field was \$46.6 million (\$45.3 million in 1998).

16. UNRWA continued to cooperate with the Government of the Syrian Arab Republic during the reporting period in providing services to refugees. The Government reported expenditures on behalf of Palestine refugees of \$53.5 million during the reporting period on education, social services, health services, housing and utilities, security, supply costs, administration and other items. The Agency's 1999 regular programme budget for the Syria field was \$23.8 million (\$23.3 million in 1998).

17. UNRWA maintained close cooperation with a number of United Nations agencies, including the Joint United Nations Programme on HIV/AIDS (UNAIDS), the United Nations Development Programme (UNDP), the United Nations Educational, Scientific and Cultural Organization (UNESCO), the United Nations Population Fund (UNFPA), the United Nations Children's Fund (UNICEF) and the World Health Organization (WHO). The Agency also cooperated with local and international non-governmental organizations in its five fields of operation. In his capacity as the United Nations designated official for the overall security and protection of United Nations staff and family members in Israel, the West Bank and the Gaza Strip, the Commissioner-General maintained contacts with the United Nations Truce Supervision Organization (UNTSO). UNRWA also continued to participate in the multilateral aid coordination structures for the West Bank and the Gaza Strip facilitated by the Office of the United Nations Special Coordinator in the Occupied Territories.

18. The reporting period was a time of challenges and some setbacks but also many achievements for the refugee community and UNRWA staff. The Agency remained a source of stability and a symbol of continuity in a difficult regional environment. As it prepared to mark 50 years of operations, UNRWA could once again reflect on its significant contribution to educating new generations, maintaining the health of the Palestine refugee community and providing badly needed basic relief and social services to some of the poorest people in the region. The delivery of effective and efficient services remained UNRWA's top priority; by that measure, the Agency was successful during the reporting period, even though its financial difficulties seemed to overshadow its achievements.

Chapter II

General developments in Agency programmes

A. Education

19. *Objectives.* The mission of the education programme was to help Palestine refugee children and youth acquire the basic knowledge and skills needed to become productive members of their communities in accordance with their needs, identity and cultural heritage. To that end, UNRWA provided general education to Palestine refugees at the elementary and preparatory levels as well as, on a limited basis in Lebanon only, at the secondary level. It also offered teacher training to university level for young Palestine refugees as well as in-service teacher education for UNRWA teachers. The Agency's vocational and technical education and training programmes aimed to enable young Palestine refugees to become productive citizens and contribute to the socio-economic well-being of their communities.

20. *Elementary and preparatory schooling.* UNRWA's basic education programme consisted of a six-year elementary cycle and a three-year or four-year preparatory cycle, depending on the host authorities education system. A three-year secondary cycle was offered at the three UNRWA secondary schools in Lebanon. A total of 458,716 pupils in the 1998/99 school year were accommodated in 650 UNRWA schools in the five fields of operation (see annex I, table 4). There were 1,367 students at the three Agency secondary schools in Lebanon. Total enrolment increased by 11,448 pupils, or 2.6 per cent, over the 1997/98 school year. Growth in enrolment was unevenly distributed: Gaza continued to have rapid growth (6 per cent), while the West Bank and Lebanon continued to have moderate growth (3.9 and 4.3 per cent, respectively) and the Syrian Arab Republic continued to have low growth (1.3 per cent). Jordan continued to have decreasing enrolment (1.4 per cent decrease). While the main cause of the overall increase was natural growth in the refugee population, other factors were also responsible, including the movement of Palestinian families within the Agency's area of operations, particularly from Jordan to the Gaza Strip and West Bank; the transfer of refugee pupils from Agency schools to government schools in Jordan; and the transfer of refugee pupils from tuition-based private schools to Agency schools in Lebanon. The Jordan and Gaza fields each accounted for approximately one third of total student enrolment in Agency schools, while the other three fields together accounted for the remaining third. UNRWA's school system continued to maintain full gender balance, with 49.9 per cent of pupils being female. Under existing exchange agreements between UNRWA and the host authorities on schooling for pupils in remote areas, 123,745 refugee pupils were reportedly enrolled at government and private schools at the elementary and preparatory levels. At the secondary level, some 59,823 refugee students were studying at government and private schools. Some 43,505 non-refugee pupils attended UNRWA schools.

21. *Contract teachers.* Beginning in Gaza in 1994, financial constraints and steadily rising enrolment at UNRWA schools obliged the Agency to hire teachers on a contract basis at rates of pay lower than those of equivalent Agency posts. The general recruitment freeze imposed in August 1997 resulted in the extension of the use of contract teachers to the West Bank. Meanwhile, the Jordan, Lebanon and Syria fields also hired additional teachers on a daily-paid or temporary assistance basis. Those measures had to be maintained in the 1998/99 school year due to the deteriorating financial situation of the Agency. Without such measures, UNRWA would have had no alternative but to turn away Palestine refugee pupils from its schools. Instead, the Agency used contract teachers to maintain access for Palestine refugee pupils to UNRWA schools despite the continuing financial crisis. UNRWA introduced some improvements in conditions of employment of those teachers, and began to provide them with in-service training to maintain the quality of education. In the 1998/99 school year, there were 870 contract teachers in the Gaza field (representing 21.2 per cent of the field's teaching force); 236 contract teachers and 30 daily-paid teachers in the West Bank (16.2 per cent); and 423 teachers on a daily-paid and temporary assistance basis in the Jordan, Lebanon and Syria fields combined (5.8 per cent of the total teaching force).

22. *Double shifting.* In response to a continual increase in the number of pupils as a result of population growth, coupled with limited funds for constructing additional school premises, UNRWA had long had to resort to operating schools on a double shift basis, i.e. housing two separate

administrative schools in a single building. Since that practice had had a negative effect on education, UNRWA had hoped to reduce the number of such schools. Notwithstanding the expanded programme of school construction under the Peace Implementation Programme (PIP) since 1993, there was no significant improvement in the rate of double shifting between the 1992/93 school year (75 per cent) and the 1998/99 school year (74.5 per cent). On the contrary, UNRWA had to retain the policy of double shifting in order to avoid triple shifting. The Agency would have preferred to avoid double shifting, which reduced teaching time, excluded extracurricular activities and increased maintenance costs. But it was obliged to maintain double shifting to ensure full access to its schools and to achieve cost-effectiveness. The Agency would, however, continue to operate schools on a single shift basis whenever possible.

23. *Education infrastructure.* UNRWA's education infrastructure remained in need of major improvements to continue to accommodate new school entrants and provide a satisfactory learning environment. Despite the significant results accomplished under PIP, enrolment growth exceeded the capacity of Agency schools. Between the 1993/94 and 1998/99 school years, the number of school buildings increased by 0.7 per cent and the number of schools by 1.6 per cent, whereas new enrolment increased by 15 per cent. Moreover, since many UNRWA schools were constructed in the 1950s or 1960s they had become dilapidated beyond repair, a problem exacerbated by the lack of sufficient funds for adequate maintenance, particularly in the Jordan and Gaza fields. A lack of resources to hire teachers or build new schools and additional classrooms meant that overcrowding within the Agency's education system continued, with the average classroom occupancy rate reaching almost 44 pupils in the 1998/99 school year, the sixth consecutive increase. The rate was highest in Gaza (almost 50) and lowest in the West Bank (about 38). UNRWA sought to address shortcomings in its education infrastructure by obtaining project funding for the improvement and expansion of its education facilities. During the reporting period, the Agency completed the construction of four school buildings and 12 additional classrooms to replace unsafe rooms and to avoid triple shifting. Five schools were comprehensively upgraded, seven toilet blocks were built, and 12 water reservoirs and two canteens were constructed.

24. *Rented schools.* In the past, UNRWA had had to house some of its schools in rented premises, mostly outside refugee camps. Not having been designed as schools, such rented premises generally lacked adequate space for classrooms, libraries, laboratories, computer rooms and playgrounds, as well as proper lighting and ventilation. That situation resulted in cramped conditions for pupils and staff and increased costs, by limiting the number of pupils that could be accommodated in each classroom. In the 1998/99 school year, the classroom occupancy rate at rented schools averaged about 31 pupils, compared to almost 46 pupils in Agency-built schools. Replacement of rented premises with schools built in accordance with UNRWA specifications would provide a much better learning environment and reduce running costs per pupil since more pupils could be accommodated with the same number of teachers and administrative staff. In 1998, UNRWA established the objective of replacing all rented school premises by Agency-built schools, subject to the availability of project funding and sites. Through PIP, the Agency managed to reduce the number of rented premises from 94 in the 1993/94 school year to 74 in 1998/99, a 21.3 per cent drop. Those 74 rented premises housed 104 schools, with the Lebanon and West Bank fields having the largest proportion of such schools, resulting from the geographical spread of Palestine refugees in those two fields.

25. *Remedial and special education.* UNRWA continued to run specially designed programmes with a view to maintaining achievement levels and enabling slow learning students and pupils with learning difficulties to benefit fully from the Agency's basic education services. Compensatory measures for pupils included remedial classes, voluntary extra class periods, audio-visual programmes, curriculum enrichment materials and self-study kits. In the 1998/99 school year, those activities benefited 600 slow learners, 420 pupils classified as remedial cases, and seven blind and 59 deaf children. In the absence of sustained project funding for special education, the Agency explored ways to provide assistance to all children with learning difficulties at no additional cost by utilizing the Agency's existing resources and expertise.

26. *School councils.* School councils were established at 600 Agency schools in the five fields of operation. Each council was composed of 10 members, namely the head teacher (Chair), three teachers, three members selected from the local community and three students. The councils were established to maintain cooperation between the schools and the local community, promote the role of the school within the local environment, and make optimal use of the resources of both the school and the local community.

27. *Vocational and technical training.* Total enrolment in the eight UNRWA vocational and technical training centres in the Agency's five fields of operation stood at 4,655 in the 1998/99 school year, an increase of 95 over the previous year (see annex I, table 5). At the post-preparatory level, 22 two-year vocational training courses were offered to male trainees in the building, electrical, electronic, mechanical and metal working trades, and to female trainees in hairdressing, clothing production and dressmaking. At the post-secondary level, 28 two-year technical/semi-professional courses were offered to male and female trainees in a variety of technical, para-medical and commercial skills. Women accounted for 30.5 per cent of all trainees and for 62.2 per cent of trainees in the technical/semi-professional courses. Courses varied from centre to centre, according to the needs of the local labour market and the availability of training opportunities at other institutions. Owing to financial constraints, the Agency was able to introduce new courses or expand the capacity of existing ones only by deleting other courses. Four new courses were introduced during 1998/99: graphic design at Ramallah women's training centre (RWTC) to replace the secretarial and medical records course; computer and information systems, and quantity surveyor, to replace machinist/welder and aluminium fabrication, and assistant architect, at the Gaza training centre; and electronic control and computer applications to replace electronics at the Damascus training centre. In addition to the two-year training courses, the principal means of job preparation utilized by Agency training centres in Jordan, Lebanon and the West Bank were short-term training courses of 6 to 40 weeks duration, organized on an ad hoc basis in cooperation with NGOs or the Palestinian Authority. During the 1998/99 academic year, 346 trainees were enrolled in 14 short-term courses offering training in auto electrics, executive secretarial skills, building techniques, aluminium fabrication, numerical control systems in metal lathing, first aid, Hebrew and English language, computer software, air-conditioning servicing, maintenance of domestic appliances, ironing, welding, pipe fabrication, concrete form work and technical drawing. The Agency also sponsored 25 Palestine refugee students in vocational training courses at private institutions in the West Bank, mainly with project funding. Several projects to construct, equip, renovate or upgrade workshops and other training facilities were completed or ongoing during the reporting period. UNRWA upgraded equipment for its four electrical courses at Siblin training centre in Lebanon, and upgraded equipment and tools for its carpentry and furniture-making workshops at the Damascus training centre. In addition, the establishment of computer centres at all training centres except Kalandia was under way through project funding.

28. *Training centres.* The eight UNRWA training centres offered 22 trade courses, including in diesel and construction equipment mechanics, auto mechanics, auto-body repairs, diesel and agricultural machinery mechanics, general electrical installation, auto electrical systems, building construction, craftsmanship, carpentry and furniture making, building finishing and decoration, refrigeration and air conditioning, plumbing and central heating, office equipment maintenance, radio/TV maintenance, smithery, welding sheet metal, aluminium fabrication, welding and pipe fabrication (one year), machining/welding and aluminium fabrication, machine maintenance (one and two year), dressmaking and clothing production, hairdressing and

beauty care. The 28 technical/semi-professional courses comprised computer programming and databases, computer information systems, assistant architect, architectural engineering, mechanical draughtsman, quantity surveyor, ceramics production, assistant interior design engineer, graphic design, assistant civil engineer, civil engineering, land surveying, industrial electronics, electronic control and computer applications, business administration, business and office practice, secretarial and office management, banking and financial management, marketing and financial management, assistant pharmacist, medical lab technician, nursing, dental hygiene, secretarial and medical records, physiotherapist, social worker, pre-school (kindergarten) education, home and institutional management.

29. *Educational sciences faculties.* The three branches of the Educational Sciences Faculty (ESF) in Jordan and the West Bank continued to provide pre-service and in-service teacher training leading to a first university degree level, as part of the process of upgrading the qualifications of UNRWA's teaching staff to meet revised standards set by the Government of Jordan and the Palestinian Authority. The four-year pre-service programme, which granted university-level degrees in classroom teaching, Arabic language, English language, mathematics, science, vocational education and Islamic education was offered to 880 secondary school graduates, including 635 women, at the Amman training centre and at Ramallah men's and Ramallah women's training centres. The three-year in-service programme was offered at the Amman training centre only to 659 serving UNRWA teachers holding two-year teacher training diplomas, including 305 women, to upgrade their qualifications to first university degree level, with specializations in classroom teaching, Arabic language, or Islamic education (see annex I, table 5). During the reporting period, 185 students graduated from the pre-service programme and 206 from the in-service programme. Of the 563 pre-service graduates to date, 89 had been recruited by the Agency to meet staffing requirements in the West Bank and Jordan fields. Due to difficulties in recruiting qualified elementary teachers in Lebanon, the Agency reinstated a small pre-service teacher training course at Siblín training centre. The two Ramallah ESFs organized an educational conference on the Palestinian curriculum and the challenges of the twenty-first century. The conference attracted a wide audience from among the public, private and NGO sectors.

30. *Institute of Education.* Beyond the specifics of the ESF programme, UNRWA also provided in-service training to promote and improve the professional competence of Agency teachers, head-teachers and school supervisors, through the UNRWA/UNESCO Institute of Education. The training was implemented in cooperation with the five education development centres. In 1998/99, the total number of teachers, head-teachers and school supervisors enrolled in in-service training in the five fields was 1,119. Of that total, 527 trainees were undergoing courses of one to two years duration, while the remaining 592 trainees were contract teachers in the West Bank and Gaza Strip undergoing courses lasting two months. One in-service teacher training activity during the reporting period focused on establishing a system to monitor student achievement in the basic cycle. Other in-service training included planning, organizing and preparing training programmes, and producing audio-visual instruction materials. The Institute of Education issued a biannual education periodical, *Student Teacher Journal*, with the aim of enhancing research among UNRWA educationalists and acquainting trainees with recent methodologies and trends in education and teacher training. In addition to training organized by the Institute of Education, several other courses were organized and implemented on an ad hoc basis in the fields. In the Syrian Arab Republic, a training course for teachers holding secondary school certificates was reopened in 1998/99, eight years after its termination, to deal with the Agency's inability to attract trained teachers holding diplomas. In addition, many teachers, head teachers and supervisors continued to pursue training at local universities on their own initiative.

31. *University scholarships.* Beginning in 1997/98, UNRWA had to discontinue its contribution from the regular budget to the scholarship subprogramme due to budget constraints. The Agency nevertheless continued to support some scholars through project funding until they graduated. The 185 previous recipients of scholarships from the regular budget were left without financial support and their future studies may be endangered. A total of 167 scholars graduated in 1998/99. The number of continuing scholars was 866, including 185 who used to be supported directly by the Agency. Of those 866 scholars, 398 were female. Scholars were studying at 44 universities in 11 countries in the Middle East. The main areas of study pursued by scholarship recipients were engineering (26 per cent), medicine (27 per cent), pharmacology (22 per cent) and dentistry (11 per cent), with other specializations accounting for the remaining 14 per cent. The scholarship awards ranged in value from \$250 to \$1,500 per year, depending on tuition rates.

32. *Placement and career guidance.* UNRWA sought to facilitate employment opportunities for Palestine refugee graduates from Agency training centres and other education institutions, both locally and abroad. Career guidance was offered to pupils in the Agency's preparatory schools and government secondary schools, to acquaint them with the training courses available at the Agency's training centres and help them in the selection of a suitable vocation. The Agency continued to follow up the employability of its graduates and their career performance after the initial period of employment. Of the 2,097 graduates from UNRWA vocational training centres in 1996/97, 1,738 or 83 per cent were employed in 1998. In the 1998-1999 biennium, 1,600 such graduates were employed in local labour markets, and another 300 in the Gulf region. The Agency's placement and career guidance offices facilitated the work of recruiting teams, helped match candidates with vacancies, and made candidates aware of job opportunities. UNRWA also carried out periodic surveys of market demand to achieve a better match between training courses and job requirements.

33. *Programme budget and administration.* The education programme remained UNRWA's largest single area of activity, with 13,915 education staff (including teachers and administrative staff but excluding support staff), representing some 68 per cent of all Agency staff. The education budget of \$160.3 million for 1998 represented approximately half of the total Agency budget. Actual expenditure in 1998 was \$147.5 million, representing just over 58 per cent of total Agency expenditure. UNRWA's expenditure on the education programme for 1999 was expected to be considerably lower than the \$164.9 million budget, owing to austerity and other cost-reduction measures taken in response to funding shortfalls. In all fields except Gaza, nominal contributions were collected from pupils and trainees on a voluntary basis to improve facilities and equipment in schools and training centres. Overall contributions collected in 1998/99 amounted to \$611,530. Other forms of community support for the education programme included donations of equipment, furniture and supplies, including land in the Syrian Arab Republic and West Bank fields, photocopying machines, tape recorders, videos, overhead projectors, personal computers, printers and other types of donations, which together totalled approximately \$1.8 million. In June 1999, a donor-funded consultancy team and UNRWA concluded the development of a five-year working plan covering education planning, staff and management development, vocational and technical education, education management information systems, personnel and finance. Implementation of projects resulting from that consultancy required additional project funding. With donor funds, a computer information technology initiative began in August 1998 with a view to establishing computer laboratories in each vocational training centre by renovating existing premises, procuring required hardware and software and providing qualified staff to train students in computer applications in various fields of specialization.

34. *Impact of austerity measures.* Austerity measures in place since 1993 restricted the education programmes ability to expand at a rate commensurate with growth in the beneficiary population. In order to maintain quality education and make the most cost-effective use of resources, UNRWA adopted an integrated approach based on increased classroom size, maintaining double shifting, hiring teachers on a contract basis and

replacing rented premises with Agency-standard buildings. However, some measures could not be implemented without negative consequences for the quality of education, including reduced pupil-teacher interaction, heavier workloads for teaching and supervisory staff, and difficulties in hiring qualified teachers on a contract or daily-paid basis. Financial constraints also curbed the Agency's efforts to keep up with education reforms introduced by host authorities, particularly the introduction of the tenth grade in the West Bank and Gaza, thereby widening the gap between the education systems of UNRWA and the host authorities and undermining harmonization efforts. In Lebanon, the adoption of curricular changes and purchase of new textbooks were made possible only through project funding since those expenses could not be covered by the regular budget. Although the capacity of the vocational and technical training programme had increased slightly since 1993, it had directly benefited a declining proportion of young refugees because of natural growth in the refugee population, and was unable to accommodate the demand for training. No funds from the regular budget could be made available to introduce additional vocational training courses. Hence the introduction of new courses remained possible only if other courses were deleted. Training supplies also remained at the same low level of 1997/98 in spite of the increase in the number of training places. Other austerity measures affecting the education programme were the general recruitment freeze introduced in August 1997 and a reduction in building maintenance allocations.

35. *Cooperation with the host authorities.* UNRWA's basic education programme in all fields continued to follow host authorities education systems. Changes in the education programmes of the local authorities entailed the introduction of such changes in UNRWA schools. The most significant issue in that respect was the extension of the basic education cycle in the West Bank and Gaza Strip from 9 to 10 years, which the Agency was unable to implement due to financial constraints. In the absence of Agency funds and in the context of repeated requests by the Palestinian Authority, the PA continued to accommodate tenth grade students in its own schools. A new Palestinian Authority curriculum was due to be introduced in the academic year 2000/01 to replace the Jordanian curriculum in the West Bank and the Egyptian curriculum in the Gaza Strip. In the Syrian Arab Republic, a new study plan, curriculum and textbooks for the elementary and preparatory cycles were being gradually introduced. The new format for the second elementary grade was fully implemented in UNRWA schools in 1998/99, while the new format for the third elementary grade was partially implemented in both UNRWA and the government schools during the same period. In Lebanon, a new education system, curriculum and textbooks for elementary, preparatory and secondary cycles were introduced in 1998/99. Accordingly, UNRWA had to promote *tamhidi* (kindergarten) pupils directly to the second grade since the *tamhidi* level no longer existed in the new structure. UNRWA introduced a plan to bridge the ensuing knowledge gap between the *tamhidi* and the second elementary grade levels. New curricula were implemented in all of UNRWA's first, fourth, seventh and tenth (the latter in Lebanon only) grades in 1998/99. All new textbooks were provided to the Agency's schools using General Fund resources (except in Lebanon), and the teachers involved were trained to deliver the curricular changes. Agency staff continued to participate in the major education development activities of host authorities. In the West Bank and Gaza, the joint UNRWA/PA Ministry of Education technical coordination committee met in November 1998 and discussed a range of issues, including textbooks, school buildings, in-service teacher training and the preparation of the new Palestinian curriculum. UNRWA provided the PA with several in-service teacher-training programmes and related instruction materials. PA Ministry of Education staff were trained in the use of audio-visual materials. In addition, a new technical cooperation committee between UNRWA and the Palestinian Ministry of Higher Education was established and was due to hold its first meeting in autumn 1999. In the West Bank and Gaza Strip, Agency staff also participated in the preparation of a new vocational training strategy and in updating the curricula of some community college vocational training courses. In Jordan, UNRWA was represented on the national education board as a full member, and in the Syrian Arab Republic, the Agency participated in all meetings of directors of education.

36. *Cooperation with UNESCO and the Arab League* UNRWA's education programme was run in cooperation with UNESCO, which provided seven senior managerial and technical staff for UNRWA, including the Director of Education. Three of those managers held international posts provided by UNESCO on a non-reimbursable loan basis, and four occupied area posts whose costs were covered by UNESCO. With funding from UNESCO, UNRWA took part in UNESCO's South-Eastern Mediterranean Project (SEMPEP), which met in July 1998 to discuss the theme Water in our environment. Eighteen UNRWA schools participated in the implementation of worksheets related to SEMPEP and in other relevant educational activities. UNESCO funded a consultant in March-June 1999 to assist with work carried out by a group of United Kingdom consultants to develop a five-year work plan for the education programme. The eighth annual joint meeting between UNRWA and the Arab League's Council on Education for the Children of Palestine was held at Cairo in December 1998.

B. Health

37. *Objectives.* The primary objective of UNRWA's health programme was to protect, preserve and promote the health status of Palestine refugees and meet their basic health needs, consistent with WHO principles and concepts and standards of public health services in the region. UNRWA's strategic approach to health focused on preserving the sustainable investment achieved in primary health care, improving the quality of essential health services provided to Palestine refugees within the means available, and streamlining health policies and service standards with those of host Governments and the Palestinian Authority.

38. *Primary care.* UNRWA's health care programme remained focused on comprehensive primary health care, including a full range of maternal and child health (MCH) and family planning services; school health services, health education and promotion activities; out-patient medical services; prevention and control of communicable diseases and non-communicable diseases, such as diabetes mellitus and hypertension; and specialist care, with emphasis on gynaecology and obstetrics, paediatrics and cardiology. The services were provided through the Agency's network of 122 primary health care facilities, including 89 health centres; 23 health points offering a wide range of health care services on a part-time basis; and 10 MCH centres offering comprehensive family health services, supported by basic services, such as X-ray and laboratory facilities (see annex I, table 6).

39. During the reporting period, Agency outpatient facilities handled 5.4 million medical and 0.5 million dental visits, as well as 1.1 million visits for nursing services, such as dressings and injections. Essential medical supplies, supplementary feeding for vulnerable groups and the rehabilitation of physical disabilities were also provided within the framework of the primary health care programme.

40. *Family health.* Family health continued to be emphasized as an integral part of UNRWA's regular health programme. During the reporting period, UNRWA's MCH clinics and centres cared for some 214,563 children below the age of three, representing approximately 6 per cent of the registered refugee population, and some 68,234 pregnant women, who accounted for approximately 56 per cent of expected pregnancies among refugee women of reproductive age based on current crude birth rates. Over 20,700 family planning acceptors were registered during the reporting

period, bringing the total number of women using the Agency's family planning services to more than 66,400. The number of health centres providing intrauterine devices increased from 74 in mid-1997 to 77 in mid-1998. The highest rates of coverage in family health were obtained in the Gaza Strip owing to the ease of access of refugees to MCH facilities. The family health programme continued to emphasize cost-effective investments in human resources to improve the quality of care. Intensive training to upgrade staff skills was provided both in-house and in cooperation with WHO and local universities. Progress towards the development of a comprehensive maternal health and family planning programme was reinforced through additional contributions under the three-year convention between UNRWA and the European Community. Those contributions were used mainly to meet staff costs, upgrade medical equipment in MCH clinics, and procure contraceptive supplies. The Agency continued to implement its system of maternal death surveillance to help reduce maternal mortality from preventable causes. Performance indicators were developed and applied to measure progress in the coverage and quality of antenatal, post-natal and family planning services. As part of research to examine the health status of the refugee population, the Agency continued studies to assess the quality of childcare, which revealed that most preventive aspects of care provided by UNRWA were generally of a high standard. At national, regional, and international meetings sponsored by WHO and other health organizations, the Agency's field experience in reproductive and family health continued to be acknowledged as a major asset in developing appropriate intervention strategies to improve standards throughout the region.

41. *Disease prevention and control.* UNRWA made special efforts to maintain and further develop an effective programme of disease prevention and control. Activities included the control of vaccine-preventable diseases, such as poliomyelitis and tetanus; the prevention of vector-borne diseases, such as brucellosis and intestinal parasites, transmitted through environmental channels; the prevention of newly emerging infectious diseases, such as HIV/AIDS; the control of re-emerging infectious diseases, such as tuberculosis; and the prevention and control of non-communicable diseases associated with lifestyle, such as diabetes mellitus, hypertension, heart diseases and cancer (see annex I, table 7). To that end, the Agency maintained optimal immunization coverage against the vaccine-preventable diseases, participating in 1999 in two rounds of national immunization for the eradication of poliomyelitis throughout its area of operations, in the context of a WHO regional strategy implemented in coordination with local health authorities. Using vaccines donated by UNICEF, UNRWA immunized a total of 214,115 refugee children under five during the two rounds. The Agency revised its immunization policies consistent with WHO strategies and national immunization programmes, and took steps to reinforce its system of surveillance of communicable diseases, including vaccine-preventable diseases. Special emphasis was placed on strengthening tuberculosis surveillance and control measures, and coordinating them with those of public health authorities throughout the area of operations, based on the directly observed short-course treatment strategy (DOTS). The Agency joined forces with other health-care providers in the West Bank and Gaza Strip as implementation proceeded on the public health component of a brucellosis surveillance and control programme developed in 1997 by the Palestinian Authority, in cooperation with WHO and UNDP. Special care, comprising management of diabetes mellitus and hypertension, was provided through all Agency health centres, benefiting 74,359 patients during the reporting period. Special attention continued to be paid to the early detection and management of micro-nutrient disorders, especially iron-deficiency anaemia, which was still highly prevalent among pre-school children and women of reproductive age.

42. *Health education.* UNRWA continued to implement a wide range of health education activities aimed at promoting a healthy lifestyle and raising public awareness within the refugee community. During the reporting period, the Agency's strategic approach to health education was redefined. Staff were redeployed and activities were integrated within the Agency's primary health care programme at health centre level, and within school educational activities. Counselling sessions and audio-visual programmes were offered on a continuing basis for health centre attendees. Schoolchildren were targeted through planned activities organized by a health tutor in each Agency school, and community health education campaigns were organized on an occasional basis, mainly in camps. Topics included family health issues, home management of common childhood diseases, promotion of healthy lifestyles and the avoidance of behaviour harmful to health. In addition, all international health days such as World Health Day, World No Tobacco Day and World AIDS Day were marked by activities organized at Agency installations inside and outside camps and at the community level. The youth-centred educational programme on the prevention of tobacco use, successfully introduced in UNRWA preparatory schools in the 1996/97 school year, resumed in 1998/99, and was expanded to include children in the sixth grade and above. With support from the Joint United Nations Programme on HIV/AIDS, the multisectoral school health education programme on the prevention of HIV/AIDS was maintained for school children in grades 9 and 10, and its scope was broadened to include UNRWA vocational and technical training centres, educational sciences faculties and women's programme centres.

43. *Secondary care.* UNRWA provided assistance towards secondary care for Palestine refugees through the partial reimbursement of costs incurred for treatment at government or NGO hospitals and/or through contractual agreements with NGO or private hospitals, depending on the field of operation. Secondary care was also provided directly by the Agency at one facility in the West Bank, the 43-bed Qalqilia Hospital. Funding shortfalls continued to jeopardize the sustainability of the hospitalization programme, making the effective management of scarce resources a top priority. The stricter referral criteria and standard 25 per cent co-payment rate introduced in previous years were accordingly maintained. Hospitalization services in Lebanon could only be maintained at the current level through extrabudgetary contributions, without which services would have been seriously curtailed. Given the severe strain under which the hospitalization programme was functioning, any further cost-containment measures would probably endanger the lives of needy refugees, particularly in Lebanon, while threatening the sustainability of some NGO hospitals which depended on contracts with UNRWA, such as the Augusta Victoria Hospital at Jerusalem.

44. *Capacity-building.* The Agency continued to emphasize the development of human resources for health through basic, in-service and postgraduate training as a key element to improving programme efficiency and the quality of care. Continuing in-service training was directed at upgrading staff skills to defined standards. Such training covered the implementation of health strategies, standard management protocols in family health, disease prevention and control, laboratory techniques, management information systems and total quality management. Postgraduate training in public health continued to be encouraged at local universities. UNRWA sponsored the training of seven professional staff at Birzeit University, the American University of Beirut and the Jordan University of Science and Technology. Another six medical officers pursued a short-term training course in community health, which was offered for the third consecutive year in Japan. The Agency continued to seek all possible means to maintain essential services within the scarce human and financial resources available. To that end, the Agency pursued two training initiatives for enhancing the effectiveness of its senior and middle managers. One was related to skills and capabilities of health personnel in the areas of epidemiology, reproductive health and management, developed and implemented in collaboration with the WHO collaborating centre at the Centers for Disease Control and Prevention (CDC) at Atlanta, United States of America, and the other was for the development of open-learning material and training modules on maternal health care, management information systems and total quality management, developed in collaboration with Kingston University, United Kingdom (see para. 198 below). From September to December 1998, programme managers from UNRWA's five fields of operation and the Palestinian Ministry of Health participated in two training workshops on epidemiology and reproductive health counselling, organized in collaboration with CDC. Funded by a special contribution, those workshops represented the second phase of a comprehensive capacity-building programme for Palestinian professionals. The programme focused on the development of five health services research projects in reproductive health and non-

communicable diseases designed by field teams during the first round of workshops; enhancing computer skills for epidemiological applications; and the development of appropriate training material for staff at the service delivery level. In February 1999, staff from UNRWA and WHO Eastern Mediterranean Regional Office member States participated in a training workshop on total quality management organized in collaboration with CDC and co-sponsored by WHO. The ultimate objectives of that comprehensive programme were to establish a core team of personnel who could acquire and transfer knowledge and skills to other staff; assess the appropriateness and relevance of the various health programme components; and introduce adjustments to increase the efficiency and cost-effectiveness of the Agency's health-care system.

45. *Health infrastructure.* With project funding received mainly under PIP, UNRWA continued to rehabilitate or replace health facilities that had deteriorated beyond the point of economical repair, owing to lack of funds for preventive maintenance. The Agency sought additional PIP contributions to cover the cost of replacing several health facilities in unsatisfactory premises and to rehabilitate others. Construction, upgrading and equipping primary health care facilities helped to improve service standards and patient flow, with marked impact on the quality of care, partially offsetting the negative effects of austerity measures.

46. *Environmental health.* Over 1.1 million Palestine refugees in 59 official camps in the five fields of operation benefited from environmental health services provided by UNRWA, in cooperation with local municipalities. Services included sewage disposal, the management of storm water run-off, the provision of safe drinking water, the collection and disposal of refuse, and the control of insect and rodent infestation. The Agency continued to play an active role, particularly in the Gaza Strip, in the planning and implementation of large-scale projects for the installation of sewerage, drainage and water networks in camps and in the expansion of its solid waste collection and disposal capacity. After the establishment of its special environmental health programme in Gaza in 1993, the Agency carried out detailed feasibility studies for sewerage, storm water drainage and solid waste management, at a cost of \$1.56 million, and implemented projects costing over \$18.58 million. In addition, projects and studies which were still ongoing during the reporting period amounted to \$5.72 million. Projects proposed for implementation, subject to additional contributions, were in the magnitude of \$21.55 million, making a total capital investment in the sector since 1993 of over \$40 million. A design team from Gaza assisted in the preparation of detailed drawings for the Shufat and Jalazone camp improvement projects. Construction of an internal sewerage scheme at Neirab camp in the Syrian Arab Republic was completed in September 1998. In Lebanon, where feasibility studies and detailed designs were completed for the rehabilitation and construction of water and waste water infrastructure in camps, the Agency could not begin construction pending final review of tender documents by the European Commission. Capital projects were complemented by self-help camp improvement activities, such as paving pathways, to which the Agency contributed construction material and the community provided volunteer labour.

47. *Programme administration and budget.* The proposed health programme budget for the biennium 1998-1999 was established at \$126 million, representing approximately 18 per cent of the Agency's total operating budget. Owing to funding constraints, allocations had to be reduced below the 1996-1997 budget level, making average health expenditure per refugee a little more than \$13.50 per year, a fraction of the current level of expenditure by other health-care providers in the Agency's area of operations. The largest share of the health budget, approximately two thirds, was allocated to medical services, comprising treatment and support services, family health, disease prevention and control activities, dental care, laboratory services, physical rehabilitation and hospitalization. The remaining budget was allocated almost equally between environmental health services in camps and the supplementary feeding programme. Within the medical services budget, the largest share approximately 77 per cent was allocated towards maintaining primary health care, with the remaining 23 per cent allocated to essential hospital services. There were, however, significant variations in patterns of expenditure from one field to another, owing to local circumstances including ease of access or otherwise to Agency and/or public health services. Approximately 63 per cent of cash allocations to the health programme were devoted to the costs of 3,500 locally recruited health staff Agency-wide, who implemented all core programme activities. As a result of a recruitment freeze, numbers of staff continued to fall below those required to meet increasing needs, so that workloads in Agency primary health care facilities remained heavy an average of 100 patient consultations per doctor per day Agency-wide. In order to ameliorate the adverse effects of such workloads on the quality of care, standard management protocols were developed, staff were trained to defined competency levels, and an appointment system was implemented in mother and child health-care clinics, for special care for certain conditions, specialist care services, and for laboratory and dental services. That approach markedly improved patient flow, reduced client waiting time and increased staff/client contact time.

48. *Impact of austerity measures.* Increasing pressure on resources generated by population growth, inflation and the increased costs of medical care, on the one hand, and significant funding shortfalls, on the other, left the Agency no option but to maintain the austerity measures which were introduced across the board in 1993 and to introduce further measures aimed at reducing the financial deficit. Those measures included a co-payment system for the cost of treatment at certain hospitals, suspension of cash subsidies for emergency treatment at private hospitals in Jordan, a freeze on the recruitment of staff, a reduction in allocations for the procurement of medical supplies and maintenance of health premises, and a reduction in travel and training budgets. However, even those measures were insufficient to maintain adequate levels of health services in 1998. The Agency therefore continued to pursue other measures to enhance efficiency and reduce costs, including further training of health staff at all levels, using special contributions for continuing education and in-service training; the redeployment of staff from low to high priority areas; the use of appropriate technology to offset recurrent expenditure, such as the mechanization of solid waste management with project funds; and seeking extrabudgetary resources for Lebanon through a special appeal to the international community. The Agency also conducted studies on cost-benefit analysis of various components of the health programme, including pharmaceutical, laboratory and radiology services. Those studies revealed that overall the Agency's health-care services remained the most cost-effective by any national or regional standard. However, they also revealed that there was scope for the redeployment of human and material resources in certain fields to offset shortages resulting from inadequate budgets and compounded by austerity measures. The main objective of those initiatives was to make optimal use of available resources to avoid reduction in the extent and quality of services, should the Agency fail to secure additional financial resources.

49. *Cooperation with host authorities.* In the framework of the Agency's commitment to building, within available means, a sustainable health-care system in the Palestinian self-rule areas, UNRWA continued to cooperate closely with the Palestinian Authority in the health sector and provided assistance to enhance the health infrastructure. That cooperation included the implementation of a three-year maternal health and family planning project in Gaza (see para. 198 below); the development of a brucellosis surveillance and control programme in cooperation with WHO and UNDP (see para. 41 below); a joint training programme in epidemiology and reproductive health; and harmonization of its immunization schedule with that of the Palestinian Authority. A close dialogue was maintained between UNRWA, the Palestinian Authority and the European Community to reach a common understanding on the commissioning and future operation of the European Gaza Hospital (see para. 196). The Agency cooperated with the Palestinian Authority and donors on the construction of a public health laboratory in the West Bank (see para. 180 below); the upgrading of UNRWA's Qalqilia Hospital in the West Bank (see para. 177 below); and improvements to environmental health infrastructure in the Gaza Strip (see para. 46 above). Senior UNRWA health staff participated in all Palestinian Authority technical committees on practical aspects of health policy, and in all health-related meetings, conferences and studies organized by the Palestinian Authority in cooperation with WHO, UNICEF and donors. The

Agency also maintained close cooperation with health ministries in Jordan, Lebanon and the Syrian Arab Republic, including through the exchange of information, coordination of disease control measures, and participation in national conferences and immunization campaigns. The Governments of Jordan and the Syrian Arab Republic provided the Agency's annual requirements for hepatitis B vaccine. UNRWA projects for the improvement of sewerage, drainage and water supply systems in camps were carried out in coordination with local authorities, and were complemented by government-sponsored projects to improve environmental health infrastructure in camps or to connect camps to municipal or area networks, particularly in Jordan and the Syrian Arab Republic.

50. *Cooperation with WHO and other United Nations agencies* Technical supervision of UNRWA's health-care programme continued to be provided by WHO through the provision of senior programme staff and sustained technical support. Under long-standing arrangements, WHO provided UNRWA, on a non-reimbursable loan basis, with the services of the Agency's Director of Health, covered the cost of the four local posts of headquarters division chiefs, and provided the Agency with technical literature and scientific publications. UNRWA participated in WHO international and interregional meetings, and observed all international health days. WHO co-sponsored a training programme on total quality management in February 1999, in cooperation with the WHO collaborating centre at the Centers for Disease Control and Prevention, Atlanta (see para. 44 above). UNICEF provided an in-kind donation of the Agency's requirement of vaccines for the expanded programme of immunization in the framework of long-standing cooperation. In the West Bank and Gaza Strip, those donations were channelled through the Palestinian Authority. UNAIDS continued to support a school health education programme on the prevention and control of HIV/AIDS during the 1998/99 school year.

C. Relief and social services

51. *Refugee registration.* There were 3.6 million Palestine refugees registered with UNRWA at 30 June 1999, an increase of almost 3 per cent over the 30 June 1998 figure of 3.52 million (see annex I, table 1). As in the previous reporting period, the rate of increase reflected the rate of natural population growth, with most requests for updating of records representing new births, marriages and deaths. The largest proportion of refugees was registered in Jordan (41.7 per cent of the Agency-wide total), followed by the Gaza Strip (22 per cent), the West Bank (15.7 per cent), the Syrian Arab Republic (10.3 per cent) and Lebanon (10.2 per cent). Of the registered population, 36.9 per cent were aged 15 or under, 53.8 per cent were between 16 and 59 years of age, and 9.4 per cent were aged 60 or older. About one third of the total registered refugee population lived in the 59 refugee camps in the area of operations; the remainder resided in towns and villages (see annex I, table 2).

52. *Unified registration system.* Substantial progress was made on the Unified Registration System (URS) project, which electronically integrated two computerized databases – the Field Registration System (FRS) database on all Palestine refugees, and the Field Social Study System (FSS) socio-economic database on special hardship families and individuals with the hard-copy archive, comprising an estimated 700,000 family files. Following a pilot project in the West Bank, the FSS was completely decentralized to all fields and areas. Linked with the registration database, the FSS enabled social workers and relief and social services management staff to access and update the socio-economic database at field and area level, which improved programme planning and management. More than 260 staff were trained Agency-wide in workshops and follow-up visits to use the system. Work began to revise and update the FRS. The development of an enhanced registration system, which would permit future linkages with other UNRWA data, was expected to be completed by the end of the year 2000. The URS Unit at Headquarters (Amman) improved its field support activities through visits and workshops. UNRWA staff, representatives from the Palestinian Authority, external researchers, and potential donors attended several workshops on a project dealing with the electronic storage and integration of family files with the existing computerized components of the URS family files project. Complete implementation of the family files project required over \$6 million in extrabudgetary funding.

53. *Special hardship programme.* UNRWA continued to assist refugee families who were unable to meet basic needs for food, shelter and other essentials. The principal means of assistance to special hardship case (SHC) families were food support, shelter rehabilitation, poverty alleviation initiatives (such as small loans for personal or business needs), higher hospitalization subsidies and preferential access to UNRWA training centres. The number of refugees in households which met the stringent eligibility criteria – no male adult medically fit to earn an income and no other identifiable means of financial support above a defined threshold – increased by 2.3 per cent, from 195,616 at 30 June 1998 to 200,078 at 30 June 1999 (see annex I, table 3). The proportion of SHCs within the total registered refugee population decreased slightly, from 5.6 per cent to 5.5 per cent. Although the SHC programme did not provide assistance to households in which there were employable but unemployed male adults, poor socio-economic conditions, including unemployment, contributed indirectly to the demand for UNRWA assistance by reducing the income-earning potential of extended families, on whom households might rely as an alternative to SHC assistance. The percentage of refugees enrolled in the programme continued to be highest in Lebanon (10.6 per cent) and the Gaza Strip (8.4 per cent) and lowest in Jordan (2.6 per cent). The Agency continued a preliminary comparative study of UNRWA and host authority policies on assistance to needy families. An external expert was being sought to review the findings of that study and the current eligibility criteria applied in the special hardship programme with the aim of improving the Agency's methodology for identifying the most needy within the refugee population.

54. *Food support.* Each SHC beneficiary received five basic food commodities each year (milk, flour, sugar, rice, oil). In addition, a cash subsidy equivalent to \$40 per person per year, replacing certain lesser-valued commodities in the food ration package, continued to be distributed. SHCs in Lebanon also received lentils and chick-peas, in addition to the commodity/cash subsidy package. UNRWA's food support to 51,525 SHC families was a crucial safety net in areas subject to unexpected border closures, or fluctuation in the price of commodities in local markets.

55. *Selective cash assistance.* The regular budget allocation for selective cash assistance remained frozen owing to the Agency's continuing financial difficulties. That assistance had been provided on an ad hoc basis to SHC families which experienced distress as a result of emergency situations, such as fire, flooding, death or incapacity of heads of household or income earners. The Agency's ability to respond to acute crises in the refugee community was severely eroded. It was estimated that some 10,305 SHC families were in need of selective cash assistance.

56. *Shelter rehabilitation.* With extrabudgetary project funding, UNRWA rehabilitated 1,305 shelters of SHC families, as compared to 505 in the previous reporting period. Shelter rehabilitation was carried out either on a self-help basis, with the Agency providing financial and technical assistance and beneficiary families arranging volunteer labour, or by small camp-based contractors, with the aim of creating employment within the local refugee community. Following the freeze of the regular budget allocation for shelter rehabilitation in August 1997, the programme was funded only through earmarked contributions. Available resources continued to fall far short of identified needs. It was estimated that some 12,881 SHC families,

representing 25 per cent of the Agency-wide total and comprising 50,020 persons, still lived in housing that did not meet minimally acceptable standards for structural soundness, hygiene, ventilation and space relative to family size. Need was particularly great in the Lebanon field, where a large number of SHC families lived in sub-standard shelters and many families lived outside camps in terrible conditions.

57. *Poverty alleviation programme.* UNRWA continued to assist SHC and other disadvantaged refugees, including women, youth and the physically and mentally disabled, in improving their socio-economic status and becoming self-reliant through skills-training, income-conservation and income-generation projects, including credit and savings schemes. The poverty alleviation programme focused on helping SHCs to achieve a level of income sufficient to be removed from the Agency's hardship rolls. The reporting period witnessed an Agency-wide increase in skills-training/apprenticeship initiatives, with the emphasis on the development of marketable skills and assistance in post-training job placements. The number and scope of community/group-managed lending schemes and revolving funds increased, supporting sustainable income-generation activities or facilitating improvements to participants' homes or shelters. Soft loans and fully repayable loans for the establishment of microenterprises continued, and the number of grants increased from 58 in 1997/98 to 87 in 1998/99. The income generation component of women's programme centres, community rehabilitation centres and youth activities centres complemented PAPs' contribution to socio-economic development. UNRWA increased cooperation with third-party partners in the provision of training in basic business skills to several centres, families and social workers. A total of 1,526 participants benefited from the poverty alleviation programme.

58. *Social development programmes.* Participation in UNRWA's community-based social development programmes for women, youth and persons with disabilities increased by 14.3 per cent, from 38,417 at mid-1998 to 43,918 at mid-1999. The number of community-based organizations or Agency-sponsored centres within the camps increased from 128 at mid-1998 to 131 at mid-1999, with a total of 70 women's programme centres (WPCs), 27 youth activities centres (YACs), and 34 community rehabilitation centres. Community-based organizations (CBOs) played an important role in community life, being run and largely managed by the local community itself. At 30 June 1999, there were 20,534 participants in the activities organized by the 70 Agency-wide women's programme centres alone. Those activities included projects and training to establish income-generating microenterprises; lectures and workshops on issues of concern to women and the community (e.g., family health, better parenting skills); training courses (e.g., in computer literacy, TV camera skills, hairdressing); and support services for women, such as kindergartens and legal advice bureaux. Some men were also enrolled in English language and computer classes in WPCs. Youth activities centres continued to offer sports, recreational and cultural activities to young men and women. Self-help and leadership skills were promoted through community activities, including camp clean-ups; asphaltting of roads; camp committees for conflict resolution; and training volunteer community-based rehabilitation (CBR) workers. Community rehabilitation centres (CRCs) continued to focus on the rehabilitation and integration into schools and society of refugees with disabilities, as well as on increasing public awareness of disability issues. Support services to the disabled were offered at the centres, and through CBR, which focused on training family members to care for their disabled relatives. Both YACs and WPCs were used as a venue for lectures and workshops on issues of community concern, such as HIV/AIDS, anti-smoking and democracy.

59. *Progress towards self-sustainability.* UNRWA's strategy for community-based organizations was to shift assistance away from direct financial and staff support towards the provision of skills training with a view to facilitating institution-building and self-sustainability in accordance with the five-year plan (1995-1999), which aimed to enhance and eventually achieve full administrative and financial sustainability for CBOs. The Agency provided technical assistance to develop the administrative structures of the centres, and continued to provide partial subsidies towards running costs until financial independence could be achieved. UNRWA support included workshops to train committees in organizational development and processes (e.g., budgeting, programme management), technical and partial financial assistance for programmes serving women and the disabled until financial sustainability was achieved; technical assistance to support the formation of managing committees and bye-laws; income-generation projects at the centres; assistance in fund-raising from third-party sources, and forging links between CBOs and local and international organizations with similar objectives. At mid-1999, 30 of the 70 WPCs (43 per cent) had achieved administrative sustainability, i.e., their local managing committees were fully and independently responsible for planning activities, finances and all other aspects of the centres' operations. At the remaining 40 WPCs, those functions were performed jointly by the managing committees and UNRWA staff. The establishment of bye-laws had been completed for 84 out of 122 managing committees (69 per cent) of all CBOs, and was under way for the remaining 38. The number and range of income-generating services and projects was increasing, and constituted a significant proportion of CBO income, partially covering the costs of activities and services. Sources of income included participation fees for membership and training courses, income from activities and services, such as cafeterias, food production units, exhibitions, beauty salons, kindergartens etc., in addition to contributions from external donors. Efforts towards financial sustainability had progressed furthest among WPCs, where 8 out of 70 centres were totally financially sustainable, 54 had reached partial sustainability, and only 8 were still totally dependent on UNRWA support. CRCs and YACs were also working to achieve financial sustainability through fund-raising, income-generation activities and projects. Volunteers constituted the largest proportion of CBO staff responsible for the planning, management and implementation of activities, making CBOs a cost-effective means of providing social services.

60. *Programme budget and administration.* The 1999 budget of the relief and social services programme was \$43.5 million, although actual expenditure was expected to be less due to austerity and other cost reduction measures in place since 1997. The programme was negatively affected by limits on recruitment, which increased the workload of existing staff. A total of 49 out of 599 relief and social services posts (about 8 per cent) were vacant during the reporting period. The caseload of social workers, at about 300 cases per year was, in excess of the recommended average of 250 cases per year. Social workers could only spend an average of five hours per family per year to manage the delivery of SHC assistance and promote self-reliance.

61. *Cooperation with host authorities and NGOs.* UNRWA's social development programmes were carried out in close cooperation with host authorities, the non-governmental sector and other United Nations agencies. Cooperation was particularly close with the Palestinian Authority, which continued, in coordination with other local and international NGOs, to support CBOs in the West Bank and Gaza fields through its departments of culture, social affairs, youth and sports. During the reporting period, a range of activities and joint projects were conducted with the PA, including skills-training courses for CRCs; community development workshops; fund-raising initiatives for the disabled; the expansion of libraries and legal advice programmes; the establishment of a speech therapy unit; and summer and winter camps for youth and children. A number of international and local NGOs and diplomatic missions supported a range of social development programmes for women, the disabled, and youth, in addition to offering assistance for CBO institution-building. Some agencies specializing in disability contributed both technical and financial assistance.

D. Income generation

62. *Objectives.* UNRWA's income-generation programme continued to support small and microenterprises within the refugee community by providing capital investment and working capital through field-based revolving loan funds, and by providing technical assistance. The programme aimed to create employment, generate income, reduce poverty and empower refugees, in particular women, through socio-economic growth. During the reporting period, the capacity of the programme and its activities continued to grow. Women continued to be a high priority.
63. *Gaza.* UNRWA's income-generation activities were concentrated in the Gaza Strip, and managed by a central office in Gaza and a branch office at Khan Younis. During the reporting period, the programme achieved the status of being only the third specialized credit programme in the Middle East and North Africa to achieve operational self-sufficiency. In 1998, the programme funded its overhead and investment costs of \$1.4 million from programme revenues of \$1.6 million. The socio-economic situation improved somewhat during the reporting period as a result of fewer border closures, which had previously restricted trade, leading to improved trade and labour flows. Real gross domestic product and gross national product grew by 3.0 and 5.5 per cent, respectively, 1/which marginally raised income levels for the first time since 1994. However, income was spread unevenly and many families could not meet their basic needs from available income. The adjusted unemployment rate was 30 per cent, and 38 per cent of the population of the Gaza Strip lived in poverty, 26 per cent of the latter in absolute poverty, where family income was insufficient to purchase basic needs. Refugee camp residents and those living in the southern region were poorer still, as 42 per cent of refugee camp dwellers and 51 per cent of the population of southern Gaza lived below the poverty line. In that situation, the programme continued to target formal business enterprises that had the capacity to provide jobs for the unemployed, and to target informal enterprises which could generate income for poor families. Credit to those target groups was provided through flexible collateral and guarantee mechanisms, including business plan-based lending and individual, group and cheque-guarantee methods. Although no additional donor funds were received, the number of loans disbursed increased from 6,193 valued at \$7.3 million in the previous reporting period to 7,014 loans valued at \$8.3 million at the end of the current reporting period.
64. *Small-scale enterprise programme.* The income-generation programme in Gaza was composed of four subprogrammes, three of which provided credit to various target groups and one of which provided business training services. The small-scale enterprise (SSE) programme continued to provide working capital and capital investment loans to new and established businesses in the industry and service sectors to promote job creation, exports and import-substitution. The loans ranged from \$3,000 to \$70,000 and had average terms of 20 months, with a two-month grace period. The nominal interest rate was 10 per cent per annum. During the reporting period, the programme provided an increased level of working capital loans to reduce the effect of Israeli restrictions, which often slowed the movement of finished goods and raw materials and increased business costs. During the reporting period, the SSE programme provided \$1.5 million in loans to 124 enterprises, helping to create and maintain 185 jobs. With a capital base of almost \$8 million, by June 1999 the programme had awarded a total of 703 loans valued at \$11.4 million, and maintained a recovery rate of 95 per cent, making it one of the most successful programmes of its kind in the Middle East.
65. *Solidarity group lending programme.* UNRWA's solidarity group lending (SGL) programme continued to provide short-term working capital loans solely to women microenterprise owners. The entire operation-level management and credit extension staff was composed of women. The SGL programme provided working capital loans to women through a group guarantee system and a graduated lending methodology. Women gained access to credit by forming solidarity groups and guaranteeing each others loans. Women in a group could get access to a new loan only if all of the group members continued to meet their payments in a timely manner. When a loan was repaid, each member was entitled to a repeat loan of an amount larger than the previous one. That programme was one of the most successful in the Middle East region, maintaining an annual repayment rate of over 98 per cent. The programme was fully self-sufficient, whereby staff and overhead costs were met from the interest income from 2,897 loans valued at \$1.9 million each year. By the end of June 1999, the programme had provided a total of 10,752 loans valued at \$7.6 million to 4,237 women who supported 28,705 dependants. In other words, the loans had provided socio-economic support to 3.3 per cent of the population of Gaza through women's microenterprise activity.
66. *Microenterprise credit programme.* UNRWA's microenterprise credit (MEC) programme continued to provide working capital loans to a portion of the estimated 20,432 microenterprises in the Gaza Strip. In the Gaza economy, microentrepreneurs primarily produced or provided services for the local market, including the informal sector. The owners of microenterprises usually had low incomes. Workers in such enterprises, while better off than the unemployed, were most often poor. Despite being the largest component in the Palestinian economy, microenterprises were unable to obtain credit from the banking sector since they had no collateral to offer as security. Many did not even have bank accounts and worked on a cash basis, discounting cheque payments through moneylenders. MEC provided working capital loans on an individual basis through a graduated lending methodology, whereby borrowers were provided with repeat loans of a higher volume if they paid their previous loan on time. MEC programme remained the fastest growing subprogramme. During the reporting period, the programme provided 4,037 loans valued at \$3.6 million and maintained an annual repayment rate of 97.4 per cent. Since its inception, the programme had provided 8,712 loans valued at \$9.2 million to 5,919 individuals. The owners of those microenterprises supported 33,536 dependants from the income thus generated; MEC lending therefore provided socio-economic support to about 4 per cent of the population in Gaza.
67. *Small and microenterprise training programme.* The small and microenterprise training (SMET) programme continued to contribute to employment generation and socio-economic development by supporting small business development and encouraging enterprise through business training. The programme was the only business training programme which regularly delivered a standard range of courses designed to meet the needs of small business owners. The programme developed Arabic curricula for 27 short-term business training courses delivered by a pool of 22 local trainers, who conducted courses on a part-time contract basis. While the programme was exclusively supported by donor funds, it was cost-effective since it raised between 31 and 100 per cent of the direct costs of running each training course through participation fees. During the reporting period, SMET offered 28 training courses to 549 participants.
68. *West Bank.* The fields small-scale enterprise (SSE) programmes lending methodology was restructured during the reporting period. No new loans were delivered since staff were being trained in the new procedures. At the same time, the management information and loan tracking system was improved and integrated with that in Gaza. At the end of the reporting period, SSE had provided 197 loans valued at \$2.5 million. The MEC subprogramme in the West Bank expanded rapidly through its Nablus branch office by concentrating on developing its credit delivery capacity. The programme was in the initial phase of opening two credit outreach units as satellites of the Nablus branch office at Jenin and Tulkarm. That would allow the programme to target poorer communities in the northern West Bank, where up to 28 per cent of the population lived below the poverty line. By the end of the reporting period, MEC had provided 1,410 loans valued at \$1.4 million, and maintained an annual repayment rate of 96 per cent.

E. Peace Implementation Programme

69. *Objectives.* Launched in October 1993 following the signing of the Declaration of Principles on Interim Self-Government Arrangements, the Peace Implementation Programme (PIP) remained the main channel for project funding of activities carried out within the framework of Agency programmes in education, health and relief and social services, as well as in income-generation. Since its inception, PIP had generally succeeded in demonstrating the tangible benefits of the peace process, more specifically in improving Palestine refugees living conditions, creating employment opportunities and developing infrastructure. The latter focused on the construction or expansion of UNRWA facilities to meet increasing demand for Agency services (especially in the education sector), maintaining or upgrading existing facilities to an adequate standard, and improving housing and environmental health conditions in camps. Against a background of insufficient funding for the Agency's regular programmes, PIP funds enabled UNRWA to meet some of the most pressing needs and helped to prevent a qualitative deterioration in programmes. The latter aspect had become increasingly significant in view of the continuing funding shortfalls in the regular budget.

70. *Implementation.* During the reporting period, PIP funds enabled UNRWA to complete the construction of 10 schools, 39 additional classrooms, four specialized rooms (e.g., laboratories, libraries), two health centres, one health laboratory, one mother and child centre, two women's programme centres, two community rehabilitation centres and three libraries at women's programme centres. PIP funds also enabled the Agency to rehabilitate 334 shelters of special hardship families. Projects to improve camp infrastructure and services completed during the reporting period included a sewerage and drainage system for Beach Camp, Gaza; upgrading a pumping station in Gaza; rehabilitation of a water supply system in Lebanon; construction of a central pharmacy, 11 water reservoirs and five latrine units in refugee camps in Jordan; and upgrading a camp sewerage system and a mobile dental unit in Syria. Several other environmental health and camp infrastructure projects were ongoing at mid-1999, including a feasibility study for sewerage and drainage in five refugee camps; reinstatement of storm-water drainage, roads and pathways; construction of a public health laboratory in the West Bank; several components of the sewerage and drainage scheme for the middle area camps in Gaza; a major sewerage and drainage project for eight refugee camps in Lebanon, and the construction of a polyclinic in Beirut. Other PIP-funded activities included a slow learners programme in Jordan and Lebanon; the integration of visually impaired children into the regular school system; care for the destitute aged; the provision of prosthetic devices; and nursing training in Lebanon. PIP also helped to sustain regular Agency programmes through funding the routine maintenance of a number of schools in Gaza and the West Bank, the running costs of two health centres in Gaza and the cost of university scholarships for refugee students. In the Gaza Strip, four small-scale enterprise and seven solidarity group lending/microenterprise credit projects came to the end of their project cycles. Cash expenditure under PIP was \$32 million during the reporting period, not including expenditures on the European Gaza Hospital project.

71. *Status of funding.* During the reporting period, UNRWA received \$7.8 million in pledges and contributions for PIP projects, raising the total over the life of the programme from \$214.8 million at 30 June 1998 to \$221.3 million at 30 June 1999. Of the new funding, \$6.5 million was for projects in the education sector, \$1 million for the health sector, \$0.3 million for the relief and social services sector and \$0.02 million for income-generation activities. Projects in the Gaza Strip received \$3.6 million, or almost 50 per cent of the new funding, while \$1.9 million was allocated to new projects in the West Bank. Lebanon and Syria both received almost \$0.5 million and \$0.5 million, respectively, in project funding, while Jordan accounted for \$0.2 million. Agency-wide activities received \$1.3 million. With the new funding, by 30 June 1999 a total of 347 projects had been funded since the inception of PIP. Funding for PIP during the reporting period declined by approximately \$2.1 million or about 21 per cent in comparison to the previous reporting period, when the Agency received \$9.9 million. In comparison to 1996/97, funding declined by \$19 million. That trend confirmed the Agency's assumption that funding for PIP had peaked in previous years.

F. Lebanon Appeal

72. *Objectives.* There was no noticeable improvement in the socio-economic conditions of the Palestine refugee community in Lebanon during the reporting period rather the reverse. Most of the 367,000 Palestine refugees registered in Lebanon continued to face deplorable living conditions and depended almost entirely on UNRWA for basic services. The deteriorating socio-economic situation in the country as a whole, combined with the inability of the refugees to gain full access to the job market or to benefit from public health facilities, resulted in growing desperation and misery. Faced with insufficient resources in the Agency's core budget to cope with the growing needs of the refugee community in Lebanon, UNRWA launched a special emergency appeal in July 1997, seeking \$11 million in additional contributions to support essential health, education, and relief and social services activities.

73. *Status of funding.* Eight countries and one intergovernmental organization responded generously to the appeal, announcing total pledges of \$9.4 million by 30 June 1998. The Agency had received \$8.8 million of that amount, and had expended \$6.3 million by mid-1999. Of the total pledges, \$4.6 million was for the health sector, including hospitalization assistance, procurement of medical supplies, construction of a health centre, and equipment for waste collection and disposal; \$3.9 million was pledged for projects in the education sector, including construction, equipment and running costs for two secondary schools, and the introduction of new training courses at Siblin training centre; and \$0.9 million was for shelter rehabilitation.

74. *Implementation.* UNRWA was able to cover the hospitalization requirements of 7,625 patients for approximately 24,000 hospital days at private as well as at Palestine Red Crescent Society hospitals. Two projects for the procurement of textbooks for elementary and preparatory schools were also completed by mid-1999. The following projects were ongoing: construction of shelters and a secondary school; reconstruction of a health centre and an elementary/preparatory school; the mechanization of a solid waste collection and disposal system; the introduction of a new computer course at the Siblin training centre; and the construction and operation of computer laboratories. Two projects already completed but not reported during the previous reporting period were for medical assistance, including prosthetic devices, hospitalization, medical examinations, and a separate hospitalization project for 3,131 patients for a total of 11,206 days.

Financial matters

A. Fund structure

75. *Structure.* During the period 1 July 1998-30 June 1999, UNRWA received contributions and incurred expenditure against the following headings:

- (a) Regular budget; General Fund;
- (b) Projects or extrabudgetary activities:
 - (i) Peace Implementation Programme (PIP);
 - (ii) Lebanon Appeal;
 - (iii) Other.

76. *General Fund.* The General Fund covered all recurrent costs incurred in UNRWA's regular programme, consisting of the Agency's education, health, and relief and social services, as well as all support functions.

77. *Peace Implementation Programme.* PIP covered project activities funded under UNRWA's ongoing initiative since 1993 to improve infrastructure and enhance living conditions in refugee communities Agency-wide.

78. *Lebanon Appeal.* The Lebanon Appeal covered urgent operational needs, which were funded in response to UNRWA's July 1997 appeal for increased assistance in 1997-1998 to help alleviate the deplorable socio-economic conditions facing Palestine refugees in Lebanon.

79. *Other projects.* Other projects included expenditure incurred on the European Gaza Hospital and the Expanded Programme of Assistance, a programme established in 1988 to improve infrastructure and living conditions in refugee communities, which was subsequently subsumed into PIP. It was being phased out as projects were completed.

B. Budget, income and expenditure

80. *Context.* Certain organizational characteristics of UNRWA were particularly relevant to its financial situation, such as the Agency's role as a direct provider of services to the Palestine refugee population through its own installations and staff; the public sector quality of UNRWA services, including availability to all those meeting the Agency's operational definition of a Palestine refugee; the steady growth in the number of beneficiaries over time owing to natural growth in the refugee population; the Agency's lack of access to revenue sources available to public sectors proper, such as taxation or borrowing, as well as the absence of a system of assessed contributions, and the concomitant reliance of the Agency on voluntary contributions for income.

81. *Budget preparation.* UNRWA prepared its General Fund budgets on a biennial basis, although operations were financed on an annual basis. At mid-1999, UNRWA was preparing its budget for the biennium 2000-2001 under its new format as a programme-based budget (see addendum to the present report).

82. *Regular budget.* The total volume of UNRWA's 1998 regular budget was \$342.9 million, of which \$314 million represented the cash portion and \$28.9 million the in-kind portion, mainly donations for the special hardship and the nutrition and supplementary feeding programmes. The total volume of the 1999 regular budget was \$352.8 million, of which \$322.1 million represented the cash portion and \$30.7 million the in-kind portion (see annex I, table 9).

83. *Income and sources of funding.* Total cash and in-kind income received by UNRWA in 1998 was \$274.2 million, of which \$250.4 million was for the regular budget and \$23.8 million for projects. Voluntary contributions from Governments and the European Community accounted for \$258.9 million, or 94.4 per cent, of total income (see annex I, table 10). Most of that income was received in cash, and \$12.7 million in kind, mainly as donations of food commodities. Other United Nations bodies provided \$13.6 million (5 per cent of total income) to cover staffing costs, including the funding of 92 international posts by the United Nations Secretariat and assistance from UNESCO and WHO in the staffing of the education and health programmes. The remaining \$1.7 million (0.6 per cent of total income) was from miscellaneous sources.

84. *Expenditure and financial results.* Total expenditure by UNRWA in 1998 was \$298.4 million, of which \$254 million was for the regular budget and \$44.4 million for projects. The Agency recorded a \$1.9 million deficit in its regular budget in 1998, representing the difference between actual cash expenditure of \$254 million and income of \$252.1 million (\$250.4 million in donor contributions and \$1.7 million in other income), despite the wide range of austerity and other cost reduction measures in force. Net excess of expenditure over income was negative \$21.3 million, although in many cases expenditure reflected disbursements of earmarked contributions recorded as income in previous years. The Agency ended 1998 with a deficit of \$61.9 million, as compared to the regular cash budget of \$314 million for the year. Overall, the Agency could be considered technically bankrupt on 31 December 1998 since it would not have been able to meet all financial obligations were it to have ceased operations.

85. *Working capital.* Working capital, defined as the difference between assets and liabilities in the regular budget for the calendar year, was negative \$4.8 million at 31 December 1998. That level of working capital was far below the optimal level of one months average expenditure, or some \$25 million, of which \$17 million represented the payroll. The Agency was unable to make progress towards replenishing its working capital during the reporting period owing to its continuing poor financial situation.

86. *Cash position.* Repeated funding shortfalls in previous years had severely eroded UNRWA's cash position the amount of cash on hand in Agency bank accounts at any point in time that could be used to meet basic obligations. On 31 December 1998, outstanding cash pledges under all accounts amounted to \$63.1 million, of which \$30.6 million pertained to the regular budget and \$32.5 million to projects. In addition, the Agency had not yet been reimbursed by the Palestinian Authority in respect of payments made against value-added tax and related charges, which were costing the Agency about \$1 million annually in lost interest income alone. Those factors exerted further strain on the Agency's cash position, making it especially difficult to meet obligations in time towards the end of the fiscal year. At mid-1999, the Agency was facing a potentially critical cash shortage in the coming months. Cash flow forecasts for 1999 indicated that the Agency would have a cash shortage of \$13.6 million by the end of the year. The main contributory factors were:

- (a) Non-reimbursement of VAT and port charges of \$21 million, as at 30 June 1999, owed by the Palestinian Authority;
- (b) Expenditure of \$11.5 million on the European Gaza Hospital paid out of the General Fund;
- (c) Unfunded expenditure of \$5.2 million on the move of the Agency's headquarters from Vienna.

If additional funds were not received during the second half of 1999, the Agency would have to default on its obligations until funds were made available.

87. *Termination indemnities.* The 1998-1999 General Fund budget included a provision in the amount of \$12.1 million per year to be set aside towards a termination indemnities fund payable to local staff upon the eventual dissolution of UNRWA. Owing to financial constraints, that provision had remained unfunded, although termination indemnities represented a contingent liability on the Agency. Based on mid-1999 calculations, that unfunded liability stood at about \$144.6 million.

C. Extrabudgetary activities

88. *Peace Implementation Programme.* The PIP account had a positive balance of \$15.3 million at 31 December 1998, representing the difference between actual income of \$193.2 million since the programmes inception and actual expenditure of \$177.9 million. Total pledges and contributions under PIP at 31 December 1998 amounted to \$221.3 million, of which \$28.1 million had yet to be received. All contributions under PIP were earmarked for specific project activities to be implemented over varying periods of time. The Agency expected that PIP expenditure in 1999 would be approximately \$20 million.

89. *Lebanon Appeal.* The Lebanon Appeal account had a positive balance of \$3.3 million at 31 December 1998, representing the difference between actual contributions received since the appeal was launched in July 1997 and expenditures incurred by end-December 1998. All contributions under the Lebanon Appeal were earmarked for specific project activities to be implemented over varying periods of time.

D. Current financial situation

90. *Overview.* UNRWA continued to face a critical financial situation during the reporting period, characterized by large funding shortfalls in the regular budget, depleted working capital and cash reserves, and cumulative deficits in certain project accounts. The structural deficit representing the inability of income to keep pace with needs arising from natural growth in the refugee population and inflation, which increased the cost of maintaining a constant level of services remained a problem. However, through a combination of ad hoc additional donor contributions and prudent financial management by the Agency, including the retention of austerity and cost reductions measures, by mid-1999 UNRWA was making some progress in reducing the deficit. It was hoped that the introduction of other administrative measures, including new contracts for area staff from September 1999, would also help to reduce the structural deficit over time. In the short term, however, one critical problem facing the Agency in 1999 was the liquidity crisis (see para. 86 above), which unless resolved would disrupt Agency operations by the end of 1999.

91. *Austerity and cost reduction measures in 1998.* UNRWA began 1998 with a depleted working capital, low cash reserves and no expectation of a significant increase in overall income. Since expected cash income for 1998 fell far short of the \$314 million regular budget for the year, the Agency was obliged to carry forward austerity measures previously implemented, including those announced in August 1997, which were detailed in the previous report of the Commissioner-General.^{2/} Expected cash expenditure was also reduced slightly by other factors, such as managed higher vacancy rates and delayed recruitment of international and local posts in the context of the general recruitment freeze; realization of benefits from previous and ongoing restructuring measures, mainly the use of contract teachers and reduced international staffing; and non-utilization of certain budget lines as a result of stricter financial controls.

92. *Financial situation at mid-1999.* Latest estimates of income and expenditure indicated that the Agency's regular cash budget for 1999 would break even by years end, contrary to the forecast earlier in 1999 that there would be a deficit of at least \$8 million. The reduction in the estimated regular cash budget deficit was due to additional donor contributions and further reductions in expenditure due to the continued application of austerity and other cost-reduction measures. Those measures reduced expected 1999 cash expenditure below the \$322.1 million level of the budget presented to the General Assembly. Expected expenditure for 1999 was estimated at \$251.5 million as compared to expected income of \$251.8 million. The

Agencys cash position remained extremely weak, forcing the Agency to live from hand to mouth in terms of balancing incoming funds and outgoing payments. The working capital was for all practical purposes non-existent, making the Agency vulnerable to any change in expected income or expenditure. Additional contributions were being sought to overcome the difficult cash situation and to replenish the Agencys working capital.

Chapter IV

Legal matters

A. Agency staff

93. *Arrest and detention of staff.* The number of UNRWA staff members arrested and detained throughout the area of operations increased from 61 in the previous reporting period to 73 in the current reporting period (see annex I, table 11). Although most staff members were released without charge or trial after relatively short periods in detention, the number of staff members who remained in detention at the close of the reporting period was 10 as at 30 June 1999. In the Gaza Strip, a total of 40 staff members were arrested and detained by the Palestinian Authority, compared with 15 in the preceding reporting period. Most detentions were for relatively short periods. Five staff members remained in detention without charge at the close of the reporting period, two of whom had continued to be detained without charge since 1996. No staff member from Gaza was arrested and subsequently detained by the Israeli authorities during the reporting period; two who were arrested by the Israeli authorities prior to the current reporting period were subsequently released. In the West Bank, the number of staff members arrested and detained by the Palestinian Authority increased from five in the preceding reporting period to six in the current reporting period, none of whom remained in detention as at 30 June 1999. The number of staff members arrested and detained by the Israeli authorities in the West Bank decreased from 14 in the preceding reporting period to 10 in the current one, none of whom remained in detention as at 30 June 1999. There was a decrease, compared to the preceding reporting period, in the number of staff members arrested and detained in the Syrian Arab Republic; six staff members were arrested and detained, three of whom were subsequently released. Six staff members were arrested and detained in Jordan, compared to 13 in the preceding reporting period. One remained in detention as at 30 June 1999. Two staff members were arrested and detained in Lebanon.

94. *Functional protection of detained staff.* The Agency was not always provided with adequate and timely information by the relevant authorities as to the reasons for the arrest and detention of staff members. In the absence of sufficient information, it was not always possible to ascertain whether the staff members official functions were involved, bearing in mind the rights and duties flowing from the Charter of the United Nations, the 1946 Convention on the Privileges and Immunities of the United Nations, and the relevant staff regulations and rules of UNRWA. Consequently, the Agency was unable to exercise fully its right to functional protection of staff who were arrested and detained.

95. *Access to detained staff.* As in the previous reporting period, UNRWA was able to obtain access to all Palestinian Authority detention centres in the Gaza Strip to visit detained staff members. Most detained staff members were held either in Gaza Central Prison or Preventive Security Headquarters at Tel el-Hawa. The Agency experienced difficulties in the Gaza Strip in obtaining information from the Palestinian Authority about the place of and reasons for detention of staff members. The Palestinian Authority also failed to provide information regarding the place of and reasons for detention of staff members from the West Bank. However, in some cases the Agency was able to ascertain the place of detention and was able to visit detained staff members. The Agency experienced no significant difficulty in obtaining details about the place of and reasons for detention of staff by the Israeli authorities. The Agency was permitted to visit staff members detained by both the Israeli authorities and the Palestinian Authority. In the Syrian Arab Republic, the Agency was not provided with information by the relevant authorities as to the reasons for the arrest or detention of its staff. The Agency was also not able to ascertain the place of detention and to make arrangements to visit detained staff. At 30 June 1999, one staff member remained in detention in Jordan on charges unrelated to UNRWA activities.

96. *Treatment and state of health of detained staff.* The treatment and state of health of staff in detention continued to be of concern to the Agency. The lack of access to detained staff referred to in paragraph 95 above remained an obstacle to obtaining information on the health of the detainees. One staff member from Gaza complained of mistreatment by the Israeli authorities during detention. The state of health of two staff members detained by the Palestinian Authority since 1996 without charge remained a matter of concern. Overall, there was a decrease compared to the previous reporting period in the number of detained staff members who complained of mistreatment by the Palestinian Authority. No staff member from the West Bank complained of mistreatment during detention by either the Israeli authorities or the Palestinian Authority. In Jordan, there were no complaints by staff members in detention of mistreatment by government authorities. In the Syrian Arab Republic, there was no complaint by detained staff members of mistreatment. In Lebanon, no reports or complaints of mistreatment of detained staff members were received.

97. *Freedom of movement of West Bank and Gaza staff.* The procedures imposed by the Israeli authorities citing security grounds to regulate entry to and exit from the West Bank and Gaza Strip, referred to in previous reports, remained in place during the reporting period. Those procedures, described in greater detail below, included systems of permits regulating the travel of local staff; checkpoint controls and searches of Agency vehicles; occasional closures of the West Bank and Gaza Strip; occasional imposition of curfews; and restrictions on travel across the Allenby Bridge. Since September 1997, Palestinians with West Bank or Gaza residency have required an additional security clearance to drive a vehicle in Israel. As a result of those procedures, movement of Agency staff and vehicles was considerably impeded and frequently prevented, with consequent disruption to Agency operations. The restrictions were primarily applicable to local staff, who comprised 99 per cent of all Agency staff in the West Bank and Gaza. Constraints on UNRWA operations affected the Agencys ability to conduct its activities in the most efficient manner, and were not always consistent with its legal status and its related privileges and immunities. In the framework of the 1946 Convention on the Privileges and Immunities of the United Nations and with reference to the 1967 Comay-Micheltmore Agreement, the Agency continued to make representations to the Israeli authorities at all levels in an effort to ease those constraints and facilitate its operations.

98. *Full closures of the West Bank and Gaza Strip.* Following incidents of violence or as a preventive security measure, the Israeli authorities imposed full closures on the West Bank and/or Gaza Strip on several occasions during the reporting period, lasting for a total of 21 days in the Gaza Strip and 17 days in the West Bank. During full closures, Palestinians holding West Bank and Gaza Strip identity cards, including Agency staff, were prevented from leaving their area of residence and had their permits revoked without notice. Closures were imposed in September 1998 for four days

on the Gaza Strip and three days on the West Bank in connection with the killing of two Palestinians in the Hebron area. On that occasion, standing exit permits in the Gaza Strip were not revoked in connection with the closure, which constituted a departure from the usual practice hitherto applied to the Gaza Strip by the Israeli authorities, and which the Agency had earlier endeavoured to change. The holders of the standing permits, however, were not allowed to leave the Gaza Strip until the closure was lifted. Moreover, closures were imposed as a preventive security measure in connection with Israeli public holidays, accounting for 17 additional days of closure affecting the Gaza Strip and 14 additional days of closure affecting the West Bank. The number of closure days was less than in the previous reporting period.

99. *Curfews and internal closures in the West Bank.* Curfews in the West Bank were imposed by the Israeli authorities on the villages of Burin, Iraq Burin, Madama, Urif and Assira el-Qibliyeh during 4 to 8 August 1998, preventing several staff members from reaching their duty stations. Curfews were also imposed by the Israeli authorities on the H-2 area of Hebron during 22 to 30 August, 30 September to 13 October 1998, 27 and 28 October 1998 and 4 to 11 January 1999, which prevented an Agency school in that area from operating. No internal closures were imposed during the reporting period.

100. *Permits for local staff.* For Palestinians with local residency, including UNRWA staff, travel between the West Bank and the Gaza Strip or entry into Israel from either of those areas continued to be subjected to a permit system imposed by the Israeli authorities. Accordingly, the Agency continued to be required to seek standing or specific-use permits for local staff for the performance of their duties. A significant proportion of applications for standing or specific-use permits for Agency local staff was rejected by the Israeli authorities on unspecified security grounds. There was a decrease in rejections of specific-use permits for staff in Gaza. The number of standing permits granted to Agency staff based in Gaza increased from 34 at mid-1998 to 37 at mid-1999. The number of standing permits granted to Agency staff based in the West Bank increased from 270 at mid-1998 to 275 at mid-1999. Since September 1997, permits issued by the Israeli authorities expressly prohibited staff members with West Bank and Gaza Strip residency from driving a vehicle in Israel. A separate security clearance was thereafter required to allow Agency staff with such residency to drive Agency vehicles in Israel. The measure was protested by the Agency at the highest levels, but the Israeli authorities refused to lift the prohibition on permits issued to all UNRWA staff, offering instead to remove the restriction from a small number of the permits, to be based on a selective, prioritized list provided by the Agency. That number fell far below the Agency's operational requirements. The enforcement of the prohibition resulted in the loss of working hours, and entailed additional expense when staff members were prevented from reaching their duty stations or from travelling on duty. The Agency subsequently submitted a list of staff members for whom driving in Israel was essential for their official duties. The list was submitted under protest and without prejudice to the principle that all UNRWA staff members should be able to enter Israel to perform their duties. As at the end of the reporting period, the Israeli authorities had taken no action to remove the driving prohibition from any permit issued to staff in the West Bank. In contrast, 19 staff members from Gaza had had the prohibition removed from their permits at the close of the reporting period. The permit system, by its nature, complicated and impeded the movement of Agency staff, gave rise to unpredictability, and imposed a cumbersome administrative and financial burden on the Agency, which as a consequence had to maintain an extra administrative apparatus to obtain and renew permits of limited validity for several hundred staff.

101. *Entry to Jerusalem* The majority of standing permits held for UNRWA local staff were held by staff with West Bank residency, to enable them to reach their workplace at Agency facilities located at Jerusalem, in particular the field office, as well as eight schools and two health centres in the Jerusalem area. Following the imposition of closures affecting the West Bank, all permits held by local staff were revoked and subsequently had to be reapplied for and reissued. Attendance of staff at Jerusalem-area facilities was consequently affected, particularly at the field office, where two thirds of local staff held West Bank residency.

102. *Erez checkpoint.* Almost all UNRWA vehicles continued to be subjected to internal and external searches upon every exit from the Gaza Strip through the Erez checkpoint, the principal point of transit between the Gaza Strip and Israel. Search procedures were applied to all vehicles driven by international and local staff, with the exception of those holding diplomatic visas, who numbered 8 out of some 52 international staff stationed in Gaza during the reporting period. It is relevant to recall that in March 1996, the Agency had exceptionally agreed to permit the survey of Agency vehicles driven by international staff exiting the Gaza Strip as a pragmatic and temporary measure in consideration of Israeli security concerns. Those same search procedures had nevertheless remained in force at Erez at the same level throughout the reporting period. The special lane at Erez for VIPs and international organizations and the magnetic cards issued by the Israeli authorities, both aimed at expediting crossings, did not simplify or speed up the search procedures, which continued to result in time-consuming delays for Agency staff.

103. *Allenby Bridge.* There continued to be lengthy delays and search procedures at the Allenby Bridge for international and local staff with West Bank or Gaza residency upon entry from Jordan. As previously reported, in May 1998 the Israeli authorities gave UNRWA drivers with local residency limited access to the bridge terminal environs to collect staff members crossing to and from Amman. However, it was not until October 1998 that UNRWA drivers with local residency were permitted access to the bridge itself. In the period between May and October 1998, staff members with local residency crossing the bridge who were travelling with UNRWA drivers were dependent on public transport between the bridge and the terminal. During the entire reporting period, the authorities continued to restrict the days of the week and hours of the day that such staff could cross the Allenby Bridge from Jordan to the West Bank in transit to the Gaza Strip. With regard to the payment of a tax to the Israeli Bridge Authority for crossings from the West Bank to Jordan, the Israeli authorities granted exemptions for UNRWA officials who crossed the bridge frequently. A list of such officials was submitted to the Israeli authorities during the reporting period. The Israeli authorities subsequently exempted those listed officials, other than staff with local residency, from payment of the tax. All other staff members continued to be required to pay the tax when crossing into Jordan. Furthermore, local staff travelling to Jordan were required to pay an additional tax, ostensibly a fee for an exit permit, to the Israeli or Palestinian authorities, depending on the staff members place of residency. The Agency remained restricted in the number of vehicles it could use to transport international staff across the Allenby Bridge, and in addition was required to provide 24-hour pre-notification for each crossing of an international staff member who did not possess the special crossing card. UNRWA vehicles registered in Jordan with a diplomatic licence plate were denied permission by the Israeli authorities to cross the Allenby Bridge from Jordan, although similarly registered vehicles belonging to other international organizations appeared to face no such impediment. The Agency was therefore limited to using vehicles registered in the Gaza Strip or the West Bank for routine bridge crossings.

104. *International drivers.* Restrictions on the movement of local staff into and out of the Gaza Strip through the Allenby Bridge terminal and on access to Ben Gurion Airport continued to force UNRWA to employ extra international staff as drivers to maintain effective pouch and courier services for its Gaza headquarters and field operations. The Agency incurred significant additional costs in respect of the four international drivers so employed, as compared to the cost of locally recruited drivers.

105. *International staff with local residency.* UNRWA international staff members holding Jerusalem, West Bank or Gaza identity cards continued to be refused diplomatic or service visas by the Israeli authorities. Such staff required permits for travel between the West Bank, the Gaza Strip and Israel. The Agency made repeated representations that, as a matter of principle, all international staff should be accorded equal treatment.

B. Agency services and premises

106. *Provision of services.* In view of the extent of UNRWA operations and the large number of local staff, the ability of the Agency to conduct its activities effectively in the West Bank and in the Gaza Strip continued to be adversely affected by restrictions imposed by the Israeli authorities, citing security grounds, on the movement of Agency staff and vehicles. The range of constraints impeded the provision of services, and gave rise to delays, inefficiencies and additional costs. The effect on operations included delays and additional costs in project implementation; inability of staff to reach their workplace at Agency schools, health centres, training centres, offices etc.; inability of refugee beneficiaries to reach Agency installations; inability of students from Gaza to attend West Bank training centres; delays in the transport of supplies between the West Bank and the Gaza Strip and within the West Bank; and the inability of senior local staff in the West Bank to visit their counterparts in Gaza on official duty and vice versa.

107. *Functioning of headquarters.* The effective functioning of UNRWA headquarters at Gaza continued to be negatively affected by Israeli security-related measures. The unrestricted movement of persons and goods, essential to the managing and coordinating role of a headquarters, was not always possible. Restrictions on travel through the Erez checkpoint and the Allenby Bridge, even in the case of senior Agency staff, caused particular difficulties in that regard.

108. *Import of goods.* The Israeli authorities, upon receipt of 24 hours notice and after security clearance, continued to permit local staff with West Bank or Jerusalem residency to drive Agency trucks into the Gaza Strip. In August 1998, newly purchased and urgently needed vehicles were denied entry into the Gaza Strip by the Israeli authorities at the Erez checkpoint, who insisted that the vehicles should first be registered in Israel. That matter was resolved after exchanges between UNRWA and the Israeli Ministry of Foreign Affairs. With effect from 14 April 1999, the Israeli authorities imposed crossing fees at Karni terminal in the Gaza Strip, without prior consultation, which led to delays and disruption of services. The Agency's view was that the fees in question were in effect a tax, from which Agency operations should be exempted. The matter was being pursued with the Israeli authorities.

109. *Legal advice and assistance.* UNRWA continued to provide legal advice and assistance, in particular for refugees applying for family reunification in the Gaza Strip. The Agency also responded to a large number of requests for confirmation of refugee status from registered refugees and from governmental and non-governmental organizations worldwide.

110. *Incursions into installations.* There was a decrease in the number of incursions into UNRWA premises during the reporting period in the West Bank. Israeli authorities entered Agency installations in the West Bank on two occasions, as compared to eight such incursions in the previous reporting period. In addition, Israeli authorities fired explosive devices into Agency installations in the West Bank on five occasions. On one of those occasions, rubber bullets were fired at an UNRWA school, injuring three children. Those incidents were protested to the Israeli authorities, who were reminded of Israel's obligations in relation to the inviolability of premises of the United Nations. Palestinian authorities entered Agency premises in the West Bank on one occasion and the incident was formally protested to the Palestinian Authority. In the Gaza Strip, there were six incursions by the Palestinian authorities. The Agency protested those incidents to the PA, reminding the PA of its obligations in relation to the inviolability of United Nations premises. No incursions were reported in Jordan, Lebanon or the Syrian Arab Republic.

111. *Inspections of goods.* No difficulties were reported during the period under review.

112. *Diesel tax.* The Agency submitted a formal protest to the Syrian authorities in connection with the levying of a charge payable on diesel vehicles registered on or after 1 January 1990, which in the view of the Agency constituted a direct tax within the meaning of the 1946 Convention on the Privileges and Immunities of the United Nations. Under the convention, UNRWA was exempted from such taxes. The matter was under consideration by UNRWA and the Syrian authorities.

113. *Construction of facilities.* Following lengthy discussions between UNRWA and the Israeli authorities, it was agreed that the Agency could continue with construction of an urgently needed school in the West Bank village of Beit Surik. Works proceeded without incident during the reporting period.

114. *Initiation of proceedings.* UNRWA continued to liaise with the Israeli authorities and the Palestinian Authority, and engaged external legal assistance in connection with criminal and other proceedings against a former staff member regarding misappropriation of funds.

115. *Immunity from legal process.* As previously reported, a staff member had been prosecuted for a serious traffic offence arising out of the performance of his official duties. The Agency continued to pursue the matter with a view to requesting Israel to intervene to set aside the proceedings. However, the trial of the staff member proceeded and at mid-1999 a judgement was expected. The Israeli authorities also refused to intervene to cancel subpoenas issued to a staff member with local residency and an international staff member; both were required to give evidence in a criminal trial about matters arising from their official duties. UNRWA had repeatedly stated its willingness to assist the courts with their task provided that such assistance was in conformity with and not at the expense of the 1946 Convention on Privileges and Immunities of the United Nations. UNRWA would continue to assert the functional immunity of staff members on duty and to request the Government concerned to intervene on its behalf.

116. *Reimbursement of VAT and other charges.* By the close of the reporting period, UNRWA had only received very limited partial reimbursement from the Palestinian Authority in respect of value added tax paid by the Agency, and had not been reimbursed in respect of port and related charges incurred by the Agency for supplies destined for the West Bank and Gaza Strip, claimed from the Palestinian Authority in accordance with the applicable agreements between UNRWA and the Palestine Liberation Organization and between UNRWA and the Palestinian Authority. The total amounts outstanding at 30 June 1999 were \$17.2 million in respect of value added tax and \$3.8 million in respect of port and related charges.

C. Claims against Governments

117. UNRWA regretted that no progress had been made with regard to its various other outstanding claims against Governments.

Chapter V

Jordan

A. Education

118. *Elementary and preparatory schooling.* In the 1998/99 school year, the 198 UNRWA schools in Jordan accommodated 141,214 pupils in the six-year elementary cycle and four-year preparatory cycle, a decrease of 1,993 pupils (1.4 per cent) compared with the preceding school year. The decrease in enrolment, for the fifth consecutive year, was due to several reasons, such as the movement of refugee families from Jordan to the West Bank and Gaza Strip; the transfer of refugee pupils from UNRWA schools to the newly constructed government schools next to refugee camps; the shorter school week in government schools (five days as compared to six in UNRWA schools); and the predominance of single rather than double shifts in government schools. One new factor which may have negatively affected enrolment in UNRWA schools was the appointment of teachers on a daily-paid basis, which affected the quality of new teacher recruitment and which may have influenced parents in their choice.

119. *Education infrastructure.* Some 93 per cent of UNRWA school buildings were still operating on a double shift basis, and 21.7 per cent of schools were accommodated in unsatisfactory rented buildings with very small rooms. The average classroom occupancy rate was just over 41 pupils per classroom. The poor physical condition of many UNRWA school premises in Jordan continued to be of concern to the Agency. Of note were the 33 school buildings constructed in the 1950s and 1960s and the 24 unsatisfactory rented buildings, which together accounted for 54 per cent of the 106 school premises used by the Agency in the Jordan field. With project funds, construction commenced on two school buildings to replace five unsatisfactory premises at Irbid camp. Construction was also completed on five toilet blocks, 12 water reservoirs and two canteens. The Agency continued to seek funding to replace two rented premises at Wadi el-Rayyan, and to build and equip computer rooms in schools to meet the Jordanian curriculums computer science requirement for the tenth grade. Despite generous contributions during the reporting period, 90 per cent of tenth-grade pupils still had to utilize underequipped computer rooms.

120. *Special education.* A special education project continued to provide children who had learning difficulties with opportunities for mainstreaming in the elementary cycle. Some 59 deaf and seven blind pupils were mainstreamed in 18 schools. Some 600 low achievers and slow learning pupils benefited from the eight slow learners centres, and 420 pupils benefited from 16 remedial classes during the school year 1998/99. Additional donor funding was needed to allow those programmes to continue.

121. *Vocational and technical training.* A total of 1,255 trainees, including 502 women, were accommodated in 16 trade courses and 12 technical/semi-professional courses at Amman and Wadi Seer training centres during the 1998/99 school year. Technical/semi-professional trainees maintained excellent results in the comprehensive examination administered by the Jordanian Ministry of Higher Education for community colleges in July 1998, attaining pass rates of 95 per cent at the Amman training centre (ATC) and 94 per cent at Wadi Seer training centre (WSTC), compared to the national average in corresponding subjects of 61 per cent. One new computer centre was established at WSTC, and another computer centre was under construction at ATC. Two staff members were trained in the United States to run those centres.

122. *Education sciences faculty.* The ESF at the Amman training centre provided in-service training to 659 UNRWA teachers, including 305 women, and pre-service teacher education to 377 secondary school graduates, including 320 women. During the reporting period, 206 teachers graduated from the in-service programme in August 1998 and January 1999, and 86 students graduated from the pre-service programme, all of whom were awarded an accredited bachelors degree in education.

123. *University scholarships.* In 1998/99, 216 scholarships, 80 of which were held by women, continued from previous years.

B. Health

124. *Primary care.* UNRWA health care for Palestine refugees was delivered through 23 primary health-care facilities, of which all provided family planning services, 21 contained laboratories, 17 provided special care for non-communicable diseases, and one operated radiology and physiotherapy units. Dental care was offered at 14 facilities, in addition to three mobile dental units, which provided school and community oral health care. Specialist care comprising gynaecology and obstetrics, internal medicine, cardiology and ophthalmology was provided through a weekly rotating schedule, whereby pre-screened patients were referred by medical officers for further assessment and management by specialists. Many refugees in Jordan availed themselves of more easily accessible government primary health-care services.

125. *Secondary care.* Assistance towards secondary care was provided entirely through a reimbursement scheme, which partially covered medical expenses incurred by refugees for treatment at government hospitals. Expenditure on the reimbursement scheme fell to unprecedented levels because the overload at government hospitals made them largely inaccessible to those in need of services. As a result of the discontinuation of reimbursement for treatment at private hospitals as of August 1996, the Agency could no longer extend any assistance towards life-saving treatment, such as for high-risk pregnancies and in genuine medical emergencies, to patients who could neither be admitted to government hospitals nor afford

the cost of private sector hospitals.

126. *Cooperation with the Jordanian Government.* The long-standing cooperation between UNRWA and the Ministry of Health continued to cover a wide range of public health activities, including immunization, family health, surveillance of communicable diseases, development of human resources, quality assurance of essential drugs, participation in national health surveys and in-kind donation of hepatitis B vaccine.

127. *Cooperation with NGOs.* The Agency maintained close cooperation with the National Population Committee and the Jordanian Family Planning Association on reproductive health activities. A memorandum of understanding was signed between the Agency and the French NGO Médecins du monde, which started a project to construct three primary health-care facilities at Aqaba, Baqaa and Jerash with the aim of providing complementary health care and longer working hours. The memorandum outlined the practical modalities of cooperation to avoid duplication or overlap.

128. *Health infrastructure.* Work was completed on a project to replace the central field pharmacy and upgrade its cold-storage facilities. The Agency made new rental arrangements for the replacement of two unsatisfactory rented primary health-care facilities, and was seeking funds for the replacement of three unsatisfactory rented health facilities in the Jordan Valley.

C. Relief and social services

129. *Refugee registration.* At 30 June 1999, the number of Palestine refugees registered with UNRWA in Jordan stood at 1,512,742, an increase of 3.4 per cent over the 30 June 1998 figure of 1.46 million. The rate of increase reflected estimated population growth. The refugee community in Jordan was the largest of any field, accounting for 41.7 per cent of all registered refugees.

130. *Special hardship programme.* Jordan continued to have the lowest percentage of refugees enrolled in the special hardship programme 2.6 per cent as compared to the Agency-wide average of 5.6 per cent. That relatively low percentage was attributable in part to better living conditions for Palestine refugees in Jordan by virtue of their access, as Jordanian citizens, to certain government services. There was a 3.5 per cent increase in the number of SHCs registered in Jordan, from 37,542 at 30 June 1998 to 38,858 at 30 June 1999.

131. *Shelter rehabilitation.* UNRWA rehabilitated the shelters of 42 families during the reporting period with project funding. There were 311 shelters on the waiting list.

132. *Poverty alleviation.* Some 31 SHC families who had established microenterprises with financial and technical assistance from UNRWA achieved a regular income sufficient to remove them from UNRWA's ration rolls. In Jordan, women were the target beneficiaries of the three subprogrammes solidarity groups, community banking and production units which were administered through WPCs. Six group-guaranteed savings/credit programmes operated as community banks in camps. In coordination with an international NGO and a donor, UNRWA established a permaculture project at Husn Camp, linked to a group-guaranteed loan scheme. The scheme provided microcredit loans to some 38 women who used permaculture methods and techniques.

133. *Women in development.* All 21 WPCs in Jordan were operating on a community management basis. Activities included income generation, skills-training, cultural programmes, and campaigns on women's legal rights, general health issues and family matters. Five WPCs (at Amman New Camp, Aqaba, Jebel El Hussein, Jerash and Zarqa) generated sufficient income to become independent of external financial sources. The two legal advice bureaux at Jebel El Hussein and Wihdat continued to provide advice to women and spread legal literacy among the local community. A new project on parental guidance was begun in the refugee camps, in coordination with UNICEF and in parallel with a national Jordanian government programme.

Agency staff and local refugee committees implemented the project after receiving professional and technical training from UNICEF.

134. *Community rehabilitation.* Work continued during the reporting period on the implementation of a strategy to transform CRCs into local resource and referral centres while strengthening community-based services. The higher coordination committee of the community rehabilitation programme, UNRWA and an Italian NGO worked together at Zarqa camp to establish the tenth community rehabilitation programme in Jordan.

135. *Income generation.* In June 1999, UNRWA finalized a new agreement with a Jordanian bank to administer its income generation programme. The new rates of interest secured by UNRWA would cover the overhead costs of the programme and allow for expansion.

Chapter VI

Lebanon

A. Education

136. *Elementary and preparatory schooling.* In the 1998/99 school year, the 73 UNRWA pre-secondary schools in Lebanon accommodated 39,445 pupils in the six-year elementary and three-year preparatory cycles, an increase of 969 pupils (2.5 per cent) over the preceding year. That was due to natural growth in the refugee population as well as the transfer of some refugee children from tuition-based private schools to free Agency schools. In the annual Brevet examination for students at the fourth preparatory level, held in July 1998, Agency pupils attained an average pass rate of 57.4 per cent, compared to 53 per cent in the 1997/98 school year.

137. *Secondary schooling.* Lebanon remained the only field in which UNRWA offered secondary-level education to address the problem of restricted access for Palestine refugees to government schools and the prohibitively high cost of private schools. There were three secondary schools, the Galilee school at Burj El Barajneh, Bissan school at Ein El Hilweh, and Al Aqsa school in Rashidieh. The Galilee school accommodated 476 students in grades 10, 11 and 12, exceeding its capacity of 300 and necessitating the operation of the school on a double shift basis pending the completion of new premises. Bissan school accommodated 477 pupils in grades 10 and 11. Al Aqsa school accommodated 412 students in grades 10, 11 and 12 in old premises at Rashidieh camp, pending completion of new ones. A total of 1,367 secondary school pupils were enrolled during the 1998/99 school year. The Galilee schools pass rate in the official general secondary examination was 88 per cent compared to the previous years 82 per cent. The result was excellent compared to the national average result (72 per cent) in private and official schools. Students at the other two secondary schools did not sit the examination during the reporting period since those schools were not yet fully operational. The Agency continued to seek funding to meet the cost of secondary education for Palestine refugees in Lebanon.

138. *Education infrastructure.* Construction was in progress on four school buildings, two in the central Lebanon area and two in Ein El Hilweh camp, with donor funding. Funds were received to replace one other dilapidated school Nimrin in El Buss, Tyre and the secondary school at Rashidieh camp. The two school buildings in central Lebanon would accommodate secondary school pupils and female students from preparatory schools. The greater capacity of the new buildings would enable the Agency to reduce staff costs in those schools and use the savings to cover staff costs in other schools. New premises in the Saida and Tyre areas would enable the Agency to avoid triple shifting, save yearly maintenance costs on the old premises and improve the educational environment of the schools. A high proportion (42 per cent) of schools in Lebanon were housed in unsatisfactory rented premises. The small rooms in rented buildings kept the occupancy rate relatively low (40 pupils) but conditions remained cramped. The Agency was concerned about the possible financial implications of a rent law promulgated in the previous reporting period, which if fully applied to UNRWA could lead to dramatic increases in rents paid by the Agency, particularly for schools.

139. *Special education.* In 1998/99, lack of funding meant that the special education programme in Lebanon, which was previously funded through project contributions, could no longer provide children with learning difficulties with special help to enable them to participate in the Agency's mainstream education programme. Three special education centres at the Beddawi, Ein El Hilweh and Nahr El Bared school compounds were integrated into normal classes. Efforts were ongoing to find a donor to fund the project in future years.

140. *Vocational and technical education.* The Sibilin training centre (STC) provided vocational and technical training to 607 trainees, of whom 118 were women, in 13 trade and six technical/semi-professional courses. A survey of the centres 1997 graduates revealed that 73.5 per cent were employed by 1998 despite the problems facing

Palestine refugees in securing employment in Lebanon. Equipment in the centres four workshops was upgraded during the reporting period with project funds. Two computer centres were established and two staff members trained in the United States to run the centres.

141. *Pre-service teacher training.* Owing to difficulties in recruiting qualified elementary teachers, UNRWA reinstated a two-year pre-service teacher training course at Sibilin training centre, which had last been offered in 1982. Total enrolment during the reporting period was 103, including 72 women. Utilizing a curriculum designed by UNRWA, students would graduate from the course with an accredited diploma in classroom teaching in the lower elementary cycle.

142. *Kindergartens.* The four French-language kindergartens funded by a donor continued to operate, with an enrolment of 247 children in the 1998/99 school year.

143. *University scholarships.* In 1998/99, 106 scholarships, 37 of which were obtained by women, continued from previous years.

B. Health

144. *Primary care.* UNRWA remained the main provider of health care for the 370,000 refugees registered in Lebanon. Access to public sector services was restricted by a public health infrastructure that was still developing, and refugees were for the most part unable to afford the high cost of private care. Agency services were provided through 25 primary health-care facilities, all with family planning services, of which 24 offered special care for the management of diabetes mellitus and hypertension, 17 provided dental care, 15 contained laboratories, three had X-ray facilities, and 15 offered specialist care in cardiology, obstetrics and gynaecology, paediatrics, ophthalmology, and treatment of ear, nose and throat diseases.

145. *Secondary care.* Hospital care was provided to refugees in Lebanon through contractual arrangements with 14 private general, mental and tuberculosis hospitals. Steadily rising costs and the wide gap between the minimum needs of the refugee population and UNRWA's available resources made the provision of sufficient hospital care a priority health concern in the field. Extrabudgetary contributions received under the Lebanon Appeal (see para. 74 above) made it possible to maintain hospitalization services and cover the cost of additional medical supplies in 1998. With project funds, the Agency also provided assistance towards the cost of hospital deliveries for pregnant women at risk. Continuation of extrabudgetary support for hospitalization in Lebanon was essential to avoid a reduction in services. Owing to especially difficult socio-economic conditions, refugees in Lebanon remained exempt from the co-payment system in place in other fields, although co-payments were required for specialized life-saving treatment. It became evident during the reporting period that services could not be maintained in 1999 within the limited funds allocated from the Agency's regular budget. In order to maintain services at current levels, the Agency sought other economical options. Following a thorough assessment of the standards of care and facilities available at the Palestine Red Crescent Society hospitals, beds were redeployed from private sector hospitals to four PRCS hospitals in the Beqaa, central Lebanon area, Saida and Tripoli at more competitive rates, with effect from February 1999. Having been rehabilitated and upgraded to acceptable standards, those hospitals provided a more accessible environment for the treatment of refugees. At the same time, provision was made to continue to contract beds at private hospitals for the treatment of cases requiring standards of care and facilities not readily available at PRCS hospitals. The efficiency gains achieved as a result of that arrangement would help to reduce the deficit in the hospitalization budget. However, by mid-1999, additional contributions were still needed to maintain services at 1998 levels. In March 1999, representatives of UNRWA and the Governments of Canada and Italy convened a tripartite meeting at Beirut to consider ways to improve access to hospital services as well as to ensure stable financing and sustainability of services. The three parties agreed that the Agency would continue to act as the principal

purchaser of hospital services, and that additional financial support should be sought from donors for a three-year period at approximately \$3.6 million per year, covering direct hospitalization costs and other supporting strategies.

146. *Health infrastructure.* The construction of a polyclinic at Beirut and the replacement of the unsatisfactory health centre at Rashidieh camp were progressing well, and were expected to be completed in mid-1999.

147. *Cooperation with the Lebanese Government* UNRWA participated in national immunization days for the eradication of poliomyelitis in Lebanon in accordance with the WHO regional strategy, using vaccines donated by UNICEF. A memorandum of agreement was signed between the Agency and the national tuberculosis control programme to coordinate all aspects pertaining to implementation of the WHO directly observed short-course treatment strategy, including epidemiological surveillance, management and follow-up. The national thalassaemia association continued to provide support towards the treatment of refugee children suffering from that congenital disease.

148. *Environmental health infrastructure.* Although detailed feasibility studies and technical designs had been completed, contracts for the supervision and construction of water, sewerage and drainage systems in eight refugee camps had still not been awarded since they were under review by the donor for the second consecutive year. It was estimated that an additional \$7 million was needed on top of the \$9 million provisionally pledged to implement the works. The installation of a water supply system at Dbayeh camp, the construction of sewer lines and the rehabilitation of roads at Mieh-Mieh camp were completed. As part of the Agency's endeavours to attain optimal hygienic conditions in refugee camps and achieve cost-efficiency gains, compactor trucks, small dumpers and matching containers were purchased through a special contribution. That equipment would help to introduce an integrated solid waste system through full mechanization of refuse collection and disposal.

C. Relief and social services

149. *Refugee registration.* At 30 June 1999, the number of Palestine refugees registered with UNRWA stood at 370,144, an increase of 1.5 per cent over the 30 June 1998 figure of 364,551. The rate of increase reflected population growth.

150. *Special hardship programme.* The number of refugees enrolled in the special hardship programme increased from 37,669 at 30 June 1998 to 39,258 at 30 June 1999, representing 10.6 per cent of the registered refugee population. There was little or no improvement in the socio-economic situation of the refugees during the reporting period. Employment and income-earning opportunities remained scarce and competition for jobs was fierce. In some locations in Lebanon, the number of applicants for special hardship assistance had almost doubled. Many were turned away because they did not meet the strict eligibility criteria for admission to the programme. Nevertheless, the proportion of SHC beneficiaries compared to the total registered population remained the highest in Lebanon compared to other fields. Food support continued in cash and in kind. Chickpeas and lentils distributed exclusively in Lebanon, in addition to the other basic ration components, maintained the nutritional value of in-kind food support at 1,800 calories per person per day.

151. *Shelter rehabilitation.* The cut in the General Fund budget for shelter rehabilitation was offset by special contributions from three major donors. In the first quarter of 1999, 692 families living inside camps inhabited shelters which failed to meet minimum standards. In all, 101 shelters of SHC families were rehabilitated during the reporting period. UNRWA faced difficulties in the Tyre area when clearance for contractors to bring in building materials for shelter rehabilitation was not granted by the Lebanese authorities. Earlier difficulties in previous years in implementing shelter rehabilitation at Dbayeh camp were overcome, and the Agency was able to carry out repairs to 16 shelters in the camp during the reporting period.

152. *Poverty alleviation.* Soft loans averaging \$4,000 each were issued to 20 families to establish microenterprises, while 15 families were able to attain an income sufficient to be removed from the SHC rolls by mid-1999. Mini-loans ranging from \$500 to \$3,000 were awarded from a revolving fund to 44 poor families to enable them to become self-sufficient. As part of UNRWA's efforts to diversify poverty alleviation initiatives, skills training was provided to 38 young men and women school drop-outs, who were enrolled in the special hardship assistance programme. The courses, in marketable skills, such as welding, maintenance of air-conditioners and electric appliances, block and brick layering, and tile-setting, were conducted at Siblin training centre.

153. *Women in development.* A total of 2,204 participants were enrolled in 12 training courses conducted at the nine WPCs during the reporting period. Recreational and cultural activities were offered in addition to initiatives to raise women's awareness of legal, social, health and gender issues. Pre-school classes were established on a community-run basis at Sabra WPC. Group guaranteed lending schemes were launched at Beddawi and Burj El Barajneh WPCs. A total of \$21,500 was distributed among 65 women. Efforts continued to enhance the financial and administrative sustainability of the WPCs, all of which were under full community management.

154. *Community rehabilitation.* Close coordination continued with the local forum of non-governmental organizations, which provided services to disabled Palestine refugees. That coordination included the enhancement of community-based rehabilitation services; the referral of disabled persons to appropriate medical and rehabilitation services; cost-sharing for prosthetic devices given to needy disabled refugees; the training of workers in a community-based rehabilitation approach; the specialized technical training of social workers and volunteers; summer camps for the disabled; and other recreational activities. In the absence of adequate community-based rehabilitation services in some camps, UNRWA continued to sponsor 50 disabled children at specialized institutions in addition to the 56 disabled children enrolled at Nahr El Bared community rehabilitation centre. Construction of a two-storey building in Nahr El Bared camp to accommodate a new CRC and a youth centre was completed; the centres were managed and run by local committees with support from UNRWA and non-governmental organizations. A pilot donor-funded project to place children with visual impairment in mainstream education continued with a large measure of success at Al Mintar School in Ein El Hilweh camp.

155. *Income generation.* UNRWA awarded 30 loans valued at \$199,000 during the reporting period. With a capital base of \$350,500, the total number of loans issued as at end June 1999 was 200, at a total value of \$1,188,650, creating 485 jobs. The repayment rate was 99 per cent.

Chapter VII

Syrian Arab Republic

A. Education

156. *Elementary and preparatory schooling.* In the 1998/99 school year, the 110 UNRWA schools in the Syrian Arab Republic accommodated 64,854 pupils in the six-year elementary and three-year preparatory cycles, an increase of 804 pupils (1.3 per cent) over the previous year. The high pass rate (93.3 per cent) of UNRWA students in the 1998 annual government examination for third preparatory year pupils may be attributed in part to the monitoring and control system adopted by UNRWA in the Syrian Arab Republic. That system was based on continuous evaluation and diagnosis of student weaknesses, together with the development of remedial work during the school year.

157. *Education infrastructure.* Some 94 per cent of schools were working on a double shift basis, and 8.2 per cent were housed in unsatisfactory rented school buildings. The average classroom occupancy rate was almost 45 pupils. A new school building at El Mezzeh was completed, replacing unsatisfactory rented premises. Construction of two other schools was under way. UNRWA continued to seek project funding to replace 11 unsatisfactory school buildings.

158. *Vocational and technical training.* The Damascus training centre (DTC) accommodated 795 trainees, of whom 166 were women. Trainees were enrolled in 13 trade and seven technical/semi-professional courses. With project funds, the upgrading and equipping of carpentry and furniture-making workshops and two computer laboratories was completed. To meet local market demands, plans were completed in September 1998 to upgrade the electronics course into electronic control and computer applications. Education staff attended a fellowship programme in Japan. A new computer centre was established at DTC, and one staff member was trained in the United States to run it.

159. *University scholarships.* In 1998/99, 209 scholars, 68 of whom were women, continued their studies from previous years.

B. Health

160. *Primary care.* Health care was provided to Palestine refugees in the Syrian Arab Republic through the Agency's network of 23 health centres, all of which provided comprehensive medical care, including MCH and family planning services, and specialist care for diabetes mellitus and hypertension. Of those facilities, 19 accommodated laboratories and 12 offered dental services, supported by school oral health services through a mobile dental unit.

161. *Secondary care.* Hospital services were provided through contractual agreements with eight private hospitals, based on official government rates. As no additional allocations could be made available in 1999 to maintain essential hospital services, strict controls on referrals and duration of stay remained in force, and a partial redeployment of beds was made from private sector hospitals to less expensive NGO hospitals.

162. *Cooperation with the Syrian Government* The long-standing cooperation and coordination between UNRWA and the Syrian Ministry of Health continued, especially in the areas of disease surveillance and control, and national immunization campaigns against poliomyelitis. The Ministry continued to meet the Agency's requirements of hepatitis B vaccine through in-kind donations. In the context of the WHO/UNICEF strategy for the elimination of measles by the year 2010, the Ministry of Health conducted a national measles/rubella immunization campaign in October and November 1998. The Agency participated by vaccinating almost 60,000 children aged nine months to 15 years. A memorandum of understanding was concluded with the national tuberculosis programme to coordinate disease surveillance and control activities based on the WHO directly observed short-course strategy. Refugee children suffering from thalassaemia continued to be treated through the national thalassaemia control programme.

163. *Environmental health.* Replacement of the old internal sewerage system at Neirab camp was completed in September 1998. A special contribution was made available to connect Khan Danoun camp to the nearby municipal sewerage system.

C. Relief and social services

164. *Refugee registration.* At 30 June 1999, the number of Palestine refugees registered with UNRWA in the Syrian Arab Republic stood at 374,521, an increase of 2.4 per cent over the 30 June 1998 figure of 365,805. The rate of increase reflected population growth.

165. *Special hardship programme.* The number of SHCs increased by 4.6 per cent, from 23,794 persons on June 1998 to 24,891 by June 1999. The withdrawal of the selective cash assistance programme left many impoverished refugee families unassisted in emergency situations, including those affected by fire damage to shelters. Social workers were, as in other fields, managing high case-loads. For example, the average workload of a social worker was 340 cases per year instead of the recommended 250. The second half of 1998 was characterized by delays in the receipt of funds for cash subsidies for SHC families, which in turn delayed the fourth distribution cycle.

166. *Shelter rehabilitation.* With extrabudgetary funding, UNRWA rehabilitated 37 shelters for SHC families, some on a self-help basis, for which families participated in the design and rehabilitation, and the rest through camp-based contractors. The cost-effectiveness of the self-help

approach was clear: with the same amount of funds, 28 shelters were rehabilitated for the cost of nine shelters using contractors. Subject to availability of funds, 100 other shelters were identified for rehabilitation. Funding for the replacement of the barrack shelters of Neirab Camp, which were hazardous to health and safety, was being sought.

167. *Poverty alleviation.* During the reporting period, 10 new groups were added to the existing group-guaranteed lending schemes, bringing the total number to 62 groups comprising 790 persons; 29 individual loans were made to establish and/or develop small enterprises in the industrial, agricultural, and medical service sectors. Loans were also given to the WPCs to establish computer-training units, which would help the centres to finance part of their annual operating budget. A special case study was carried out by social workers on SHC families whose rations were due to be cut; the study would help to identify those SHCs who could qualify for a loan to establish a business to alleviate financial problems.

168. *Women in development.* Intensive efforts were made to empower women in the family and the community. Counselling, health education, library services, English language courses, literacy courses, community environmental activities, and social and recreational activities were all offered through WPCs. During the reporting period, 2,000 men and women graduated from a wide variety of skills-training courses. WPCs participated in several fund-raising exhibitions of embroidered products. Three libraries, to be run by WPC members, were established with donor funding at Hama, Latakia and Yarmouk camps. The 11 kindergartens annexed to WPCs provided pre-elementary school services to more than 600 children aged 3 to 5 years. Income from those kindergartens covered the running costs of both the kindergartens and the WPCs, including the salaries of 50 supervisors. Summer clubs at the WPCs accepted over 400 children during the reporting period.

169. *Community rehabilitation.* UNRWA conducted training courses, which were attended by volunteer rehabilitation workers, parents of disabled children and social workers, on methods of teaching mentally retarded children. Other training opportunities included English language instruction, a workshop on establishing small businesses, and a two-week handicraft training course that focused on teaching women with disabilities techniques to improve design, production and marketing skills. A donor funded the reconstruction of Homs community rehabilitation centre and training for the centres management committee. In coordination with an international NGO, a comprehensive survey of disabled persons in Palestine refugee camps began at Deraa, Hama and Homs; the survey aimed to identify the needs of the disabled, and to set up special plans and programmes which would enable them to achieve social integration. A summer camp for 110 orphans and disabled children was held in 1998. Hearing aids, wheel chairs and prosthetic devices were provided by the Agency to 56 persons with disabilities.

Chapter VIII

West Bank

A. Education

170. *Elementary and preparatory schooling.* UNRWA operated 98 schools in the West Bank, 36 for boys, 46 for girls and 16 co-educational. The schools accommodated 51,944 pupils, 43.5 per cent boys and 56.5 per cent girls. Enrolment in 1998/99 increased by 3.9 per cent over 1997/98. The number of schools in 1998/99 decreased by one compared to 1997/98 because two boys schools at Amari camp were amalgamated into one newly constructed school.

171. *Education infrastructure.* With project funding, UNRWA began the construction of five schools to replace unsatisfactory premises. By the end of June 1999, two had been completed and three were under construction. Six classrooms and two toilet blocks were also completed, and six classrooms were under construction. Beit Surik school was expected to be completed by the beginning of the 1999/2000 school year. UNRWA continued to experience difficulty in obtaining suitable sites for school buildings. Agency schools in the West Bank had the lowest average classroom occupancy rate (38.4 pupils) of any field as a result of the high proportion of schools accommodated in rented premises (20.4 per cent) or located outside camps or in remote areas. Schools in camps remained overcrowded.

172. *Vocational and technical training.* The three UNRWA vocational and technical training centres in the West Bank Ramallah women's training centre (RWTC), Ramallah men's training centre (RMTC), and Kalandia training centre (KTC) accommodated 1,154 trainees during the 1998/99 school year, of whom 498 were women. The three centres offered 16 trade and 19 technical/semi-professional courses. Graduating UNRWA trainees attained a pass rate of 85.6 per cent in the 1998 comprehensive examination held by the PA Ministry of Higher Education, as compared to 87 per cent in 1997. A survey of the 1997 graduates revealed that 91 per cent had been employed by December 1998. In cooperation with the Palestinian Authority, 12 short-term courses of one to 40 weeks duration were offered at KTC to train 203 trainees and 23 staff members in computer skills, building techniques, aluminium fabrication, first aid and the Hebrew and English languages. The principal of the KTC attended a fellowship programme in Japan. RWTC continued to offer a 40-week course for executive secretaries, in which 20 students were enrolled. UNRWA sponsored 25 refugee students in various trade courses at a private training institute. New computer centres were established at both RWTC and RMTC, and four staff members were trained in the United States to run them.

173. *Educational sciences faculty.* The two ESFs at RMTC and RWTC accommodated 503 students, of whom 315 were women, in a four-year pre-service teacher training programme at the post-secondary level. Enrolment fell 16.16 per cent short of the capacity of 600 training places, due to the inability of students from Gaza to obtain travel permits from the Israeli authorities. A total of 99 students, including 61 women, graduated from the two ESFs in July 1998. The Agency decided not to introduce in-service training at the ESFs in the West Bank owing to movement restrictions which had prevented teachers from participating, and because the Palestinian Authority had not yet introduced an in-service programme to upgrade its teachers to the first university degree level. However, 201 Agency teachers were enrolled in programmes at local universities to upgrade their qualifications to the first or second university degree levels.

174. *University scholarships.* In 1998/99, 129 scholarships, 74 of which were held by women, continued from previous years.

175. *Operational constraints.* UNRWA's education programme continued to be disrupted by restrictions imposed by Israeli authorities who cited security grounds. Those restrictions affected freedom of movement, though to a lesser degree than in the previous reporting period. On several occasions, closures prevented Agency trainees, teachers and other education staff from reaching their place of work or training. The education programme was severely disrupted by shortages in teaching staff. Staff with West Bank identity cards occasionally faced difficulties in reaching the eight Agency schools in Jerusalem, especially during internal closures. However, the disruptions were not significant enough to warrant extension of the school year.

B. Health

176. *Primary care.* Comprehensive primary health care was delivered to Palestine refugees in the West Bank through the Agency's network of 34 primary health care facilities, all of which offered family planning services and specialist care for the management of diabetes mellitus and hypertension, in addition to the full range of preventive and curative medical care services. Of those facilities, 25 accommodated laboratories and 20 provided dental care, supported by a mobile dental unit for community oral health services. Six centres had X-ray facilities and six provided physiotherapy services.

177. *Secondary care.* In-patient care was provided through contractual arrangements with Augusta Victoria Hospital at Jerusalem, St. Johns Ophthalmic Hospital and seven other NGO hospitals in the West Bank, as well as directly by the Agency at its 43-bed hospital at Qalqilia. Partial reimbursement was also provided for expenses incurred by refugee patients at Maqassed Hospital at Jerusalem and at King Hussein Medical Centre in Jordan for specialized care not readily available at the contracted hospitals, such as cardiac surgery. The Agency also reimbursed insurance premiums to cover cancer treatment for refugees holding West Bank identity cards. The level of co-payment for the cost of treatment stood at 25 per cent at contracted hospitals and 30 per cent through the reimbursement scheme. The Agency continued to pursue cost-efficiency by strictly controlling referrals to NGO hospitals in Jerusalem, reducing reliance on expensive Israeli hospitals for tertiary care, and introducing a system of payment based on fee-for-procedure instead of bed/day fees. The Qalqilia population, which had previously been a model of community participation, refused to make any contributions towards the cost of their treatment at UNRWA's hospital in the town from March 1998 onwards. Faced with rising hospitalization costs and a financial deficit, the Agency maintained close contact with the Palestinian Authority in order to reintroduce the system of co-payment in place elsewhere in the West Bank. The Ministry of Health offered to compensate the Agency through in-kind donations of medicines and other items, but owing to a shortage of supplies, that alternative arrangement could not be implemented. Against that background, the project to construct and equip a 20-bed paediatric ward, radiology and physical rehabilitation units and a nursing dormitory remained frozen since such expansion would place an additional burden on the Agency's scarce resources, and could compromise standards of care at the hospital.

178. *Operational constraints.* UNRWA's health programme continued to face serious difficulties in the West Bank as a result of closures and movement restrictions imposed by the Israeli authorities, who cited security grounds, including limits on the number of travel permits issued to staff and Agency vehicles. Prolonged closures of and within the West Bank prevented staff from reaching their workplace and restricted patient access to hospitals in Jerusalem. Similarly, sanitation services were disrupted in some instances because garbage trucks could not reach the camps. Restrictions on travel between the West Bank and Gaza Strip made coordination and information exchange difficult.

179. *Disease outbreak.* A serious outbreak of diarrhoeal disease occurred at Camp No.1, Nablus area, in the last week of August 1998, affecting mainly children below 15. The Agency mobilized health teams to treat patients, raise public awareness and take appropriate preventive and control measures. The source of infection was cross-contamination between camp sewers and the corroded water network. The outbreak subsided early in September, following repairs to the camps infrastructure. In total, 954 children were affected, with no fatalities.

180. *Joint infrastructure projects.* The construction of a public health laboratory at Ramallah, planned in cooperation with the Palestinian Authority, was in progress and would, once operational, serve as a referral facility for the full range of biochemical and bacteriological tests as well as for water and food safety.

C. Relief and social services

181. *Refugee registration.* At 30 June 1999, the number of Palestine refugees registered with UNRWA stood at 569,741 an increase of 2.7 per cent over the 30 June 1998 figure of 555,057. The small increase, which was less than the estimated rate of natural population growth, reflected a tendency among parents to delay registration of newborn children or not to register them.

182. *Special hardship programme.* Enrolment in the special hardship programme decreased slightly from 30,487 at 30 June 1998 to 30,393 at 30 June 1999, which represented 5.3 per cent of the registered refugee population in the West Bank. UNRWA adopted an integrated approach to the needs of SHC families, aiming to address not only food and shelter requirements but also the problems which frequently underlay and compounded family poverty. As a result, 76 male and female children of special hardship families returned to school, 59 drug addicts committed themselves to regular treatment, 30 SHC women joined literacy classes, and 403 SHC women sought advice on family planning at health centres.

183. *Shelter rehabilitation.* With project funding and technical assistance from the Agency, 92 poor families improved the condition of their shelters through a self-help approach. A great demand for shelter rehabilitation existed among the special hardship families and other disadvantaged refugee families who lived in sub-standard housing.

184. *Emergency assistance.* In July 1998, 11 Bedouin families (75 persons) were provided with emergency assistance consisting of food, blankets and tents after being evicted in connection with the extension of Israeli settlements near Jerusalem. Similar emergency assistance was also provided

to 12 families (80 persons) whose shelters were damaged by fires during the reporting period.

185. *Youth activities.* The 18 youth activity centres in the West Bank organized a busy schedule of sports, recreational and educational activities for refugee youths. In coordination with local schools, remedial and supplementary classes for weaker pupils were held at some centres. Scouting expeditions and summer and winter camps for children were organized in association with Palestinian Authority ministries and non-governmental organizations. Youth committees participated in traditional reconciliation processes for inter-family disputes and undertook community service, including tree planting, clean-up campaigns and road repairs. YACs organized lectures on civil rights and meetings between camp residents and members of the Palestinian Legislative Council and the Palestinian Authority on problems facing the camp and other issues. All centres carried out awareness campaigns on HIV/AIDS. Kalandia YAC worked to reduce problems of stone-throwing and vandalism in the camp. The Union of YACs, together with the Union of WPCs, began implementing a project entitled Oral history of Palestine refugees, in coordination with a local and an international NGO. UNRWA organized management, leadership, and capacity-building training for some centres, and assisted others in developing proposals for income-generation and infrastructure projects.

186. *Women in development.* During the reporting period, the women's programme centres in the West Bank finalized bye-laws and completed the necessary arrangements, including application for registration with the Palestinian authorities, for the establishment of a WPC union. The WPCs represented the only venue for women's activities in refugee camps; they aimed to strengthen the role of women in their families and in the development of the local community. WPCs provided support services to working women through kindergartens, nurseries and child day-care facilities. Skills-training courses run at WPCs provided income for the centres. An average of 75 employment opportunities were made available annually to women at each centre, in addition to more than 200 home-working opportunities. Awareness-raising in development and social issues was organized by all the centres, in particular on HIV/AIDS. Other topics included women's and civil rights, disability detection and prevention, early and inter-family marriage, pregnancy, child-care, first-aid, family planning and environmental conservation. A wide variety of social, cultural and recreational activities were organized for women and female children. UNRWA provided training on the theme Start your own business to managing committees in nine camps, and assisted WPC committees in developing income-generation proposals. Strengthening democratic processes in the WPCs was a key UNRWA objective. By 30 June 1999, seven of 15 WPCs had become community-managed centres. The management of four other centres was shared between UNRWA and the community, and the remaining four were still run by UNRWA staff. The Agency contributed towards the running costs of the WPCs.

187. *Community-based rehabilitation.* The 10 community rehabilitation centres in the West Bank continued to emphasize school mainstreaming, basic rehabilitation services, special education, provision of prosthetic devices, facilitation of mobility and outreach services for the disabled, particularly children. They also promoted cooperation with the Palestinian Authority and local and international NGOs. The centres organized several awareness-raising activities, including leaflets on disability and a campaign about HIV/AIDS. They contributed to national efforts to promote the rights of the disabled, including the development of a draft law on the right of free mobility for the disabled, for submission to the Palestinian Legislative Council. UNRWA contributed towards the cost of the centres management, and offered leadership and technical training.

188. *Poverty alleviation.* The skills training/apprenticeship scheme offered training opportunities to 348 young sons and daughters of poor refugees in a variety of skills. Some 19 new soft loans were granted under the revolving credit scheme; the schemes repayment rate regressed to 85 per cent as the result of a drastic devaluation of the shekel against the dollar. A group-guaranteed lending scheme was ongoing in several WPCs, in association with an international NGO. UNRWA organized and conducted training on the theme Start your own business for several grass-roots organizations in six camps, and helped seven social centres and 43 families to develop proposals and feasibility studies for income-generating activities. UNRWA also organized 10 awareness-raising workshops in several camps on the causes and possible alleviation of poverty, in coordination with social centres and in association with the Palestinian Authority, local NGOs and local consultants. In coordination with a local NGO, a social and economic research centre and the Ministry of Planning, a seminar on the theme Poverty in Palestine and West Bank camps was held at the Amari WPC in September 1998.

Chapter IX

Gaza Strip

A. Education

189. *Elementary and preparatory schooling.* In the 1998/99 school year, UNRWA schools in the Gaza Strip accommodated 159,892 pupils in 168 schools in the six-year elementary and three-year preparatory cycles. The increase of 9,023 pupils (6 per cent) over the preceding school year resulted from natural growth in the refugee population and the admission to Agency schools of some 1,111 children of newly-arrived refugee families.

190. *Education infrastructure.* At nearly 50 pupils per classroom, the occupancy rate in the Gaza field was the highest Agency-wide, well above the 43 pupils per classroom average in PA schools. With project funds, UNRWA completed the construction of a school to replace a dilapidated one. Comprehensive maintenance was carried out on three schools. In mid-1999, five school buildings were under construction. Additional project funding for school construction in Gaza was one of the Agency's top priorities in view of the rapid growth in enrolment.

191. *Vocational and technical training.* The Gaza training centre (GTC) accommodated 844 trainees, including 137 women, in 14 trade and seven technical/semi-professional courses. In response to high demand and limited alternatives for vocational and technical training, partly because of movement restrictions which prevented students from Gaza from attending courses in the West Bank, the centre exceeded its normal capacity of 772 trainees by 9.3 per cent. Two computer centres were established at GTC and two staff members were trained in the United States to run them.

192. *Gaza students enrolled in West Bank centres.* Students were not granted permits by the Israeli authorities to attend the education sciences

faculties and the Agency training centres in the West Bank. Consequently, there was no new intake of students from Gaza in the ESFs and Ramallah training centres, with those students losing significant opportunities.

193. *University scholarships.* In 1998/99, 206 scholarships, 139 of which were held by women, continued from previous years.

B. Health

194. *Primary care.* UNRWA's primary health-care services for Palestine refugees in the Gaza Strip were delivered through a network of 17 primary health-care facilities, of which 13 health centres offered a full range of medical services, including family planning, specialist care for the management of diabetes mellitus and hypertension, and laboratories; 11 provided dental care, supported by three mobile dental units for community oral health care. Six had physiotherapy clinics and four X-ray facilities. Approximately one fifth of the total registered deliveries in the Gaza Strip took place at maternity units at six of the centres. Specialist services in cardiology, chest diseases, gynaecology and obstetrics, ophthalmology and paediatrics were provided according to a weekly rotating schedule. The unique arrangement of a double shift clinic at the health centres in the five largest camps and in Gaza town was maintained since it proved to be the most cost-effective means to bridge the gap between the increasing needs of a rapidly growing population and limited Agency resources. Two newly constructed and equipped health centres continued to operate part-time due to a shortfall in funds.

195. *Secondary care.* Hospital services were provided through a contractual agreement with an NGO hospital, Al Ahli, where 50 beds were reserved for refugee patients, and through partial reimbursement of medical expenses incurred by refugees for treatment at PA hospitals.

196. *European Gaza Hospital.* As agreed by the tripartite project board comprising the European Community, the Palestinian Authority and UNRWA, an international management team was recruited in mid-1999 to procure the remaining equipment and surgical instruments; recruit local professional, administrative and support staff; oversee works; and conduct the process of commissioning and initial operation of the hospital. The European Gaza Hospital would form part of the Palestinian Authority health-care system. Construction of the hospital, which began in October 1993, had been completed by November 1996, and more than 60 per cent of the equipment had been purchased. Pledges and contributions of \$42.2 million and contributions had been received for the EGH account, of which \$2.6 million was for procurement which had not yet begun because of a decision by the project board. Insufficient resources at particular points in the construction phase had previously forced UNRWA to advance funds to avoid delaying implementation and thus incurring even costlier penalties. At 30 June 1999, the accumulated deficit in the EGH account stood at \$11.6 million. UNRWA continued its efforts to reach an agreement with the EC on possible ways to recover the deficit.

197. *Gaza College of Nursing.* After graduation of the last cohort of trainees from the old Gaza College of Nursing in June 1998, responsibility for providing basic nursing education was assumed by the PA Ministry of Health. In August 1998, the Ministry provisionally took over the new College of Nursing and Allied Health Professions located within the European Gaza Hospital compound.

198. *Maternal health and family planning project.* The three-year maternal health and family planning project, developed by the Agency in collaboration with all health-care providers in the Gaza Strip, including the PA Ministry of Health and NGOs, was completed on target by March 1999. The project involved the development of open-learning materials on antenatal care and family planning as well as training in management information systems and total quality management, in cooperation with technical advisers from Kingston University, United Kingdom. The end-of-project evaluation carried out in February 1999 concluded that project activities had been successfully implemented, and that the project could be transferred to a local coordinating committee. It also concluded that the open-learning materials and training modules could be of potential use in the Agency's other fields.

199. *Nutrition survey.* A nutrition and anaemia survey was conducted in the Gaza Strip in October 1998, in coordination with the WHO collaborating centre at CDC, Atlanta. The study revealed that acute malnutrition or wasting (weight-for-height) was not found to be a public health concern, but that the prevalence of chronic malnutrition or stunting (height-for-age) was somewhat elevated among pre-school children, which suggested that the nutritional status of children was still compromised. The prevalence of anaemia remained very high among pre-school children and pregnant women, and relatively high among non-pregnant women. Building on the final results of that survey, the Agency's strategy on prevention and control of iron deficiency anaemia would be reviewed, consistent with the WHO/UNICEF approach of universal supplementation with iron when the prevalence of iron deficiency in a population of pregnant women, infants and pre-school children exceeded 30 per cent, as was the case among Palestine refugees.

C. Relief and social services

200. *Refugee registration.* At 30 June 1999, the number of Palestine refugees registered with UNRWA in the Gaza Strip stood at 798,444, an increase of 3.3 per cent over the 30 June 1998 figure of 772,653. The rate of increase reflected population growth, including refugee families who arrived in Gaza with the PA. Over 55 per cent of the refugees were registered in the eight refugee camps in Gaza, the largest proportion of any field.

201. *Special hardship programme.* The number of refugees enrolled in the special hardship programme increased from 66,124 at 30 June 1998 to 66,678 at 30 June 1999. The 0.8 per cent increase could be attributed to the scarcity of employment opportunities, which would otherwise have enabled workers to support poorer members of the extended family. Moreover, a higher percentage of families in Gaza than in other fields qualified for assistance because young male family members were either continuing full-time education as an alternative to unemployment, or were not medically fit to earn a living owing to injuries received during the intifada. Distribution of part-food and part-cash subsidies largely reduced the practice of selling food commodities to meet other needs. The freeze on other cash assistance since August 1997 prevented about 30 per cent of selected disadvantaged families from meeting their most urgent needs. However, \$11,150 was exceptionally allotted

in 1999 to meet the particular needs of 22 SHC families in Gaza and 57 families in Canada camp.

202. *Shelter rehabilitation.* During the reporting period, a total of 1,033 shelters were rehabilitated in Gaza with project funds.

203. *Women in development.* Seven of the 10 women's programme centres had appointed administrative managers. New income generation projects were established at four of the WPCs (in Daraj district and at Jabalia, Maghazi and Nuseirat camps). In coordination with the PA Ministry of Culture, three libraries were expanded and equipped in WPCs at Deir El Balah, Jabalia and Rafah. A new legal advice programme was organized at Daraj and Khan Younis WPCs in cooperation with the Palestinian Centre for Human Rights. Training courses, workshops, seminars, lectures etc. were conducted at various WPCs to enhance the work of the administrative boards of those centres, and to raise community awareness of different issues, including women in development issues, violence against women and children, healthy relations between adolescents and parents, civic education, democracy, human rights, women's rights and legal literacy. Physical fitness and library activities expanded, and the number of beneficiaries from those activities increased considerably. A new programme entitled Child to child was being implemented at Bureij and Maghazi WPCs under the supervision of a social worker, where two volunteers were working to develop children's awareness of community issues.

204. *Community rehabilitation.* UNRWA's disability programme supported the network of seven community centres by providing financial and technical support, promoting institution- building, coordination with the PA's National Institutions Office and facilitating the establishment of a union bringing together all non-governmental providers of services to disabled persons. The union would provide a network which would facilitate UNRWA's ability to provide assistance to needy disabled persons. The seven CRCs provided basic rehabilitation and outreach services to the disabled. Integration of disabled children was conducted jointly with UNRWA schools in the camps. Activities for the disabled included sports and recreation, workshops to raise awareness of disability, joint activities with PA and non-governmental organizations, including the training of parents and volunteers, and summer and winter camps for disabled persons. UNRWA and the PA continued to assist disabled persons in obtaining prosthetic devices, hearing aids and wheel chairs, and made contractual arrangements with NGOs to provide services to disabled refugees. The Jabalia CRC opened a speech therapy unit. Maghazi CRC expanded its library and conducted several community training workshops. Deir El Balah CRC opened an education enhancement centre, and Rafah CRC opened a child development club.

205. *Youth activities.* During the reporting period, one income generation project was funded by UNRWA at Nuseirat YAC to furnish a reception room; a donor funded the equipping of gymnastic halls at Bureij and Deir El Balah YACs, and the construction of a multi-purpose building at Khan Younis YAC was completed. The Palestinian Economic Council for Development and Reconstruction partially completed the construction of a new building at Rafah YAC. Through coordination between the Palestine Liberation Organization Refugee Affairs Department and other PA ministries, work was proceeding on two small projects the establishment of a garden at Khan Younis YAC and a child centre at Deir El Balah YAC. Public meetings and lectures at the YACs covered a wide range of topics, including the democratic process, environmental issues, drug abuse, health and political issues. One-month summer camps took place at the eight YACs in June-August 1998. Efforts to integrate women and young people with disabilities into centre activities continued. The constructive involvement of YACs in refugee committees and internal camp problems continued. YAC continued to promote sports; several camps were represented at local and international sporting events.

206. *Canada camp.* The gradual repatriation of refugees from Canada camp in Egypt's Sinai peninsula to the Gaza Strip continued within the framework of mutual agreement between the concerned authorities. Compensation was disbursed to 40 households to enable them to construct homes in the Tel El Sultan housing project near Rafah. With special contributions, the Agency channelled compensation money to families and provided them with assistance during a six-month settling in period after their relocation to Rafah. Some 3,002 other Palestine refugees from the Gaza Strip remained displaced at Canada camp and outside the camp. The Agency continued to provide services, including food support, to the camp.

207. *Rehabilitation Centre for Visually Impaired (RCVI)* Ongoing rehabilitation activities were introduced at the RCVI, including vocational training; income generation opportunities; Braille courses; home visits; outreach services; and recreational activities. The centre provided teaching aids to help integrate visually impaired children into mainstream schooling, and assisted visually impaired school graduates in finding jobs. Special elementary and pre-school courses accommodated 120 pupils. RCVI headed a campaign for early intervention in visual impairment at all schools in the Gaza Strip. A 10-day residential summer camp for 150 visually impaired and sighted children was held in August 1998. The Society of Friends of RCVI continued its financial support to the centre; \$100,000 was donated by the Society for staff salaries and the procurement of equipment and teaching aids.

Notes

^{1/} See report on economic and social conditions in the West Bank and Gaza Strip, prepared by the Office of the Special Coordinator in the Occupied Territories, Gaza, 30 April 1999.

^{2/} See *Official Records of the General Assembly, Fifty-third Session, Supplement No. 13 (A/53/13)*.

Annex I

Statistical and financial information tables

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Table 1

Number of registered persons ^{a/} (As of 30 June each year)

Field	1950	1960	1970	1980	1990	1995	1996	1997	1998	1999
Jordan	506 200	613 743	506 038	716 372	929 097	1 288 197	1 358 706	1 413 252	1 463 064	1 512 742
Lebanon	127 600	136 561	175 958	226 554	302 049	346 164	352 668	359 005	364 551	370 144
Syrian Arab Republic	82 194	115 043	158 717	209 362	280 731	337 308	347 391	356 739	365 805	374 521
West Bank ^{b/}	-	-	272 692	324 035	414 298	517 412	532 438	542 642	555 057	569 741
Gaza Strip	198 227	255 542	311 814	367 995	496 339	683 560	716 930	746 050	772 653	798 444
Total	914 221 ^{c/}	1 120 889	1 425 219	1 844 318	2 422 514	3 172 641	3 308 133	3 417 688	3 521 130	3 625 592

^{a/} Figures are based on UNRWA registration records, which are updated continually; however, the number of registered refugees present in the Agency's area of operations is almost certainly less than the population recorded.

^{b/} Until 1967, the West Bank was administered as an integral part of the Jordan field.

^{c/} Excluding 45,800 persons receiving relief in Israel, who were the responsibility of UNRWA until June 1952.

Table 2

Distribution of registered population (As of 30 June 1999)

Field	Registered population	Number of camps	Total camp population	Registered persons not in camps	Percentage of population not in camps
Jordan	1 512 742	10	274 816	1 237 926	81.83
Lebanon	370 144	12	204 999	165 145	44.62
Syrian Arab Republic	374 521	10	109 315	265 206	70.81
West Bank	569 741	19	153 380	416 361	73.08
Gaza	798 444	8	437 650	360 794	45.19

Total	3 625 592	59	1 180 160	2 445 432	67.45
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Table 3

Number and distribution of special hardship cases
(As of 30 June 1999)

		<i>Number of persons</i>			<i>Percentage of refugee population</i>
		<i>Number of families</i>	<i>Receiving rations</i>	<i>Not receiving rations a/</i>	<i>Total</i>
Jordan		10 099	36 587	2 271	38 858
Lebanon		9 882	34 932	4 326	39 258
Syrian Arab Republic		7 824	23 052	1 839	24 891
West Bank		8 407	26 007	4 386	30 393
Gaza		15 313	65 202	1 476	66 678
Total		51 525	185 780	14 298	200 078

a/ Includes children under one year of age, students studying away from home etc.

Table 4

Basic education services a/
(As of October 1998)

	<i>Jordan</i>	<i>Lebanon</i>	<i>Syrian Arab Republic</i>	<i>West Bank</i>	<i>Gaza Strip</i>	<i>Total/ Average</i>
1. Elementary pupils	86 931	30 540	43 398	37 634	121 395	319 898
Boys	43 758	15 459	22 323	16 584	62 216	160 340
Girls	43 173	15 081	21 075	21 050	59 179	159 558
2. Preparatory pupils	54 283	8 905	21 456	14 310	38 497	137 451
Boys	27 827	4 040	11 151	6 008	19 830	68 856
Girls	26 456	4 865	10 305	8 320	18 667	68 595
3. Secondary pupils	-	1 367	-	-	-	1 367
Boys	-	585	-	-	-	585
Girls	-	782	-	-	-	782
Total enrolment (1+2+3)	141 214	40 812	64 854	51 944	159 892	458 716
Boys	71 585	20 084	33 474	22 592	82 046	229 781
Girls	69 629	20 728	31 380	29 352	77 846	228 935
Percentage of girls	49.3	50.8	48.4	56.5	48.7	49.9
Percentage of total Agency-wide enrolment in each field	30.8	8.9	14.1	11.3	34.9	100.0
Percentage increase in total enrolment over previous year	(1.4)	4.3	1.3	3.9	6.0	2.6
Administrative schools	198	76	110	98	168	650
Elementary	70	36	60	29	121	316
Preparatory	128	37	50	69	47	331
Secondary	-	3	-	-	-	3
Percentage of administrative schools on double shifts	92.9	50.0	93.6	35.7	73.8	74.5
Percentage of administrative schools in rented premises	21.7	42.1	8.2	20.4	0.0	16.0
School buildings	106	57	61	85	107	416
Rented school buildings	24	24	7	19	-	74
Classroom occupancy rate	41.1	39.8	44.7	38.4	49.6	43.7
Percentage of class sections containing 48 pupils or more	21.8	22.1	35.1	8.0	81.2	40.1
University scholarships awarded	216	106	209	129	206	866
Percentage of female scholars	37.0	34.9	32.5	57.4	67.5	46.0
Teachers	4 211	1 312	1 732	1 646	4 109	13 010
In-service teacher trainees b/	155	118	79	113	62	527

a/ Enrolment figures exclude an estimated 123,745 refugee pupils attending government and private elementary and preparatory schools, and 59,823 refugee students attending government and private secondary schools, and include 43,505 non-refugee children attending UNRWA schools.

b/ Participants in the regular in-service training programme (not including the Education Science Faculty) during the 1998/99 school year.

Table 5
Vocational, technical and teacher training services
(Actual enrolment in 1998/99 academic year as of December 1998)

		Jordan				Lebanon		Syrian Arab Republic		West Bank				Gaza Strip				
		Amman Training Centre		Wadi Seer Training Centre		Siblin Training Centre		Damascus Training Centre		Kalandia Training Centre		Ramallah Women's Training Centre		Ramallah Men's Training Centre		Gaza Training Centre		Total
		M	F	M	F	M	F	M	F	M	F	M	F	M	F	M	F	Grand Total
1. Vocational and technical training (VTE)																		
Vocational training ^{a/}		-	70	547	-	343	45	498	-	461	-	-	85	-	-	642	-	2 491
Technical training ^{b/}		42	335	164	97	146	73	131	166	48	-	-	413	147	-	65	137	1 964
Total (VTE)		42	405	711	97	489	118	629	166	509	-	-	498	147	-	707	137	4 655
2. Teacher training																		
Educational sciences																		
Faculty pre-service ^{c/}		57	320	-	-	-	-	-	-	-	-	-	315	188	-	-	245	880
Educational sciences																		
Faculty in-services ^{d/}																		
Other pre-service ^{e/}																		
Total teachers		354	305	-	-	-	-	-	-	-	-	-	-	-	-	-	354	659
		-	-	-	-	31	72	-	-	-	-	-	-	-	-	-	31	103
		411	625	-	-	31	72	-	-	-	-	-	315	188	-	-	630	1 642
Grand Total (1 + 2)		453	1 030	711	97	520	190	629	166	509	-	-	813	355	-	707	137	6 297

^{a/} Two-year post-preparatory courses in a variety of building, electrical, electronic, mechanical and metalworking trades.

^{b/} Two-year post secondary courses in a variety of technical paramedical and commercial skills.

^{c/} Four-year post-secondary course leading to a first university degree.

^{d/} Three-year course for two-year diploma-holders leading to a first university degree.

^{e/} Two-year post-secondary course leading to a two-year teaching diploma.

Table 6
Medical care services
(1 July 1998-30 June 1999)

	Jordan	Lebanon	Syrian Arab Rep.	West Bank	Gaza Strip	Total
Out-patient care						
Primary health care facilities	23	25	23	34	17	122

Services offered at the primary level						
Dental care	17	17	13	21	14	82
Family planning	23	25	23	34	17	122
Special care	17	24	23	34	13	111
Specialist services	13	15	15	20	13	76
Laboratories	21	15	19	25	13	93
Patient visits						
Medical treatment <u>a/</u>	1 688 925	740 049	866 756	996 189	2 282 036	6 573 955
Dental treatment	152 888	70 267	63 581	61 756	133 103	481 595
In-patient (hospital) care <u>b/</u>						
Patients admitted	5 430	11 857	3 499	13 386	6 495	40 667
Patient days	21 687	39 164	8 044	45 792	18 267	132 954
Maternal and child health care						
Pregnant women newly registered	19 914	4 597	7 601	10 618	25 504	68 234
Infants under age 1 newly registered	25 672	5 586	6 620	10 676	23 348	71 902
Children age 0-3 under supervision	76 194	16 394	19 610	32 264	70 101	214 563
New family planning acceptors	5 607	2 090	3 686	3 101	6 254	20 738
Total family planning acceptors <u>c/</u>	14 714	6 839	9 497	9 721	25 657	66 428
Expanded programme of immunization <u>d/</u>						
Triple (DPT) vaccine	25 465	4 402	7 723	11 055	28 402	77 047
Polio vaccine	25 533	4 408	7 732	11 240	28 451	77 364
BCG vaccine	25 639	4 411	6 204	10 617	23 324	70 195
Measles vaccine	25 445	4 372	7 676	10 659	25 031	73 183
Hepatitis B vaccine	25 536	5 032	8 661	10 677	23 336	73 242
School health						
School entrants examined	14 431	2 943	8 117	10 273	20 229	55 993
Booster vaccinations	27 349	4 291	13 630	11 965	45 651	102 886

a/ Including visits for medical consultations, injections and dressings.

b/ With the exception of a 43-bed hospital run by UNRWA at Qalqilia in the West Bank, hospital services are provided through contractual agreements with non-governmental and private hospitals or through partial reimbursement of treatment costs.

c/ Total number remaining under supervision on 30 June 1999.

d/ Number of infants receiving full primary series, including vaccinations provided to infants of non-registered refugees with access to UNRWA clinics, and to infants completing the full primary series after the normal schedule.

Table 7
Selected health status indicators for Palestine refugees, 1998

	<i>Jordan</i>	<i>Lebanon</i>	<i>Syrian Arab Republic</i>	<i>West Bank</i>	<i>Gaza</i>
Crude birth rate	33	33	NA	31	46
Neo-natal mortality rate per 1,000 live births <u>a/</u>	22	26	28	NA	28
Infant mortality rate per 1,000 live births <u>a/</u>	32	35	29	27	33
Early childhood mortality rate per 1,000 live births <u>a/</u>	35	37	32	NA	36
Mean marital age <u>b/</u>	19.7	19.6	20.0	19.1	18.5
Modern contraceptive prevalence (per cent) <u>b/</u>	34.7	50.1	46.7	33.5	23.7
Birth interval: <u>b/</u>					
Per cent 12 months	3.3	2.7	2.8	3.3	5.5
Per cent 24 months	43.9	34.9	37.6	47.9	53.2
Mean birth interval (months)	31.8	36.7	37.3	29.4	26.6
Institutionalized deliveries (per cent)	95.6	87.9	79.1	93.2	98.2
Pregnant women immunized against tetanus (per cent)	96.9	99	95.8	98.5	97.8
Incidence of low birth rate among surviving infant (per cent) <u>b/</u>	6.7	3.5	6.8	5.0	3.6
Prevalence of diabetes mellitus among registered refugees age 40 and above (per cent)	3.6	3.4	4.3	3.2	6.3
Prevalence of hypertension among registered refugees age 40 and above (per cent)					

	2.8	3.5	5.7	2.8	5.7
Camp shelters with access to safe water (per cent)	98	96	85	100	100
Camp shelters with access to sewerage facilities (per cent)	76	57	87	66	47

Source: UNRWA data.

a/ Figures for the West Bank derived from a 1995 survey by the Palestinian Central Bureau of Statistics.

b/ UNRWA Survey, 1995.

Table 8
Social services programme
(1 July 1998-30 June 1999)

Field	Support for disabled persons								Poverty alleviation							
	Community-based rehabilitation															
					Participants a/								Group-guaranteed lending schemes			
	Women's programme		Youth activities												Skill-training & production units b/	
	Centres	Participants	Centres	Participants	Centres/ Progs.	Chr. activities	Out-reach activ.	Specialized facilities	Grant-based projects	Loan-based projects	Participants		Participants		Participants	
								Referrals	No.	\$	No.	\$		\$	No.	
Jordan	21	5 100	-	-	10	772	1 250	200	51	177 401	-	-	60	10 125	5	125
Lebanon	9	2 204	1	101	2	56	599	50	20	80 941	74 c/	134 750	65	21 500	9	38
Syrian Arab Republic																
West Bank	15	3 800	-	-	5	650	58	1	2	3 728	48	62 207	161	46 620	11	300
Gaza	15	5 730	18	7 580	10	930	985	780	-	-	11	9 520	-	-	3	57
	10	3 700	8	5 510	7	737	2 391	212 d/	14	107 667	-	-	-	-	1	500
Total	70	20 534	27 e/	13 191	34 f/	3 145	5 805	1 243	87	369 737	133	206 477	286	78 245	29	1 020

a/ Including disabled persons assisted through home-based activities, mainstreaming into educational and special vocational training programmes, job placement, self-support projects, provision of prosthetic devices and other aids, and cash assistance.

b/ Including enterprises associated with women's programme centres and community rehabilitation centres, and in the West Bank, apprentices placed with local employers.

c/ Including 44 mini-loans in the value of \$114,850.

d/ Including 302 persons benefiting from the services of the Al-Nour Rehabilitation Centre for the Visually Impaired at Gaza.

e/ One youth activities centre opened in Lebanon.

f/ Two community-based rehabilitation centres opened in Jordan and Lebanon.

Table 9
Actual expenditure in 1998, regular budget for 1999 and proposed biennial budget for 2000-2001
(Cash and in-kind, millions of United States dollars)

	Budgeted expenditure 1999 a/									Proposed biennial budget 2000-2001				
	Actual expenditure 1998 b/				Syrian Arab Republic	West Bank	Gaza Strip	Head-quarters	Total	2000	2001	Cash	In kind	Total
		Jordan	Lebanon											
Education	147.5	48.9	19.8	11.1	26.3	56.7	2.1	164.9	192.7	198.1	159 351 354	813 067	160 164 421	
Health	48.5	12.2	12.5	4.6	13.4	20.3	0.9	63.9	67.1	69.9	51 966 700	10 627 551	62 594 321	

Relief and social services	30.0	7.8	7.8	4.7	7.2	15.6	0.5	43.6	41.5	45.4	25 317 903	17 375 276	42 693 179
Income generation programme									3.5	4.0			
Operational services c/													
Common services d/									15.3	15.2			
Termination indemnities e/	8.7	3.2	3.2	1.8	4.2	6.2	4.3	22.9	40.1	42.9	22 642 362	24 483	22 666 845
	19.2	2.9	3.3	1.6	5.0	4.7	28.0	45.5			42 270 223	81 008	42 351 231
	-	-	-	-	-	-	-	12.0					
Total regular budget	254.0	75.0	46.6	23.8	56.1	103.5	35.8	352.8	360.2	375.5	301 548 612	28 921 385	330 469 997

a/ According to the budget presented to the General Assembly in 1997; actual expenditure will be less owing to cost reduction measures taken in response to funding shortfalls.

b/ Unadjusted figures based on the interim closure of accounts for the first year of 1998-1999 biennium, calculated on cash basis.

c/ Including supply, transport architectural and engineering services that support all Agency programmes.

d/ Including management and administrative services that support all Agency programmes, as well as various reserves to be allocated to programmes during the budget biennium.

e/ Funds to be set aside towards payment of termination indemnities to local staff upon the eventual dissolution of the Agency.

Table 10
Contributions in cash and in kind by Governments and the European Community
(1 January 1998-31 December 1998)

(Actual receipts, United States dollars)

Source	Total 1997 contributions	1998 contributions		
		Regular budget a/	Projects b/	Total
Australia	2 469 460	2 359 930		2 359 930
Austria	547 500	460 000		460 000
Bahrain	30 000			
Belgium	1 195 152	1 201 386	967 615	2 169 000
Brazil		50 000		50 000
Brunei Darussalam		10 000		10 000
Canada	7 608 696	7 092 168	1 364 496	8 456 665
Chile	10 000	10 000		10 000
China	60 000	59 970		59 970
Colombia	2 500	2 500		2 500
Cyprus	10 000	10 000		10 000
Czech Republic	16 879	16 535		16 535
Denmark	13 607 366	7 971 014		7 971 014
Egypt	188 042	10 000		10 000
Finland	2 503 850	2 012 809		2 012 809
France	3 473 536	2 352 531	41 597	2 394 128
Germany	8 457 714	5 124 575	3 432 822	8 557 397
Greece	150 000	300 000		300 000
Holy See	20 000			
Iceland	418 900		319 043	319 043
India	12 495	5 248		5 248
Indonesia	25 000	25 000		25 000
Ireland	738 425	565 040		565 040

Israel	28 000			
Italy	5 135 682	4 232 527	249 011	4 481 538
Japan	28 600 000	16 630 336	1 886 252	18 516 588
Jordan	75 499	11		11
Kuwait	4 500 000	1 500 000		1 500 000
Lebanon	6 240	7 875		7 875
Luxembourg	907 482	174 934	222 000	396 934
Malaysia	20 000	20 000		20 000
Maldives	1 000	1 000		1 000
Malta	2 845	3 044		3 044
Mexico	3 000			
Monaco	4 401	20 295		20 295
Netherlands	9 351 428	6 786 354	629 076	7 415 430
New Zealand	284 905	115 000		115 000
Norway	14 029 785	13 150 887		13 150 887
Oman		25 000		25 000
Palestine	40 900	685 278		685 278
Philippines	10 000	1 250		1 250
Portugal	25 000	25 000		25 000
Republic of Korea	99 988	75 000		75 000
Saudi Arabia	7 596 764	4 984 287	4 984 287	4 984 287
Singapore		3 000		3 000
South Africa	5 000	20 100		20 100
Spain	4 122 222	3 284 225	2 044 494	5 328 719
Sri Lanka	4 053			
Sweden	18 820 291	18 239 715		18 239 715
Switzerland	7 613 142	3 311 258		3 311 258
Syria	84 391	48 495		48 495
Thailand	30 000			
Trinidad and Tobago	2 393			
Tunisia				
Turkey		175 000	25 000	200 000
United Arab Emirates	1 000 000			
United Kingdom of Great Britain and Northern Ireland	10 708 933	11 666 667	2 101 508	13 768 174
United States	84 689 649	77 000 000	3 411 986	80 411 986
Venezuela	5 809	614		614
Subtotal	239 354 317	186 841 572	21 679 187	208 520 758
European Community	57 570 245	49 115 271	1 268 288	50 383 559
Grand total	296 924 562	235 956 843	22 947 474	258 904 317

a/ Comprising the General Fund and funded ongoing activities.

b/ Comprising the Peace Implementation Programme, the Lebanon Appeal, the European Gaza Hospital, the move of Agency headquarters to the area of operations, the income generation programme, capital and special projects, and the expanded programme of assistance.

Table 11
Staff members arrested or detained
(1 July 1998-30 June 1999)

			<i>Syrian Arab Republic</i>	<i>West</i>	<i>Gaza</i>	
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	<i>Jordan</i>	<i>Lebanon</i>		<i>Bank</i>	<i>Strip</i>	<i>Total</i>
Released without charge or trial	5	1	3	16 ^{a/}	37 ^{b/}	62
Charged/trying/sentenced and/or acquitted	-	-	-	1 ^{c/}	-	1
Still in detention on 30 June 1999	1	1	3	-	5 ^{d/}	10
Total	6	2	6	17	42	73

^{a/} Including 10 staff members detained by the Israeli authorities, of whom three were in detention at the commencement of the reporting period and seven were detained during the reporting period.

^{b/} Including two staff members detained by the Israeli authorities, who were in detention at the commencement of the reporting period.

^{c/} The staff member had only been charged and had been released on bail awaiting trial.

^{d/} Detained by the Palestinian authorities, of whom two were in detention without charge since 1996.

Table 12
Agency staff^a
(On 30 June 1999)

<i>Area staff, by programme</i>	<i>Jordan</i>	<i>Lebanon</i>	<i>Syrian Arab Republic</i>	<i>West Bank</i>	<i>Gaza Strip</i>	<i>Head- quar- ters</i>	<i>Total</i>
Education	4 860	1 590	2 058	2 158	4 552	68	15 286
Health	830	520	433	667	944	16	3 410
Relief and social services	118	92	75	120	211	14	630
Other	267	338	250	429	632	279	2 195
Total area staff	6 075	2 540	2 816	3 374	6 339	377	21 521
Total international staff							
	6	7	6	8	10	70	107
Total staff	6 081	2 547	2 822	3 382	6 349	447	21 628

^{a/} Figures represent posts on the Agency's manning table, some of which will be vacant at any given time; contract teachers are included.

Table 13
Income-generation programme
(1 July 1998-30 June 1999)

				<i>West Bank</i>		<i>Gaza Strip</i>			
	<i>Jordan</i> ^{a/}	<i>Lebanon</i>	<i>Syrian Arab Republic</i>	<i>Small- scale enterprise programme</i>	<i>Micro- enterprise credit programme</i> ^{b/}	<i>Solidarity- group lending programme</i>	<i>Micro-enterprise credit programme</i>	<i>Small- scale enterprise programme</i>	<i>Total</i>
Number of loans issued	0	30	0	9	1 401	2 897	4 037	124	8 498
Value of loans issued (\$)	0	199 000	0	98 500	1 409 045	1 898 706	3 648 262	1 501 318	8 754 831
Capital base (\$) ^{c/}	0	350 500	0	1 724 296	687 500 ^{d/}	4 046 362 ^{e/}	0	7 930 129	14 738 787
Overall recovery rate (%) ^{f/}	0	99.00	0	92.00	96.00	99.64	97.39	95.34	

^{a/} In abeyance from August 1997, pending conclusion of a more favourable agreement with the local bank.

^{b/} Launched in April 1998.

^{c/} On 30 June 1999.

^{d/} Capital borrowed from other income-generation subprogrammes in the West Bank and Gaza Strip.

^{e/} Shared capital base.

Annex II

Pertinent records of the General Assembly and other United Nations bodies

1. General Assembly resolutions

Resolution number	Date of adoption	Resolution number	Date of adoption
194 (III)	11 December 1948	2964 (XXVI)	13 December 1972
212 (III)	19 November 1948	3089 (XXVIII) A to E	7 December 1972
302 (IV)	8 December 1949	3090 (XXVIII)	7 December 1973
393 (V)	2 December 1950	3330 (XXIX)	17 December 1974
513 (VI)	26 January 1952	3331 (XXIX) A to D	17 December 1974
614 (VII)	6 November 1952	3419 (XXX) A to D	8 December 1975
720 (VIII)	27 November 1953	31/15 A to E	23 November 1976
818 (IX)	4 December 1954	32/90 A to F	13 December 1977
916 (X)	3 December 1955	33/112 A to F	18 December 1978
1018 (XI)	28 February 1957	34/52 A to F	23 November 1979
1191 (XII)	12 December 1957	35/13 A to F	3 November 1980
1315 (XIII)	12 December 1958	36/146 A to H	16 December 1981
1456 (XIV)	9 December 1959	37/120 A to K	16 December 1982
1604 (XV)	21 April 1961	38/83 A to K	15 December 1983
1725 (XVI)	20 December 1961	39/99 A to K	14 December 1984
1856 (XVII)	20 December 1962	40/165 A to K	16 December 1985
1912 (XVIII)	3 December 1963	41/69 A to K	3 December 1986
2002 (XIX)	10 February 1965	42/69 A to K	2 December 1987
2052 (XX)	15 December 1965	43/57 A to J	6 December 1988
2154 (XXI)	17 November 1966	44/47 A to K	8 December 1989
2252 (ES-V)	4 July 1967	45/73 A to K	11 December 1990
2341 (XXII) A and B	19 December 1967	46/46 A to K	9 December 1991
2452 (XXIII) A to C	19 December 1968	47/69 A to K	14 December 1992
2535 (XXIV) A to C	10 December 1969	48/40 A to J	10 December 1993
2656 (XXV)	7 December 1970	49/21 B	2 December 1994
2672 (XXV) A to D	8 December 1970	49/35 A to G	9 December 1994
2728 (XXV)	15 December 1970	49/21 O	21 April 1995
2791 (XXVI)	6 December 1971	50/28 A to G	6 December 1995
2792 (XXVI) A to E	6 December 1971	51/124 to 51/130	13 December 1996
2963 (XXVII) A to E	13 December 1972	52/57 to 52/63	10 December 1997
		53/46 to 53/52	3 December 1998

2. General Assembly decisions

Decision number	Date of adoption
36/462	16 March 1982
48/417	10 December 1993

3. Reports of the Commissioner-General of UNRWA

1995

Official Records of the General Assembly, Fiftieth Session, Supplement No. 13 and addendum (A/50/13 and Add.1)

1996

ibid., Fifty-first Session, Supplement No. 13 (A/51/13)

1997

ibid., *Fifty-second Session, Supplement No. 13* and addendum (A/52/13 and Add.1)

1998

ibid., *Fifty-third Session, Supplement No. 13* (A/53/13)

4. Financial reports and audited financial statements (biennial)

1996

Official Records of the General Assembly, Fifty-first Session, Supplement No. 5C (A/51/5/Add.3)

1998

ibid., *Fifty-third Session, Supplement No. 5C* (A/53/5/Add.3)

5. Reports of the United Nations Conciliation Commission for Palestine

1995

A/50/500

1996

A/51/439

1997

A/52/311

1998

A/53/518

6. Reports of the Working Group on the Financing of UNRWA

1995

A/50/491

1996

A/51/509

1997

A/52/578

1998

A/53/569

7. Reports of the Secretary-General

1995

Reports of the Secretary-General submitted in pursuance of General Assembly resolutions 49/21 B of 2 December 1994 and 49/21 O of 13 April 1995, respectively:

<i>Symbol</i>	<i>Title</i>
A/49/885	Financing of the Palestinian Police Force
A/50/763	Financing of the Palestinian Police Force

Reports of the Secretary-General submitted in pursuance of General Assembly resolutions 49/35 C, D, F and G of 9 December 1994, respectively:

<i>Symbol</i>	<i>Title</i>
A/50/451	Persons displaced as a result of the June 1967 and subsequent hostilities
A/50/450	Offers by Member States of grants and scholarships for higher education, including vocational training, for Palestine refugees
A/50/428	
A/50/531	Revenues derived from Palestine refugees properties
	University of Jerusalem Al-Quds for Palestine refugees

1996

Reports of the Secretary-General submitted in pursuance of General Assembly resolutions 50/28 C, D, F and G of 6 December 1995, respectively:

<i>Symbol</i>	<i>Title</i>
A/51/369	Persons displaced as a result of the June 1967 and subsequent hostilities
A/51/370	Offers by Member States of grants and scholarships for higher education, including vocational training, for Palestine refugees
A/51/371	
A/51/476	Revenues derived from Palestine refugees properties
	University of Jerusalem Al-Quds for Palestine refugees

1997

Reports of the Secretary-General submitted in pursuance of General Assembly resolutions 51/126, 127, 129 and 130 of 13 December 1996, respectively:

<i>Symbol</i>	<i>Title</i>
A/52/423	Persons displaced as a result of the June 1967 and subsequent hostilities
A/52/415	

A/52/372	Offers by Member States of grants and scholarships for higher education, including vocational training, for Palestine refugees
A/52/503	Palestine refugees properties and their revenues
	University of Jerusalem Al-Quds for Palestine refugees

1998

Reports of the Secretary-General submitted in pursuance of General Assembly resolutions 52/59, 60, 62 and 63 of 10 December 1997, respectively:

<i>Symbol</i>	<i>Title</i>
A/53/471	Persons displaced as a result of the June 1967 and subsequent hostilities
A/53/472	Offers by Member States of grants and scholarships for higher education, including vocational training, for Palestine refugees
A/53/644	Palestine refugees properties and their revenues
A/53/551	University of Jerusalem Al-Quds for Palestine refugees

8. Notes by the Secretary-General

1996

<i>Symbol</i>	<i>Title</i>
A/51/495	Note by the Secretary-General transmitting the special report of the Commissioner-General of the United Nations Relief and Works Agency for Palestine Refugees in the Near East on the financial crisis of the Agency
