

Her Honorable Secretary-General, Ms. Saja Al-Majali,
Mr. Chairman, His Excellency Eng. Rafiq Khirfan,
Mr. Vice-Chair, His Excellency, Rashed Al Humeiri,
Distinguished members of the Advisory Commission on UNRWA,
Ladies and Gentlemen

Thank you all for your participation in this timely meeting of the Advisory Commission. Every delegation here is important to UNRWA and to the refugees we assist and protect. With my colleagues, I look forward to hearing your views and discussing possible solutions to the challenges that we are facing.

To begin with, I wish to emphasize the generous hospitality of the Government of the Hashemite Kingdom of Jordan which provides the Commission with all the facilities it needs to conduct its work. And I wish to convey my utmost respect to the Kingdom for its historic responsibility and generosity in hosting the largest community of registered Palestine refugees.

I would like to acknowledge our Chair, Eng. Rafiq Khirfan – Director-General of Jordan’s Department of Palestinian Affairs. Eng. Khirfan, thank you for the key role you have played at a very difficult time for UNRWA and thank you for the support and guidance you have provided to me personally over the last few months. The Vice-Chair, Mr. Rashed Al Humeiri of the United Arab Emirates, is participating in this meeting of the Advisory Commission in his capacity as Director of Development Cooperation. I very much look forward to working with you; the UAE is a major partner of UNRWA, whose recent demonstration of support and confidence in the Agency and its management could not have come at a more important time, so thank you Mr. Al Humeiri for the very generous and timely support.

The bureau of the Subcommittee is owed our thanks also. The Chair of the Subcommittee is Ms. Anna-Kaisa Heikkinen, Head of Finland’s Representative Office to Palestine. And supporting Finland are the Vice Chairs: Eng. Rafiq Khirfan of Jordan, and Jason Tulk, Head of Cooperation at the Canadian Representative Office to the Palestinian Authority in Ramallah. .

We are very pleased by the participation of two guests in this meeting; they represent dynamic emerging partners for UNRWA;

- from the Organization of Islamic Cooperation Ambassador (OIC) Mr. Ali Goutali, who is Director of Palestine and al-Quds in the OIC General Secretariat.
- And Ambassador Sunil Kumar of India’s Representative Office in Ramallah.

It would be remiss if I did not also take the opportunity to thank the governments of Jordan and Sweden for their support to UNRWA, in particular during 2019, and co-hosting the UN GA special high-level meeting on UNRWA.

As you all know, the last months have not been easy for UNRWA. However, we need to move forward with placing the Agency back on a stable footing in order for us to fulfil our mandate, one that can only be implemented if we stand together. This is clearly our most important goal.

Thirty years ago, I joined UNRWA as a young Refugee Affairs Officer, during the first Intifada. I worked for six years in Gaza and the West Bank on the humanitarian front line, initially as part of the Agency's nascent protection programme and where UNRWA's impact is felt most by Palestine refugees. I have said this before but it is important I say it again for the distinguished Members of this Commission: UNRWA was an extremely effective and professional organization that used donor funds judiciously when I joined it 30 years ago. Today, it remains an extremely effective and professional organization that uses donor funds judiciously.

What UNRWA achieves, its high productivity and strong results on a tight budget, often under extremely challenging conditions, was the envy of the rest of the UN system. UNRWA will again become the envy of the UN system and with a renewed mandate, we will achieve this goal. We will see an UNRWA that is fit for purpose, an Agency with a ten year plan, an Agency that is dedicated to education, health, and other humanitarian services and one that focuses on addressing the youth and leveraging technology as keys to a future for all. We will also see an UNRWA that highlights the importance of innovation and ensuring that environmental sustainability, protection and gender equality are paramount considerations in our work.

HIGHLIGHTS FROM FIELDS

Ladies and gentlemen,

The challenges in our fields of operation remain extremely serious. We are running long-term emergency operations in Gaza, Syria and the West Bank, including East Jerusalem. Our Syria Appeal also supports Palestine refugees who have fled to Lebanon and Jordan. Agency-wide, core programmes continue without interruption.

I would like to thank all our Directors and their teams for all they do for our programmes and on the ground to manage complex operations so effectively. All staff remain dedicated to our mission, despite enormous constraints and risks.

Gaza

In Gaza, the humanitarian situation is quite frankly nothing short of appalling. A 2012 report by the UN Country Team for the occupied Palestinian Territory concluded that Gaza would no longer be “livable” by 2020, unless swift economic and political action re-opened the Gaza Strip to the movement of people and goods. Living conditions are now even worse for most residents in Gaza. The population is almost entirely dependent on assistance, mostly food aid. The reasons are clear – Gaza’s economy has collapsed under the weight of the blockade, the conflict and the political isolation. It has the highest unemployment rate in the world by far. Over 50% percent live in poverty. According to the WHO, the public health system is in a state of near collapse. The needs of refugees are continuing to explode – since 2000, the percentage requiring our food assistance has grown by more than ten-fold.

The situation in Gaza is quite simply not sustainable and 2020 is just over a month away.

In recent days there’s been an upsurge in violence across the Gaza-Israel boundary with tragic consequences, as we saw when 9 members of one family in Gaza were killed in an airstrike on Deir El-Balah. It’s a reminder of just how fragile the situation is.

UNRWA remains a high impact service provider for over 1 million refugees in Gaza, and we are there on behalf of you, the international community. So I am deeply concerned about the steep drop in resourcing – by 50% over the last year – for our emergency appeal. I call upon you, our partners, to fully engage with UNRWA to support the lifeline we provide in Gaza.

West Bank

The situation may be visibly less dire in the West Bank, but it is equally challenging. Millions of Palestinians are disenfranchised and among them are close to one million Palestine refugees. Restrictions on movement often limit regular access to the necessities of life, including jobs, property, family, and more.

We remain concerned about the protection crises that refugees face in the West Bank. Deaths and injuries resulting from the actions of the Israeli security forces have increased in this past year. There is also an increase in demolitions and displacement in the West Bank, including East Jerusalem. We are assisting affected families wherever possible but political support to protect communities under the threat of demolition or displacement is of critical importance.

Since 2018, a campaign launched by the Jerusalem municipality has challenged our presence in East Jerusalem. Following the June meeting of the Advisory Commission, our concerns escalated when we were informed verbally by the Ministry of Foreign Affairs that the official policy of the Government of Israel is to remove UNRWA from East Jerusalem. Their aim is clear and this is to provide municipal services in place of UNRWA. The Agency welcomes measures to improve living conditions for Palestine refugees in East Jerusalem. However, we remain very concerned

about any measures that are contrary to the principle that an occupied territory should be administered with the interests of the occupied population in mind. The Agency has provided services, such as education and health, prior to the occupation and has continued to do so since then in accordance with the Comay-Michelmore agreement of 1967, which remains in force and, in accordance with international law and relevant General Assembly resolutions, it must be respected. The General Assembly, as the parent organ of the Agency, has continuously affirmed the need for the continuation of the work of UNRWA and the importance of its unimpeded operations.

Syria

Syria's devastating conflict has spared no community in the country. Palestine refugees in Syria have been profoundly traumatized. At the peak of the violence, about 60% of the refugees were displaced internally and many others fled across borders. Many of their homes, small businesses and other assets have been destroyed since 2011 and few possess the means to rebuild.

In this war-torn environment, our staff have worked heroically day in and day out to keep UNRWA facilities running. They have braved the violence to teach, provide medical care and distribute our food vouchers to refugees in a state of acute insecurity. A testament to the dedication of our Syria colleagues is success in delivering cash assistance to between 90 and 95% of refugees identified as being in urgent need. This cash assistance programme has been so successful that it has been praised by OCHA as one of the most effective of its kind in the UN system.

There are glimmers of hope in Syria for some displaced refugee communities hoping to return to their homes. It's a slow process, happening where the Syrian Government has restored control and security, and enabled UNRWA to reopen or rebuild schools and clinics in some Palestine refugee camps.

Recently, we started resuming operations in Dera'a in the South. It was the scene of intense hostilities until last year and was a "hard-to-reach" area. In other camps in the Damascus area, we are also assisting returnees to access basic services.

I will again raise concerns about emergency funding trends here. Our Emergency Appeal for Syria this year is severely under-funded and as a result, we have had to adjust and to introduce a two-tier system of targeting that prioritizes the most vulnerable. As a result, over two-thirds of the caseload have seen a reduction in the value of assistance provided.

I call on the international community to do all it can to increase its support for our emergency assistance in Syria and prevent Palestine refugees from sliding deeper into food insecurity and abject poverty.

Lebanon

Lebanon is in the grips of one of the most serious political and economic crises in recent memory, affecting particularly the most vulnerable among the Lebanese and refugee populations. UNRWA is increasingly receiving distressing calls for emergency support from Palestine refugees who have been jobless for long periods and are seeing their purchasing power diminish almost daily.

In this context, and as I reported to the Fourth Committee of the UN General Assembly earlier this month, groups of Palestine refugees in Lebanon and from Syria are now demanding to de-register from UNRWA in the belief that this would offer access to the resettlement opportunities available to other refugees. The UNRWA Lebanon Field Director has been in dialogue with these groups in an effort to clarify this matter.

MANAGEMENT AND PROGRAMME EFFECTIVENESS

Events over the summer severely tested the Agency. I certainly appreciate that stakeholders also felt challenged - perhaps even betrayed - by the developments that gave rise to the OIOS investigation.

My priority from day one has been to provide leadership, support and cohesion to a senior management team that had been disempowered over the last few years and to kick-start initiatives to strengthen our management and programme effectiveness.

Many of you will be familiar with the "management initiatives" document we recently distributed. These initiatives have been under development since early September. This meeting of the Advisory Commission provides a very important opportunity to update you directly and offer more detail about the main areas of focus.

Inclusive and participatory decision making

As noted earlier, on my arrival in UNRWA, I found a senior management team that had been largely disempowered and senior colleagues felt very strongly and correctly that the management decision making processes should be much more inclusive to benefit from the maximum of their considerable expertise and skills. In summary, there is a strong interest to empower managers and staff, including with the resulting accountability that goes hand in hand with empowerment and authority - all of which will help improve the delivery of our mandate.

To address these concerns, one of my first orders of business was to schedule regular communications with HQ and Field Directors. We are covering a lot of ground and the sessions have proven useful. I am available to my team at any time, and encourage colleagues to contact me directly, as needed.

In addition I have tasked colleagues to review the different platforms for executive decision making. Adjustments will be made, as it's important these platforms are inclusive and fully responsive to issues raised by managers in the field as well as the programme departments. We are also examining whether the work of the Office would be enhanced through the creation of Chief Operating Officer, and/or a second Deputy Commissioner-General, to boost capacity and separate operational functions from strategic, policy and compliance responsibilities.

Delegated authority

De-centralization is a priority, after years of centralization fueled by UNRWA's extreme financial crises. This crisis led to budgetary and other management control being almost totally centralized in the Executive Office and Finance Department. These controls resulted in major reductions in planned expenditure and helped the Agency to overcome the significant budget shortfalls of the last couple of years. However there are other means, which are equally if not more effective in ensuring fiscal responsibility and which allow field and programme ownership of the process. This will result in more operational agility and better services for our beneficiaries.

For each authority that is delegated, accountability will also be delegated to achieve results and comply with Agency policies and procedures.

I need to be clear here: *we are not granting total autonomy*. The same regulatory framework and procedures will apply consistently across the whole Agency. We will of course need to develop detailed guidance to support our managers and to guide them in undertaking their respective roles and responsibilities in a judicious manner. These arrangements will benefit from lessons learned across the UN system and other public sector institutions and will also help to manage risk.

Compliance will be monitored by HQ including by the Executive Office. It is thus envisaged that some new functions will be needed to ensure effective compliance monitoring.

Human resources and financial management

Another key area under review is human resources and in particular recruitment. The staff selection process, and retention of the most competent staff, is at the root of the UN's effort to build a 21st century workforce.

Speed, simplification of procedure, and transparency are guiding principles of any human resource management reform and UNRWA is no different. We will learn and benefit from the huge amount of work that has recently been done by the UN Secretariat and other UN system organizations on policy and process in this area to ensure our HR function is world class and fit for purpose.

We now have a task force in place to review key steps in our recruitment process including in such areas as outreach, candidate shortlisting and selection, interview panels, rosters and the like. These functions need to be transparent, sound, and people-focused.

We have made progress on some of these tracks, including

- We are already investing in a new online recruitment tool, which is named INSPIRA. It will simplify and shorten timelines, which was also a recommendation of the recent UN Joint Inspection Unit report on recruitment.
- During the first quarter of 2020, we expect to issue a new International Staff Selection policy.
- A revised version of our Area Staff Selection policy will also be issued within the next month.
- We have reviewed 4 years of UNRWA Administrative Tribunal cases and separately reviewed responses to a staff survey that has helped us identify recruitment weaknesses and we look forward to progressing the taskforce's recommendations over the coming year.

More broadly, our HR review will take account of crucial UN system-wide objectives in the pursuit of gender parity in senior management functions. Under Executive Office leadership, UNRWA's Human Resources Department had already set out benchmarks in the areas of recruitment and promotion, with a commitment to achieve gender parity targets established by the Secretary-General before the end of 2020.

With regard to financial management, UNRWA will focus on transparency, placing information in the public domain, initially under the International Aid Transparency Initiative, which is the IATI web site, as a forerunner to the development of a dedicated UNRWA webpage that will enhance IATI reporting with greater simplicity and will include a list of priority projects in need of funding. In terms of the development of the annual programme budget, we will no longer focus on an income driven approach in favor of developing budgets that are based on the actual needs of Palestine refugees.

Oversight and Ethics

At present, we are looking at a number of areas to strengthen oversight within the Agency. Among them are the following:

- 1) We aim to establish a more robust role for the Advisory Committee on Internal Oversight, which is an independent body, with a view to providing more dynamic oversight and to improving the quality of advice to both the Commissioner-General and the Department of Internal Oversight Services.
- 2) We are looking at restructuring of the Ethics function, to align its approach with that of the UN and to ensure regular reporting and guidance is again provided to the Commissioner General and the Executive Office. This will enhance the ability of the Commissioner-General to actively nurture a culture of ethics, integrity and accountability.
- 3) In order to safeguard and ensure that all matters associated with the discharge of the duties and responsibilities of the Ethics Office are independent and free from pressure and influence, we will ensure a referral system to the Chairperson of the United Nations Ethics Committee for advice and guidance, including for matters that may involve the leadership of the Agency. UNRWA is also updating its whistle-blower policy to align its practices with UN system organizations.

As we move forward with this and other reforms, we will of course keep the Commission updated.

Advisory Commission

The Agency is working on increasing awareness about how important the relationship is between UNRWA and the Advisory Commission. We want to work even more closely with the Commission and we would like to initiate a discussion here on this important issue.

On a practical level, in addition to strategic issues, I see scope for a number of enhancements including:

- (a) Advising the Commissioner-General on the Agency's programme and management agenda; stakeholder outreach and strategic advocacy, and
- (b) Forming an expanded and more detailed institutional reporting such as on strategic planning; revisions to major policies and to regulations and rules, exceptional management decisions and rationales, and
- (c) Expanding the scope and depth of responses to Commission recommendations and exploring in more contextual detail on challenges facing the Agency.

I hope this is a basis to take this conversation further and look forward to engaging on it.

Before turning to our financial situation, I should mention that we will inevitably incur additional costs as we move forward with strengthening of our management practices and programmes. It is an investment in capacity we urgently need and I hope some of our partners will find it a good fit with their strategic priorities.

FINANCIAL SITUATION

There are a number of points to address regarding pending contributions. The contribution freeze triggered by the OIOS investigation has created deep uncertainty for the Agency. We urgently need some clarity about steps needed for the release of pending contributions, or to make new pledges for 2019 and 2020, and about timelines.

I reconfirm for the Commission here today that the management issues raised by the OIOS are being addressed, and are being addressed properly. Yes, there is still one report out of six outstanding and although we would have wished for the process to have been completed by now so that we can turn the page and move on, it is still hanging over us. I have been informed by OIOS again this last week that there is no fraud involved. There is also a process underway in UNHQ to address any instances of misconduct and I have laid out today some of the significant change that is either underway or which we intend to take in our business practices. The requests for action put forward by stakeholders are being addressed vigorously on our side, and in good faith.

Let me be frank with you here: we are in new territory. Last year we overcame a \$446M shortfall through generous increases in your support. Today, we need \$167 million to finish out the year. Our shortfall is significantly larger than this however, this is what we need to survive. We are getting few if any signals that contributions will be made in the weeks ahead.

We barely made this month's payroll, and only through a short-term loan from UN headquarters for \$30 million which needs to be repaid before the end of the year. Our cash flow situation will again be critical in December. We must find a way together to make it through December, and I ask for your advice and assistance today as to how we can do that.

I also worry about 2020 and would ask your advice and assistance about what we can expect in the first quarter of next year; unless significant 2020 pledges are paid in January we will be in just as severe a crisis as we are today.

CONCLUSION

Excellencies, ladies and gentlemen,

On 15 November, Member States in the Special Political and Decolonization Committee of the General Assembly adopted the four annual draft resolutions that relate to UNRWA. The resolution “Assistance to Palestine Refugees” contained our mandate renewal, from the period 1 July 2020 to 30 June 2023, and was positively voted on by 170 Member States. This is one of the highest majority votes in the General Assembly.

The General Assembly will take action on the draft two weeks from now.

Interest in this year’s vote was higher than usual, and it is clear it remains the view of the General Assembly that UNRWA is “essential” pending a just and lasting solution to the plight of Palestine refugees.

This is our mandate. It is given to us by you, the international community. We are carrying it out on your behalf. Our mandate is your mandate.

We do not, and will never, take your support for granted. We are inspired by your generosity, and by the dignity Palestine refugees possess in the face of hardship and injustice. We are also inspired by the dedication and achievements of our 30,000 staff who implement directly on the ground, in some of the most difficult of environments.

I say this as we are confronted by one of the worst financial crises in memory, and I am including 2018 in this. We are basically out of cash and need your urgent support, not only with what remains of this year, but also for next year, 2020.

You rose to the occasion last year and I appeal to you to do the same this year. We have our responsibilities towards you and those we serve and we will continue to demonstrate our commitment to fulfilling them, and to engaging with our partners on strengthening the way we do that.

Together, we also share responsibilities in ensuring our services are sustained without interruption for the millions of refugees that rely on them.

In a few weeks we may face service ruptures in Gaza, Jordan, Lebanon, Syria, and the West Bank, including East Jerusalem.

We cannot let it come to that. So I ask you again, today, for the support we need to fulfill our mandate, your mandate.

Thank you Ladies and Gentlemen, Excellencies. Thank you Mr. Chair.