



Press Release

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King Abdullah II receives UNRWA Commissioner-General; Donor and Host Governments Reaffirm Support for Agency

United States Announces Additional Contribution of \$9 Million for Year 2000

Amman, 28 September (UNWRA) -- His Majesty King Abdullah II yesterday received in Al-Barakeh Royal Palace in Amman Peter Hansen, the Commissioner-General of the United Nations Relief and Works Agency for Palestine Refugees in the Near East (UNRWA).

King Abdullah reiterated Jordan's commitment to supporting UNRWA and improving the living conditions of the Palestinian refugees in Jordan. King Abdullah also cited UNRWA's role and its contribution to stability in the region until a just settlement is reached for the refugee problem, in accordance with international resolutions.

Mr. Hansen expressed to King Abdullah UNRWA's deep appreciation for the generous and continuous support received from Jordan since the Agency started operations 50 years ago.

The Commissioner-General chaired UNRWA's informal meeting of major donor and host governments, which concluded in Amman today. Participants in the two-day meeting reaffirmed support for the Agency and its efforts to maintain services to about 3.7 million Palestine refugees in Jordan, Lebanon, Syria, and the West Bank and Gaza Strip. Delegates represented 26 of the Agency's donor and host governments, and the Palestine Liberation Organization (PLO).

In the keynote address to the meeting on 26 September, the Jordanian Minister for Foreign Affairs, Abdul Ilah Khatib, reiterated Jordan's commitment and support for UNRWA and the need for its services to continue until a permanent solution to the refugee problem is reached and fully implemented. Mr. Khatib called upon the international community to provide the Agency with adequate financial resources needed to meet its financial requirements and to close its budget gap. "Enabling the Agency to meet its financial obligations at this crucial junction will contribute positively to developing constructive attitudes towards the peace process", Mr. Khatib said.

In his opening remarks, Mr. Hansen thanked donor and host governments for their continued support to the Agency and updated the meeting on developments in the Agency's work since donor and host governments met on 10 and 11 May. In particular, the Commissioner-General briefed the meeting about the situation in Lebanon, where a number of sit-ins and a letter-writing campaign had begun against UNRWA to provide secondary education in the north of Lebanon. Mr. Hansen emphasized that, while it was not Agency policy to provide secondary education to Palestine refugees, the Agency did its utmost to exceptionally meet the demand in other parts of Lebanon where the need was greater, with additional earmarked donor funding. Any further expansion of secondary school education in Lebanon was subject to the receipt of additional contributions for such an activity.

The Commissioner-General also highlighted other areas where additional needs arose due to unforeseen developments in the region, which further increased the demand for the Agency's over-stretched resources, for instance, the introduction of English language teaching from the first grade in Jordan and the adoption of new textbooks in the West Bank and Gaza.

In spite of its financial woes, Mr. Hansen confirmed UNRWA's commitment to maintaining/providing basic services to refugees until a final settlement had been reached. While UNRWA's cash budget for the year 2000 was \$280 million, the expected income for the year was \$253 million. Mr. Hansen highlighted that, while there was a general increase in annual contributions from most donors in their local currencies between 1995 and 2000, these increases did not match the increased demand on Agency services due to natural population growth nor offset the negative impact of exchange rate fluctuations against the United States dollar. In the year 2000, UNRWA lost over \$10 million in income as a result of the more than 25 per cent devaluation of the euro against the United States dollar. The European Commission and its member States combined are the largest source of funding for the Agency.

The Commissioner-General briefly reported to the meeting Agency efforts to expand the donor base and to tap new resources of funding for UNRWA programmes and projects.

In statement after statement, delegates from donor and host governments reiterated their unwavering support to UNRWA and to its

mandate. Speakers highlighted the indispensability of UNRWA and the need for the Agency to remain a strong institution capable of meeting Palestine refugee needs of health, education, and relief and social services. They also voiced concern over the Agency's continued financial deficit and its effect on the level and quality of services. Speakers also praised the Agency's continuing efforts in management reform, particularly the new budget format and the ongoing effort to implement a new financial and human resources system based on the latest technology.

The head of the United States delegation reaffirmed her Government's strong and continuing support for UNRWA's humanitarian mandate to provide health, educational and social services to the Palestine refugees and announced an additional United States contribution of \$9 million to UNRWA in the year 2000. This sum included \$6.6 million for the Agency's General Fund and \$2.4 million for special projects. This brings the total contribution by the United States, the largest State donor to UNRWA, for the year 2000, to \$89 million.

In addition to the additional United States pledge, several other donors highlighted their own increased contributions to UNRWA in the year 2000 over their 1999 levels and expressed their intention to maintain these increased level in the year 2001. The representative of the European Commission informed the meeting that, in addition to additional funding for two projects in Syria, hospitalization in Lebanon and shelter rehabilitation, the European Commission was currently considering providing euro 15 million to improve environmental health conditions in refugee camps in the region. Saudi Arabia announced an additional contribution of \$2.4 million to be paid to UNRWA over four years starting in 2001.

In his concluding remarks, Mr. Hansen thanked the participants and their governments for their continued support to UNRWA and its mandate, which sent a positive message to Palestine refugees reaffirming the international community's commitment to their cause until a final settlement was reached.

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