



MAS

**PALESTINE ECONOMIC POLICY
RESEARCH INSTITUTE - MAS**

**Financing of UNRWA 2020-2030 from a
Palestinian Refugee Perspective:
Strengthening Refugee Rights under the
Current Model of Member State Contributions**



2022

Financing of UNRWA 2020-2030 from a Palestinian Refugee Perspective:

Strengthening Refugee Rights under the Current Model of Member State Contributions

Authors:

Michael Dumper, project convenor, is Professor in Middle East Politics, University of Exeter, is author of several books the Palestinian refugee issue: His most recent work is *Power, Piety and People: The Politics of Holy Cities in the 21st Century* (Columbia University Press, 2020).

Diana Buttu, is a former legal advisor to the PLO's negotiating team and to President Mahmoud Abbas. Currently a political analyst at the Institute for Middle East Understanding.

Jalal Hussein, is an associate research fellow at the IFPO - Institute Francais Proche Orient. Based in Amman since 1997, he has been involved both as a coordinator and as a participant in academic and applied research projects on refugee issues and more generally on the political and socioeconomic development of the Middle East.

Mouin Rabbani, is a researcher and analyst specialising in Palestinian affairs, the Arab-Israeli conflict, and the contemporary Middle East. He is Co-Editor of *Jadaliyya*

Prepared by Palestine Economic Policy Research Institute



MAS

**PALESTINE ECONOMIC POLICY
RESEARCH INSTITUTE - MAS**

2022

Foreword

"Thank you for the money but we'd rather have a homeland"

When MAS first approached Professor Mick Dumper in 2020 to examine the issue of the financing of the United Nations Relief and Works Agency for Palestine Refugees (UNRWA), this was motivated by the threat posed to Palestine refugee rights by the hostile stance to the Agency of the then-USA Administration. Two years later that specific challenge may have receded, but the historic dilemma and recurrent crises faced by this longstanding international body have not. While UNRWA was established in 1949 to provide the refugees from Palestine some of their basic humanitarian rights, from food to work to health and education, over time its ability to serve its constituency has been increasingly constrained and their scope reduced by structural financing problems.

Over 2021 and 2022, in consultation with a wide network of Palestine and international experts and officials, MAS has steadily pursued this vital issue. While keeping a focus on the future financing of UNRWA, our discussions and research over the two years have naturally navigated the political, legal, diplomatic and bureaucratic forces at play in this thorny subject. While pro-Israeli voices in donor countries have intensified attacks on the Agency's mandate and mission, programmes and staff, providing regular media fodder that often obscures the noble and vital mission of UNRWA, our work sought to emphasize Palestinian agency in the ongoing discussion (mainly amongst donors themselves) about why, how, and how much to fund UNRWA.

The latest conclusions of this rolling research and dialogue project presented in this study further strengthen the contention that UNRWA is an indispensable agency. As long as the plight of millions of Palestine refugees remains unresolved, or is neglected or struck from international agendas, the international community cannot shirk its responsibility to continue to recognise and provide for (at the very least) their essential humanitarian rights. This not only ensures basic services are maintained to the most disadvantaged among them living in camps and slums in Palestine and throughout the region, but also indeed keeps their rights alive in some concrete form.

Hence, the proactive approach of this project has been to not only project Palestinian voice, but to do so in a search for innovative and effective models for sustainable financing of the Agency, with open dialogue among stakeholders from the donor, refugee, UNRWA and academic communities. MAS thanks Professor Dumper and his co-authors, who each provided their thoughtful contributions to this study. We hope that this effort provides new material for reflection and taking the discussion forward in the coming years.

Raja Khalidi
Director General
Palestine Economic Policy Research Institute (MAS)




Contents

A	The Funding Challenge to UNRWA and Aims of the Study	1
B	Political Context	4
C	Legal Issues	11
D	Programmatic Issues	17
E	Recommendations	21
F	Conclusion	26

Executive Summary

- I. The findings of this study highlight that the main impact of the Middle East peace process for the past three decades on the Palestinian refugee question has been to marginalize it. The search for a just solution to the refugee plight has been replaced by the quest for the establishment of a Palestinian state in the occupied Palestinian territories.
- II. The mothballing of the UN Conciliation Commission for Palestine (UNCCP) has meant that the search for durable solutions for Palestine refugees as defined in international refugee law has been left in abeyance. This study concludes that given the alternatives, and despite the limitations on UNRWA's ability to advance a durable solution that achieves Palestinian refugee rights, it remains the only international body positioned to safeguard those rights, and indeed embody them through the humanitarian services it provides to 5 million refugees in its 5 geographical fields of operation.
- III. In the current political context, any initiative to amend UNRWA's operational mandate enshrined in UN General Assembly Resolutions, in order to more specifically define its role in the search for durable solutions, has too many pitfalls and drawbacks. From the set of sub-optimal options available, the most that might be expected is to ensure that the mandate is renewed and that the donor states are encouraged to interpret that mandate more positively in favour of promoting durable solutions with UNRWA being given a role in doing so.
- IV. While the financial and political challenges facing UNRWA are considerable and have eroded the scope of services to refugees over 70 years, there are also opportunities that may mitigate the impact of these challenges. These include the changing international legal framework regarding refugees in the form of the 2018 Global Compact on Refugees whose application to the Palestinian refugee situation needs to be explored more concretely.
- V. In addition, a growing legal consensus that Third Parties should adopt more interventionist policies in countering discriminatory and apartheid-like policies, offers an opening for donor states to re-visit their cautious and timid funding priorities that prioritize humanitarian aid, while remaining silent on advancing Palestinian refugee rights.
- VI. Despite recognised improvement in the professionalisation of the Agency and its continuous management reform, this has not led to significant multi-year funding commitments by most donor states. Multi-year agreements would not only allow UNRWA to become more efficient and reduce expenditures but would also enable it to plan strategically for long-term revenue streams. Among the ideas suggested in this study is a further exploration of designating UNRWA as a non-territorial Trustee which may give it access to different revenue streams from donor states and international organisations such as the World Bank.



VII. UNRWA has sought to ensure that its staff and facilities are not deployed in ways which would undermine the UN Principles of Neutrality. This study recognizes the importance of how funding can be misdirected to criminal or violent ideologies. It nevertheless holds that donor sensitivities have prevented a proper and effective articulation of the causes of Palestinian displacement and meaning of their deprivation, as donors are increasingly subject to hostile push-back against the agency of Palestinian historical narrative. This has, in turn, contributed to some of the unwarranted mistrust of the Agency in the eyes of the refugee population.

A. The Funding Challenge to UNRWA and the Aims of this Study

1. Over the past decade, UNRWA has lived in a state of non-stop crisis. It is one that is set to deepen if the US elections in 2024 return an administration that reverts to the Trump-era four-year termination of US aid to the agency and thus challenging its very existence.
2. At first sight, the crisis is primarily a financial one: While donor state financial support for the Agency's general programmes (education, health care, relief and camp improvement) has been maintained, its per refugee capita value has dwindled (from about US\$100 in 1990 to around US\$60 since 2010), leading to chronic deficits as well as limits on the quantity and quality of UNRWA's services to refugees. In contrast, UNRWA's emergency operations have been relatively well funded and constitute a lifeline for the inhabitants of these fields of operation. These have been gradually transformed into more comprehensive programmes in Gaza and in Syria in past years.
3. The 'donor fatigue', which affects primarily UNRWA's general programmes, is, however, related to the Agency's broader existential crisis: in the absence of resolution to the Palestinian refugee situation, with so many pressing global emergencies, how much longer will the international community be willing to support UNRWA? The suspension of the Israeli-Palestinian peace process and the widening rift between Israel and the (divided) Palestinian leadership since then, have undermined the prospect of an Israeli-Palestinian dialogue, much less deal, on the refugee issue, as well as the path towards a handover of the Agency's services to an eventual independent State of Palestine. This has left the donor states facing the prospect of the ad aeternam funding of ever-expanding services and staff commitment (about 29,000 employees in 2021, up from 5,000 in 1951), without any clear long-term perspective.
4. Moreover, the relevance of UNRWA's mandate as a key contributor to regional stability and economic development – its original *raison d'être* following its establishment in 1949 - has been weakened in the past decade. One key factor has been the marginalization of the Question of Palestine following the outbreak of the Arab Spring in 2011 and the ensuing reorientation of regional and international agendas towards political and socioeconomic reform in the region. In addition, the "normalisation" agreements between Israel and some Arab states within the framework of the Abraham Accords in 2020 has accelerated the marginalization on the international agenda of the search for political solutions for Palestinian refugee rights. This has had a significant negative impact on the funding debate with representatives of some key donor states publicly adopting the Israeli narrative that UNRWA's existence actually contributes to keeping the Arab-Israeli conflict alive.
5. Finally, financial and material support to the Palestinian refugee issue has also been de facto weakened by the outbreak of newer, more pressing, protracted regional refugee crises, including the Syrian internally displaced and refugee catastrophe since 2012, the collapse of Yemen as a viable state, the fall-out of the Russian invasion of Ukraine and its diversion of huge donor funding from other pressing issues. The capacity for strong international intervention to support Palestinian refugee political rights is rapidly dwindling.

6. This project follows on from the scoping research in 2020 and stakeholder consultations in 2021, which was designed to strengthen Palestinian refugee voice in the discussions concerning the re-financing of UNRWA. The project was framed by three main tasks:
 - a. to critique constructively the various options under review or in the early stages of implementation
 - b. to deepen the knowledge and expertise of Palestinian civil society so that it can articulate and advance the concerns of refugee communities
 - c. to establish a dialogue with key stakeholders such as UNRWA, the donor community, host states and policy makers from key UN member states.
7. In order to achieve these tasks, a series of workshops was convened by MAS to examine the following issues:
 - a. Strengthening refugee rights under the current model of member state contributions
 - b. The role of the Green economy
 - c. The role of Palestinian refugee property
 - d. Islamic philanthropy
 - e. International Finance Institutions (IFIs)
8. The main findings of the project can be found on the MAS website¹. In sum, the 2021 study concluded that most of the proposals to supplement and develop UNRWA's current funding model inherently imply the continued prioritization of the humanitarian dimension of UNRWA's mandate and activities while addressing the root cause of the Palestine refugee question and its persistence was given less attention.
9. As a result, MAS embarked on a new project in 2022 to examine in greater depth the possibility of strengthening Palestinian refugee rights under the current funding model of member state voluntary contributions. The purpose was to spell out the impact of the current funding model on UNRWA's activities and to indicate possible ways in which Palestinian refugee rights can be consolidated and advanced within that model.
10. Following introductory and contextual sections, this study focuses on 3 areas: political, legal and programmatic aspects of the funding of UNRWA. It concludes with a section that recommends a series of actions that can be taken in partnership with the stakeholders involved. Please note, this study constitutes one part of the broader project on examining the Refinancing of UNRWA which are envisaged for 2023 and 2024. As well as advancing some ideas and concerns, it is also intended to promote a series of discussions and dialogues with refugee groups, donor representatives, UNRWA and host countries.
11. UNRWA's financial and political, and hence existential, crisis is manifested in the way in which its budget primarily depends on the voluntary contributions of the members of the international community whose own agendas are undergoing change. This study is driven by the concern that the knock-on effect is to seriously undermine the prospects

¹ For further details of the 2021 study, see the MAS website: www.mas.ps/unrwa

- for safeguarding the human and social rights of the Palestine refugees and to erode the livelihoods of the most vulnerable among them who are heavily dependent on UNRWA's services, both inside and outside Palestine.
12. From a Palestinian refugee perspective, the crisis also jeopardizes their political, legal and socio-economic rights. The main reason being that UNRWA has come to represent the most potent symbol of the international community's acceptance of its continued responsibility for the Palestine refugee situation and particularly United Nations' commitment to implement the key General Assembly Resolution that calls for the return of the refugees to their homes in former Palestine and for the compensation or restitution of their assets (para.11 of Resolution 194 (III) UN General Assembly).
 13. As indicated above, the study is also being undertaken in the fast-moving current context of a probable termination of US funding to UNRWA either later in 2022 (US Congressional mid-term elections) or in 2024 (US general elections) if the Republican party emerges victorious. We should note that from a Palestinian refugee perspective, the advantage of substantial US contribution to UNRWA is not only the benefits it brings in terms of stability of UNRWA services functioning well. More strategically, it holds out the prospect of the US remaining engaged in a political process over the future of the refugees.
 14. Nevertheless, since US engagement has not led to a fair and just solution but instead to stasis and the consolidation of Israeli dominance over the peace process' negotiating agenda, such US engagement is, in reality, a very mixed blessing. "Thank you for the money but we'd rather have a homeland" or "Keep your money, we want our rights!" would accurately characterize the refugee response to the prospect of a US cut in funding. To some extent, discussion over the suitability of the current funding model for UNRWA or planning other versions of it needs to be taking place anyway, irrespective of the colour of a 2024 administration.
 15. This study aims therefore to draw together some ideas and concerns regarding forthcoming decisions over the funding model of UNRWA. The following sections examine three overlapping areas: the political context, legal issues and operational or programmatic issues. A final section highlights possible areas of action that can be taken. Readers should note that while the study makes it clear that a political solution to the Palestinian refugee situation is critical in any discussion on the future financing of UNRWA, the primary focus of the overall project, of which this study is part, remains an examination of funding of UNRWA in order to strengthen the refugee perspective.

B. Political Context

16. UNRWA was not designed as a permanent institution, but rather as a temporary agency to address the humanitarian impact of an armed conflict and political crisis pending its anticipated resolution. This reality notwithstanding, the Agency has been in operation for almost as long as the United Nations itself.
17. UNRWA's continued existence more than seven decades on thus primarily embodies the international community's failure to resolve the "Question of Palestine" on its agenda since 1949, and by extension the Palestine refugee question which forms one of its core components. This organic relationship between the denial of the rights of Palestine refugees and the broader Question of Palestine, conventionally reduced to the Israeli-Palestinian or Arab-Israeli "conflict", is crucial to understanding UNRWA's prolonged existence.
18. Initiatives to address the refugee question in isolation from the broader political environment that spawned it, have typically been challenged, most notably by Palestinian refugee representatives and their political leadership, and have, without exception, met with failure. The consequence of this reality for UNRWA is that it will remain in existence until the Question of Palestine is either resolved or removed from the international agenda.
19. Conventional Israeli strategies to avoid reaching a just peace, such as "economic peace", "shrinking the conflict" or "from outside-in", are mirrored by the narratives that deny refugee rights among the staunchest supporters of Israel in the US Congress that "the old will die and the young will forget", or that UNRWA is the problem, not the solution.
20. With a mandate to address a crisis rather than resolve it, the Agency is further hampered by, on the one hand, chronic resource challenges resulting from its design as a temporary agency in combination with a consistent growth in demand for its services since it was established. On the other hand, it faces powerful and expanding challenges to the rights and status of its beneficiaries and indeed its existence. Over the years UNRWA has emerged as the target of choice for those seeking to resolve the refugee question on the basis of its purported non-existence. Thus, in addition to dealing with its own, conventional operational challenges, UNRWA is also compelled to function as a chief surrogate of a key actor, the Palestine refugees, in a larger political conflict in which it is not a protagonist.

a. UNRWA Mandate Issues

21. One consequence of its design is that UNRWA's mandate requires renewal by the UN General Assembly (UNGA) generally every three years for it to continue operations. In response to the growing contestation of the Agency, some advocates of Palestine refugees have proposed that the UNRWA mandate renewal that will take place in late 2022 forms an opportunity to strengthen its role with respect to the promotion of the rights of Palestine refugees. This idea also reflects a measure of frustration at its pre-occupation with service delivery and the perceived neglect of advocacy on behalf, or protection, of the rights of its beneficiaries.

22. Proposals to revisit UNRWA's mandate are technically feasible in the sense that the UNGA has the right to amend that mandate as it deems appropriate. It is also reasonable to assume that UNRWA would benefit from enhancements of its mandate that more explicitly empower it to promote the rights of refugees as identified in UNGA resolutions, and to advocate on its own behalf in response to brazen campaigns waged against it. Given the unprecedented efforts by the United States to not only defund but abolish UNRWA during the Trump administration, such proposals might at first sight appear not only useful but even necessary to shore up international reaffirmation of Palestine refugee rights.
23. Yet the Trump administration's attacks on UNRWA in fact demonstrate the real dangers inherent in any attempt to amend the Agency's mandate. For once the mandate is opened for discussion rather than renewal, those seeking to weaken rather than strengthen it will have an equal say in the matter. Furthermore, given their disproportionate power and global influence, their voice could carry considerably more weight within the General Assembly, especially as regional and global power relations are in flux and new alliances emerge.
24. In addition, the current political circumstances are not conducive to a positive outcome for those wishing to advance Palestinian refugee rights: Palestinians are experiencing a nadir in terms of their own regional and international influence; the West is increasingly eager to lay the Question of Palestine to rest and move on to other crises, and critics of UNRWA do not consider the refugee question as germane to its resolution as was previously the case. Traditional Arab regional support is no longer an assured thing. As a result, the mandate may well end up being amended in different and unexpected ways.
25. Such voices have also pointed out that political attacks on UNRWA and Palestine refugees, in being highly visible, mask the more important elements of the campaign, which are focused on the strangulation of the Agency by starving it of funding. As explained by a senior Palestinian diplomat, the efforts to deprive UNRWA of resources it needs to operate form a back door through which the more explicit political objectives are being promoted. Consequently, advocates of UNRWA and Palestine refugees should focus on securing its funding rather than amending its mandate.
26. It has additionally been noted that UNRWA's mandate (as defined by UNGA 302) is in fact sufficiently broad to provide the Agency with considerable latitude to expand activities in spheres where it might choose to be more active, including for example on issues of advocacy and protection. To the extent that UN member states may want to place greater emphasis on such themes, they would thus be better advised to address them in operative paragraphs of annual GA Resolutions that review UNRWA's activities and can specify programmatic focus moving forward.
27. In conclusion, as various advocates of both UNRWA and Palestinian refugee rights have stated, the discussion of UNRWA's mandate is a Pandora's box best left unopened. This study argues that in present circumstances, the least bad option is that efforts should be focused on the more realistic goal of renewal.

b. Alternative UN Decision-Making Processes

28. The perceived weakness of UNRWA in advocating for the rights of Palestine refugees has produced suggestions that these may be better promoted through other UN organs, for example UNHCR, the Human Rights Council, or the Committee on the Elimination of Racial Discrimination (CERD). These and similar bodies, it is argued, have more explicit mandates when it comes to a rights-based approach and advocacy, and thus Palestine refugees may be better served if their protection fell under the mandate of one or more of these agencies.
29. Here again, our view is that theory clashes with reality to produce a suboptimal political outcome. While it is true that a number of UN agencies are in a better position to advocate more explicitly for the rights of Palestine refugees than is UNRWA, they, in contrast to UNRWA, are not exclusively identified with Palestine refugees. More importantly, their more salient role could serve to sever the organic link between the refugee question and the Question of Palestine that is so beholden to Palestine refugees and arguably forms their greatest claim to continued international political relevance as well as international support.
30. Palestinian diplomacy has worked hard for decades to maintain UNRWA within the framework of the General Assembly's Special Political and Decolonisation (Fourth) Committee for a reason. Specifically, the existing construction, rather than considering UNRWA under Humanitarian Affairs for example, ensures that the Palestinian refugee question remains an integral and indeed central component of the Question of Palestine, and vice-versa. In this way, the foundational link that enhances the international political relevance of both the refugee question and the broader Palestinian struggle for self-determination is preserved.
31. Currently, and deriving from its institutional housing within the Fourth Committee, UNRWA and its mandate are dealt with by the international community, acting through the General Assembly, in the broader context of the Question of Palestine and the international community's proclaimed responsibility to resolve it as a political question. The alternative proposals would remove UNRWA from the direct purview of what is arguably the collective will of the international community or it would isolate the refugee question from the broader Question of Palestine and transform it into a yet another humanitarian crisis. In other words, it is a proposal that the acknowledged political representatives of the Palestine refugees would strenuously oppose, and presumably do so with widespread support of the refugees themselves.
32. In an international political environment that is increasingly promoting the marginalisation of the Question of Palestine and specifically the refugee question, we conclude that there is little apparent benefit in tinkering with the existing formula. Doing so risks validating and providing fodder for efforts to undermine Palestinian refugee rights, and also reducing the services currently provided by UNRWA and in certain arenas, for example by transferring responsibilities to host governments or eliminating them altogether. Safeguarding the acquired terrain - scope and purpose - of UNRWA operations is the priority in current political and financial circumstances.
33. In the next section we consider the growing consensus that Israel is engaged in a form of institutionalised discrimination against the Palestinian people and must be held

accountable for such practices, increasingly considered under international human rights standards as an apartheid regime. The emerging corollary that Palestine refugees are therefore victims of these practices, is a further compelling rationale for maintaining UNRWA within the Fourth Committee, since, as its title indicates, the Committee deals not only with “special political” questions but also “decolonisation”.

34. Some might argue that the apartheid framework provides an incentive for a greater role for CERD. CERD’s mandate is indeed more explicit in this respect, but unlike the General Assembly, it does not represent the direct, authoritative, and supreme voice of the international community acting collectively through each and every one of its member states.
35. Additionally, and as noted above, past initiatives to formulate the refugee question as a matter that can be addressed and resolved separately from the broader Question of Palestine have not only been rejected, but also failed. In this context, the current avenues for discussion and decision-making appear to offer the best hope of defending Palestinian refugee rights and preserving the role that UNRWA plays in this.

c. The impact of the Middle East Peace Process (MEPP)

36. MEPP, as formulated in the 1993 Oslo Accords, identified the Palestinian refugee question as a “permanent status issue” and thus a core issue that required resolution for Israeli-Palestinian peace to be achieved. Three decades down the line, there has not only been no progress towards this objective, but subsequent political initiatives have consistently diluted Palestinian refugee rights and the centrality of the refugee issue to the Question of Palestine.
37. Although the Oslo Accords acknowledged the significance of the refugee issue, the parties and the sponsors failed to identify a basis for its resolution. Israeli-Palestinian negotiations during the 1990s, as well as various multilateral discussions during this period, consequently sought to identify common ground between Israel and the Palestine Liberation Organisation (PLO) rather than formulate mechanisms for the implementation of Palestinian refugee rights as defined under international law and in United Nations resolutions. In practice, this provided Israel with a veto over any proposal it opposed. And its opposition to Palestinian refugee rights as stipulated in international law was habitually endorsed by the main sponsor of the MEPP, the United States, and passively supported by most European governments and the European Union.
38. The implicit substitution of Israeli interests for Palestinian rights within the framework of MEPP became increasingly explicit after the collapse of Israeli-Palestinian final status negotiations in 2000. Subsequent diplomatic initiatives served to make a resolution of the refugee issue negotiable, and thus made Palestinian rights dependent upon Israeli consent. The 2002 Arab Peace Initiative, for example, calls for the “Achievement of a just solution to the Palestinian refugee problem to be agreed upon in accordance with U.N. General Assembly Resolution 194” (emphasis added).
39. By the time the Trump administration left office, the refugee question was to be resolved on the basis that it, for all intents and purposes, exists only as an economic challenge - if at all. The failed “Deal of the Century” envisaged grandiose resettlement and refugee absorption projects in host countries, the anti-thesis of the 70 year quest to achieve, or at least uphold, Palestine refugee rights. The subsequent Arab-Israeli normalisation

agreements known as the Abraham Accords, to the extent they made any reference to the Palestinian people, singularly failed to mention the refugee question.

40. The irony of the situation is that the years of the MEPP have seen the most significant degradation of international support for the rights of Palestine refugees since the crisis erupted in the late 1940s. Even worse is the fact that this has been complemented by an exceptional lack of awareness of the connection between this degradation and the failure of various MEPP initiatives to gain significant traction.
41. As mediators focused on formulas and processes to achieve an increasingly elusive Palestinian state, the resolution of the refugee question, and even more so Palestinian refugee rights, were subordinated so as not to “interfere” with this broader aspiration, and often perceived to be in conflict with it. The fact that US Administration for four years promoted fantastical projects for the region, some of which actually gained traction, testifies to the scale and nature of erosion of the historical legitimacy of UNRWA and its mandate.
42. The challenge at present is to, once again, place the resolution of the refugee question at the centre of any initiative to resolve the “conflict”. Our argument is that this must be done by enhancing awareness of the inability and, indeed, impossibility of successfully resolving the latter without meaningfully addressing the former. Here UNRWA could and should play an important role. But, as noted by UNRWA officials, they are generally loathe to assume such positions, pointing to the inherent tensions between their responsibility to secure the resources required to maintain UNRWA operations, and the political criticism, however implicit, of their key funders for not pursuing an agenda that prioritizes the resolution of the conflict.
43. A potential alternative would be for UN Special Coordinator for the MEPP, known as UNSCO, which enjoys a more political mandate, to step up to the plate on this issue. But, here too, similar considerations are at play, particularly given the importance to UNSCO of maintaining its honest-broker status as UN representative to the “Peace Process”, and what is presumably its hesitation about bearing the burden of UNRWA’s most unpleasant tasks. How such issues could be placed on the agenda of senior UN HQ officials presents an additional challenge, given what they consider to be more pressing priorities in their relations with member states. However, in any future resumption of political negotiations, it should be incumbent upon the UN representative therein to ensure that refugee rights as enshrined in UN resolutions, are put on the table and fully addressed.
44. In conclusion, there seems to be little alternative for now to UNRWA, as the only agency specifically devoted to Palestine refugees, biting the bullet and utilising its international stature to more pro-actively impress upon the international community the organic relationship between a just resolution the refugee question and the resolution of the political crisis that has produced it.
45. In this context, it is essential that advocates for Palestinian refugee rights, and Palestinian refugee representatives, recognise the fundamental value of UNRWA to preserving and promoting their rights. We argue that however valid the criticisms of the Agency by refugees may be, the alternatives are not significantly better. UNRWA’s responsibilities are clear and often spelled out in official documents. In this, it should be sustained by an awareness that Palestine refugees remain its staunchest allies and advocates, and their voice should be mobilised further building on that reality.

46. For their part, Palestinian refugee representatives should examine how they might engage more constructively with the Agency and formulate practical mechanisms through which to effectively do so, moving beyond a critical watchdog stance. Mapping out how this might be achieved is one objective of this study and future efforts, as progress on this point would form a valuable contribution to not only increasing the agency of Palestine refugees, but also to the Agency itself. (For a further, albeit brief, exploration of this theme, see sub-section e) below)

d. UNRWA's Responses and Neglected Opportunities

47. Consultations with UNRWA officials revealed that the Agency is periodically apprised of missed opportunities, yet unable to amend its ways for the same reason such opportunities were previously neglected. Ultimately, the inherent tension between on the one hand securing resources for vital operations, and advocacy on the other are consistently decided in favor of the former, and realistically always will be.
48. When the United States launched its concerted attacks upon Palestinian refugee rights and UNRWA's existence during the Trump administration, expectations that UNRWA would be less constrained in speaking out in the absence of US funding were quickly reversed as Europeans kept up the pressure on the Agency. This included for example, investigations of UNRWA's school curricula, of the affiliations of this or that staff employee, and the like. The Arab-Israeli normalisation agreements, and close relations between these states and Washington, placed further dampers on UNRWA's efforts to advance refugee rights advocacy or expand operations.
49. There are nevertheless two opportunities UNRWA can seek to pursue more actively. The first concerns its potential inability to retain many of its nearly 30,000 staff members should the funding crisis deepen. These collectively form an invaluable reservoir of human capital, without whom the agency will find it difficult to serve its beneficiaries with the same level of professionalism for which it is known.
50. Admittedly, UNRWA's value in sustaining security and stability is less appreciated in today's MENA than in years past, particularly as its most significant donors are pre-occupied with other crises in the region. Yet the impact of such a development on the Agency's core functions, and its broader implications, deserve repeated emphasis.
51. The impact of 30,000 unemployed professionals, and of the many more who rely on them directly or indirectly, upon security and stability is somewhat difficult to ascertain, particularly since UNRWA staff and dependents are spread out across its area of operations rather than concentrated in a single country. Rather, one must think in terms of the broader social and political impact their absence would have upon a deprived community spread over different areas and jurisdictions, being denied the few services it has heretofore still been able to access.
52. Additionally, if lost it would be extraordinarily difficult to rebuild the accumulated human capital and institutional memory that UNRWA's staff collectively represents. The suggestion that UNRWA can pause operations for a prolonged period on account of a financial crisis and then resume activities once it is resolved is therefore a non-starter and dangerous illusion.

53. A second is an expansion of UNRWA's protection mandate, which it has sought to perform more actively with respect to its beneficiaries in Syria than in for example the OPT. Its experience during, for example, the 1987-1993 uprisings, with the deployment of Refugee Affairs Officers (RAOs) to monitor closely the operations of the Israeli military in the refugee camp areas, show that UNRWA is fully capable of taking a more effective role and serves as a useful template in this regard. In addition, since 2016, UNRWA protection units across its 5 fields of operations have sought to promote through various projects the civil rights of Palestine refugees in their host countries, either directly or through referrals.

e. Integration of Refugee Perspectives in UNRWA Decision-Making Processes

54. UNRWA has a rich history of seeking to integrate and reflect refugee perspectives. Current political circumstances are characterised by a Palestinian national movement in an advanced state of disintegration, and security services in host countries (including the volatile occupied territories) imposing firmer control over refugee camps and populations than in decades past. Nevertheless, the Palestine Liberation Organisation (PLO) remains the officially recognised representative of refugee interests in regional and international relations. Consequently, there is a real risk that attempts to give greater voice to refugees from the ground up, will be tantamount to providing greater input to regional security establishments, given their growing control of "representation" within the geographies of their rule.
55. The unfortunate reality is that greater refugee involvement is at present both essential and exceptionally difficult to achieve. Pursuing it is thus a double-edged sword that may well be tantamount to giving not refugees but those who monitor them for dissent from government policy an additional seat at the table.
56. Under present circumstances any initiatives that seek to revive a more structured, formal dialogue are unlikely to serve their intended objectives. Rather, UNRWA, preferably in consultation with trusted associates, could consider ways in which it might be able to solicit the views of those with whom it is in regular and direct contact, possibly in an informal framework through third-party intermediation, that neither compromises its staff and services, nor exposes its beneficiaries to risk. This study concludes that, despite the difficulties this may cause to host states and pending the emergence of representative refugee community leaders that can be viewed as legitimately reflecting the views of those they claim to speak for, Ad Hoc initiatives would appear to be the most effective way forward to bring UNRWA closer to its constituency.

C. Legal Issues

57. This section argues that the rights dimension of member state contributions to UNRWA must be strengthened owing to:

- the lack of legal protection mechanisms currently provided to Palestine refugees owing to the effective dissolution of the UN Conciliation Commission for Palestine (UNCCP);
- developments in refugee law and, in particular, the New York Declaration of 2018 and the Global Compacts that followed it and
- the protracted refugee crisis and the concomitant responsibility by third party states to ensure protection.

In short, it must be reemphasized that Palestine refugee issue is above all a political and legal one requiring political and legal responses with the obligation on all states to ensure protection.

a. UNRWA and the UNCCP

58. While it is not necessary to recount the history of the evolution of UNRWA and the international legal system for refugees (as embodied in the 1951 Refugee Convention and the UNHCR Statute) there are important issues to note that are relevant to this study. The UN General Assembly had already determined how to end the Palestinian refugee crisis by recommending the return of Palestine refugees to their homes or their resettlement, alongside the payment of compensation through the establishment of the UNCCP.

59. We should note that the UNCCP preceded the establishment of UNRWA. In fact, UNRWA's mandate was aimed at complementing that of the UNCCP and therefore UNRWA's mandate did not include in it the pursuit of durable solutions such as return of Palestine refugees to their original homes. Rather, since UNCCP was concerned with durable solutions, the UNRWA mandate was designed to provide relief to Palestine refugees and to promote their economic welfare. As Albanese and Takkenberg note in their book, *Palestinian Refugees in International Law*:

“In practice, UNRWA was created to take care of the economic welfare and development of the refugees from Palestine while the UNCCP continued to work, among others, towards the long-term goals of repatriation, resettlement and compensation. Because UNRWA's mandate was constructed to complement that of UNCCP, it did not specifically include the pursuit of durable solutions and inferred a complementary role on technical matters instead.”²

60. As important to note is that both the UNCCP and its provision of international protection for Palestine refugees was consistent with the protection function later accorded to the UNHCR. For example, during its early years of operation, the UNCCP attempted to intervene to promote and protect the internationally recognized rights of Palestinian

² Albanese and Takkenberg at 78.

refugees; promote measures to improve the situation of refugees; preserve and promote the restitution of refugee properties, and to promote durable solutions for refugees, including repatriation, resettlement, restitution, and compensation based on the unconditional principle of refugee choice. However, in today's dysfunctional United Nations, its function is reduced to an absurd one sentence annual report to the General Assembly, affirming that it has nothing to report!

61. It needs to be reiterated that UNRWA was established alongside the UNCCP recognizing that these agencies together provide both protection as well as press for "durable solutions". We argue that disempowering one agency - namely the UNCCP - necessitates that either an alternative is created or that those functions that the UNCCP had should be undertaken by UNRWA. Failure to do so means both the abdication of the UN's responsibility towards Palestine refugees as well as undoing of the international legal system of protection for refugees.
62. Even interpreted generously, the protection provided by UNRWA meets the bare minimum of protection requirements with other refugees granted more extensive protection mechanisms. It must be emphasized that the responsibility for ensuring respect for the rights of refugees - including Palestine refugees - rests with states. It is inconceivable that the longest and largest refugee population in the world is not afforded the same protections as those afforded to other refugees elsewhere.
63. Palestinian diplomacy should consider available legislative routes to resuscitating a more serious functioning of the hitherto moribund UNCCP role as an internationally sanctioned Palestine refugee rights champion and record-keeper of confiscated refugee property. The cause of Palestine refugees deserves a more activist diplomatic stance relying on existing legislative machinery. In addition, it is imperative that the donor states need to take on additional responsibilities including:
 - Interpreting UNRWA's mandate more broadly to allow for planning of durable solutions so that this becomes a kind of "core" activity as well. This can take place without revising the mandate itself.
 - Budgeting for protection teams to operate in UNRWA areas, eg monitoring and reporting - similar to 1980s UNRWA RAOs in Gaza, in the same way as US, for example, earmarks funds for UNRWA to conform to its compliance frameworks.
 - Strengthening education and staff training to include a focus on durable solution.
 - Enter into transparent dialogue with UNRWA regarding its protection responsibilities.
 - Initiating discussion over future options in partnership with UNRWA and refugee groups.

b. Developments in Refugee Law and the New York Declaration

64. Refugee law and policy has witnessed several developments over the past decades with an increased recognition of the need to have a more multilateral approach to refugees. The most recent iteration of this was in 2016 when the UN General

Assembly adopted the New York Declaration for Refugees and Migrants followed, in 2018, by the adoption of a Global Compact for Refugees. The New York Declaration reiterates political commitments towards refugees and reads, in part:

- We reaffirm and will fully protect the human rights of all refugees and migrants, regardless of status; all are rights holders. Our response will demonstrate full respect for international law and international human rights law and, where applicable, international refugee law and international humanitarian law.
 - Though their treatment is governed by separate legal frameworks, refugees and migrants have the same universal human rights and fundamental freedoms....
 - In addition, protracted refugee crises are now commonplace, with long-term repercussions for those involved and for their host countries and communities. Greater international cooperation is needed to assist host countries and communities.
65. To be clear, the Global Compact on Refugees and the NY Declaration do not make specific reference to Palestine refugees, and they also do not specifically exclude them. This latter is important to note as it does away with the long-debated discussion surrounding the different legal regime for Palestine refugees.
66. While recognizing that the primary responsibility for refugee response lies with States, the NY Declaration and Global Compact on Refugees promote a multi-stakeholder and partnership approach by placing emphasis on the need to address the root causes of refugee displacement. The Global Compact also calls for “predictable, adequate and sustainable funding” and for durable solutions, including the movement away from a “one size fits all” approach.
67. The NY Declaration sets out the key elements of a “Comprehensive Refugee Response Framework” which is to be applied in large-scale movements of refugees and in protracted refugee situations. The Comprehensive Refugee Response Frameworks focuses on the importance of supporting host countries and promoting the inclusion of refugees in host communities. Its four key objectives are to:
- Ease the pressures on host countries and communities;
 - Enhance refugee self-reliance;
 - Expand third-country solutions; and
 - Support conditions in countries of origin for return in safety and dignity.
68. All three of these approaches - multi-stakeholder, the need to address the root causes of refugee displacement and need for durable solutions - all reiterate and consolidate the rights of Palestine refugees.
69. In short, the NY Declaration and the Global Compact on Refugees provide further opportunities for the rights dimension of UNRWA state contributions to be reinforced by exploring some of these areas. It also expands upon established international practice when it comes to solutions. To be clear, the NY Declaration is a non-binding resolution and, as such, does not compel states to act, though given that it was adopted unanimously by 193 UN member states, it is indicative of the international position towards refugees.

70. Taken together, these new developments focus on the following: (1) increased engagement of host countries; (2) emphasis on finding durable solutions and addressing root causes; (3) separating the refugee issue from political processes (particularly important in the case of Palestine refugees).
71. Albanese and Takkenberg advocate the development of a Comprehensive Response Framework for Palestine Refugees which, they believe, has the “potential to generate discussion and awareness; it would shift political attention towards the refugees and would create important momentum to ‘federate’ and advocate jointly for a just and durable solution of the refugee question. The framework would rest on a solid foundation, addressing the unfulfilled rights of Palestine refugees in the context of applicable UN resolutions and provisions of international law that reaffirm them.”³
72. This is a welcome suggestion and care should be made to ensure that Palestinian voices - and not those of the international community or host countries - are central; that refugee return is placed at the forefront, rather than a focus on resettlement and that support for UNRWA continues to be maintained, even while pressing for a multilateral approach.
73. It is unclear whether UNRWA has further engaged with the NY Declaration or the Global Compact beyond its early written submissions. In 2019, the Acting Commissioner-General of UNRWA attended the First Global Refugee Forum but there has been little engagement in these new approaches since then.
74. This study argues that for all the risks these developments may pose, there should be a more considered internal debate over some of the potential options that the NY Declaration and GRC open up. A first step would be to initiate a scoping exercise to role play the implications of establishing a Support Platform for Palestine refugees – the first step for the Palestinian case to be taken to Global Forum on Refugees. This study argues that such an exercise should be carried out in consultation with donor states and with UNRWA.

c. Protracted Refugee Crisis and Israeli Apartheid

75. Israel's 1967 occupation of the West Bank (including Jerusalem) and the Gaza Strip, not only brought into effect a different legal framework - that of military occupation governed by international humanitarian law (as codified in the Fourth Geneva Convention) - but also impacted Palestinians, including Palestine refugees (and, as a result, UNRWA), given that: (a) a significant portion of the Palestinian population in the Gaza Strip are registered refugees; (b) UNRWA maintains refugee camps both in the West Bank and the Gaza Strip and (c) some of Israel's actions are targeted against Palestine refugees in both locales.
76. While international humanitarian law (IHL), does not, on its own, address the protection of refugees, military occupation, like the status of refugees, is meant to be temporary. Moreover, during an occupation, the integrity of the

³ Albanese and Takkenberg, “Rethinking solutions for Palestinian refugees: A much-needed paradigm shift and an opportunity towards its realization” found at <https://www.rsc.ox.ac.uk/publications/rethinking-solutions-for-palestinian-refugees> page 28

territory occupied not only must be preserved but must be used for the benefit of the occupied population. Israel, however, has done the opposite: it has used the land to build Israeli military bases as settlements and has altered both the landscape and the demography of the occupied West Bank, perhaps irrevocably.

77. At the same time, Israel has illegally maintained a decades-long blockade on the Gaza. It is the combination of these Israeli measures that prompted both the International Court of Justice to declare that Israel's actions are "tantamount to de facto annexation" and the Special Rapporteur on the situation of human rights in the Occupied Palestinian Territory to conclude that Israel's actions have "crossed a red line into illegality"⁴ demanding, therefore, that the international community take action against Israel.
78. This demand for action has recently been bolstered by new international reports, labelling Israel an apartheid regime. In January 2021, Israeli human rights group B'Tselem released its report on Israeli apartheid. This was the first such Israeli report to make this claim; though this was not the first time that such claims were asserted against Israel (most notably by Palestinian human rights organizations dating as far back as 2001). This B'Tselem report was soon followed by a report by Human Rights Watch that same year. Both reports focused solely on Israeli practices within historic Palestine.
79. In February 2022, Amnesty International, released its report on Israeli apartheid practices. Amnesty devotes significant space to Israel's apartheid practices both within historic Palestine and in relation to Palestine refugees, concluding that: The totality of the regime of laws, policies and practices described in this report demonstrates that Israel has established and maintained an institutionalized regime of oppression and domination of the Palestinian population for the benefit of Jewish Israelis – a system of apartheid – wherever it has exercised control over Palestinians' lives since 1948. The report concludes that the State of Israel considers and treats Palestinians as an inferior non-Jewish racial group. ...This has been complemented by a legal regime that controls (by negating) the rights of Palestinian refugees residing outside Israel and the OPT to return to their homes. [p. 266]
80. These new reports add to a growing legal consensus that: (a) Israel's practices, both within historic Palestine and in relation Palestine refugees constitutes a form of apartheid, amounting to a crime against humanity and (b) that it is the responsibility of third states, as well as others to address these practices. The significance of the shift from occupation law to focusing on prolonged occupation or apartheid is not merely one of semantics: colonialism and apartheid are illegal according to international law whereas occupation "is a lawful regime, tolerated by the international community but not approved."⁵

4 <https://www.un.org/unispal/document/special-rapporteur-on-situation-of-human-rights-in-the-opt-presents-report-to-third-committee-press-release-ga-shc-42730-excerpts/>

A condensed version of the report can be found at: <https://www.ejiltalk.org/prolonged-occupation-or-illegal-occupant/>

5 Report of the Special Rapporteur on the situation of human rights in the Palestinian territories occupied since 1967, John Dugard, A/HRC/4/17 (29 January 2007) at para. 62.

81. In its report, Amnesty International makes a number of important recommendations, including that third states, “not support the system of apartheid or render aid or assistance to maintaining such a regime, and cooperate to bring an end to this unlawful situation.” [p. 277] Moreover, given that Israel’s actions may rise to the level of war crimes and crimes against humanity, the obligation to ensure that these practices come to an end lie with all states.
82. Viewed in this light, it is important that member states contribution to UNRWA focus not solely on services, but instead on doing what is necessary to comprehensively address the rights and needs of Palestine refugees.
83. It is recognized that key, mainly Western, donor states have been constrained by their domestic constituencies from advancing Palestinian refugee rights in more radical ways, but this changing debate on the nature of their displacement is highly significant and should not be brushed aside as the work of marginal activists. It provides a discursive hinterland that undergirds and promotes the UN commitment to durable solutions and brings the Palestinian case for return and compensation back into the mainstream of political discussion. It also highlights the timidity of donor states and, more importantly, provides an opportunity for a radical re-think of the focus of their support on the humanitarian dimension of the Palestinian situation at the expense of the search for a durable solution.
84. While it is beyond the scope of this paper to recommend what specific actions should be done legally to ensure that member states contribution “cooperate to bring an end to this unlawful situation” at a minimum support for Palestine refugees - particularly rights support - must be maintained.
85. In this way, the reduction by member states of their financial contributions to further reduce services to Palestine refugees cannot be said to meet their international legal obligations, not solely in relation to the framework of refugee law, but also as regards this broader framework of annexation and apartheid. Similarly, in this context donor states need to re-visit their approach to how the UN principles of neutrality apply to UNRWA. This will be discussed in more detail in the next section but as it stands, the approach increasingly disconnects the reality of the everyday lives of refugees from the main causes of their displacement.

D. Programme Issues

86. This section examines how the funding model based on voluntary contributions by UN member states impacts on refugee rights. It begins with an overview of changes in the approach adopted by donor states which have brought both positive and worrying results. It examines the benefits of administrative reforms undertaken through donor pressure but also how the lack of political horizon prevents strategic planning and leaves the budget vulnerable to international political disputes.
87. The underlying argument is the financial support for UNRWA as a humanitarian agency per se is now misplaced. By virtue of its organisational longevity, the scope and comprehensiveness of its programmes, and the role it plays in the socioeconomic stability of the host countries, UNRWA functions as a quasi-state actor assuming responsibilities extending way beyond traditional short-term humanitarian mandates.⁶ Its “quasi-governmental” services infrastructure and programmes encompass a budget 80th percent of which is spent on the wages of the 30,000 employees running those programmes.⁷ As such, donors should rather engage de facto with the Agency as a non-territorial Trustee of the human development and social welfare of the Palestine refugees – a demographic without an internationally-defined and recognized territory, under the aegis of the UNGA.⁸
88. Accordingly, it should be treated as such and funded by a regional cooperation envelope, a multi-year trust fund administered by a pool of key donors and host countries (or the World Bank), or any funding mechanism ensuring minimal financial stability, rather than under the banner of humanitarian assistance where it competes with other agencies such as the UNHCR, the ICRC and other international NGOs engaged with needier refugees.⁹
89. UNRWA’s quasi-exclusive dependence on voluntary external contributions is a modality that was initially considered to best suit a temporary agency. That status was never altered and the Agency is not funded as part of the UN Regular Budget, despite the growing size of the Palestine refugee population, the ensuing expansion of its general programmes or the long duration of its existence.¹⁰ This is a weakness compounded by the fact that UNRWA’s temporary mandate has never set standards

6 The humanitarian aspect of its mandate emerges during its interventions in emergency situations, as is now the case in Syrian and in Gaza

7 UNRWA administers 710 schools (540,000 students in elementary and preparatory cycles – and secondary in Lebanon), 8 vocational & technical training centres (VTTCs) and 140 primary health care facilities.

8 Other UN trusteeships are territorial, aimed at supervising the administration of Trust Territories placed under the International Trusteeship System and their progressive development towards self-government or independence. On the notion of Trusteeship in the Palestine refugee case, see: Al Hussein, J., Saba, J., UNRWA’s Contribution to Socio-economic Stability, Paper presented within the project “UNRWA and Palestine Refugees:

Challenges for Developing a Strategic Vision”, coordinated by Bocco R. and Froehlich, F. for the UNRWA Informal Expert Working Group, July 2022.

9 Also in Brynen, R., “UNRWA as avatar: Current debates on the agency—and their Implications”, in: UNRWA and Palestine refugees, Sari Hanafi, Leila Hilal, Lex Takkenberg (eds.), 2014, p.7.

10 Only about 5 per cent of its budget corresponding mainly to the international staff wages is paid by the United Nations regular budget

as to the nature and levels of services to be delivered: the Agency has therefore had to frame its services according to the financial resources available.¹¹ UNRWA's mode of financing has made the donor, mainly Western, states instrumental in perpetuating the Agency's operations and in shaping the orientations and contents of its programmes.

90. However, for over four decades (from the late 1950s¹² to the start of the "Oslo peace process" in 1993), the donor countries and the UN General Assembly were reluctant to provide political or operational guidance to the Agency, especially during these critical years (1955-1965) when it was transformed into a semi-permanent agency. Ignoring its Commissioner-Generals' calls for advice on such sensitive issues as the registration of new generations of refugees, the adaptation of the budget to an ever-increasing workload and the prioritization of certain programmes, UN General Assembly resolutions just endorsed steps already taken by UNRWA itself. Similarly, key donor states generally considered its contributions as an instrument of regional stabilization and a tool of rapprochement with the Arab world.
91. Such lack of guidance and political support, combined with the fact that its short-term mandates (3-5 years) have constrained it to incremental adaptations to changing contexts (negotiated in each field operation with host authorities) explain to a large extent the challenges that have long affected UNRWA's administrative and institutional development. This includes a lack of financial accountability, a politicization of its services, an apparently haphazard set of registration and eligibility rules and a lack of long-term vision – all challenges that the donor states have tried to rectify in the past two decades.
92. Donor state influence over the Agency strengthened following the conclusion of the Oslo Accords in 1993. First focused on the need to fix UNRWA's budget lack of transparency, such influence has sought, since the milestone 2004 Geneva Conference on UNRWA and with the implicit support of the host countries, to modernize its "tired" administrative and operational methods.¹³ Its management was also invited to abandon its traditional "more funds for more basic services" approach and adopt a more strategic needs-based approach towards more efficiency in the delivery of services, and in line with UN-promoted concepts that anchor the individual at the center of interventions such as human development, refugee participation and protection.
93. UNRWA has complied with donor requests. For example, it has
- adopted the UNDP-inspired human development framework;
 - developed an Organizational Development (OD) plan aimed, inter alia, to integrate programming and operational policy within a Programme Management Cycle

11 As clearly explained in: "Report on the Authority of the Commissioner-General to Reduce Services as a Consequence of Financial Stringency", in: Report of the Commissioner-General of the United Nations Relief and Works Agency for Palestinian Refugees in the Near East, 1st July 1974 – 30th June 1975, Supplement No.13 (A/10013), Annex IV.

12 This is when UNRWA gave up on its collective reintegration mandate and the ensuing handover of its services to the host countries and reoriented its efforts towards the individual reintegration of the refugees, notably through academic and vocational/technical education

13 The conference "Meeting the Humanitarian Needs of the Palestine Refugees in the Near East - Building Partnerships in Support of UNRWA" that was held in Geneva in June 2004 sought to expand UNRWA's pool of donors while fostering UNRWA stakeholders' partnership around more developmental and modern approaches to addressing Palestine refugee needs; see <https://www.un.org/unispal/document/auto-insert-205117/>

- providing an integrated, strategic and results-based approach to the management of programmes, projects and activities;
 - decentralized its decision-making process and empowered the fields offices;
 - induced formal participation in its programmes (school parliaments, engagement of refugees in rehabilitation/development schemes, etc.);
 - established protection units across its field of operations with staff dedicated to assisting vulnerable Palestine refugees in safeguarding their physical integrity, freedom of movement and social and economic rights through direct interventions or referrals to relevant host country or international institutions.
94. Last but not least, it has reduced expenditures by trimming intervention costs, notably through the reduction of human resources.
95. However, UNRWA's compliance measures (and relatively good operational performance, as noted by several external evaluations) have not encouraged donor states to increase their per capita contributions to its general programme fund, leading to further reductions or curtailment of services that have further deteriorated the quality of services. ¹⁴Nor has it quenched the donor states' thirst for expenditure cuts, even among states considered traditional allies of UNRWA.
96. One argument made by donors to keep funding down is the issue of registration and the total numbers of refugees actually benefitting from its services. There is a view among donors that UNRWA records are not sufficiently accurate enough and that while the numbers of registered Palestine refugees is not in dispute, those requiring UNRWA services may be inflated.
97. This is an approach which is considered counterproductive by other stakeholders: refugees point to how the quantity and quality of services are negatively affected; host countries point to the additional pressure it places on overstretched and fragile national service providers, especially in Lebanon and Jordan that are also grappling with the Syrian refugee crisis; and in a recent external evaluation of the UNRWA medium term strategy 2016-2022, experts state under 'efficiency gains', that 'there is no more fat left to trim'.¹⁵
98. Donor countries have also failed to provide a unified vision about the type of services or programmes UNRWA should engage in more in future. For example, some 'non-committal' donor countries recognize that, with its 70th years of experience, the Agency is best placed to decide what services to provide and how to provide them. Other donors argue that it should refocus on 'basic services'. In line with this they argue that UNRWA should cut such extra-humanitarian services as solid waste management in refugee camps and technical/vocational education.
99. Similarly, other donors argue that it should reorient its mandate towards improving the livelihoods of the most vulnerable refugees, especially amongst youth and women,

¹⁴ For instance, ceilings have been imposed on the "hardship case" beneficiaries of the SSNP; stationary items and scholarships are no longer provided to students except on ad hoc basis; subsidies for tertiary medical interventions in governmental hospitals are limited to the SSNP beneficiaries, while medical services are understaffed; and maintenance of facilities and waste collection in refugee camps have often been suspended. Internally, the Agency's evaluation function has been affected by the chronic funding crises.

¹⁵ UNRWA (2021), Evaluation of the unrwa medium term strategy, 2016-2022, Department of internal oversight services evaluation division, September 2021.

through a more developmental approach. These divergences have consumed the time and energy of UNRWA management to try and find a common ground amongst such contradictory opinions, and sometimes ill-considered or unrealistic reform proposals.

b. The Neutrality Issue

100. Another emerging bone of contention pertains to recent measures taken by its management regarding UN principles of neutrality, already referred to in the previous section. Donor states have pressured the Agency to guard itself against what critics have portrayed the political instrumentalization of its services and installations by the refugee communities and its local staff. This includes the use of UNRWA facilities, media platforms and staff time to promote Palestinian refugee rights in an overtly political way.
101. This is not a new issue. Since 1966, the United States Congress has passed laws conditioning its approval of funding for UNRWA to guarantees that its aid would not benefit members of any Palestinian military group and that its education be in line with the principles of the United Nations.¹⁶ As a result, UNRWA itself has taken measures against local employees involved in militant groups, or partner institutions suspected of using its installations for militant/military reasons, such as the Youth Activity Centers in the oPt that it ceased to support in 2002. Its Education Department has been regularly “cleaning” the contents of the host country educational material used in its schools since 1982, sometimes with delays in implementation.
102. However, refugees have observed that over the past two decades, and especially since its adoption of a Neutrality Framework in 2017,¹⁷ UNRWA efforts to protect itself against political instrumentalization had reached new levels. These efforts have, in turn, raised serious questions regarding its neutrality vis-à-vis the Palestinians at large: for example, by banning maps of pre-1948 Palestine that include the villages and towns of origin of the refugees, and stifling commemorations of key moments of Palestine’s history in its schools, UNRWA is perceived as complicit in efforts to suppress Palestine national identity among new generations of Palestine refugees.
103. Taken together with the erosion of services, the absence of a political horizon for the Palestine refugees, these steps are seen as eroding of UNRWA’s traditional role as guardian, or as we have suggested above – Trusteeship - of the international community’s commitment to Resolution 194 (III) and their political future. In sum, dialogue between donors themselves, between donors and refugee groups need to be given greater salience and reinvigorated.

16 “Foreign Policy Assistance Act of 1966,” Public Law 89-583, Sept. 19, 1966, AFPCD (1966). The more recent Framework of Cooperation between the USA and UNRWA 2021-2022 underscores UNRWA and the USA shared commitment to fight terrorism and preserve its installations and services from political instrumentalization. It also highlights both parties’ commitment to condemn all manifestations of religious or racial intolerance, incitement to violence, harassment or violence against persons or communities based on ethnic or religious belief etc., with a direct consequence on the textbooks in UNRWA schools that should not include any content contrary to UN principles.

17 The Framework is a repository of standards, practices and procedures designed to safeguard UN neutrality. It proscribes a broad range of conduct, including – but going beyond – conduct falling within donor conditions relating to neutrality. For example, staff member involvement in a militant group or terrorist activities would be a serious breach of UNRWA’s Staff Regulations and Rules and result in dismissal from service. See UNRWA and neutrality, <https://www.refworld.org/pdfid/5c050f644.pdf>

E.Ways forward/Recommendations

Before listing the possible steps that can and should be taken, it should be recalled that the main purpose of this project by MAS is to seek ways to strengthen the Palestinian refugee voice in the discussions concerning the future funding of UNRWA. This first study focusses on if and how the current funding model of voluntary contributions by UN member states can be recalibrated to advance the political rights and aspirations of Palestine refugees.

We have tried to limit our suggestions here to the discussion on funding and avoid entering too much into broader political and legal issues. Nevertheless, we also recognise that the opening of the financial taps of donor states are contingent on these linked political and legal issues. While the following studies in this overall project will look at other financial options (see Section C above), this study on the current model cannot avoid but address the political and legal context.

In identifying recommendations, one can highlight either processes (e.g., decision-making, dialogue activities, consultation mechanisms etc.) or actors. We have elected to organise this section by specifying actions for actors.

a. Un – General

Mandate – amendment or renewal?

This study concludes that the risks involved in seeking to amend the UN General Assembly mandate for UNRWA to place the agency on a sounder financial footing seriously outweigh any possible benefits that may flow from such an action. Indeed, there is a greater likelihood that opening up the debate in this way will weaken the position of UNRWA to the detriment of refugees.

Our recommendation is that refugee organisations and representatives cooperate with UNRWA management, donor and host states to:

- Ensure that the UNGA mandate for UNRWA is renewed with as much support from member states as possible to highlight international support for the agency and its role in preserving the rights and livelihoods of Palestine refugees.
- Explore in cooperation with UNRWA management, donor and host states, ways in which the mandate is applied to advance durable solutions and to protect refugee rights.

Role of General Assembly

Similarly, while the UN Committee for the Elimination of Racial Discrimination (CERD) has many strengths, we also recommend that discussions concerning UNRWA remain located within the UNGA Fourth Committee as its remit is “special political” questions including that of “decolonisation” and it represents the supreme voice of the international community.

b. Unrwa

Rethinking the Responsibilities of UNRWA

We recognise that as the only agency specifically devoted to Palestine refugees, UNRWA has the international stature to impress upon the international community the indivisible relationship between a just resolution the refugee question and the resolution of the Palestinian-Israeli conflict. Nevertheless, we recommend that:

- In the absence of a functioning UNCCP that was established to seek a resolution to the forced displacement of Palestine refugees, the scope of UNRWA's responsibilities should be extended to encompass the search for durable solutions
- Rather than dealing with UNRWA as a humanitarian agency UNRWA should rather be considered a 'non-territorial trustee' organization serving an entire population (the Palestine refugees). In this way, it could be funded through a regional cooperation envelope or a multi-year trust fund, rather than under the banner of humanitarian assistance.

Relevance of Global Refugee Compact

In this context, the study argues that more attention should be paid to some of the potential options that the New York Declaration and Global Refugee Compact open up. The study therefore recommends:

- A scoping exercise in which the implications of establishing a Support Platform for Palestine refugees – the first step for the Palestinian case to be taken to Global Forum on Refugees – is role-played and examined.
- That such an exercise should be carried out in consultation with donor states and with UNRWA.

Recognising the Importance of UNRWA Staff

This study recognises the important role that the 30,000 employees of UNRWA play and has argued that they be valued not only as contribution to stability in the region but also as a vehicle for human capital development. We recommend that greater investment in training and education of UNRWA staff will meet several objectives relevant to this discussion:

- Relevant training programmes will offer the possibility of staff have the capacity to respond to the changing needs and responsibilities of UNRWA outlined above.
- It will contribute to the effective search for durable solutions since the experience, expertise and insights of the direct beneficiaries are being employed
- It will provide a mechanism by which the current funding model can be utilised or adapted by donors to support this shift from short-term humanitarian assistance to the strategic goal of durable solutions.

Expansion of the Protection Mandate

The study has argued that UNRWA's protection mandate has expanded during different periods and in different field of operation to respond to extreme circumstances. It recommends in addition to the protection work already being undertaken, that UNRWA should:

- Establish protection teams that monitor and report on infringements of refugee rights in all UNRWA Fields of Operation
- Ask donor states to fund these teams in the same way as US, for example, earmarks funds for UNRWA to conform to its compliance frameworks.

Dialogue with Refugee Organizations and Representatives

The study notes that Palestinian advocacy groups and UNRWA staff have called for greater UNRWA engagement in advocacy activities on behalf of the Palestine refugees' rights. We argue that an ongoing and constructive dialogue with refugee organisations would not only channel the knowledge and expertise of refugees into the planning of its programmes, it would also strengthen UNRWA's position vis a vis its funding negotiations with donor states. Furthermore, such a dialogue approach will also promote refugee trust in UNRWA's decision-making processes.

We recognise that such a dialogue needs to go beyond the usual exchange of acrimonious statements about insufficient levels of assistance or the underlying motivations of the neutrality policy. It should be framed in such a way as to result in the delineation of shared views about what the Agency can (and cannot) do within the limits inherent in its mandate, including in the field of advocacy and of its educational policy. Nevertheless, we recommend:

- The launch of an informed and regular dialogue through "Town Hall" meetings and workshops, between the Agency and Palestine refugees.
- That such meetings remain informal and ad hoc so as not to trigger concerns by host states that their representative roles are being supplanted.
- That the role of third parties in the facilitation of such meetings be explored.

c. Donor States

In addition to those recommendations above which relate to donor states this study recognises that donor state representatives are rarely considered when it comes to organizing consultations with refugees around the Agency's present and future status. Their participation would result in them being better informed regarding refugee needs and better able to adapt their funding of programmes. We recommend that:

- Donor states be consulted as to the topics that are covered by the dialogue and engagement outlined above.

Advisory Commission

This study has proposed that the current mandate of UNRWA be interpreted to encompass a shift in the Agency's priorities as much as possible towards durable solutions which will address the long-term causes and results of the Palestine refugee question. To do so will require the support of the donor and host states. We recommend that:

- UNRWA's Advisory Commission be asked to set up a Working Party to explore the issues flowing from such a possible shift. These would include many of the topics referred to above but in particular: guidance on a re-interpreted mandate; a more explicit assumption of some of the responsibilities of UNCCP and clearer support for protection and advocacy activities.
- UNRWA should also engage with donor countries on sensitive issues, such as the issue of registration and the numbers of refugees actually benefitting from its services.

The study has also noted the changing discourse around apartheid and colonialism in international legal circles and how it has been increasingly applied not only to Israel's current policies but also to its historic discrimination against Palestine refugees. We recommend that:

- Donor states recognise that some aspects of their current funding with regard to education and advocacy will open them to the charge of being complicit in such discrimination and
- They undertake a review of how concepts of neutrality are currently being applied to the Palestine refugee question in UNRWA facilities.
- Such reviews should be carried out in consultation with refugee organisations and representatives.

d. Host States

As with donor states, this study has identified a number of issues which require action on the part of host states. Most of these are referred to above but in particular we recommend that:

- Host states encourage the Advisory Commission to set up a Working Party to examine the implications of re-interpreting the mandate of UNRWA.
- The PLO should consider available legislative routes to resuscitating the UNCCP as an internationally sanctioned champion Palestine refugee rights and record-keeper of confiscated refugee property. Failing that it could consider ways in which these functions are absorbed into the UNRWA operation.

e. Refugee Organisations and Representatives

It is also important to note that changes in the political and legal environment require Palestinian refugee organizations and representative to also respond appropriately and effectively. Holding the international community to account has been their central and most persistent strategy and has produced many successes. Nevertheless, the current financial and political crisis needs new and more effective responses if the agency of Palestine refugees is to be safeguarded. We therefore recommend that:

- The questions reviewed in this study be disseminated and discussed more widely and in a candid manner. These include:
 - The focus on mandate renewal rather than amendment;
 - UNRWA as non-territorial Trustee; and,
 - The potential of ad hoc and informal consultation processes than formal ones, with third party facilitation.

F. Conclusion

This study recognises that the support by the international community for Palestine refugees, through UNRWA, has been generous, consistent, extensive and essential. It has played a crucial part in mitigating the suffering caused by their forced displacement in 1948 and ongoing exile since then. Nevertheless, the study also holds that the focus on humanitarian assistance has not addressed the root cause of the Palestinian refugee experience. At best, this focus has marginalised the importance of reaching a just solution, at worst it is a deliberate evasion of UN General Assembly resolutions and commitments collectively undertaken by UN member states.

We also recognise that the financial burden of UNRWA to the international community is, in light of other growing demands on their resources, increasingly unsustainable. The study acknowledges the enormous efforts being made to broaden UNRWA's funding streams and to introduce reforms and efficiencies and see our investigation into those activities as a contribution to ensuring their effectiveness and sustainability.

While there is broad agreement that the current funding model of UNRWA is not sustainable, there is much less agreement on appropriate funding models for an uncertain future. If UNRWA is not allowed to continue to function effectively due to budget cuts, then not only will the international community be reneging on its commitments - and be abandoning Palestine refugees - it will also be facilitating the destabilization of an already highly volatile region.

At the same time, it is our contention that as important as these attempts are, they are short-term and temporary solutions which avoid dealing with the political root cause – namely, the refusal of Israel to allow the return of refugees to their homes, or to countenance fair and appropriate forms of restitution or compensation. Having recently marked its 70th anniversary as a UN agency, the prospect of an 80th anniversary is not just a colossal indictment of the lack of political will of the UN member states, but also a personal tragedy for several millions of refugees as well as an increasingly expensive ongoing cause of regional instability.

The essential, but often glossed-over, truth behind these debates is that the Palestine refugee issue is not going to disappear. It is too late for that. A national identity has already been forged, an aspiration to statehood is embedded into the daily lives and culture of refugees, the fallback option of armed action is always there, and the overall numbers of Palestine refugees are growing. A second essential truth is that neither an optimally funded UNRWA, nor a UNRWA dying from a thousand budgetary cuts, will solve the root cause of the Palestine refugee situation, which is their forced displacement.

Indigenous ethnic communities across the world, who have been displaced by colonialism for many more decades than the refugees of Palestine and who have had much less international support, have not relinquished their quest to return to their homelands or for the restitution of their assets. It is not logical or reasonable to expect Palestine refugees

to fade away, integrate into host societies or abandon their search for a just solution. In this long view, a responsible and strategic plan of action on the part of donor states and UNRWA would be to combine the current mitigation of suffering with an investment in the planning for a durable solution that is based on UN principles and the wealth of operational experience that UN bodies have.