

Statement by Ms. Karen Koning AbuZayd,  
Commissioner-General of UNRWA, to the  
Special Political and Decolonization  
Committee

7 November 2007

**Mr. Chairman, distinguished delegates:**

**This is the third occasion on which I have had the honor as Commissioner-General to present to you UNRWA's annual report. As the published report covers the calendar year 2006, in addition to referring to some of its main highlights, I shall use this opportunity to update you on the most important developments affecting the Agency over the past 10 months. I shall also offer a perspective on the operational context of our work.**

**Seven years after the outbreak of the second *intifada*, the demands crowding in on the Agency from all sides come against a backdrop of seemingly endemic crises in the occupied Palestinian territory. As well, in Lebanon, this summer's armed conflict in Nahr el-Bared camp left over thirty-thousand Palestine refugees fleeing for their lives. For some of them, it was the third time they had become homeless.**

**This is a moment when the upcoming Annapolis peace meeting, expected to be hosted by the United States Government in the coming weeks, holds out the prospect of re-launching the peace process. The Palestinian people, not least the refugees, and those of us who work among them, hope the meeting will lead to a serious process of negotiations culminating in due course in an independent, viable and territorially contiguous Palestinian state.**

**Distinguished delegates,**

**The fifteen of May 2008 will mark the 60<sup>th</sup> anniversary of the establishment of the State of Israel by the United Nations. This date also commemorates the 60<sup>th</sup> anniversary of the Palestinian *naqba*, when approximately 750,000 inhabitants of British Mandate Palestine fled, or were forcefully expelled, to neighboring territories. We are gratified to note a growing recognition among the international community that a durable peace settlement in the Middle East cannot be obtained without addressing the refugee question in all its dimensions. I should add that, having just marked the 40<sup>th</sup> anniversary of the occupation of the West Bank and Gaza Strip, it is time that this issue, with its wide regional repercussions, is also resolved.**

**When agreement is eventually reached on a just solution to the plight of the refugees whom UNRWA assists (today numbering 4.5 million), the Agency will be ready to begin a transition to a new phase. Until that happens, the support of the international community is needed, to ensure that the refugees continue to benefit from the same level of public services as their neighbors where they reside, and that they can profit from the same opportunities for self-advancement. Our duty is to make certain, in the meantime, that the refugees are able to stand on their own feet in dignity and to enjoy their full rights and freedoms as human beings.**

**Mr. Chairman,**

**General Assembly Resolution 302 (IV) which established UNRWA in December 1949, called on the Agency to carry out a relief and works programme for Palestine refugees, in cooperation with local governments. At that time no one anticipated that 58 years later, we would still be providing essential services and support to the refugees and their descendants. Over these years, the nature of UNRWA's role has evolved in response to changing needs.**

**Given the levels of poverty and unemployment that persist in some fields, humanitarian relief remains an essential feature of our work. In times of emergency, such as those in the occupied Palestinian territory and in northern Lebanon today, also demand a commensurate response for those made homeless or otherwise affected by armed conflict. Relief for the vulnerable is but one component of UNRWA's work, at the core of which is providing the requirements for human development in our five fields of operation: Jordan, Lebanon, the Syrian Arab Republic, the West Bank and the Gaza Strip. UNRWA's education, vocational training, health, camp improvement and micro-finance programmes constitute the building blocks for human development and promoting self-reliance for Palestine refugees.**

**Allow me to provide a brief overview of these programmes, highlighting particular areas of current concern.**

**The education programme absorbs almost half of our regular budget, the General Fund. Under this programme, some 500,000 children go through primary and preparatory cycles in UNRWA-run schools before continuing on to secondary and tertiary education, mainly in local government**

**institutions. UNRWA graduates have distinguished themselves in many walks of life--in commerce, the professions and government service, throughout the Middle East and further afield. Most of our own staff of 28,000 are themselves graduates of our educational system.**

**It is a matter of concern that years of under-investment in our schools and teachers, combined with the negative consequences of poor economic prospects and violent conflict, are beginning to take a serious toll on our achievements in education. In Jordan, although exam results in UNRWA schools exceed those in other schools, refugees are increasingly turning to government schools, where opportunities for learning English and computer skills surpass what UNRWA can provide. 93 percent of our facilities are double-shifted, compared with only seven percent of government schools. At a time when the Jordanian educational system is absorbing large numbers of Iraqi refugee children, there is an urgent need to invest in improvements in UNRWA's schools in Jordan.**

**Another illustration of the challenge facing UNRWA's education programme is found in Gaza. An independent study this past summer revealed a high failure rate for pupils in the core subjects of Arabic and mathematics. In response, we have hired an additional 1,500 remedial teachers, retrained teachers and launched a "Schools of Excellence" programme to encourage higher standards. As a footnote, you may be interested to know that this summer we staged a highly successful "summer games" programme that kept almost 200,000 children occupied for the full two month school holiday, giving them a temporary break from the tensions and violence that surrounds them each day.**

**In the area of health, our doctors and primary health facilities suffer from similar overcrowding and outdated equipment as their counterparts in education. Moreover, a lack of funding has prevented us from being able to respond adequately to the increasing prevalence of hypertension, cancer and heart disease, along with psycho-social and congenital ailments.**

**In Gaza, where over two-thirds of the population of 1.5 million are refugees, external factors rather than the agency's funding difficulties are largely to blame for a recent sharp decline in health standards. *De facto* sanctions for almost two years have resulted in growing malnutrition, the effects of which are beginning to be seen in the stunted growth of young children. Restrictions imposed by the occupying power result in Gaza's hospitals being deprived of necessary medical equipment and supplies (91 drugs are now at zero stocks in Gaza, including many for children in the primary health care centres). At the same time, the closure of the Erez and Rafah crossings result in many seriously ill people being denied the opportunity to seek medical treatment in Israel, the West Bank or Egypt.**

**Our relief and social services programme continues to provide an essential social safety net for the poorest refugees and their dependents. It also acts as the central registry for the refugees, managing an electronic records project expected to play a critical role when the implementation of a peace agreement occurs. In the meantime, this programme is a vital source of food, cash and other forms of one-time assistance, such as the repair of badly dilapidated shelters that are dangerous or a health hazard. As the latter activity is funded through project assistance from donors, supplementary to core contributions to UNRWA, only a small fraction of the**

**number of shelters deemed in urgent need of repair or reconstruction have been improved so far.**

**In many of the 58 refugee camps across UNRWA's areas of operation, the physical environment and living conditions are poor. In an effort to ensure that this long-standing problem receives concentrated expert attention, the Agency decided in 2006 to consolidate its infrastructure and shelter-related activities in a new department which will lead a comprehensive and holistic approach to camp improvement.**

**UNRWA's micro-finance and micro-enterprise programme has been experiencing contrasting fortunes. In Syria and Jordan, where it was recently established, the demand for its services has been growing faster than our ability to respond. In the West Bank it has achieved record outreach in 2007, while in Gaza, where the programme began some 16 years ago, the impoverishment of the population has had an inevitable consequence on the ability of borrowers to service their loan payments or willingness to take on new credit. In 2006, the level of loan activity declined to \$4.72 million compared with \$10.4 million in the previous year. In spite of this setback, the micro-finance and micro-enterprise programme continues to promote local economic development and create jobs in Palestine refugee communities throughout the region. It also gives special attention to women entrepreneurs who are among the programme's most reliable clients.**

**Turning to UNRWA's emergency assistance, since the year 2000 our operations in the occupied Palestinian territory and, for the past two years,**

in Lebanon, have provided vital succor to those unable to support themselves due to the conflicts affecting them. In 2006, our emergency appeal for the West Bank and Gaza Strip was for \$171 million. That appeal was relatively well funded, at over 80 percent of the amount requested. By contrast, this year, when we were obliged to raise the overall level of our appeal by a third in response to rapidly worsening socio-economic conditions, the response has fallen back to about half the amount needed: \$125 million pledged against an appeal for \$246 million.

In Gaza today, approximately 80 percent of the population is dependent on food rations provided by UNRWA and WFP. In the West Bank, which has been fragmented into tiny segments by myriad physical obstacles – 561 at the last count - Palestinians are also suffering grievously, particularly in the areas affected by the construction of the illegal separation barrier and expanding settlements. Some 30 percent of the population living in the West Bank and East Jerusalem are registered refugees.

If events in the occupied Palestinian territory have had a predictable air, few anticipated those that occurred in northern Lebanon, in and around the Nahr el-Bared refugee camp this past summer. Armed conflict between Lebanese security forces and Islamist militants who had infiltrated the refugee camp resulted in displacement and devastation for the residents of the camp and its surrounding areas. The camp population of over 31,000 refugees sought sanctuary in nearby Beddawi camp, in Tripoli and in Palestinian camps and Lebanese towns to the south. By the time the conflict ended, the official camp had been almost completely destroyed.



**UNRWA now faces the mammoth task of caring for the displaced population and helping them rebuild their shattered lives and their camp – a task we are committed to undertaking in close coordination with the Lebanese government and other UN and financial institutions. Donors have so far responded generously. An initial three month Flash Appeal was oversubscribed, and a second appeal for \$55 million, to support the Nahr el-Bared residents during a transitional period of twelve months, has so far received pledges of just under \$20 million. I must alert Member States that the much larger challenge of re-building the camp still lies ahead and is yet to be fully assessed. It is clear at this stage, however, that the task of reconstructing Nahr el-Bared will take a significant period of time and a substantial financial investment.**

**Before I leave the subject of Lebanon, I would like to acknowledge the firm resolve of the government to recognize and give effect to the rights of Palestine refugees to seek employment, to enjoy freedom of movement and to live in decent conditions in the camps.**

**Mr. Chairman, distinguished delegates:**

**Allow me now to turn to a few of the salient institutional issues that have had an impact on the agency during 2006-7 reporting period.**

**As I have already indicated, despite the best efforts of some of our major donors, who have increased their contributions in real terms, and a sustained drive on our part to diversify the donor base and bring in more**

funds from non-traditional donor countries, UNRWA in 2007 faces a serious funding shortfall. Budgeted expenditure of \$505.6 million compares with a projected income of \$413 million, leaving a funding gap of over \$92 million. The financial outlook for 2008 gives cause for even greater concern. Budgeted expenditure of \$544.6 million compares with projections of income of \$425 million, leaving a funding gap of \$119.6 million. Given this grim funding prognosis, we have been compelled to adopt a contingency approach to programme planning and implementation. Some components of our activities will be put into operation only as funds become available in the course of the biennium. This means, in part, that much needed improvements in the quality of our programmes and facilities have to be indefinitely postponed.

Thanks largely to foreign exchange trends that have been favourable to UNRWA, the Agency has narrowly avoided significant cuts to its programmes. Austerity measures have had to be instituted in a number of areas. Faced with rising costs of living, area staff unions are pressing for salary increases which the Agency is unable to afford.

This is an appropriate juncture at which to acknowledge and salute the extraordinary courage and commitment UNRWA staff have shown throughout the years and continue to demonstrate in spite of grave risks. Over the last eighteen months, the Agency has maintained its presence and continued to deliver services in spite of a harsh *de facto* sanctions regime imposed on the occupied Palestinian territory by parts of the international community. Throughout the first half of this year, UNRWA staff remained on the ground during the fiercest internal armed conflict Gaza had ever seen. We were also present during the heaviest

**bombardment in the Lebanon conflict in the summer of 2006 and were on hand to help displaced refugees from Nahr el-Bared this past summer.**

**I recall with sadness that two Palestinian staff members in Gaza and one in Lebanon paid the ultimate price for their dedication to service. I must also draw your attention once again to the fact that UNRWA's Palestinian staff are the only UN employees in Israel and the occupied territory who do not receive hazard pay. As we have done repeatedly in past years, we call on Member States to do whatever they can to address this anomalous situation.**

**Mr. Chairman, distinguished delegates:**

**Allow me now to turn briefly to the subject of reforms. In order to better address current challenges and prepare for those ahead, UNRWA embarked in late 2006 on a three-year Organizational Development (OD) plan. One year into the most far-reaching package of internal reforms we have ever undertaken, I am encouraged by progress we are making towards more responsible, accountable management and by the level of enthusiasm among our staff for these changes. Thanks to a consortium of donors, several of whom have supported UNRWA consistently over the years, we have so far been able to raise \$14.3 million out of the \$28.5 million required. We are working earnestly on reform initiatives in the areas of human resources management, procurement information and communications technology and the simplification of business processes. We are establishing the foundations for a Programme Management Cycle for our operations, and at the field level we are boosting our capacity to**

**plan and manage the large number of new projects aimed at urgent upgrading of our facilities and services.**

**In recent months, a series of "OD weeks" have been held in each of our Fields, taking the concepts and principles of this reform initiative to the local level. To strengthen the capacity of the agency to assess and plan ahead, to monitor the implementation of its programmes, and to evaluate their impact, we have recruited a handful of international staff whose positions are funded temporarily by the organizational development budget. To ensure that these staff are retained in the years ahead, it is essential that the posts concerned be mainstreamed into the UN's regular budget as soon as possible.**

**Still on the subject of reform, I am particularly gratified by the progress the Advisory Commission continues to make as it strengthens its role as a principal source of support and guidance to me and my agency. Over the past year, the Advisory Commission's 24 members and observers have consistently demonstrated a genuine interest in and understanding of the challenges facing the Agency, allowing us to benefit from clear, constructive and timely advice on both programme and financial matters. I wish to place on record our sincere appreciation to Frans Makken of the Netherlands, whose tenure as Chair of the Advisory Commission ended in June this year. The rapid growth of the Advisory Commission's role owes much to his enthusiastic and astute leadership. We look forward to a similarly outstanding contribution by his successor as Chairperson, Ali Mustapha of the Syrian Arab Republic.**

**Mr. Chairman, distinguished delegates:**

**My agency's cooperation with refugee hosting countries and authorities continues to be strong. UNRWA coordinates on a daily basis with local authorities in the districts where its facilities are located and at the national level whenever the need arises. Without the assistance of the Palestinian Authority and of the governments of Jordan, Syria and Lebanon, we would be unable to execute our mandate. I wish to take this occasion to acknowledge with sincere appreciation the support they provide to UNRWA and to Palestine refugees.**

**Syria and Jordan bear the brunt of the exodus of over two million refugees from neighbouring Iraq, among them a relatively small number of Palestine refugees. While their arrival has had no direct consequences for the Palestinians living in their territories, indirect effects are discernible in the form of a strain on public facilities. Some of those fleeing persecution in Baghdad remain encamped in desolate and harsh conditions on the Syrian and Iraqi borders with no early end to their plight in sight. I, in support of UNHCR, appeal to all parties concerned, in the region and beyond, to take urgent measures to alleviate their suffering.**

**Mr. Chairman, distinguished delegates:**

**In conclusion may I recall that UNRWA's three-year mandate from the General Assembly expires next June. As we all prepare for what we hope will be a new and better chapter in the long saga of the Palestine refugees, I**

**seek your support for the renewal of our mandate, in line with the challenges of our times.**

**I hope to be able to report to you again next year with more favourable news about developments on the ground, as well as in the Agency itself.**

**I thank you for your kind attention.**