

MAS Expert Panel Workshop Series: *UNRWA 2020-2030: Rethinking the Financing of UNRWA*

Summary of points raised.

Additional workshop topics for consideration:

- the role of Arab states in the funding of UNRWA.
- What are the basic services that UNRWA should provide and the international community has a moral responsibility to fund
- How to incorporate refugee youth in the planning of UNRWA's future

Presentation One: Current Funding Models in UNRWA.

Focus on "Private sector funding" - that is, all non-governmental funding - individual, corporate, foundations etc. Results will always be modest: So far \$20million raised with most from the 2 national committees, which raised \$9million between them.

Private sector is a long term approach, patience necessary. UNRWA faces a dilemma over investing in private sector fundraising when there are people in need in Gaza. Eg., in May, UNRWA didn't have the budget to invest more in social media and outreach to publicise needs of the recent crisis which might have brought in more funding.

There's a need to change the agency's mindset in general as it's not set up to seek private sector partnerships. Currently has only 4/5 people working in private sector funding.

UNRWA wants to move towards investing heavily in individual and digital funding. Perhaps the most important stream to pursue is that of individual giving.

Innovative Financing Solutions

- UNICEF has partnered with World Bank which has agreed to issue bonds funded by the private sector and individuals. UNICEF invests this in digital financing and plans to raise \$500/600million over 5/10 years. UNICEF can then return this funding with some interest.
- Pension fund – Invest in private sector operations, can give back to pension fund more than what they lent.
- Waqf fund established with the OIC and IDB but it is not developing as fast as UNRWA had hoped due to bureaucratic obstacles.

Responses to Presentation

Comparison with UNICEF and UNHCR misleading – there's a fundamental difference that, unlike UNRWA, key UN member states don't hold position that these agencies should be abolished.

There is an implicit threat to that international mandate of responsibility to Palestinian refugees if UNRWA's private sector resource mobilisation becomes successful.

If private sector funding will always be modest (to the extent that they won't allow UNRWA to make up significant shortfalls) how should the funds be best used?

- Protection is core mandate and fairly low cost
- Advocacy and countering criticisms (which is very time consuming)

Partnerships with World Bank and Islamic Development Bank offer possibilities of long term projects (3/5 yrs).

Identifying the drivers for private companies to invest in UNRWA is important

- Social Responsibility.
- Pension fund suggestion is more innovative and more like these need to be examined.
- UN Sustainable Development Goals– not widely known in the ME, so not sure if this will be successful.

Other ideas:

- Digitalisation of mobilising funds could be more targeted eg:
 - gender protection,
 - education or for job opportunities
- As well as Islamic funds, also target Christian charities,

General Discussion

UNRWA needs to

- focus on long term investment, and specifically ensure that if the October conference is unsuccessful in mobilising long-term support for UNRWA, then there should be a follow up strategy.
- Prepare for
 - return of Trump administration in US in 4 years
 - the attempt to delegitimize groups associated with Palestine including supporters of UNRWA
- to invest in making UNRWA more visible and reduce the time that it spends defending itself.
- Re-establish the central political question of the right of return (UNGA 194) as a long term strategy and it is not clear that this would be a priority for the private sector.
- to invest in the political commitments which come from individuals. There is a shift in attitudes of the new generation and the MAS workshop series needs to integrate their voices.

Re. a strategy of diversifying funding sources, there were several views

- Recognise that private sector funding might reduce UNRWA's position as an international organisation and jeopardise its international identity thus letting member states off the hook. Any shift away from member state funding should be balanced by a recognition of the success of international civil society in putting pressure on governments to find more durable and better solutions for Palestinian refugees.

Versus

- The concept of additionality is widely understood in donor/ODA community. Sustainable additional resources for UNRWA can be targeted at advocacy and defending itself and special relief or service programs not catered to under regular budget. Diversifying funding streams need not have any impact on its the mandate, indeed could revive work programme areas of its mandate that it has had to abandon over the years, nor should it relieve any member states from their responsibility for regular budget funding.

And

- The advantage of investing in individual donations is that it is also an investment in advocacy. A very large campaign which would allow UNRWA to better explain what it does **and** raise funds.

Presentation 2: Precedents on planning UNRWA's future: lessons from the Policy Advisory Group 2010-2011:

Growing consensus around the idea that an institutional mechanism is needed to implement return and restitution for Palestinian Refugees and would have two primary operations:

- processing of restitution and compensation claims (reparations).
- implement return, third party resettlement, and local integration.

UNRWA had the potential to play a big role in those durable solutions since refugees would continue to need services during the transition, and it had an extensive registration system with significant details about refugee families which was essential for planning. There was resistance from:

- from some refugees who see UNRWA as very important for the services which it delivers
- from UNRWA country representatives, deputies, division leaders who were sceptical about the idea that there'd ever be a just solution for refugees

This influenced how UNRWA represented itself in fundraising methods. Eg., between 2009-10 UNRWA was developing a greater social protection role to attract more funding from the private sector but donor states were not so open to creative thinking along these lines.

Discussion

Negotiating process in 2010 had a restricted idea of what UNRWA should be and the services it should provide. One of the objectives of the negotiating process was to replace UNRWA with the developing Palestinian Authority.

PLO mission at the UN maintained core principles regarding operations of UNRWA e.g reaffirmation of UNGA 194 but also over Palestinian properties and revenues.

Summary of Key Points

Diversifying source so funds must not be allowed to affect UNRWA's mandate or member state responsibility.

Investment in diversifying fundraising activities needs to raise sufficient funds to justify redirection of funds.

Additional funds to those from member state can be directed towards essential non-core programme activities, such as advocacy and countering attacks.