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**The UN Relief and Works Agency (UNRWA)
and a Durable Solution for Palestinian Refugees**

Terry M. Rempel, Coordinator of Research and Information, BADIL

BADIL-Briefs aim to support the Palestinian-Arab and international debate about strategies for promotion of Palestinian refugees' right of return, restitution, and compensation in the framework of a just and durable solution of the Palestinian/Arab - Israeli conflict.

Background

Brief No. 6 is one of a set of three BADIL Briefs (No. 5-7), which examine the special regime (outlined in Brief No. 1) established by the United Nations to provide protection and assistance for Palestinian refugees and promote a durable solution based on the provisions of UN Resolution 194 (III). Briefs 5 and 7 provide an overview of the UN Conciliation Commission for Palestine (UNCCP) and the UN Office of the High Commissioner for Refugees (UNHCR).

This Brief examines the work of the UN Relief and Works Agency (UNRWA) established in 1949 to provide assistance for Palestinian refugees. The Brief examines the future role of UNRWA in a durable solution for Palestinian refugees. Based on a review of the Agency's mandate, experience, and institutional resource, UNRWA could play a useful functional role in a multi-agency, international burden-sharing effort in the areas of refugee protection, human resource development, social infrastructure development, and institutional capacity building. Brief No. 6 is based on a paper prepared for a workshop on the Future of UNRWA organized by the Palestinian Refugee ResearchNet and the Royal Institute of International Affairs in Minster-Lovell, UK, 19-20 February 2000.

Introduction

In 1949, the United Nations General Assembly established a special agency, the UN Relief and Works Agency for Palestine Refugees (UNRWA)^[1], to carry on the previous work of the UN and international non-governmental organizations^[2] in the provision of assistance for some 750,000 Palestinian refugees. UNRWA was established with a short-term mandate^[3], subsequently renewed on a regular basis given the inability of the United Nations to implement the framework and special guidelines set down in Resolution 194 (III) of December 1948 calling for the return and compensation of the refugees.^[4]

Today UNRWA provides basic health, education, and social services for some 3.7 million Palestinian refugees, or about three-quarters of the entire Palestinian refugee population, residing in the five areas of its operation – Gaza, West Bank, Jordan, Lebanon, and Syria. Through a works program, the Agency has focused on human resource development and improvements in the social infrastructure. The Agency administers 59 refugee camps and employs some 20,000 persons, the majority of whom are refugees.

The onset of the Oslo process in 1993 renewed debate about the future of the Agency both in the international community and within UNRWA itself. A 1995 report by the Agency noted, “for the first time since [UNRWA] was established in December 1949, it is possible to see on the horizon the end of the Agency’s mission.”^[5] UNRWA's ultimate dissolution, noted the report, was linked to the resolution of the refugee problem at the end of the final status negotiations between Israel and the PLO.^[6] Five years on, however, the future of the Agency remains unclear.

UNRWA continues to face annual deficit problems due to insufficient donor contributions. This has seriously hampered the ability of the Agency to provide assistance for Palestinian refugees.^[7] On several occasions, the Agency has warned donor countries that failure to provide sufficient funding could lead to the dissolution of UNRWA through attrition. The long-term future of the Agency is equally unclear. Political pressure continues to emanate from official Israeli circles and from some donor states to shut down the Agency. Under what political, economic, and legal conditions will UNRWA operations be terminated? What if the PLO and Israel fail to reach an agreement on the refugee issue? What if an agreement is signed that is not consistent with UN Resolution 194 (III) and international refugee law?

This brief examines the future of UNRWA within the context of a durable solution based on the framework set down in Resolution 194 (III). There are three durable solutions for refugees: repatriation, host country absorption, and third country resettlement. Each of these options is governed by the principle of voluntariness or refugee choice. The international community has recognized voluntary repatriation as the preferred and most durable solution.^[8] Increasingly, the international community has also recognized the important role of longer-term development initiatives for durable solutions to refugee flows.^[9]

This framework is essentially consistent with that set down by the international community for Palestinian refugees in Resolution 194 (III). Paragraph 11 of the resolution identified both repatriation and resettlement (first and third country) as the options governing a solution to the Palestinian refugee issue. Repatriation was identified as the preferred solution. In addition, the resolution states that a durable solution should provide for payment of compensation^[10], and social and economic rehabilitation of the refugees.

Based on a review of UNRWA's mandate for assistance and development^[11], experience, and institutional resources, the Agency is poised to play a useful functional role in at least four areas related to the three durable solutions: refugee protection, human resource development, social infrastructure development, and institutional capacity building. The list presented here is not exhaustive, but rather aims to stimulate some new thinking about the future of the Agency. The brief examines each of these areas and then returns to the broader question of what conditions allow for the termination of UNRWA operations.

Refugee Protection

While UNRWA does not have extensive experience or a mandate to provide refugee protection^[12], the Agency has provided some types of basic protection based on a flexible, humanitarian approach to its mandate.^[13] During the intifada, for example, UNRWA provided limited protection for refugees through the Refugee Affairs Officer (RAO) program.^[14] The RAOs attempted to defuse confrontations between the Israeli military and Palestinians, helped to ensure the smooth delivery of emergency medical care to injured persons, and monitored the situation in the refugee camps and nearby areas so that UNRWA field directors could assess client needs and emergency requirements.

Given the overall limited resources of the Agency and the limited experience in this area, UNRWA should not play a major role in refugee protection, however, there are some areas in which the Agency could provide valuable assistance. On the one hand, UNRWA may be able to provide assistance in determining the durable solution chosen by each refugee in the event of an agreement between the PLO and Israel, which allows for refugee repatriation.^[15] Approximately two-thirds of all refugees are registered with UNRWA.^[16] This registration provides a natural mechanism to conduct a survey of each registered refugee. The large staff of 20,000, most of whom are refugees themselves, constitute an on the ground presence through area and camp field offices, and offers a potential pool for secondment of staff who are familiar and importantly, already have an established level of trust with the refugee community.

The significant drawback is that UNRWA registration is based on need and place of residence, rather than refugee status. As UNRWA notes, its definition of a refugee "was not meant to be exhaustive in a political sense but rather to define eligibility for the Agency's services."^[17] Hence, a significant portion of Palestinian refugees, some 1.4 million are not registered with the Agency, and would not be covered in a survey based on Agency registration records.^[18] The records also suffer some problems related to the under-reporting of births, deaths and movement to areas outside UNRWA operations; because reporting is voluntary, the records may not always be up-to-date.^[19] Notably, the registration also displays a bias against women and children by excluding refugee women married to non-refugees, and the children of refugee women married to non-refugees.^[20]

Approximately one-third of the non-registered refugee population resides in one of the five areas where UNRWA provides services, with some two-thirds of this group located in Jordan. Around 40 percent live in border countries and the Gulf, with the remaining split evenly between the United States and other countries. In other words, close to one million non-registered refugees lives either in areas where UNRWA already operates or in border areas. It is not unreasonable to expect that the Agency would be able to register these refugees, with the assistance of those states where the refugees are residing, in order to facilitate a proper survey of refugee choices. In many cases, the Agency is already familiar with Palestinian refugees residing in some of these states, like Kuwait and Libya, for example, where registered refugees have sought employment and have faced subsequent problems related to residency and freedom of movement.^[21]

The revision of UNRWA's definition of Palestine refugees in 1992, which removed the criteria of need and initial flight, provides further opportunity for non-registered refugees to register with UNRWA.^[22] During the first several years after the change, several hundred refugees registered with UNRWA each year. UNRWA also has initial registration files for internally displaced Palestinians in Israel, although the Agency no longer provides assistance to this group of refugees.^[23] The records include files for some 11,000 families comprising approximately 30,000 individuals. Most of the registration cards are for families from the Galilee, but there are also registration cards for families from Jerusalem, Lydda, and Jaffa. These files could provide an initial registration base for internally displaced Palestinians, although IDPs face a unique set of problems related to durable solutions characterized by a clash between international protection and state sovereignty.^[24]

UNRWA does not have a mandate or significant experience to implement durable solutions, although it may provide useful assistance on a case-by-case basis. Since 1982, the Agency has helped to facilitate the repatriation of Palestinian refugees stranded on the Egyptian side of the border after the return of the Sinai under the Camp David Accords signed by Israel and Egypt.^[25] The majority of the refugees had been forcibly evicted from Rafah camp in Gaza when streets in the camp were widened by Israel as a so-called security measure.^[26] On average, 10 households have been permitted to return to Gaza each year since the initiation of the process. Recently, the Agency has noted that it could be involved in helping 1967 displaced refugees who would be repatriated in the West Bank and Gaza in accordance with future agreements between Israel and the PLO.^[27] Given the Agency's extensive regional network and knowledge of the socio-economic differences in the areas of its operations, UNRWA may also be in a position to help address social differences of refugees from different areas of exile repatriating to the same place of origin.

In the early 1950s, the Agency also facilitated some small-scale resettlement activities, through a Placement Services Office. The Office provided assistance, including emigration loans limited to \$400 per adult and \$200 per child, to Palestinian refugees who sought resettlement in Libya or Iraq.^[28] A fulltime liaison officer was appointed for each country. The Agency also engaged in an experiment of assisting overseas emigration for refugees who had already obtained visas. The migration experiment was suspended after a year, however, at the request of local governments pending a review of the Agency's programs.^[29] More recently the Agency has provided some assistance to refugees with residency problems outside of the Agency's area of operations. In Libya, for example, UNRWA provided assistance to stateless refugees stranded in a temporary camp on the Egyptian/Libyan border after the Libyan government ordered all Palestinian refugees to leave the country in light of the UN economic blockade against Libya.^[30] In the context of a durable solution, refugees choosing resettlement may require assistance in the regularization of their status under domestic law. Again, UNRWA may be able to play a role on a case-by-case basis, but with little experience in this area, and lingering suspicions about attempts by the international community to use the Agency as a tool for *de facto* or forced resettlement during the early years of its operations, this role would be better left to an international protection agency, with a strong record of protecting and facilitating refugee choice.^[31]

The information contained in UNRWA's registration system may also be helpful to agencies facilitating the durable solution chosen by each refugee. Each registration card, which includes a family registration number that identifies the family by name, the region where they live, and their specific environs, be it a city, a camp or other environ, also includes a five-digit code of origin. This code identifies the place of origin of each refugee family in pre-1948 Palestine. The village structure, as it existed prior to the 1948 war, has thus been preserved by virtue of the registration system.^[32] According to this data, most registered refugees live within 100 km of their original homes and lands, with more than two-thirds of the villages that were depopulated in 1948 living in the same host country.^[33] This information would help identify and provide a profile of those refugees wishing to repatriate according to village unit.

UNRWA may also provide some assistance to an international agency like the UNCCP, or a new Housing and Property Commission/Directorate, for those refugees seeking restitution and compensation. Agency family files include, on average, approximately 40 additional documents per file. These documents contain, among other things, information related to property including deeds and details about houses, fields, livestock, workshops, etc., though the collection is not comprehensive. These documents may provide useful supplementary material to the records held by the UNCCP, which are based on British tax records, and records from the land survey department.^[34] There may be some precedent for an international agency like UNRWA to make claims on behalf of those it represents, when its constituents have no state body representation.^[35] In the past, for example, UNRWA has submitted claims to the UN Compensation Commission on behalf of Palestinian

refugees in the case of Palestinians evicted from Kuwait during the 1990 Gulf war. In any case, however, the precedent is not well tested and UNRWA's experience in this area is minimal. This and lobbying for necessary property law reforms in Israel in order to facilitate restitution may be best left to other agencies.

Finally, renewed instability in the region may require the management and delivery of emergency relief. UNRWA's experience and wide network in the region could provide an important conduit for such aid if required. UNRWA has administered emergency relief operations, during the early days of the refugee crisis, and during subsequent periods of crisis and displacement such as the 1967 six day war^[36], the Israeli invasion of Lebanon^[37], and long periods of Israeli military closure in the West Bank and Gaza^[38]. The Agency faces some drawbacks in this area in relation to institutional immunity^[39], particularly given the fact that both the majority of its staff comes from the community it serves, but these kinds of infringements are not unique to UNRWA.^[40] They have complicated UNRWA's ability to carry out efficient assistance but have not prevented the Agency from delivery of aid. It may also be necessary to deliver emergency assistance to both refugees and non-refugees in order to provide equal access to critical assistance and guard against additional tensions stemming from situations of unequal access. This approach would not be a departure from UNRWA's previous work in the field where it has provided basic assistance, for example to non-registered refugees and other persons of need.

Human Resource Development

One of the main areas of UNRWA's assistance and works programs is human resource development. From the very beginning, the Agency has sought to help refugees help themselves by providing education, training, basic health care, income-generating projects, programs to address the specific needs of youth and women, and where necessary, social welfare to assist those on the extreme margins of the refugee community. Despite these efforts, it must be noted that at times these programs have proved insufficient to provide adequate and equal opportunities for the refugee community, due to inadequate donor financing of UNRWA programs.

Today UNRWA operations serve nearly half a million elementary, preparatory and secondary students, half of whom are females. The Agency employs over 14,000 staff in its education system. Further education is provided in the area of vocational, technical, and teacher training. Health care facilities host more than 7 million patient visits per year providing primary health care as well as mother and child health care, family planning, care for diabetes and hypertension, and dental services. Some 3,400 staff is employed in the health care programs. The Agency also provides special social assistance to more than 200,000 Special Hardship Cases (SHC)^[41], and has established centers that provide special services for youth, women, and rehabilitation.^[42] Just over 600 staff currently works in the area of relief and social services. These services are often provided in cooperation with other international agencies such as UNESCO and the World Health Organization.

Human resource development will be an important component for a durable solution for Palestinian refugees. Lack of access or deficient educational opportunities, poor community health, and failure to address the needs of those on the economic margins of the refugee community, whether they choose repatriation or resettlement, will undermine efforts to create a sustainable and durable solution. These types of services will eventually have to be transferred to the appropriate government authorities once an agreement to implement a durable solution has been reached, but it may be necessary for UNRWA to play a transitional role for some period of time during which these services are harmonized with existing services provided to the non-refugee population and to allow time for existing government and non-governmental institutions to build sufficient capacity to handle the increased need for human resource development programs.^[43]

Based on the Agency's extensive social and demographic data, UNRWA could play a primary role in determining the type of human resource development projects required for both returnees, individually and by village unit, and for those choosing resettlement. Five decades of longitudinal data on occupation/profession and education, for example, provide the Agency with good indicators about future employment and education needs of families and village units. This data can then be matched up with employment opportunities and prospects and potential educational needs of refugees in the areas of return/resettlement. The drawback on educational data is that it is limited to those refugees using UNRWA services rather than the entire refugee population.^[44] Existing Vocational and Technical Training Centers as well as Education Science Faculties operated by UNRWA may provide interim to longer-term training and skills upgrading to assist refugees in acquiring gainful employment. Financial records over the past fifty years may assist planning and budgeting of these needs both as transitional measures and as longer-term services provided by the state.^[45]

It is widely acknowledged that successful repatriation and resettlement programs must assist in creating economic opportunities. Palestinian refugees receive fewer benefits from economic growth and are more severely affected by economic decline. Again, UNRWA may provide some assistance in this area based on previous experience. During the 1950s, UNRWA attempted to implement small-scale training and employment-creating projects known as "work relief", but these early projects were soon deemed to be unsuccessful due in large part to high overhead costs.^[46] Small and medium-scale projects were eventually replaced by a new program, which provided tools and equipment, rather than employment. Small loans were granted to individuals or groups who could become self-supporting. More recently, UNRWA's income-generating program has been one of the most successful programs operated by the Agency. The program has attempted to promote economic activity principally by addressing the lack of credit facilities available to small entrepreneurs and persons working on the margins of the economy. To reach such enterprises, the Agency has utilized a range of flexible collateral and guarantee mechanisms, including business plan-based lending and individual, group, and check guarantee methods.^[47]

The provision of education and gainful employment, however, is not sufficient to sustain a durable solution. Efforts must be made to ensure a healthy and productive population. Charting the current and potential health care needs of refugees, either as individuals, families or villages, is another area in which UNRWA can play a valuable role. Detailed records chart the health and medical needs of Palestinian refugees over the past fifty years.^[48] Data from the Health Family Files include a list of chronic and or family diseases. Clinic cards, for example, contain the medical history and records of each adult family member with similar records kept for children. As with the educational data, however, the statistics only cover those refugees who avail themselves of UNRWA services. Collation of UNRWA data with that of individual host countries would provide a more comprehensive and useful source of data for long-term planning of health needs.

Special attention must also be paid to groups that face social and/or economic marginalization. In particular, the international community has noted that refugee women and children require special protection, not only because the majority of refugees worldwide women and children, but also because they can be exposed to particularly vulnerable situations.^[49] UNRWA has attempted to address the specific needs of Palestinian refugee women, for example, with the Palestinian Women's Initiative Fund begun in 1992 to provide financial assistance, training and technical support to women-owned enterprises or support services. Women's Programme Centres provide another venue to assist women in creating opportunities for women. In this area, special consideration should also be given to the discrimination in human development services faced by refugee women and their children who lose access to these services once they marry non-refugee men.

Special attention should also be given to refugees falling under the Special Hardship Cases program. Implementation of a durable solution should provide a "leg up". Insufficient attention to the needs of SHCs may result in a significant number of individuals and families falling between the cracks, leading to potential problems that can complicate the task of building a sustainable solution. UNRWA can play a unique role in this area because of the extensive data that can be used for identifying at-risk groups and effective policy planning. Refugees from Lebanon, for example, will have a different set of human resource needs due to severe economic and social marginalization. Lebanon has the highest rate of SHCs in the five areas of UNRWA operations.^[50] Additional attention may be required for refugees in Lebanon and in the West Bank and Gaza due to the harsh conditions imposed, respectively, by the Israeli invasion and occupation.

Social Infrastructure

UNRWA could also play a useful role in the development of social infrastructure, including oversight of the planning and construction of new infrastructure, particularly in areas where refugees return, but also in terms of upgrading existing facilities and construction of additional facilities as required in areas of the region where some refugees might choose resettlement. During the early years of its existence the Agency attempted to implement projects aimed more at the regional infrastructure. This included medium government-controlled projects such as tree planting and road building, and a large-scale economic project based on joint development of regional water resources.^[51] This project proved to be unsuccessful, in part because of the lack of cooperation among potential regional partners, but also because refugees regarded the project as a forced resettlement project.

Later projects focused on improving the social infrastructure for the refugee community given the increased needs due to the expanding refugee population. Today UNRWA maintains an expansive organizational infrastructure spread over the five areas of its operations. This includes 640 schools, 8 vocational and technical training centers, 3 educational sciences faculties, 122 primary health care facilities, 71 women's program centers, 27 youth activity centers, and 34 community rehabilitation centers.

More recently UNRWA has overseen a special program, the Peace Implementation Program (PIP)^[52], to improve the social infrastructure of the West Bank and Gaza with the aim of eventually handing over this infrastructure to the Palestinian Authority of Palestinian state. A smaller portion of funds has been directed towards the other three areas of UNRWA operations.^[53] PIP projects have included the construction of more than 30 new schools and upgrading of existing ones (including some in the public sector), upgrading existing health clinics and construction and equipment of 10 additional health centers; feasibility studies and implementation of projects to improve sewerage, solid waste collection and water quality; rehabilitation of over 5,500 shelters; and 9 new women's programs centers.^[54] The second stage of the Peace Implementation Plan has focused on the environmental health sector, including comprehensive proposals for internal sewerage and storm-water drainage systems, and on assisting PA in addressing needs of returnees. UNRWA has also overseen the construction of a new 232 bed hospital in Gaza funded by the European Union.

Again, based on the extensive records maintained by UNRWA, it is possible to determine not only the existing needs for social infrastructure of the refugee community but also the future needs as a whole, and in smaller units like the village. Based on the 1999 General Fund Budget of UNRWA for education and health, for example, the total investment over a ten year period would be, respectively, US\$ 1.6 billion dollars and US\$ 640 million or with a 5% increase per annum (the estimated donor increase necessary to maintain services) the total calculated investment would reach US\$ 2 billion for education and US\$ 800 million for health. UNRWA data can then be tabulated against data about social infrastructure in the areas to which refugees choose to return or be resettled. Quick Impact Projects (QIPs) – i.e. reconstruction of schools, water wells, etc., not unlike those projects in the West Bank and

Gaza under the Peace Implementation Plan, can provide immediate assistance for smooth reintegration of refugees though the impact of such projects is linked to longer term follow up once international agencies are no longer providing assistance.

Another area in which UNRWA has some experience is in shelter rehabilitation. After the Israeli invasion of Lebanon during which 57 percent of the refugee shelters in the Beirut, Sidon and Tyre areas were destroyed and 20 percent were damaged UNRWA engaged in a large rebuilding program.^[55] UNRWA continues to provide refugees in all areas of its operation with assistance in shelter rehabilitation. While the provision and rehabilitation of shelter for returnees will be especially important for Palestinian refugees, given the fact that some 530 villages were razed to prevent refugees from coming home, and for those refugees wishing to be resettled, the task is sufficiently large to go beyond the capabilities of any one agency. While UNRWA may be of assistance, a multi-agency effort will be needed to provide for the housing needs of refugees.

Institutional Capacity Building

Finally, UNRWA could provide assistance in institutional capacity building. Early studies carried out by the Agency examined the potential of host governments and Israel to handle the services then provided by UNRWA. Recently the Agency has provided capacity building assistance for the Palestinian Authority (PA). The PA education department, for example, has received training courses for head teachers, in-service training courses, and school health services in Authority schools. UNRWA assisted the nascent health authority in the handover period from the Israeli Civil Administration, upgraded equipment at a public sector hospital, and assisted in the development of a Palestinian health insurance scheme, school health services and immunization policies. In relief and social services, the Agency focused on housing for returnees, national plans for youth and children, and the improvement of sports facilities. UNRWA staff has served on technical advisory committees set up by the PA in various sectors. The Agency has also administered temporarily the payment of salaries of the Palestinian Authority police force from donor funds. The second stage of the Peace Implementation Plan was coordinated with relevant departments of the Palestinian Authority and the Palestinian Economic Council for Development and Reconstruction (PECDAR).

Given the history of UNRWA's involvement with Palestinian refugees and the extensive amount of data archived with the Agency, consisting of social and demographic data which detail the history and chart the growth and development of families and the refugee community at large, and a significant quantity of historical documents, including correspondence between the Agency and government officials and international agencies, descriptions of camp conditions during the various periods of the Agency's operation, notes and plans for resettlement projects, reports on refugee opinion, information on development projects and surveys of living conditions in the areas of its operation, UNRWA could play a valuable role in establishing a national Palestinian archive.

Additional historical documents include photographs and some film footage. Photos from the early period of UN relief assistance in Palestine cover refugee living conditions, education for refugee children, health care, and arts and crafts. The Agency also has a small ethnographic museum in Gaza, which includes agricultural implements, household items, regional costumes, and documents from the pre-1948 period.

Conclusion

Effective implementation of a durable solution, including social and economic rehabilitation of the refugees will necessitate a multi-agency approach, not unlike the multi-agency approach adopted by the international community in the West Bank and Gaza during the interim period of the Oslo process.^[56] UNRWA can and should play a significant role that reflects its mandate, experience, and available resources. This includes potential assistance in refugee protection, human resource development, social infrastructure development, and institutional capacity building. Any additional role requested by the international community, however, must be matched with additional and adequate international financing.

Under what political, economic, and legal conditions then should the agency be dissolved?^[57] First, the future of the Agency must be linked to implementation of a durable solution that is consistent with the framework set down in UN Resolution 194 (III) and the larger body of international law. This includes recognition and implementation of the right of refugees to return to their homes and receive compensation. The process and solution must also involve refugee participation and respect the principle of refugee choice. The future of UNRWA should be defined not necessarily by a rigid timeline but rather by a functional role based on the identified requirements of a durable solution.

While a flexible approach to its mandate has afforded UNRWA a unique opportunity to respond to the changing needs of the refugee community, that flexibility must not be used or manipulated in ways that violate the rights of the refugees. A valuable experience was learned in this regard during the early period of UNRWA's existence when the United States^[58] and other key powers attempted to use the Agency to push for *de facto* or forced resettlement of the refugees.^[59] Although the Agency eventually realized the damage that had been done to relations with the refugees through the attempts to resettle refugees through economic development^[60], the experience along with subsequent events like the cessation of rations in 1983 has left lingering suspicions in the refugee community.

Secondly, UNRWA must not be dissolved by virtue of attrition. According to the Agency reports, living standards in refugee communities remain poor throughout the area of operations, and are characterized in some fields by high unemployment, falling household income, overburdened infrastructure, and restrictions on employment and mobility.^[61] The chronic deficit problem has created what the Agency refers to as understandable and legitimate concerns of refugees and constitutes a potentially destabilizing factor.^[62]

Dissolving the Agency by starving it of much needed cash resources will not facilitate a durable and lasting solution for the refugees nor will it engender the necessary conditions to support long-term peace and stability in the region.

Resolving the Agency's chronic deficit problem will assume even greater significance in the aftermath of an agreement between the PLO and Israel, regardless of the nature of the agreement. An agreement, which does not resolve the refugee issue, will place increased financial pressure on the Agency, especially given the annual increase in the refugee population which requires an annual 5 percent increase in donor contributions.^[63] Without a resolution to UNRWA's economic woes, there will be increased pressure to reduce the overall number of refugees registered with the Agency. The potential political impact of this is great, given the fact that no other agency exists that is actively responding to the needs and rights of the refugees.

This raises a third and important question, which has received little attention. What are the legal obligations of UNRWA towards the refugees? What are the implications of the reference to Resolution 194 (III) in Article 5 of Resolution 302 (IV)? What kinds of actions taken by UNRWA would prejudice the conditions set down in paragraph 11 of Resolution 194 (III)? Would the dissolution of the Agency in the context of no agreement or an agreement that was not consistent with the framework of 194 be a violation of its obligations towards the refugees? Would such dissolution be a violation of the basic principles of international refugee law?

A further pressing issue that is related to the ability of UNRWA to carry out its mandate is the lack of refugee protection.^[64] While UNRWA does not have a mandate to provide protection, the absence of such protection has led to unnecessary politicization of its work. Changes in Agency policies and programs are often viewed as an infringement on refugee rights and concomitantly an attempt by the international community to "resolve" the refugee issue by *de facto* resettlement.^[65] Humanitarian action alone cannot solve complex political emergencies and situations of forced displacement.^[66] As the UNHCR has noted, in reference to other refugee cases, there is a danger "that humanitarian assistance will become a substitute for decisive action to tackle the causes of refugee-producing conflicts."^[67] These same concerns were echoed more than fifty years earlier in reference to Palestinian refugees by AFSC personnel who had been engaged in early (pre-UNRWA) relief efforts in Gaza. In a letter to the UN Secretary General, the AFSC called for swift and decisive action by the General Assembly for a solution to the refugee issue. "Lack of action or action which was merely palliative," noted the AFSC, "would have disastrous consequences upon the refugees."^[68]

Beyond the questions to be explored in relation to UNRWA's potential role in a durable solution, as discussed in the main body of this brief, these latter questions present UNRWA with a broader set of policy challenges. Given the fact that the type of resolution will have enormous consequences for UNRWA, can the Agency afford to sit on the sideline and only take a reactive approach to its future and the future of its clients? How can the Agency be more effective in garnering adequate financial support both for the delivery of

ongoing services but also in relation to the Agency's future as a partner agency in implementing a durable solution for Palestinian refugees? Should UNRWA be actively engaged in promoting a durable solution based on the framework set down in Resolution 194 (III)? Can UNRWA take a lead role in advocating for a multi-agency task force to discuss coordination and responsibility both today and for the future? Finally, should the Agency be involved actively within the United Nations system, and with the international community to advance implementation of refugee protection given the fact that the continued absence of such protection is both a violation of the basic rights of the refugees and negatively affects the ability of UNRWA to carry out its mandate?

^[1] UN General Assembly Resolution 302 (IV), 8 December 1949. A special regime comprised of the United Nations Conciliation Commission for Palestine (UNCCP) providing protection (see BADIL Brief No. 5), and UNRWA providing assistance was established for Palestinian refugees due to United Nations complicity in generating the refugee flow as a result of the UN decision to partition Palestine into two states under General Assembly Resolution 181, 29 November 1947. All other refugees receive assistance from the Office of the UN High Commissioner for Refugees (UNHCR). For a more detailed discussion of the special regime see Susan M. Akram and Guy Goodwin-Gill, *Brief Amicus Curaie* (Available on the BADIL website).

^[2] The UN Disaster Relief Project was set up by the United Nations in July 1948 and was succeeded by the United Nations Relief for Palestine Refugees in November of the same year. Prior to the creation of UNRWA assistance was provided by private voluntary organizations like the International Committee of the Red Cross, the League of Red Crescent Societies, and the American Friends Service Committee. For a more complete list of voluntary organizations, see UN Doc. A/1451/Rev.1, 6 October 1950, *Interim Report of the Director of the United Nations Relief and Works Agency*.

^[3] Under Article 6 of Resolution 302 (IV), relief operations were to be terminated as of 31 December 1950 and the works program as of 30 June 1951, but due to the inclusion of an amendment submitted by Egypt, the mandate of the Agency could be extended by the General Assembly.

^[4] UN General Assembly Resolution 194 (III), 11 December 1948. Under paragraph 11 a durable solution included repatriation, resettlement, social and economic rehabilitation, and payment of compensation. Return and compensation, based on the choice of each refugee were identified as the preferred option.

^[5] UNRWA. *UNRWA and the Transitional Period: a Five-Year Perspective on the Role of the Agency and its Financial Requirements*. Vienna (31 January 1995). The report was drafted to examine the role of UNRWA and funding requirements in the context of regional developments and the interim period of the Oslo process. During the annual donor meeting in Jordan in the same year, major donor and host governments agreed that the eventual transfer of UNRWA operations to the Palestinian Authority should be made when political, economic, and financial conditions permitted and at the request of the Authority.

^[6] UN Doc. A/50/13, 10 October 1995, *Report of the Commissioner-General of the United Nations Relief and Works Agency for Palestine Refugees in the Near East*. The report does not define what is meant by a "resolution of the refugee problem".

^[7] For details see note 62 below.

^[8] See UNHCR Executive Committee Decisions, No. 18 (XXXI) – 1980, Voluntary Repatriation and No. 40 (XXXVI) – 1985, Voluntary Repatriation. For a short discussion of developments related to voluntary repatriation see, Guy Goodwin-Gill, *The Refugee in International Law*. Second Edition, Oxford: Clarendon Press, 1998, pp. 270-273.

^[9] The UNHCR has thus been increasingly authorized by the UN General Assembly to engage in rehabilitation and reintegration programs. Also see, B.S. Chimni, *From Resettlement to Involuntary Repatriation: Towards a Critical History of Durable Solutions to Refugee Problems*. Working Paper No. 2 (May 1999) UNHCR (www.unhcr.ch)

^[10] This includes compensation for damages and compensation for those choosing not to return.

^[11] The mandate of UNRWA set down in Resolution 302 (V) was based on the recommendations of the UNCCP Economic Survey Mission (ESM). According to paragraph 7, UNRWA was mandated to provide relief and assistance “to prevent conditions of starvation and distress ... and to further conditions of peace and stability.” UNRWA, however, was not set up as an ordinary relief agency. It was also accorded a mandate to carry out a “works” or development program as recommended by the ESM. Finally, the Agency was given the authority to consult with governments in the area “concerning measures to be taken by them preparatory to the time when international assistance for relief and works projects is no longer available.” Several amendments were added to the original draft resolution tabled by France, Turkey, the United Kingdom and the United States, including paragraph 5, submitted by the Egyptian delegate in the *Ad Hoc* Political Committee. According to paragraph 5, continued assistance and measures for the eventual termination of relief would be undertaken “without prejudice to the provisions of paragraph 11 of General Assembly resolution 194 (III).”

^[12] This role was assigned to the United Nations Conciliation Commission for Palestine (UNCCP). See note 1 above.

^[13] According to the Agency, “An analysis of resolutions adopted on UNRWA by the General Assembly since 1949 shows that there has been no rigid or restrictive definition of the Agency’s mandate. Rather, there has been an inclination to request UNRWA to take on broader responsibilities, either with regard to programmes or with regard to beneficiaries, in response to periodic emergencies in the region.” *UNRWA and the Transitional Period: a Five-Year Perspective on the Role of the Agency and its Financial Requirements*, p. 5. According to UNRWA’s legal advisor Surya Sinha, responding to Israeli objections to UNRWA protection activities during the *intifada*, the Agency’s mandate had to be “view pragmatically and not as something cast in immutable terms 40 years ago.” UNRWA Headquarters Archives, note on UNRWA’s mandate (Annex A to a briefing package for the Commissioner-General and Directors of UNRWA Operations) cited in Benjamin Schiff, *Refugees Unto the Third Generation, UN Aid to Palestinians*. Syracuse, New York: Syracuse University Press, 1995, p. 252. As Goodwin-Gill notes, “There is no necessary, hard and fast division between the humanitarian role of meeting material needs, and a legal interest in security and welfare, and at times a clear rights element may be present, for example, in the provision of adequate food.” Goodwin-Gill, p. 281.

^[14] At the request of the UN Security Council, the Secretary General suggested that additional international staff be placed in the occupied West Bank and Gaza Strip to provide “general assistance” or that kind of protection in which “an outside agency intervenes with the authorities of the occupying Power to help individuals or groups of individuals to resist violations of their rights (i.e. land confiscations) and to cope with the day-to-day difficulties of life under occupation, such as security restrictions, curfews, harassment, bureaucratic difficulties and so on.” UN Doc. S/19443, 10, cited in Lex Takkenberg, *The Status of Palestinian Refugees in International Law*. Oxford: Oxford University Press, 1999, pp. 285-86. By providing the Agency’s public information officers with information from the RAO’s the Agency was further able to contribute to protection through publicity. *Ibid*, p. 288.

^[15] This usually involves a tripartite agreement between the state of origin, in this case Israel, the host country where refugees are currently provided asylum, and an international protection agency, in other cases this is the Office of the United Nations High Commissioner for Refugees (UNHCR).

^[16] The Unified Registration System (URS) of UNRWA has three major components, the Demographic Database, the Socio-Economic Database and the Family Files.

^[17] *UNRWA and the Transitional Period: a Five-Year Perspective on the Role of the Agency and its Financial Requirements*, p. 3.

^[18] Those excluded include: refugees with an independent income or property, refugees who did not reside in UNRWA operation areas, refugees dropped from the record due to budgetary limitations on the number of persons receiving aid, refugees who were offspring of refugee mothers and non-refugee fathers, refugees whose dignity prevented them from registration, refugees who status improved and moved out of eligibility criteria, and refugees who lost home and property but remained inside Israel (and first time displaced persons in the 1967 war). The total number of non-registered refugees is based on an estimate by Salman Abu Sitta, *The Palestinian Nakba 1948, The Register of the Depopulated Localities in Palestine*. London: The Palestinian Return Centre, 1998, p. 16.

^[19] Lena C. Endresen and Geir Ovnsen, *The Potential of UNRWA data for Research on Palestinian Refugees, A Study of UNRWA Administrative Data*. Norway: FAFO, 1994, pp. 16-17. In order to correct some of these problems, around 500,000 names were deleted from the registration records from the early 1950s onward. *UNRWA: A Brief History 1950-1982*. Vienna: UNRWA Headquarters, 1986, p.73.

^[20] For a brief discussion of this issue see Takkenberg, pp. 80-81. For more detailed discussion see C. M. Cervenak, "Promoting Inequality: Gender-Based Discrimination in UNRWA's Approach to Palestine Refugee Status", 16 *Human Rights Quarterly* 300 (1994). Cervenak states that "UNRWA's gender discrimination in determining eligibility for UNRWA services and in transmitting refugee status to children are grossly inconsistent with [...] international legal norms: UNRWA denies women critical basic services and the full rights of refugee status simply on the grounds of being "married to a non-registered man." Cervenak, p. 346.

^[21] For a short summary see Takkenberg, pp. 158-62, 166-67.

^[22] According to the new revised definition, a Palestine refugee "shall mean any person whose normal place of residence was Palestine during the period 1 June 1946 to 15 May 1948 and who lost both home and means of livelihood as a result of the 1948 conflict." *Consolidated Registration Instructions*, 1 January 1993, para. 2.13. Takkenberg notes that registration of previously unregistered refugees was theoretically possible under the old instructions but no such registrations had taken place for decades. Takkenberg, p. 77 at note 119.

^[23] UNRWA discontinued assistance for internally displaced Palestinians at Israel's request in July 1952.

^[24] For an overview see David A. Korn, *Exodus within Borders, An Introduction to the Crisis of Internal Displacement*. Washington, DC: Brookings Institute Press, 1999.

^[25] This project comprised 496 refugee households totaling some 4,500 persons. Funds for the project were provided by the Canadian International Development Agency and Kuwait. The agreement excluded around 2,000 individuals from the Malalha Bedouin tribe who originate from the Beersheva area, even though they carry UNRWA registration cards. The project is being financed through funds from the Canadian International Development Agency and the Kuwaiti Fund for Arab Economic Development. UNRWA, *Progress Report, Repatriation of Refugees from Canada Camp*. (8 December 1998).

^[26] See note 29 below.

^[27] UN Doc. A/49/13, 21 September 1994. *Report of the Commissioner-General of the United Nations Relief and Works Agency for Palestine Refugees in the Near East*. The issue of 1967 displaced persons originating from the West Bank and Gaza was separated from the future of 1948 refugees under the 1993 Declaration of Principles. Subsequent implementing agreements signed by the PLO and Israel established a special quadripartite committee composed of the PLO, Israel, Jordan, and Egypt to arrange the modalities of admission of 1967 displaced during the interim period of the Oslo process. Marginal progress has been made on this issue since the committee was established.

^[28] UN Doc. A/2171, 30 June 1952. *Report of the Commissioner-General of the United Nations Relief and Works Agency for Palestine Refugees in the Near East*.

^[29] *Ibid.* During its first year, the program assisted 145 persons to migrate at a cost of \$294 per person. At the same time, it should be noted that since that time, the Agency has opposed resettlement efforts. Following the Israeli occupation of the West Bank and Gaza in 1967, the Israeli Military Administration initiated a policy involving the demolition of refugee shelters in the occupied territories in order to break up and eventually eliminate the refugee camps. The demolitions took place under the guise of security operations – i.e. widening the camp roads to facilitate the maintenance of security. The measures, which resulted in the demolition of nearly 8,000 homes alone in July and August of 1971 were vigorously protested by UNRWA. These protests were reiterated in subsequent years before the UN General Assembly in relation to the West Bank, calling upon Israel to abandon its plans and to refrain from the removal, and from any action that may lead to the removal and resettlement of Palestine refugees and the destruction of their camps. UNGAR 35/473, 8 October 1980, and UNGAR 41/568, 3 September 1986.

^[30] The UN Security Council implemented the blockade in response to Libya's refusal to extradite two Libyan nationals accused of bombing two airplanes. The blockade led to a rapid decline in the Libyan economy resulting in the government's

decision to reduce the number of foreign workers in the country, including Palestinians. Two years after the decision was taken in September 1995, the Palestinian refugees were allowed back into the country. Takkenberg, pp. 166-67. Similar assistance has been provided to refugees residing in Kuwait in the aftermath of the 1991 Gulf War. Takkenberg, pp. 160-62.

^[31] For more on the early years of the Agency, see notes 58 and 59 below.

^[32] This village structure is further preserved through the organization of living space in the camp according to village, societies and associations based on the village unit.

^[33] Salman Abu Sitta, *The Palestinian Refugees: The Anatomy of Exile* (Forthcoming). Using the URS data, for example, it is possible to determine that refugees are primarily from the northern pre-1948 sub-districts of Safad, Acre, Tiberias, Nazareth, as well as the northern coastal sub-district of Haifa and the northern central district of Nablus. Breaking the URS data down further, one learns that 41 percent of the refugees from the sub-districts of Safad, 78 percent of the refugees from Acre, and 39 percent of the refugees from Nazareth are living in Lebanon, representing in total around 210 villages. In total there are some 375 villages represented by the registered refugees in Lebanon.

^[34] The UNCCP completed an individual documentation of refugee properties in 1964. These files are currently held in UN archives in New York.

^[35] The International Court of Justice has affirmed the capacity of the United Nations to bring an international claim against a state for damage caused not only to its "agent" but also to "the interests of which it is the guardian." *Reparation for Injuries Suffered in the Service of the UN, 1949, ICJ Report 174, 186* (Advisory Opinion of April 11). Luke T. Lee, "The Right to Compensation: Refugees and Countries of Asylum," *The American Journal of International Law*. Vol. 80, No. 3 (July 1986), p. 551. Lee further notes, "Since the United Nations is the guardian of the interests of refugees, the conclusion is inescapable that it has not only the capacity to bring an international claim against a refugee-generating country on behalf of refugees, but even the duty to do so as a guardian." Lee, p. 552.

^[36] UNRWA assisted the Jordanian government, for example, in providing emergency relief to 150,000 first time displaced Palestinians. UN Doc. A/7123, 1968, *Report of the Commissioner-General of the United Nations Relief and Works Agency for Palestine Refugees in the Near East*.

^[37] In response to emergency needs of refugees in Lebanon UNRWA made a special appeal for international aid, suspended rations in other areas of UNRWA operations to shift them exclusively to Lebanon, and provided bedding, clothing, fuel, kitchen items, soap, water, and temporary shelter until housing in the camps around Beirut, Sidon and Tyre was rebuilt.

^[38] A special appeal for emergency contributions was once again made to the international community in response to the increased needs resulting from the *intifada*. To address the socio-economic hardship resulting from the extended closure, UNRWA launched an emergency job creation program in the Gaza Strip in March 1996 with a contribution under the Peace Implementation Plan (see note 52 below). Provided temporary gainful employment to 2,736 individuals of whom 2,005 were assigned to the Agency's own program, administrative and support departments and 731 to public and non-profit organizations in Gaza. The participants were paid \$12 per day for period of five months. UN Doc. A/50/13, 10 October 1995. *Report of the Commissioner-General of the United Nations Relief and Works Agency for Palestine Refugees in the Near East*.

^[39] Convention on United Nations Privileges and Immunities, 13 February 1946. The relationship between states and UNRWA is further defined in agreements between the Agency and the host country.

^[40] For details on violations of UNRWA's immunity, see Schiff, Chapter 4, pp. 82-110.

^[41] UNRWA established the Special Hardship Case program in 1978 to provide assistance to refugee households unable to earn a living because of a particularly difficult situation. Assistance can include bimonthly rations, winter and summer clothing for children, grants for income-generating projects, and shelter rehabilitation. Endresen and Ovansen, p. 21.

^[42] For more detailed data see UNRWA annual reports. In late 1994, UNRWA adopted a five year plan for full community management of the centers. UN Doc. A/50/13, 10 October 1995. *Report of the Commissioner-General of the United Nations Relief and Works Agency for Palestine Refugees in the Near East*.

^[43] This is the current focus of UNRWA during the interim period of the Oslo process in the West Bank and Gaza. For more details see, *UNRWA and the Transitional Period: a Five-Year Perspective on the Role of the Agency and its Financial Requirements*.

^[44] Approximately 80 percent of refugee pupils attend UNRWA schools. Lena C. Endresen and Geir Ovinsen, *The Potential of UNRWA data for Research on Palestinian Refugees, A Study of UNRWA Administrative Data*. Norway: FAFO, 1994, p. 35.

^[45] Between 1950 and 1990, based on a constant US\$ (1982), the Agency spent some 6 billion dollars on its programs. Schiff, pp. 113-14.

^[46] According to UNRWA, fifty-four percent of project expenditures were spent on salaries.

^[47] Under the small-scale enterprise program there are three subprograms for credit to specific target groups and a fourth for small-business training. Capital investment loans support new and expanding businesses to promote sustainable job-creation, furthering import substitution, strengthening export-oriented manufacturing and services, supporting financial investment and capital formation in local businesses, and encouraging the participation of women in formal enterprise activity. The Solidarity Group Lending program provides specialized credit intervention for economically vulnerable home and street based enterprises. As long as each member of the group is current in her repayments, all members are eligible for additional loans. Under the Micro-enterprise program working capital loans are provided to meet the growing needs of micro-enterprises. Since the income generating program began in 1991-92 some 27,303 loans totaling 41 million dollars have been awarded with a recovery rate above 95 percent.

^[48] For more details see, for example, Endresen and Ovinsen.

^[49] The UNHCR, for example, has noted that women and girls who constitute the majority of the world's refugee population require special protection. This includes measures for women's participation , provision of physical protection and assistance programs for education and economic self-sufficiency. Executive Committee Decision No. 39 (XXXVI) – 1985, Refugee Women and International Protection. For a more detailed list see Executive Committee Decision No. 64 (XLI) – 1990, Refugee Women and International Protection. Special protection is also required for children who constitute approximately half of the refugee population worldwide. See Executive Committee Decision No. 47 (XXXVIII) – 1987, Refugee Children, and No. 59 (XL) – Refugee Children.

^[50] In the 1998-99 reporting period the number of SHCs increased by 2.8 percent due to the decline in economic conditions in UNRWA areas of operation. The decline would have been more severe if the Agency had not adopted more narrow eligibility guidelines. On average, some 5.5% of all registered refugees are SHCs, but in Lebanon this percentage is nearly double.

^[51] For more details, see Schiff, pp. 29-47.

^[52] The Peace Implementation Program (PIP) was launched in October 1993 following the signing of the Declaration of Principles between the PLO and Israel to support the process through special infrastructure projects in education, health, social services as well as income-generation and environmental health.

^[53] In 1998-99, for example, \$5.5 million was invested in Gaza and the West Bank with \$1.2 million invested in the other areas of UNRWA operations.

^[54] UN Doc. A/50/13, 10 October 1995. *Report of the Commissioner-General of the United Nations Relief and Works Agency for Palestine Refugees in the Near East*.

^[55] UNRWA, *UNRWA's Emergency Operation in Lebanon 1982-1983*. Vienna (1984), p. 21.

^[56] A Special Coordinator was established (UNSCO) to facilitate efforts of the UN in the West Bank and Gaza Strip, represent the UN in the Ad Hoc Liaison Committee and related bodies, lead the UN delegations to the Multilateral working groups and support implementation of the Declaration of Principles.

^[57] Official dissolution of the Agency would require a decision of the UN General Assembly.

^[58] Several employees of the US State Department, including the Assistant Secretary of State of Near East Affairs George McGhee, had already taken the position that repatriation was impractical. According to a second State Department officer, Arthur Gardner, repatriation was out of the question because Israelis now controlled the rural property and would need all the land for new immigrants. Meeting between Cordelia Trimble of the AFSC and Arthur Gardner in New York with representatives of non-governmental organizations. AFSC, letter from Cordelia Trimble to Elmore Jackson, Dec. 8, 1949, cited in Schiff, p. 20.

^[59] In 1951, the second Commissioner General of UNRWA, John Blandford, an American who had previously worked on a large-scale government development project in the United States, drew up a proposal for a large-scale economic development and resettlement (i.e. transfer) plan to resolve the refugee issue. Blandford's UNRWA plan involved the relocation or transfer of refugees in the region in order to compliment the economic capacity of host countries. The study set down the following population transfer. Syria: the present refugee population of 71,000 would be retained and a further 380,000 refugees would be transferred to the country. Lebanon: 5,000 out of 95,000 refugees would be retained. Jordan: 50,000 out of 384,000 refugees would be retained. Iraq: the present refugee population of 5,000 would be retained and an additional 189,000 refugees would be transferred to the country. Egypt: 55,000 refugees would be retained and 145,000 refugees would be transferred. IPC Working Paper Number One, Second Draft, 29 November 1951, cited in Schiff, p. 40. The framework was adopted under General Assembly Resolution 513 (VI) in January 1952, two days after the Assembly had reduced the budget of the UN Conciliation Commission, effectively limiting its work to compensation. While the Economic Survey Mission had been established to furnish the United Nations with recommendations to facilitate implementation of paragraph 11 of Resolution 194 (III), its conclusions focused solely on refugee resettlement. These conclusions had a direct impact on the focus of UNRWAs works program, particularly during the 1950s, which aimed to resettle the refugees in the areas of exile through what was referred to as economic "reintegration" and "rehabilitation". The small and medium-scale projects were deemed unsuccessful, not only because of the cost, but also because they did little to improve, in UNRWA's words, the "absorptive capacity of host countries", and tended to build up a separate refugee economy. UN Doc. A/1905, 30 June 1951. *Report of the Commissioner-General of the United Nations Relief and Works Agency for Palestine Refugees in the Near East*, 1951. See also BADIL Brief No. 5, p. 9 at note 15.

^[60] As the Agency noted in 1951, the hostility was based on the conviction that the works projects might mean permanent resettlement – i.e. "tantamount to renouncing the right to return home, and perhaps even the right to compensation." UN Doc. A/1905, 30 June 1951. *Report of the Commissioner-General of the United Nations Relief and Works Agency for Palestine Refugees in the Near East*. Given the early damage done to the reputation of the Agency with the refugees, UNRWA repeatedly attempted to reassure refugees emphasizing that the projects did not prejudice repatriation and compensation. "This principle justifies repetition," the Agency noted in its 1952 report, "because it is often forgotten or obscured." UN Doc. A/2171, 30 June 1952. *Report of the Commissioner-General of the United Nations Relief and Works Agency for Palestine Refugees in the Near East*.

^[61] UN Doc. A/53/13, 30 June 1998. *Report of the Commissioner-General of the United Nations Relief and Works Agency for Palestine Refugees in the Near East*. The previous year, a 20 million dollar deficit in the fourth quarter forced the Agency to consider adopting a series of harsh austerity measures. This included an immediate recruitment freeze for 250 new teacher posts required due to rising enrollment in Agency schools, cancellation of non-emergency hospitalization services in the last two months of the year, except for special hardship cases, discontinuing regular budget allocations for university scholarships, shelter rehabilitation and emergency cash assistance, a general temporary recruitment freeze and reducing international posts by 15 percent. UNRWA also considered adopting user fees for education. As a result of strong community and host country protests, donor countries pledged an additional \$20 million to cover the Agency's program for the end of 1997. UN Doc. A/52/13, 30 June 1997. *Report of the Commissioner-General of the United Nations Relief and Works Agency for Palestine Refugees in the Near East*, 1996-97.

^[62] UN Doc. A/50/13, 10 October 1995. *Report of the Commissioner-General of the United Nations Relief and Works Agency for Palestine Refugees in the Near East*, 1994-95. The funding crisis has meant that funding per refugee has fallen from \$200 in 1975 to less than \$70 in 1999. According to the last reporting period (1998-99), the number of new schools increased 1.6 percent, while enrollment increased by 15 percent leaving the Agency unable to keep pace with the growing demand on the education infrastructure. The average class size increased to 44, which was the 6th consecutive increase. A significant number of schools, moreover, require large-scale renovations and many are located in rented unsatisfactory buildings. Despite an expanded program of school construction under the PIP, there has been no significant improvement in double shifting of schools, with close to 100 percent of the schools running double shifts in some areas of operations. In 1997-98,

UNRWA also discontinued scholarships from its regular budget, although some scholars were supported through project funding until graduation. In health, per capita expenditures in 1998-99, around \$13.50, were a fraction of the current level of health care expenditures by other providers in UNRWA areas of operation. Due to a freeze in staff recruitment, the number of staff fell below the level needed to meet increasing needs. Continued pressure on resources, including population growth, inflation, increased medical costs and funding shortfalls, necessitated co-payments for treatment at targeted hospitals, suspension of cash subsidies for emergency treatment at private hospitals in Jordan, staff recruitment freeze, a reduction in the procurements for medical supplies and maintenance of health premises, and reduction in travel and training budgets. It is estimated that some 10,000 families are in need of special cash assistance but the budget allocation has remained frozen as of 1997-98. Social workers remained stretched with some 300 cases per worker per year, in excess of the 250 recommended average, meaning that each worker was able to spend only 5 hours per family each in the year. In April 2000, the Commissioner General of UNRWA noted that the Agency would require an additional 30-40 million dollars in order to stave off additional austerity measures.

^[63] The five percent growth rate was introduced at a donors meeting in 1986. Schiff, p. 135. The Palestinian Central Bureau of Statistics estimates that the Palestinian population in the West Bank and Gaza will increase from roughly 2.8 million in 1997 to 4.9 million in 2010. Based the current ratio of refugees to non-refugees in the West Bank and Gaza, the refugee population in this area in 2010 would be over 2.6 million.

^[64] See note 1 above.

^[65] This has included, for example, demonstrations against Agency cutbacks during its first budget crisis in the late 1950s, protests against the cancellation of rations in 1983 (except for SHCs), and more recently, regular protests since the mid-1990s against further cutbacks due to the chronic deficit problem. The anxiety among refugees created by this situation is aggravated by the lack of public information about Agency and donor state discussions, and the lack of refugee participation.

^[66] Writing about the history of the Agency some fifty years later, American researcher Benjamin Schiff noted, "The Palestinian case shows why the international refugee assistance community prefers repatriation to other solutions for refugee flows." Schiff, p. 271.

^[67] UNHCR reference to international assistance in the Balkans and Central Africa. UNHCR, *State of the World's Refugees*. Geneva. (1995).

^[68] AFSC, "Revised Draft of letter from AFSC to UN Secretary General, Minutes – Palestine Sub-Committee," Sept. 9, 1949, attachment one, cited in Schiff, p. 19.