

**Statement by UNRWA Commissioner-General  
Extraordinary Session of the Advisory Commission  
Amman, 17 February 2009**

**Distinguished Chair, distinguished delegates:**

**I am pleased to be with you today at this extraordinary meeting of the Advisory Commission. I join the Chairperson and Deputy Chairperson in extending a warm welcome to all delegations, in particular to our new members Finland and Ireland and our special guests, from Bahrain, Kuwait, Qatar and the United Arab Emirates, countries who have shown themselves to be strong supporters of Palestine refugees in the wake of the recent Gaza conflict.**

**When we met in regular session on 17 November last year, the gravity of UNRWA's financial crisis was foremost in our minds. A global economic downturn was gathering pace and turmoil in the international financial markets converged with a shortfall in contributions and higher than usual increases in agency expenditure.**

**The decision to hold this extraordinary session originated from the Commission's recognition that UNRWA's financial situation was sufficiently serious to threaten its ability to discharge its responsibilities towards Palestine refugees. We see in your presence here today an expression of your genuine concern for UNRWA and Palestine refugees, and of your readiness to help us overcome our funding crisis in all its aspects. For this, we are sincerely grateful.**

**While the need to strengthen UNRWA's finances would, in itself, have furnished ample justification for this gathering, the recent conflict in Gaza has elevated the significance and urgency of this extraordinary session. At**

the time of our November meeting, and in spite of the political tensions then, few would have predicted that just forty days later, Gazans would be called upon to endure so much death, destruction and suffering in an armed conflict of such intensity.

This was a war in which little was spared, a war which will be embedded in Palestinian memory for the anguish it brought to men, women and children who have neither sympathy nor affiliation with any militant group. Hospitals and schools, civilian residences, factories, cemeteries and places of worship, humanitarian personnel and UNRWA's own compound came under direct, sometimes repeated, attack, as both sides showed little regard for the laws of war or for the sanctity of civilian life. During that time, however, UNRWA staff worked alongside colleagues from the Red Cross and Red Crescent Societies, providing humanitarian relief with courage and heroic commitment to duty, as they have done in previous crises. I wish to pay tribute to all of them.

Conflicts of this kind have a long afterlife, fraught with heightened risks and grave dangers. It is to those risks and dangers that the parties and the international community must turn their attention and do their utmost to avoid, not only for the sake of Palestinians, but also in the interests of regional and international security. While the cessation of hostilities was a huge relief, there can be no illusions about the frailty of the period in which we find ourselves. In spite of efforts to cement the ceasefire, worrying signs are evident. We must do what we can to stem any slide toward another lethal confrontation.

Distinguished delegates:

What we have in Gaza today is, at best, a pause which we must, together, convert into a period of opportunity. It is fitting that we devote part of our

day to reflect on what these opportunities represent for UNRWA and the Palestine refugees we serve. And it is appropriate that we consider what part members of this Commission, and our guests who have already signalled their generosity and the international community, might play to help the traumatized refugees of Gaza and, in the process, to salvage the prospects for a just and lasting solution to the Israeli-Palestinian conflict.

On UNRWA's part, when the recent conflict ended, we immediately turned to the recovery effort, ensuring a seamless convergence of our emergency response with the human development activities on which the Agency's strength rests. A powerful example of our focus on rapidly responding to concrete, long term needs was the return to school of 190,000 refugee children six days after the ceasefires were declared.

UNRWA's Quick Response Plan is built around the same rationale, seeking to reinforce regular programmes in education and health while intensifying socio-economic and psycho-social interventions that address more immediate post-conflict needs. Aidan O'leary, Deputy Director of the Gaza Field Office, will lead the discussion under the agenda item on UNRWA's approach to the Gaza recovery. I leave it to Aidan to elaborate on the details of our recovery activities.

I wish, however, to emphasize a few issues that require immediate consideration.

The international community's priority must be to re-establish normal life in Gaza. This simply means reversing artificial conditions of isolation and imposed poverty and allowing the ordinary people of Gaza to sustain themselves through unhindered socio-economic activity. For this to happen, all Gaza's crossings must be open to allow the free, two-way flow

**of commercial, humanitarian and development materials - and currency - with oversight as necessary to maintain the civilian nature of shipments.**

**An open access regime and greater freedoms for Palestinians are essential for creating an atmosphere in Gaza in which the forces of compromise, moderation and tolerance can be encouraged and strengthened. Open borders must be complemented by a renewed process of peace negotiations, one that is inclusive enough to earn the trust of the majority of Palestinians, and courageous enough to address comprehensively the obstacles on the path to a viable State of Palestine.**

**Distinguished delegates:**

**The attention we give to Gaza, while fully warranted, should not divert us from the original purpose of this extraordinary meeting, namely to come together to consider how we can respond to the funding crisis affecting UNRWA's basic programmes of primary education, primary health care, relief and social services, infrastructure and camp development and microfinance . A number of donors have moved quickly and generously to respond to our appeals to close the gap between our General Fund budget and pledges in 2009. On behalf of UNRWA and Palestine refugees, I offer to all these donors our deepest gratitude.**

**In spite of the support we have received and continue to receive from our donors, there have been too many occasions over the past decade when UNRWA has found itself paralyzed, or at least stymied, by a paucity of resources and/or by the absence of determined action to unblock impediments to humanitarian access.**

**As the Deputy Commissioner-General, Filippo Grandi, will explain this afternoon, we have now reached a moment of unprecedented financial**

challenges. Deep financial uncertainty is upon us, affecting, in particular, our General Fund, the backbone of the agency's services and programmes. As the needs of refugees and the demands of our General Fund programmes remain unmet in many vital areas, we seek to ensure higher levels of commitment from all of you, our existing donors and to endeavour to attract new contributors.

At this time, I appeal to you, as members of the Advisory Commission and as donors and stakeholders, while contributing to our emergency activities, to make, at the same time, a special effort to shore up the General Fund. I ask further that we engage in serious discussion on what we can and must do to overcome our chronic General Fund and Project deficits. Only by addressing the underlying causes of these shortfalls can we reach solutions and begin to meet the central and essential goal in our evolving Medium Term Strategy, that of improving the quality of our services and, consequently, the lives of Palestine refugees.

Only by maintaining and increasing the strength of our basic programmes will we be able to continue to respond, as we did in Gaza and Lebanon, to humanitarian emergencies of all kinds. The current General Fund budget is facing a shortfall of \$ 52m, while the deficit in what we call 'unfunded requirements' amounts to \$ 70m. The latter covers mainly activities in our Medium Term Strategy that seek to address the decline in expected standards of excellence in our education, health and housing programmes. We see this extraordinary meeting as the opportunity to address these funding gaps and to ensure that we will not have to begin making cuts in our increasingly crucial human development services.

Allow me to underscore a few of the areas which I would like you to keep in mind as being of particular concern to me. These are:

- **Our programmes in the West Bank continue to suffer from ever-tightening restrictions on movement and other harsh measures related to the occupation;**
- **The reconstruction of Nahr el Bared, for which support remains uncertain. Pledges received so far are just sufficient to enable UNRWA to commence work on two out of eight phases of the project;**
- **The Neirab Project, which is moving on from the successful first phase in Ein el Tal to the more demanding stage of renovating the original camp barracks in Aleppo; and**
- **Our Organizational Development process which is close to being fully funded for the remainder of this year, but is not quite there, and whose long-term success depends on having your support to meet the significant costs of an Enterprise Resource Planning system.**

**In these and other areas, reinforced and expanded donor support is vital if UNRWA is to maintain the momentum towards enhancing its effectiveness in providing for Palestine refugees. Our anxieties about funding go well beyond the present to the year 2010, when our Medium Term Strategy will take effect. Projections suggest that if present trends are maintained, we will at in the near future face even bleaker prospects for keeping up with our budget projections. Clearly, without more generous contributions, the considerable gains of the last few years will be reversed and our ability to fulfill our most fundamental obligations to those we serve will be threatened.**

**Of the many examples I could give of the negative effects of scarce resources, I mention one that has been brought into sharp relief by recurrent unrest among our area staff. We have quite simply lost our competitive edge in recruiting and retaining staff and cannot keep pace as public sector workers across the region receive increases in salaries and**

allowances. This is de-motivating to our staff and creates an atmosphere of tension which is hardly conducive to our efforts to serve Palestine refugees to high standards.

**Distinguished delegates:**

By working with us on these issues and responding to our appeals, you will enable UNRWA, freed from the perennial anxiety about the unavailability of resources, to rise to the full measure of its strength, not only in Gaza, but also across all fields, and you will enhance our unique ability to exert a positive, calming and stabilizing influence on this turbulent region.

UNRWA's devotion to the protection and well-being of Palestine refugees over the past nearly 60 years is well known. We will continue to apply ourselves to the myriad challenges of our operational environment, never flagging in our resolve. Our ability to meet the needs of those we serve, and to achieve the high standards towards which we strive depend, however, on the support you are able to give us, both financially and on the regional and global political stage. We look forward to working with you to accomplish our shared goals.