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UNITED NATIONS RELIEF, WORKS AGENCY FOR PALESTINE REFUGEES COPES WITH MAJOR CRISES

IN THREE FIELDS OF OPERATIONS, COMMISSIONER-GENERAL TELLS FOURTH COMMITTEE

Agency, as 'First Responder' to Middle East Flare-Ups, Shoulders
Humanitarian Burden in Occupied Palestinian Territory, Despite Funding Gap

The United Nations Relief and Works Agency for Palestine Refugees in the Near East (UNRWA) had never before coped with major crises in three fields of operations simultaneously, the Agency's head said this morning, stressing that the depth of the humanitarian crisis in Gaza and the West Bank over the past two years dwarfed earlier calamities and carried alarming economic and human costs.

Calling UNRWA a "first responder" to crises in the Mddle and a source of protection for the refugee community, as the Fourth Committee (Special Political and Decolonization) launched its annual consideration of the Agency's work, Commissioner-General Karen Koning AbuZayd said that UNRWA was shouldering the major burden of providing humanitarian assistance in the Occupied Palestinian Territory. More than four and a half million refugees were voluntarily registered with the Agency, representing an increase of 30 per cent from a decade ago.

Thanks to significant increases from many additional donors, the Agency no longer faced declining real levels of contributions as in the past, she said. But contributions had still not kept pace with increased refugee needs and the Agency's funding gap remained large and could increase. In fact, pledges received represented only 80 per cent of the funding requirement and rising food and energy costs had further aggravated the economic squeeze on the Agency. Given the global economic turmoil it might be tempting to cut aid, but that would be short-sighted and self-defeating in light of the heavy investment already made.

Indeed, despite the current challenges, the Agency continued to make an indispensable contribution to the refugees' human development, she said. It was giving food aid to approximately 1 million people and had initiated a school feeding programme for 198,000 pupils in Gaza after hunger started affecting their educational performance. It also employed close to 13,000 jobless refugees each month on short-term contracts.

Highlighting the Agency's achievements in the educational arena, she said primary enrolment among Palestine refugees was almost universal and exceeded the Middle East average. Roughly 480,000 pupils were enrolled in UNRWA schools and 5,000 older students enrolled in nine technical and vocational training centres. Demand for the latter was so great that, if it had the resources, the Agency could provide training for at least five times as many students.

At the same time, 9 million patients were provided medical consultations in 128 health clinics – at an average of 24,000 per day. Immunization coverage was nearly universal and 100,000 infants were vaccinated annually. The Palestine population was also well ahead of the average with respect to infant and maternal mortality.

Recognizing that its managerial and programme capacity was inadequate to meet growing and more complex refugee needs, the Agency had also launched an organizational development process. That process, she said, was already transforming UNRWA's management, planning and service delivery capabilities, as well as the information technology and human resources that drove those processes.

The observer for Palestine said UNRWA, as a constant in the refugees' lives, had played an indispensable role in easing their suffering throughout years of conflict and displacement. While its programmes focused on education, health and social services, the Agency also provided hope and "some semblance of human dignity", particularly in the Gaza Strip where the situation was severe as result of Israel's ongoing punitive siege and frequent military assaults.

UNRWA bore a great responsibility in caring for the Palestinian refugees, even under the harshest conditions, and the importance of its mandate could not be underestimated, she said. Its work in all fields of cooperation — in Jordan, Lebanon, Syria and the Occupied Palestinian Territory — remained necessary as

refugees continued to await a political solution to their plight.

Towards that goal, she said a just solution, in accordance with General Assembly resolution 194 (II) of 11 December 1948, remained among the highest priorities of the Palestinian leadership. The right to return was an inalienable right, as was the right to property and restitution or fair compensation, in conformity with international law. Those rights must be upheld in any settlement.

On behalf of the Arab Group, Lebanon's representative also reiterated the call for the right of return of the Palestine refugees. Stressing that their rights must be part of any future agreement, she said the situation on the ground did not change that right. Israeli restrictions on the movement of UNRWA staff and vehicles ran counter to several historic agreements and Israel's own pledges to support UNRWA, and she called on the international community to intervene.

Underlining the Agency's persistent funding gap, the representative of Turkey, which chairs the Working Group on the financing of UNRWA said that that shortfall affected the Agency's ability to provide crucial services. UNRWA was the "light, hope and lifeline" for thousands of Palestinian refugees and the better equipped it was, the better the refugees' prospects.

Also speaking were representatives of Cuba, Sudan, Syria, United Arab Emirates, Jordan, Qatar, Viet Nam and Switzerland.

Norway's representative, Rapporteur of the Working Group on the Financing of UNRWA introduced the Group's report.

The Committee will meet again at 10 a.m. Thursday, 30 October, to continue its general debate on the work of UNRWA

Background

The Fourth Committee (Special Political and Decolonization) met today to begin its consideration of the work of the United Nations Relief and Works Agency for Palestine Refugees in the Near East (UNRWA).

On the subject of UNRWA, the Committee had before it a Report of the Commissioner-General of the United Nations Relief and Works Agency for Palestine Refugees in the Near East (document A/63/13), covering the period from 1 January to 31 December 2007. UNRWA was established in 1949 to contribute to the human development of Palestine refugees in the Gaza Strip, the West Bank, Jordan, Lebanon and Syria until a just solution is found to the refugee issue. The Agency fulfills this purpose by providing a variety of essential services within the framework of international standards. These services include education, health, relief and social services, and microfinance and microenterprise.

According to the report, the most striking developments in 2007 occurred in the Occupied Palestinian Territory and Lebanon. Particularly significant were the establishment of a short-lived Government of National Unity and the takeover of the Gaza Strip by Hamas in mid-June 2007, following several months of armed clashes between Hamas and Fatah. The latter half of the year saw political divisions between Hamas and Fatah. In the Gaza Strip, Hamas consolidated its control, establishing a security and administrative apparatus, taking over the municipalities it did not already control and appointing judges to a new judicial structure. In response, a month-long civil disobedience campaign commenced in September, characterized by strikes by civil servants and Fatah supporters praying outside mosques.

From 16 June, Israel closed the borders of the Gaza Strip. Exceptions were made for imports of essential humanitarian supplies, urgent medical evacuations and passage for small numbers of Palestinians with special coordination, but with businesses unable to import raw materials or export agricultural and other products, the private sector in Gaza came near to collapse. An estimated 75,000 people lost their jobs, and 90 per cent of all industrial establishments were closed at the end of the year.

In the West Bank, Palestinians continued to be subjected to an ever-tightening closure regime, house demolitions, settlement expansion and armed conflict. In Lebanon, the Agency was on an emergency footing for the second consecutive year after conflict broke out on 20 May between the Lebanese Army and the

multinational militant group Fatah al-Islam in Nahr el-Bared camp. The 105 - day dispute ended on 2 September with the Lebanese authorities declaring victory.

Areported 222 members of Fatah al-Islam and more than 200 Lebanese soldiers and civilians died, and 33,000 Palestine refugees were displaced from Nahr el-Bared. In Syria and Jordan, a more secure and stable environment prevailed, but an influx of Iraqi refugees into both countries strained public services and helped to drive up prices, thus contributing to increased costs.

According to the report's assessment of operational developments, humanitarian assistance needs in the Occupied Palestinian Territory in 2007 increased considerably due to the international embargo imposed on the Palestinian Authority following Hamas' victory in the January 2006 elections. UNRWA launched an emergency appeal for \$246 million, its largest appeal since the start of the intifada in September 2000. Although the embargo was partially lifted in June 2007, there was a dramatic tightening of access restrictions into and out of the Occupied Palestinian Territory, which deepened the already extreme hardships endured by the majority of Gazans.

By the end of 2007, UNRWAhad received \$142 million, or approximately 58 per cent of the emergency funding requested. The funds were used to provide emergency food aid to 257,000 refugee families and to create more than 3.7 million work days for 60,000 unemployed refugees. The demand for the Agency's job creation programme far outweighed the positions available, with 130,000 eligible applicants for approximately 7,000 jobs at the end or 2007. Because public sector salaries were not paid in the first half of 2007, the Agency provided food aid to previously self-sufficient refugee families, adding more than 100,000 people to its rolls. Emergency funding was also used to meet increasing demand at primary health centres in the West Bank and Gaza Strip.

Also according to the report, a flash appeal for \$12.7 million was launched on 4 June to address the most urgent needs of displaced refugees in northern Lebanon, and \$17 million was quickly pledged. Three months later, an emergency appeal of \$54 million was launched to address the humanitarian needs of those displaced from Nahr el-Bared through 31 August 2008. By the end of the year, \$28.7 million had been pledged, with \$25.4 million received.

In organizational developments, according to the report, the Agency received contributions of \$9,744,634 in 2007 towards its organizational development plan. The original cost of the plan was \$30 million over three years but, thanks to efficiencies implemented by the Agency, it has been reduced to \$26,171,084. In June 2007, the Agency finalized its interim programme strategy as part of its overall strategic framework. In September, a process to develop a medium-term strategy for 2010-2015 that would ensure future strategic objectives was based on a concrete needs assessment and planning exercise was endorsed.

Arange of tools and mechanisms were developed and measures taken to improve programme management and strategy development and to advance the reform process generally, the report finds. The Agency developed a working document that provides comprehensive and up-to-date staff profiles. An independent expert was contracted to conduct a review of the Agency's post classification system. Steps were taken to simplify and streamline the Agency's internal justice system.

In other matters, the Israeli authorities, citing security concerns, continued to restrict the freedom of movement of UNRWA personnel in the Occupied Palestinian Territory. In the Agency's view, most measures did not relate to military security, but rather to matters of police or administrative convenience. These restrictions resulted in lost staff days, labour replacement costs and associated administrative costs totalling approximately \$91,263.

Also according to the report, the Agency expended an estimated \$697.1 million against a total budget of \$704.3 million on its regular budget, projects and emergency appeal activities in 2007. Emergency activities and projects accounted for 30 per cent and 11 per cent, respectively, while the microfinance and microenterprise programme equalled less than 1 per cent of total expenditure. Education remained the largest programme, with a budget accounting for almost 62 per cent of the total. Health, relief and social services, operational and technical services, and common services followed, accounting for 20 per cent, 9 per cent, 5 per cent and 4 per cent, respectively.

The report also included performance reports of its subprogrammes – education, health, relief and social services, microfinance and microenterprise – including performance by indicators.

Also before the Committee was a Report of the Working Group on the Financing of the United Nations Relief and Works Agency for Palestine Refugees in the Near East (document A/63/375), which describes the Group's activities during 2008 and outlines UNRWA's current financial situation.

According to the report, the Agency had received \$434.7 million in income for its cash and in-kind planned expenditures in 2007 against its \$994.2 million budget for the biennium 2006-2007, leaving a large funding gap of \$71 million for the year. The anticipated funding gap for 2008 as of 31 August was \$78.7 million. The deficit against the 2008 project budget of \$56.8 million was expected to reach \$38.1 million.

The report states that, while it benefited from increased contributions from a number of major donors and favourable exchange rates, overall pledges made to UNRWA's regular budget in 2008 were anticipated to fall significantly short of adjusted budgeted expenditures. That was due in part to unanticipated increases in the cost of fuel and food commodities, as well as staff salary increases granted because of rapidly rising local costs of living. The Agency appealed to donors to fully fund the biennium budget as a whole.

According to the report, the Agency was also concerned about port and related transit charges, which the Israeli authorities continued to impose on shipments entering the Gaza Strip, forcing UNRWA to pay \$132,524 in 2007 and \$91,853 between 1 January and 30 June 2008. In the Agency's view, the charges were a direct tax from which it ought to be exempted under the 1946 Convention on the Privileges and Immunities of the United Nations.

The report says that after the Karni crossing was closed for all containers in 12 June 2007, all Agency shipments were required to enter through Sofa crossing and, from November 2007, Kerem Shalom, neither of which are able to handle containers. Meanwhile, from 14 June 2007, importation into the Gaza Strip of construction and other materials was prohibited. As a consequence, UNRWAwas compelled to suspend or halt work on several construction and infrastructure projects. The Agency considers that, for substantial periods, the throughput of goods was not consistent with Israel's obligations under the Comay-Mchelmore Agreement of 1967 and Israel's obligations under international humanitarian law as mentioned in paragraph 10 of the report at the sixty-second session. In this regard, the Working Group called on all parties concerned to facilitate UNRWA's provision of humanitarian assistance to the Palestine refugee population.

The Agency's \$1.093 billion budget for the biennium 2008-2009 budget – a figure that excluded projects – was endorsed by the Advisory Committee on Administrative and Budgetary Questions (ACABQ) in October 2007.

The Committee also had for its consideration the report of the Secretary-General on <u>Persons displaced as a result of the June 1967 and subsequent hostilities</u> (document <u>A/63/315</u>), which refers to correspondence between the Secretary-General and the Permanent Representative of Israel regarding actions taken by Israel's Government in implementing resolution 62/103.

The report reaffirmed the right of all persons displaced as a result of the June 1967 and subsequent hostilities to return to their homes or former places of residence in the territories occupied by Israel since 1967.

In notes verbales on 28 April, the Secretary-General addressed Permanent Representatives of Member States, including the Permanent Representative of Israel, requesting to be informed of any action that Government had taken or envisaged taking in implementation of the resolution's relevant provisions.

In a note verbale on 7 August, the Permanent Representative of Israel replied that a number of important developments on the ground had created an environment for progress, which the UNRWA-related resolutions, regrettably, wilfully ignored. Israel remained committed to the bilateral process with the Palestinian Authority, and weekly meetings took place between Israeli and Palestinian leaders to support a political horizon and maintain dialogue for negotiations. Despite terrorist attacks on the very crossing points that enabled humanitarian aid to enter the Gaza Strip, Israel has made major efforts to ensure the steady and continuous flow of fuel and other supplies. Since June 2007, more than 600,000 tons were transferred through the crossings.

The representative also said that, while Israel believed that UNRWA could be an important vehicle to promote peace and stability in the region, it remained concerned with the politicization of UNRWA and is in favour of consolidating UNRWA resolutions and removing any extraneous political language.

The report also said that UNRWA is not involved in any arrangements for the return of refugees, nor is it involved in any arrangements for the return of displaced persons who are not registered as refugees. From 1 July 2007 to 30 June 2008, 1,171 refugees registered with UNRWA returned to the West Bank and 389 to the Gaza Strip from places outside the Occupied Palestinian Territory, making the number of displaced registered refugees who are known by the Agency to have returned to the occupied territories since June 1967 about 30,563.

The Committee also had before it the report of the Secretary-General on <u>Palestine refugees' properties and their revenues</u> (document A/63/269), noting that, on 28 April, the Secretary-General sent notes verbales to Israel and all other Member States drawing their attention to the relevant provisions of resolutions 62/102 and 62/105. He requested information by 1 July concerning any action taken or envisaged in relation to the texts' implementation. The Secretary-General received a reply dated 23 June 2008 from Mexico, covering various aspects of resolutions 62/102 and 62/105. No information had been received from other Member States regarding the relevant provisions of the resolutions.

Mexico's reply considered that the solution to the conflict in the Middle East must include a just solution to the problem of the refugees. It reiterated Mexico's support for UNRWA, to which it made a contribution of \$5,000. Mexico supported the work being done on behalf of displaced persons and said it was important to make a wide-ranging analysis of the issue of their displacement, including possible ways of combating the causes that give rise to mass movements of persons. It also noted Mexico's offering of fellowships to scholars from Asia, the Pacific, Africa, and the Middle East, including Palestine, for the study of Mexican cultures at the Educational Centre for Foreign Studies. It further noted that Mexico had established a cooperative programme between the National Autonomous University of Mexico and the Palestinian Children's Relief Foundation, under which three annual scholarships are awarded to Palestinians for training in the Faculty of Dentistry. Likewise, Mexican doctors have on four occasions travelled to Nablus to perform about 400 maxillofacial surgeries.

Also before the Committee was a note by the Secretary-General transmitting the Report of the United Nations Conciliation Commission for Palestine. (document A63/317), covering the period from 1 September 2007 to 31 August 2008, in which the Commission observes that since its report of 2 August 2007 (document A62/181, annex) it has nothing new to report.

Statement by Commissioner-General

KAREN KONING ABUZAYD, Commissioner-General for <u>UNRWA</u>, said that the report on the Agency's 2007 operations devoted particular attention to the twin crises in the Occupied Palestinian Territory and in northern Lebanon, which had seriously affected the Palestine refugees and, with that, UNRWA Those developments continued to shape much of the Agency's work in 2008. Nevertheless, its regular services continued to make an indispensable contribution to the refugees' human development. While not all refugees needed or availed themselves of the Agency's services, the number who had voluntarily registered with it had risen to 4.6 million as of 30 June, 30 per cent more than a decade ago.

She noted that UNRWA had faced many challenges of considerable magnitude over the decades. In many of the defining conflicts of the Mddle East, it had played a critical role as the first responder and was a stable service provider and a source of protection for the refugee community. With the exception of Lebanon's civil war, however, none of those emergencies had persisted as long as the present conflict in the Occupied Palestinian Territory, which was now in its ninth year. Indeed, the depth of the humanitarian crisis that had beset Gaza and the West Bank in the past two years had dwarfed even earlier calamities, and UNRWA had never previously had to cope with major crises in three fields of operations simultaneously. In the third field of Lebanon, the Nahr el-Bared refugee camp, which had once been a thriving and mostly self-sufficient refugee community, had been destroyed. The resulting 30,000 displaced persons would have to be supported for the next 3 years as that camp was rebuilt.

She expressed alarm over the devastating economic and human costs of the situation in the Occupied Palestinian Territory. As studies had concluded, the fundamental cause of that distress was the intricate system of closures and other restrictions on movement imposed by the Government of Israel on Gaza and the West Bank with the aim of improved security for the Israeli people. According to the World Bank, the Palestinian economy would probably have doubled in size from 2000 to 2007 if those restrictions and other punitive measures had not choked the economy. In 2007 alone, the projected income losses totalled \$4 billion. Underlining the particularly wrenching situation in Gaza, she said the Israeli blockade had severed access to the outside world. Ninety per cent of small businesses and manufacturers had shut down in the past year alone. At 45 to 50 per cent, the unemployment rate was among the highest in the world.

In that context, she said UNRWA was shouldering the major burden of providing humanitarian assistance in the Occupied Palestinian Territory, giving food aid to approximately 1 million. It had also initiated a school feeding programme for 198,000 pupils in Gaza after hunger started affecting their educational performance. Close to 13,000 jobless refugees were employed each month on short-term contracts. Mobile medical clinics provided primary health care to 60,000 refugees. One bright light in Gaza's dismal gloom, however, was the Summer Games programme, which had served 200,000 last year in an expanded capacity.

She was pleased to note that the Agency had improved the effectiveness of its emergency service delivery. With its partners at the World Food Programme (WFP) and the United Nations Children's Fund (UNICEF), it had improved targeting, recruited experts for better aid assessments and identified service gaps, while also providing vaccinations, micronutrient supplements and medical training. It was also an integral part of the "CAP" (coordinated appeals process) programme led by the Office for the Coordination of Humanitarian Affairs.

Although the Agency's emergency appeals had been relatively well funded, she said she could not overemphasize the extent of the vulnerability of the refugees to any possible aid cut-offs, as they lacked any alternative to income sources and essential goods. The donor response to the needs of the Nahr el-Bared crisis had been very strong, but the appeal launched last month to continue interim support programmes for the displaced population for another year had not fared as well. Without new pledges, the Agency would have to begin cutting back services. The appeal made jointly by the Lebanese Government and the World Bank for the camp's reconstruction had also been disappointing and threatened to jeopardize the project.

Turning to the Agency's core services, she highlighted a number of programme achievements in the last year. Roughly 480,000 pupils were enrolled in UNRWA schools. Primary enrolment was almost universal and exceeded the Middle East average. A further 5,000 older students were enrolled in nine technical and vocational training centres and demand was so great that, if it had the resources, the Agency could provide training for at least five times as many students. Nine million patients were provided medical consultations in 128 health clinics -- at an average of 24,000 per day. Immunization coverage was nearly universal and 100,000 infants were vaccinated annually. The Palestine population was well ahead of the average with respect to infant and maternal mortality. The relief and social services provided an essential safety net for the poorest refugees, giving legal advice and skill-training to women, and providing relief to those living in the most abject poverty.

She went on to say that those programmes had adopted new norms over time to achieve greater efficiencies and improve their outcomes, including towards the Millennium Development Goals. The microfinance programme was also growing and had expanded across the West Bank, Jordan and Syria. It had issued 142,000 loans valued at \$150 million, but faced a threat to its viability in Gaza, where loan repayments were being defaulted on. Further programmes were aimed at improving camp infrastructure through a participatory and community-driven approach.

Noting that UNRWA had been concerned about deterioration in the quality of some of its services and its ability to update some programme activities in line with internationally agreed development goals, she said the Agency had adopted a six-year medium-term strategy to address those concerns. That needed to be underpinned by adequate donor financing. Thanks to significant increases from many additional donors, the Agency no longer faced declining real levels of contributions as it had in the past. Yet, its funding gap remained large and could increase. While the deficit between planned expenditures and receipts amounted to \$71 million in 2007, it could reach \$78 million against a cash budget of \$541.8 million.

The simple fact was that contributions had not kept pace with increased refugee needs, she said. Pledges received represented only 80 per cent of the funding requirement. Rising food and energy costs had further aggravated the economic squeeze on the Agency. Given the global economic turmoil it might be tempting to cut aid, but that would be short-sighted and self-defeating in light of the heavy investment already made.

She further underlined the Agency's organizational development process, which was borne of the recognition that the Agency's managerial and programme capacity was inadequate to meet growing and more complex refugee needs. That process was transforming UNRWA's management, planning and service delivery capabilities, as well as the information technology and human resources that drove those processes. The reforms were qualitatively improving the Agency's ability to monitor and evaluate operations and to more strategically plan its work programme. Results were already visible in the reinvigoration of assessments, decentralized accountability and innovative programming. In Syria, an unusually high unemployment rate among young Palestinians had been identified and a cost-effective response prepared. It would aim to improve the employability of youth by providing integrated training and micro-financing, while also promoting youth leadership.

She noted that, in recognition of those reforms, donors had covered \$22.3 million of the organizational development plan's \$27.3 million budget to the end of 2009. With Member States, the Agency was seeking to mainstream into the regular budget of the United Nations 20 new international posts required to sustain implementation of new functions resulting from this plan. The General Assembly had last year approved the creation of six posts in the Secretary-General's budget for 2008-2009 and the Agency would be seeking the balance required next year for the 2010-2011 biennium.

She emphasized that the Agency had been closely following the revival of the Mddle East peace process in the wake of the Annapolis conference last December. While progress made over the past nine months could not yet be assessed, it noted the comments of Palestinian negotiators that there could be no partial or

interim agreement. Settlement of the refugee question – one of the key final status issues – had to be part of the package. UNRWA stood ready to play whatever role it was given by Member States in managing transitional arrangements for the refugees if an agreement was reached.

Noting that next year would mark the Agency's sixtieth anniversary, she said the persistence of the refugee problem for six decades was not a cause for celebration. While the record of the Agency's achievements deserved recognition, the anniversary should not be an occasion for self-congratulation and retrospective thinking. Instead, it was a time to look forward. With the support of Member States, UNRWA would hold a brief ministerial-level meeting during the opening of the next General Assembly session in September 2009, which would give renewed political backing to the vital work of the United Nations in support of the Palestine refugees. While conditions might not be getting any easier and the way ahead for the refugees remained full of uncertainty, she was certain that the Agency was better equipped than it had ever been to rise to the challenges.

Introduction of Report

JONAS JØLLE (Norway), Rapporteur of the Working Group on the Financing of UNRWA, said that pledges for UNRWA's regular budget in 2008 were anticipated to fall significantly short of adjusted budgeted expenditure due in part to unanticipated increases in food and fuel costs, as well as staff salary increases, owing to the rapidly rising local cost of living. The funding gap for 2008 as of 31 August was \$78.8 million, and the deficit against the 2008 project budget of \$56.8 million was expected to reach \$38.1 million. Those large budget deficits would adversely affect the Agency's regular services for refugees.

He noted that the Working Group urged Governments to fund fully UNRWA's budget for the biennium 2008-2009 to ensure that the real value of the Agency's contributions would be maintained. The organizational development programme had laid a solid foundation for more efficient and effective delivery of services to Palestinian refugees. The Working Group also noted the Agency's concerns about the effects of understaffing on its ability to meet the demands of all stakeholders — donors, host authorities and the refugees, themselves. Furthermore, compared with other comparable United Nations organizations, UNRWA senior management structures were under-graded, which created difficulties for the Agency in recruiting and retaining sufficiently experienced senior international staff. In that regard, the Working Group highlighted the importance of the Agency's overall institutional strengthening in the coming period.

The Working Group had been informed of the Agency's emergency appeal for \$262.4 million as of 31 August, equivalent to 61 per cent of the total amount requested, which would provide badly needed food aid, emergency job creation and cash assistance, among other things. Seventy per cent of refugees registered in the Gaza Strip were currently dependant on UNRWA for food aid, and the Working Group called on donors for the emergency appeal to be fully funded. The task of rebuilding Nahr el-Bared refugee camp in North Lebanon and caring for those displaced in the interim was one of the largest challenges ever undertaken by UNRWA, and the Group called on all donors to fully support an appeal for \$42.7 million which would cover 16 months from September 2008 until the end of 2009.

In conclusion, he said that the Working Group believed that UNRWA played a vital role in preserving stability and security in the region, and that the humanitarian problems faced by refugees today must be addressed as a shared international responsibility. In that regard, UNRWA's services must be viewed as the minimum required to enable the refuges to lead productive lives. Any reduction in those services could have a destabilizing effect on the entire region. The Group hoped that the international support for UNRWA embodied in the resolution adopted each year by the General Assembly, which recognized the importance of the Agency's work, would be translated into increased support to ensure its continuation on a sound financial basis.

FEDA ABDELHADY-NASSER, observer for <u>Palestine</u> to the United Nations, recalled with "great sadness and regret" the uprooting, displacement and dispossession of the Palestinian people as a result of "A-Nakba" in 1948. More than half of the Palestinians now lived in exile as refugees, while the remaining population had lived under Israeli occupation for 40 years "suffering the constant violation of their human rights". Today, the 4.6 million people registered with UNRWA-- with millions more living in the diaspora – still awaited fulfilment of their right to return.

She said that the question of Palestine was currently the longest-standing and largest refugee question in the world. The majority of refugees faced difficult socio-economic conditions in the Occupied Palestinian Territory and in the Gaza Strip. Ajust resolution, in accordance with General Assembly resolution 194 (II) of 11 December 1948, remained among the highest priorities of the Palestinian leadership. The right to return was an inalienable right, as well as the right to property and restitution or fair compensation, in conformity with international law, and those rights must be upheld in any settlement.

However, despite efforts at the United Nations and the resumption of the peace process, the past year had not brought a just solution for the problem. The suffering had continued as Israel offered "only more rhetoric and intransigence" and persisted in its violation of international law and United Nations resolutions, refusing to acknowledge any responsibility for the refugees' plight. More than 400 Palestinian villages had been destroyed as part of measures taken by Israel to "obliterate" Palestinian history and connection to the land. While Israel continues its own "law of return" for any person of Jewish descent, it prevented the return of thousands of Palestinians displaced during the June 1967 war. She reaffirmed the Palestinian right to return as called for by Security Council resolution 237 (1967).

She said that, throughout the years of conflict and displacement, UNRWA had remained a constant in the lives of the refugees and played an indispensable part in easing their suffering. The Agency, with vital support from Jordan, Lebanon, Syria and other donor countries, had continued its valiant effort to provide essential assistance to help ameliorate the Palestinian people's socio-economic plight. While the Agency's programmes had focused on education, health and social services, UNRWA had also provided hope and "some semblance of human dignity", as the people continued to appeal for their rights and await a political solution.

Her delegation appreciated the Commissioner-General's articulation of the Agency's vision regarding its work on behalf of the Palestine refugees, as stated in paragraph 3 of the report, she said. The importance of UNRWA's mandate could not be underestimated, as it bore a great responsibility in caring for the Palestinian refugees, even under the harshest conditions. The services, including schools, vocational centres, hospitals, clinics and emergency food and medical aid, had helped to sustain the refugees and contribute to regional stability, as well as to the welfare of the refugees themselves. The Agency's work in all fields of cooperation -- in Jordan, Lebanon, Syria and the Occupied Palestinian Territory -- remained necessary, pending the attainment of a just solution.

She said that, in the Gaza Strip, refugees made up the majority of the population and 50 per cent of them were children. The situation there remained severe, as a result of Israel's ongoing imposition of a punitive, inhumane siege, in addition to its military assaults. Border crossings remained closed, with only sporadic openings, movement of persons and goods, including food, medicine, fuel and other basic supplies, and electricity continued to be cut.

The devastating humanitarian impact was worsening, as 80 per cent of the population was dependent on food aid for survival, with chronic malnutrition and anaemia prevalent among children. More than 90 per cent of industry and businesses were now closed and nearly 50 per cent of the workforce was unemployed. Furthermore, health and sanitation systems were falling into disrepair and were becoming rare. Those deplorable "punishment measures" against the civilian population continued, despite the ceasefire reached in June. The "deliberately imposed humanitarian crisis" in Gaza and the West Bank was only worsening with the global financial crisis.

Israel's imposition of hundreds of checkpoints, its unlawful construction of settlements and the separation wall, an intensification of the permit regime and its discriminatory road network obstructed refugees' access to UNRWA services, she said. The socio-economic distress and restricted movement of Palestinians had affected UNRWA' ability to carry out its mandate. The Agency had launched another emergency appeal for food rations and medical aid for Gaza earlier this year, as well as special interventions for children, including the Summer Games and Schools of Excellence programmes.

She said that impeding UNRWA's efforts and endangering its staff, as well as lewing taxes and transit charges on the Agency, were totally unacceptable and

must not be tolerated. The critical situation in the northern Lebanese Nahr el-Bared refugee camp was being addressed through reconstruction efforts by a partnership between UNRWA and Lebanon, the World Bank, the Palestinian leadership and other agencies. However, that project remained underfunded; the Agency needed more support in order to assist these "more than 30,000 refugees".

Reiterating Palestine's deepest gratitude to UNRWA and all United Nations agencies and humanitarian organizations working to assist the refugees, she said that the international community had been rightly firm in its long-standing support of the Agency's mandate. She also reiterated her calls for the international community to redouble efforts to support and advance the peace process, including a just and lasting solution to the question of Palestine's refugees to bring an end to their misery and exile.

CAROLINE ZIADE (<u>Lebanon</u>), speaking on behalf of the Arab Group, said that, in light of the challenges facing UNRWA, detailed in both the report before the Committee and the presentation just made by the Agency's Commissioner-General, her delegation would like to express appreciation for the vital work it did. The numerous closures and restrictions on movement imposed on the Palestinian population were drastically affecting their daily lives. Children could not go to school. Fuel supplies were insufficient. Infrastructure was deteriorating. The ongoing construction of the barrier wall was an affront to international law and prevented the Palestinian people from carrying out their normal lives. That disaster had beset not only the Palestinian people, but also UNRWA. The searches of the Agency's buildings carried out by Israel in the West Bank and Gaza were a flagrant violation of the 1946 Geneva agreement on the sanctity of United Nations buildings. Staff members were also prevented from moving freely, particularly limiting their ability to enter East Jerusalem. UNRWA vehicles were also searched.

She said that those restrictions ran counter to several historical agreements and Israel's own pledges to support UNRWA. As if that were not enough, Israel imposed indirect taxes on the Agency, especially at the container crossing points. The Arab Group was upset with that state of affairs and the Israeli actions that had created it. She called on the international community to address those issues. The Arab League also called for the right of return of the Palestine refugees, which were the largest and oldest refugee population. The situation on the ground did not change that right. The rights of the refugees needed to be taken into account in any future agreement. UNRWA should continue its services to refugees in camps throughout the region until a just solution was found. The Arab Group paid tribute to the Agency, particularly to the dedication of its employees and Commissioner-General.

Underlining the Group's concerns over the funding shortfall facing UNRWA, she appealed to the United Nations to demonstrate solidarity by providing sufficient funding. The Arab community also called on UNRWA to continue to coordinate with the Palestinian Authority and those Arab Governments that hosted some of the refugees. As the sixtieth anniversary of Al-Nakba and the Universal Declaration of Human Rights was marked, the international community should consider how international bodies could support the dignity of Palestine refugees and move towards the establishment of a State for the Palestinian people.

MANUEL PIREZ PEREZ (<u>Cuba</u>) said UNRWA had been doing an extraordinary job for 60 years in bringing relief to the Palestinian refugees. Last year, the Palestinian people had solemnly marked the adoption of resolution 181 (II) of 1947, which imposed a historic tragedy on the Palestinian people by displacing 85 per cent of them. It was unacceptable that the fundamental rights to self-determination and of return were still denied them under the Israeli occupation. Despite the international community's recent peacemaking efforts, unilateral actions taken by Israel furthered the unacceptable situation there. Many Palestinians had been forced to leave their homes. Construction of the separation wall continued. Meanwhile, extrajudicial killings, extreme use of force, psychological terror, and unlawful detentions, among other actions, were all used by Israel to terrorize the Palestinian populations. Physical barriers had also been erected on many critical roadways. Cuba particularly condemned the actions that had turned Gaza into an isolated and restricted area. In the middle of last year, the poverty levels of Palestinians had risen, and in Gaza, 80 per cent of the population lived in extreme poverty. Israel's actions continued to cause grave economic suffering of the Palestinian people.

Noting that Israeli authorities continued to impose unacceptable restrictions on UNRWA's freedom of movement, he reaffirmed Cuba's support for the request contained in the report of the Agency's advisory commission to include a provision in an UNRWA-related resolution to study the possibility of reimbursement by Israel for UNRWA's subsequent losses. It was inadmissible for Israel to continue to breach the agreements that safeguarded UNRWA's buildings and work.

Supporting the statement made on behalf of the Arab Group, MOHAMED IBRAHIM EL BAHI (<u>Sudan</u>) said that, with each passing day, the Palestinian refugee situation was increasingly complicated, owing to Israel's ongoing occupation. In the Gaza Strip, Israel continued the closing of borders and its declaration of Gaza as a hostile entity. It persisted in the destruction of houses and encouraging settler expansion, in stark violation of international law. All of that had led to the deaths of hundreds of Palestinians and the displacement of thousands.

He said the Israeli practices were not limited to the population of the Gaza Strip and the West Bank, but even hampered UNRWA's efforts, in defiance of international law. The events of Nahr el-Bared complicated the situation of Palestinian refugees, as did the war waged against Lebanon last year, the effects of which were still felt in Syria and Jordan. The plight of the Palestinian refugees would continue until a just solution was found that provided for their return in accordance with Economic and Social Council resolution 184. The right of return was inalienable within the right to self-determination.

He called for continued donor support of the Agency and the States that hosted the refugees, as well as for the Agency's emergency programme. He also backed the reform programme aimed at restructuring and modernizing the Agency to redouble its performance. He commended those States that had contributed to UNRWA and thanked the host countries, particularly Syria, Jordan and Lebanon, adding that the assistance of those "sister countries" facilitated UNRWA's work. The Agency should receive "all kinds of appreciation" as it had fulfilled its commitment, despite insufficient funds. Indeed, it had not faltered.

MANAR TALEB (<u>Syria</u>), associating himself with the statement made on behalf of the Arab Group, expressed his delegation's deepest solidarity with UNRWA, given the difficult circumstances in which its staff performed its job. Israel based the legitimacy of its existence on a General Assembly resolution, but it ironically paid no heed to that resolution's provisions, which also called for the establishment of a Palestinian State. Drawing advantages from mistakes made by European Powers and disregarding United Nations resolutions, it had, as had been characteristic of its behaviour for some time, refused to implement the relevant resolutions. Despite the sixtieth anniversary of one of the greatest tragedies in the world, Israel continued to prevent the return of the Palestinian refugees.

He stressed that that was a blatant flouting of international law and human rights – a law that stated clearly the right of Palestinian refugees to return. Further, it was a violation of the Universal Declaration of Human Rights, which was also established 60 years ago. By those actions, Israel continued to indicate that it was above international law. Richard Falk, Special Rapporteur on the situation of human rights in the Palestinian territories occupied since 1967, had said in his report to the General Assembly (document A/63/326) that Israel persistently pursued a policy that violated the Fourth Geneva Convention, in premeditated fashion. It further contravened binding laws and conventions, yet seemed in some fashion to be exempted from their implementation.

Emphasizing that a single unified response was needed, he appealed to the international community to call for the implementation of article 1 of the Geneva Conventions. Further clarification had been requested from Israel by Mr. Falk, who had also stated that the United Nations should accept the largest share of responsibility for the state of the Palestinian refugees and should, through the General Assembly, issue recommendations that would call for compensation to be made to them for the harm caused by the Israeli occupation.

Underlining Mr. Falk's observation that the economic situation in Israel had improved, while the situation in Palestine had deteriorated, he said the Gaza Strip remained tense and the restrictions imposed on movement there were still extremely harsh, affecting also the whole of the West Bank. The settlement campaign had only grown under Prime Minister Ehud Olmert, with the reach of those settlements extending even beyond the separation wall, which itself was built on Palestinian Territory. Indeed, the occupying Power had continued to build 847 housing units since the Annapolis Conference last December. The restrictions of movement of UNRWA staff also violated international law. Those restrictions had nothing to do with military security issues, rendering them totally unlawful, if

not criminal and premeditated. Further, the commission of inquiry into Israel's November 2006 shelling of Beit Hanoun headed by Archbishop Desmond Tutu had concluded that the bombing could be considered a war crime.

He welcomed the progress noted in the UNRWA report. Syria treated those refugees living in its territory no differently than its own citizens. It bore a heavy burden, but would continue to cooperate with UNRWA to allow the refugees to live in dignity until the provisions of relevant United Nations resolutions regarding their right to return were put into effect. The responsibility for those refugees was a legal and moral one, and on that basis, the Agency should continue its work. He stressed the need for the international community to respond to the urgent appeals of the Commissioner-General and underlined the validity of the Agency's mandate, which should be carried out until the Palestine refugees could return to their homes in accordance with General Assembly resolution 194 (III) of 1948. He also called on the Security Council to have Israel account for its murders of UNRWA staff, which were fully documented. He welcomed the emergency appeal for the reconstruction of the Nahr el-Bared camp.

Associating his delegation with the statement made on behalf of the Arab Group, SHEIKH RAHMA ABDULRAHMAN AL-SHAMSI (<u>United Arab Emirates</u>) said UNRWA had very clearly reported on the extremely dangerous and deteriorating humanitarian, health and social conditions faced by the populations they served. Those conditions, particularly in recent years due to the "inevitable results" of occupation and abuses perpetrated by the Israeli Government, included excessive violence, deliberate extrajudiciary executions, collective punishment, bombings, curfews and border closings, especially in the Gaza Strip, where basic humanitarian rights were violated, such as the right to food and medicine.

He said that public services had also been paralysed and there had been a lack of electricity and sanitation in hospitals and elsewhere. Furthermore, Israel continued its practices, such as military incursions into Palestinian Territory, and the ongoing construction of the wall, which had already cut off people in the West Bank from their natural water resources. People were prevented from their social and geographical contacts and denied a normal life — prevented from attending school and work, or carrying out their daily errands. As such, they had suffered the lack of jobs, disease and epidemics, particularly in the Palestinian refugee camps, where international statistics indicated that, since 2000, 65 per cent of families had lost more than 50 per cent of their daily incomes. Poverty indicators said the percentage of people in the occupied territories who were living below the poverty threshold had increased from 50 per cent in 2005 to 57 per cent in 2006. Additionally, 80 per cent of those living below the poverty line lived in "abject poverty".

Israelis had targeted, not only Palestinians and their property, but also UNRWA's security staff working in the Gaza Strip and West Bank, and had diminished their ability to carry out their social, educational and health programmes aimed at helping the refugees and providing them with their basic needs. His delegation robustly condemned those Israeli offences and appealed to the international community to shoulder its moral and legal responsibilities to prevail upon Israel to end its aggressions and offences against the Palestinian people in the occupied territories and refugee camps. Israel must lift all obstacles against UNRWA and humanitarian supply programmes. That was within the framework if Israel's responsibilities according to international law, in general, and the 1967 Comay-Michelmore Agreement, in particular, as well as the Fourth Geneva Convention.

The United Arab Emirates would continue to provide unlimited financial support to the humanitarian activities aimed at improving the plight of the affected Palestinians, he said, also reiterating his delegation's support for financing programmes to rehabilitate those infrastructures destroyed by Israeli aggressions. Financial institutions, such as the World Bank, must step up their contributions to UNRWA in order for the Agency to meet the challenges and make up its financial shortfalls. In that regard, he also appealed to donor countries to meet their pledges with respect to rebuilding the Nahr el-Bared camp in northern Lebanon, which affected 33,000 refugees. He reminded the Committee that his country had met its contribution with respect to reconstructing that camp, and charity organizations had supported the building of schools and hospitals.

He called on Israel to end its ongoing aggression towards Palestinian camps and to lift the blockade, as well as to end the restriction of free movement of UNRWA's staff so they could provide the urgent humanitarian assistance to the neediest refugees. UNRWA needed to be able to implement its operation in all areas of action without any discrimination. A comprehensive settlement of the question of Palestine must also include resolution of the refugees issue.

MOHAM/ED F. AL-ALLAF (<u>Jordan</u>) expressed his full support for UNWRA's work in aiding the Palestinian refugees, as well as its request to add 14 positions to its staff as a result of its organizational development plan. He underlined article 8 of the Jordan-Israel Peace Treaty (1994), which called for ameliorating all levels of problems pertaining to the refugees in accordance with international law and said the question of the displaced peoples was directly addressed by Security Council in resolution 237 (1967), among other documents. Indeed, the refugees had a right to return and to compensation based on relevant international agreements. Hosting more than 90 per cent of those displaced during the 1967 war, Jordan was directly affected by the conflict. It had provided assistance to displaced refugees, spending at least \$600 million for health, social and educational services to those refugees residing in Jordan, despite its own challenging economic situation. Thus, his country reserved its right to compensation for the expense of providing those services over the past six decades.

He went on to say that UNRWA was central in supporting the refugees until a final solution was found to the refugee situation. At a time when the Agency faced a severe economic situation, Jordan provided 21 per cent of the budget. Furthermore, Jordan believed that the needs of the Palestinian refugees had to be met regardless of their location. It was also of paramount importance that the services reached the refugees outside the camps. The financial problem had the potential to paint a negative picture in the international community concerning the Agency's work. Any solution should balance its multidimensional work with a political commitment to the Palestinian refugees.

Jordan shared the Agency's concern over the separation wall and the curfew and other restrictions imposed by Israel, all of which prevented the Agency from providing help to Palestinians, he said. In addition, they violated the 1967 Comay-Michelmore Agreement. He further stressed that the safety of UNRWA staff was a priority. The criteria used to evaluate the population's dire needs should be reformulated. More schools should be established and the budget increased to provide housing for the poor in the camps.

FAWZIA AL-SULATI (<u>Qatar</u>) said UNRWA was trying to support the refugees so that they could deal with their serious humanitarian situation. Her delegation paid tribute to UNRWA's efforts and activities. There could be no doubt that the question of Palestinian refugees was the largest and longest-standing refugee problem in the world. But despite the vast task undertaken by UNRWA, the situation worsened yearly. As proof, one could compare the data in the current report with that of previous years.

She said that the economic situation was deplorable. Roadblocks and checkpoints impeded humanitarian activities, and the restrictions against UNRWA prevented its staff from carrying out its tasks. UNRWAhad issued an urgent appeal for funding, but it had only garnered 58 per cent of the required funds. Besides the indisputable right of return, the Palestinian refugees still had the right to health and education, which were basic human rights and, as such, those must be restored. She appealed to all donors, Governments, institutions and offices to provide the financing and support necessary for UNRWA to carry out its tasks to enable the refugees to live a dignified, productive life.

In that regard, she said Qatar had always provided support to the Palestinian people in general and to the Palestinian refugees in particular, so that they could live in dignity, in accordance with the precepts of different treaties and international charters. However, those rights were not the responsibility of treaties alone; they were the moral duty of the international community.

CAN DIZDAR (<u>Turkey</u>) said his delegation was heartened by the recent positive developments in the Middle East, namely the continued bilateral contacts between Israel and the Palestinians, the relative calm on the Israeli border, movement on the Syrian-Israeli track, and the agreements reached among the parties in Lebanon. However, there was still a lot to be done: Israeli-Palestinian negotiations needed to intensify, conditions on the ground needed to improve; and the Road Map commitments, particularly on settlements, must be honoured.

He said that, as long as a just and lasting peace in the Mddle East remained elusive, it would not be possible to end the suffering of the Palestinian refugees who experienced worsening and tragic conditions. He commended UNRWA staff for their untiring efforts, and welcomed the steps taken in the context of the Agency's ongoing reform process, particularly in the fields of institutional strengthening and organizational development.

Turkey was proud to chair the Working Group on the financing of UNRWA, but underlined the persisting funding gap and its effects on the Agency's ability to provide its crucial services, he said. UNRWA was "light, hope" and a "lifeline" for thousands of Palestinian refugees. The better equipped the Agency was, the better prospects for the refugees.

He called on the international community to increase its contributions to provide better means for the Palestinians not only "in terms of humanity", but also in terms of regional security and stability. In that vein, Turkey remained committed to UNRWA and had increased its annual voluntary contributions and also responded to its emergency appeals. In addition to its regular assistance and contributions to the Nahr el-Bared camp, the Turkish Government had also pledged \$150 million for the Palestinian Reform and Development Plan at the Paris International Conference and was already working with the Palestinian authorities.

Turkey would also continue working on the "Industry for Peace" projects in the context of the tripartite Ankara Forum, bringing together private sector representatives from Turkey, Palestine and Israel, he said. Once completed, those projects in Tarqumiah and Erezwould create important employment opportunities for the Palestinians and serve both Israel and Palestine as a confidence-building measure.

HOANG CHI TRUNG (<u>Met Nam</u>) said that, over the past 60 years, UNRWA had undergone great challenges in bringing its services to millions of Palestinian refugees under dire conditions, and he expressed profound gratitude for the dedication and commitment of its staff. He further commended the Agency for its tireless efforts to provide education, health and social services to the Palestinian people, most notably the hundreds of children given the opportunity to go to school.

He said he supported the efforts to ensure UNRWA's continuous reform and strengthened effectiveness and impact, and welcomed the Agency's decision to formulate a medium-term strategy for the period from 2010 to 2015. The Agency's greatest challenge was its uncertain financial situation, as it was working under a substantial financial deficit, with demands for assistance sharply increasing. Adding to that was a lack of cooperation on the part of the Israeli Government, especially its policies of imposing separation barriers, closures, curfews, and other restrictions on movement of people in the Occupied Palestinian Territory.

Those measures seriously impacted the Agency's ability to fulfil its mandate, and was a matter of grave concern to the international community, he said, underlining that the privileges and communities of UNRWA as an organ of the United Nations must be fully respected and the actions impeding their activities must be eliminated. He called upon Israel to abolish the restrictive policies. He reiterated his delegation's consistent and strong support of UNRWA's work and noble responsibilities, and said greater efforts should be made to arrive at a just and lasting solution in the Mddle East.

MRJANA SPOLJARIC (<u>Switzerland</u>) expressed support for UNRWA's activities and paid tribute to its Commissioner-General. She also thanked the Agency for the quality of its annual and financial report for 2007 and the strategic framework document, including the biennial programme plan for the years 2010 to 2011. The improvements mentioned in those documents should be accompanied on the ground and at the organizational level by strengthening of the Agency's follow-up and evaluation programmes. The reform of the Agency's management methods had produced encouraging interim results, and she called on the parties concerned to support its continuation.

She said that Switzerland was particularly worried by the constant deterioration of the socio-economic and security situation in the Occupied Palestinian Territory. The restrictions of access to Gaza and the West Bank, including East Jerusalem, that had been imposed by the Israeli authorities on UNRWA personnel was preventing them from adequately responding to refugee needs. Also deeply concerning were the numerous administrative obstacles and major security risks that affected their work. Her country called on all parties concerned to comply with their obligations and to facilitate the rapid and unimpeded access by UNRWA staff to Palestinian refugees.

She also called on donor countries to contribute to the Agency's core budget, in addition to their contributions to specific projects. That also applied to the host countries, whose generosity to the refugee populations was highly appreciated. For its part, Switzerland intended to remain a predictable and reliable partner of UNRWA at all levels and would show flexibility by making specific contributions, in addition to its general outlay. Given the need to rebuild the Nahr el-Bared camp and to reduce social tensions, it was providing support, along with the Lebanese Government and UNRWA including through experts in the context of the reconstruction. Pledges made at the 23 June donor conference in Vienna should be honoured as quickly as possible.

Noting her delegation's support for the organization of events to mark UNRWA's sixtieth anniversary in 2009, she said those would not be festivities; the institution's ongoing 60-year existence truly placed a question mark on the international community's ability to adequately resolve the issue of the Palestinian refugees. Thus, the task of the anniversary would be to reaffirm and to strengthen support for efforts to improve the living conditions of the refugees and to be a reminder of the urgent need to achieve a just and lasting solution to the Israeli-Arab conflict.

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