

Opening Statement by the Commissioner-General of UNRWA, Filippo Grandi,
at the Meeting of the UNRWA Advisory Commission

Amman, Jordan, 16 June 2013

Mr Chairman,

Mr Vice-Chairman,

Distinguished Delegates:

Welcome to you all.

I join the chair in thanking Jordan for hosting this meeting and I look forward to Foreign Minister Nasser Judeh's address tomorrow. In these difficult times, UNRWA's relationship with the Hashemite Kingdom of Jordan continues to be essential to its work in support of Palestine refugees.

I would like to thank Ambassador Ansoain, and the Government of Spain, for having chaired the Advisory Commission in the past year, and look forward to Lebanon's accession to the Chair next month. Mr Vice-Chairman, dear Dr Khaldoun: we are grateful that Lebanon takes up this role at a critical juncture for your country, as it is feeling the reverberations of the Syria conflict, including the influx of Palestine refugees. And we look forward to Sweden taking up the responsibilities of Vice-Chair, and are grateful to Consul-General Axel Wernhoff for steering so ably the Sub-Committee in the past few months and personally for his friendship.

I greet Ambassador Kalugin of Russia, Ambassador Stille of Brazil, the delegation from Oman and Assistant Under-Secretary for the Ministry of International Cooperation and Development from the United Arab Emirates, all attending as welcome guests, and representing states whose partnership with UNRWA is becoming stronger. And last but not least, it is my pleasure to introduce the new Head of the Advisory Commission Secretariat, Asif Husain-Naviatti, whom many of you have already met.

Mr. Chairman,

Each time I address you, the challenges seem to be greater. In November, when I spoke here last, I had just been to Gaza in the aftermath of the Israeli military operation that wreaked considerable havoc and destruction. Our attention is now on the Syria conflict, which rages on, destroying the country, with a growing centrifugal force that threatens the region. I will devote substantial attention to this crisis in the first part of my statement.

Let me stress meanwhile that in spite of all difficulties, and throughout the region, we continue to carry out the mandate given to us by the United Nations General Assembly. Circumstances may be complex, but our mandate is direct and tangible - we operate "For Palestine Refugees": the images which you see around us are part of a new campaign that defines UNRWA around this simple but essential concept, "For Palestine Refugees".

Before I turn to Syria, let me also stress that of course we continue to work to address the specific issues generated by the 46-year old Israeli occupation of Gaza and the West Bank, including East Jerusalem. As I and many others have often said, this does not mean that a *status quo* prevails: in fact, it does not. The occupation expands, and the rights, space, land and opportunities of Palestinians, slowly but surely shrink. The blockade in Gaza is firmly entrenched, and as a direct consequence poverty and food insecurity are growing, as we will hear. In the West Bank, the familiar pattern of systematic violation of human rights continues unabated, in spite of international appeals, including from all of your governments, for Israel to stop creating facts on the ground that jeopardize peace efforts. Such efforts, as you well know, have not produced yet any tangible result. One of the consequences of this situation is that the Palestinian leadership remains divided, with insufficient encouragement from the international community to resolve differences and speak with one voice on the crucial issues affecting the Palestinian people, including the unresolved plight of the refugees.

The Field Directors will elaborate later on how UNRWA responds to these challenges - including, very importantly, through the launch of a new phase of rehabilitation and reconstruction projects in Gaza, an initiative whose potential (and constraints) deserve your serious attention at a time when the economic development of Palestine is being spoken about in many fora.

Let me however turn to Syria, where we are presently facing the most urgent problems.

Mr. Chairman,

I was in Syria last month, and visited Damascus and Homs. Clearly, all civilians are suffering greatly - however, more than in previous visits, this time my distinct impression was that the conflict has now created a specific crisis for Palestine refugees, and that Palestinians in Syria could be an imperiled community.

UNRWA's Field Director, Michael Kingsley - whose clear thinking and principled action are key in supporting and motivating his courageous staff - will provide a detailed update later. Let me mention some hard facts: seven out of 12 camps have become theatres of war and are now virtually inaccessible to UNRWA; more than half of the 530,000 Palestine refugees registered with UNRWA in Syria are believed to be displaced; 15% of all refugees have fled abroad, including over 60,000 to overburdened Lebanon, which already hosts hundreds of thousands of Syrian refugees, and over 7,000 to Jordan. Even Egypt now hosts many Palestine refugees from Syria, and some have reached Gaza. Killings, kidnappings, poverty, destruction and fear have become part of daily life: this is not rhetoric - just talk to anybody in Syria today, and that's what you will hear, including among Palestinians.

Amidst the disaster, I was moved in seeing the hardship which UNRWA staff are experiencing. The strain on them is huge and very palpable, but I was struck by their continued determination to serve despite the dangers and challenges involved. This is crucial for Palestinians in Syria, as it is my firm belief that we must continue to work there, and in fact provide greater and more regular support to refugees - especially cash assistance to those displaced - as we continue, of course, to assist those who flee abroad, especially in Lebanon. Stepping up operations inside Syria will be dangerous and difficult, especially if - most regrettably - military escalation will continue to prevail over political efforts, but we must do it. Donor support so far has been invaluable, with the emergency operation almost fully funded in the first six months of 2013; it is important that these contributions continue. As you know, UNRWA has joined the United Nations' recent appeal for fresh funds for the remainder of the year, for a total of US\$ 200m.

Needless to say, these funds fulfil, most literally, a vital purpose, especially in Syria and Lebanon. However, the fact that once again, we - and in fact the entire humanitarian community - have been compelled to ask donors for large sums of money to deal with the human consequences of conflict, prompts me to make a more general remark. The crisis in Syria, and in the affected neighbouring countries, is absorbing a growing amount of the Agency's time and resources. As you know the Deputy Commissioner-General coordinates the response in and around Syria. The team normally supporting her, and other regular Headquarter staff, are almost fully consumed by the response, taking on the role of a regional coordination centre, a function for which most other agencies have dedicated and fully staffed offices in Amman.

UNRWA's ability to assist Palestine refugees in emergency situations is a significant dimension of our mandate and a proven feature of our operational strength. However, given the context of conflict and political failure in which we operate, emergencies tend to last, and ultimately drain energy and resources from our human development work, adding to the challenges of carrying it out and sustaining it financially. This is further proof that conflict, besides its destructive power, is a brutal, merciless antagonist of development.

The Palestinian dimension of the war in Syria has other, worrying aspects. Although a very small number of Palestinians have been involved in the fighting, the overwhelming majority of refugees long only to be left in peace in the ruthless conflict that is ravaging the country in which they have been generously hosted for 65 years. However, we have witnessed instances in which armed groups have entered refugee camps, drawing government fire. In Homs, Palestinians displaced from the north, where the situation is especially precarious, told me stories of entire communities forcibly displaced by armed groups from their homes. Refugees in the Neirab camp are currently and literally caught in the crossfire. In the Jaramana camp in the Damascus periphery, thousands of Palestinians displaced from Yarmouk and living under tents in UNRWA schools can hear the rumble of shelling, which every day gets closer to their places of temporary refuge.

During my visit to Homs, a group of refugees approached me with a poignant request, "Get us out of here", they said. This is a stark indication that Palestinians in Syria feel increasingly on edge, as they are sometimes viewed with suspicion, and are uncertain about their future in Syria. I told them that I would reiterate UNRWA's appeal to the parties - and let me do it once again now, in the strongest terms - to respect the civilian character of refugee camps and to ensure that United Nations and other humanitarian staff, installations and operations are safeguarded. We want this to be upheld on the ground, and we ask states that have influence in this situation to use that influence so that our appeal is heeded.

Mr Chairman,

I would like to assure you and all distinguished delegates that in spite of the grim situation which I have described, we have continued to make progress in some of the practical matters which we have been discussing with you and which continue to be priorities for my colleagues and me.

The schedule tomorrow covers issues of reform, finance and planning, but as in previous meetings, I would like to provide a brief overview that underscores our efforts and our commitment.

Work on programme reforms has now transcended the planning stage into the realm of the tangible, in terms of efficiency and of effect. A DFID study, which will be discussed tomorrow, was recently completed. It concluded that health and education reforms demonstrate “value for money”. While investment in reforms will continue to be required, it is estimated that ultimately UNRWA can realize US\$ 40m in efficiency gains (counting the cost of reforms) while maintaining quality of services for Palestine refugees.

Education reform is a very ambitious effort that promotes a deep, systemic change in teaching and learning. Since we last met, key policies and frameworks have been finalized, and a number of studies, namely in student drop-out, classroom practices and school leadership are now complete and will help point the way forward. A human rights tool-kit and curriculum framework are now operational and important professional development activities are underway. Discussions with staff unions have been productive and we are confident that full support will be given. I am pleased also that the Education and Health Programmes have cooperated in promoting health in schools.

Steady strides continue on the ground in health reform as the family health model expands. The new approach has proven a concrete improvement that refugees recognize and appreciate, and a good morale boost and motivator for staff. It is highly satisfying, after years of management and systems reform, to be able to see the results reflected now in field delivery.

Of course, the level of support for education and health reforms varies, and circumstances, especially tensions and conflict, represent serious constraints. The other great challenge is technical and systemic: UNRWA needs ERP, e-health and EMIS tools to meet growing needs to monitor and manage at the school and clinic level. In all these areas however we have made progress. In particular, we have the full ERP team up and running. We recently made the transition from the blueprinting phase to the realization phase of this complex but necessary endeavour, and still plan to “go live” in the course of 2014.

A main priority is planning - in fact, this is an area in which UNRWA has made much progress in the past few years. We have taken your advice and now have a directorate to guide the improvement of current planning. We have just completed our third round of results-based, bi-annual plans, and for the first time, as requested by many of you, the emergency programme for the occupied Palestinian territory conforms with the broader framework and we are now starting the same for the Syria crisis response. The goals are to clearly define the spheres of regular and emergency activities, and to ensure that the latter are sustainable whenever required.

The largest planning challenge is the development of the Medium Term Strategy for 2016-2021. In the build-up to this process, we commissioned an evaluation to analyze our shortcomings and successes in developing the last plan and to make recommendations for the coming one. Let me be clear: strategic planning remains an extremely difficult exercise for an agency operating in a volatile context and in the absence of progress towards political solutions, with demanding expectations from a range of stakeholders driven by very different interests. Our newly appointed Director of Planning, Rob Hurt, will therefore be counting on the close cooperation of hosts and donors, as has been the case in the first few months of the process.

Discussions will not be easy, as we all know. We are fully aware that what is at stake is very serious: simply said, it is the sustainability of UNRWA in a situation of multiple crises and limited resources. This is why we are prepared to engage in discussions on all issues, no matter how complex and delicate and we must be also prepared to make difficult decisions. However, there are some programmatic obligations stemming from our mandate which I trust all will continue to respect - for example, that UNRWA's primary education and health services must continue to be provided, and to be available to all Palestine refugees. In other areas, like poverty mitigation, we have responsibilities, but our strategic space - so to speak has scope for choices and prioritisation.

I consider the development of new and more effective poverty mitigation approaches a priority for UNRWA, including through better synergies between our existing tools - cash and food aid,

job creation, vocational training, microfinance, scholarships and camp improvement, just to name a few; and to the establishment of partnerships with other organisations. As you know, we have been working hard on developing options, but have been constrained and frustrated by the disparity between our ambitions and the lack of resources. Therefore we are not yet there, though we are fully aware of the importance of designing a poverty strategy both *per se*, and as perhaps the most complex and essential component of the next MTS. We must necessarily move with prudence - but we are moving. The Director of Relief and Social Services, Martha Myers, will elaborate on our thinking in this regard and on pilot projects, which she is leading to demonstrate the potential of alternative approaches.

In terms of improving management and decision-making, I reported to you in the past on the system of “implementation management groups” that prepare complex issues for executive consideration; on a new committee to manage resource allocation; on focused efforts on project management, accountability and transparency through risk-based assessments. All these efforts continue successfully - the next challenge, which we will tackle in our September meeting of all senior staff, including area staff managers, is for Palestinian personnel to be given more opportunities for empowerment, and for improved leadership and management skills. This is an initiative to which I attach much importance as a natural consequence of years of management reforms, and one that fulfils a key responsibility and contribution of UNRWA - to develop human resources capacity among Palestine refugees, building on its large pool of Palestinian staff.

I am proud that, with your support, we have achieved so much. The draft United Nations Board of Auditors’ audit for 2012 was unqualified -- meaning good -- for all sections as usual, but this time it only contained 33 observations, down from over one hundred prior to 2010: this must be a sure symptom of progress in management!

At the same time, resource management and mobilization remain major preoccupations. We continue to rely on our traditional and loyal donors for regular budgetary support, and are most grateful for their efforts, in spite, in some cases, of economic constraints in their countries. In the last period, we also have received some significant financing from Arab states, including a large commitment from Saudi Arabia for construction projects, and generous support from Kuwait to the Syria response and for building of schools. A substantial and unearmarked donation from the government of Oman has added a much-needed boost.

However, the financial situation remains challenging. In November, I reported a shortfall of US\$ 21m in our General Fund for 2012. Through savings and additional contributions, we were able to meet all financial commitments at year end, but only by borrowing on donations for 2013.

While stringent austerity measures remain in place, the projected 2013 shortfall of US\$ 68m which I reported to you in November now stands at US\$ 65m, and cash flow will sustain us only through October. The situation thus appears similar to that of last year, but the struggle to bridge the gap will be more intense because internal financial management has been tightened almost to breaking point. Let me also flag once again that possible civil sector pay rises in some host countries are a further potential stress on our budget, as we must retain our commitment to maintain a pay policy linked to host country levels, although we are also committed to tightening the discipline with which we apply the policy, focusing only on categories of staff whose salaries become lower than the comparator in host countries.

Containing expenditure and expanding our donor base therefore continue to be absolutely crucial. We are completely committed to the former. Regarding the latter, I plan to visit Russia and potential new donors in Asia before the end of the year. We are building on Japan's welcome initiative to promote aid to Palestine in East and Southeast Asia, to which UNRWA has gratefully been associated. I will also return to Brazil and hope to strengthen UNRWA's association with this crucial Latin American partner, and help create conditions for its membership of this Commission.

We are also currently in discussion with colleagues at the United Nations and the League of Arab States about the possibility of holding a special meeting in New York during the September session of the General Assembly, chaired by both Secretary-Generals. Other donors would be present but we would particularly like to encourage member states of the Arab League to increase their core – I repeat, their core -- contributions to UNRWA to the level stipulated in resolutions of the League itself - 7.8% of UNRWA's core budget, up from the current 2% - and to commit to this increased financing for a number of years, in order to make it predictable.

I have personally consulted many of our stakeholders and have been encouraged to pursue this initiative. Let me say this once more: I am worried about UNRWA's financial sustainability in the coming years. You have seen that recent adjustments to our relief programme in Gaza have created immediate unrest. And running out of money would have an immediate sharp edge: suspension of salaries. None of us wants this for obvious reasons, but host countries in particular cannot afford a further element of concern in their already volatile mix of problems. The proposed event in New York therefore has the potential to help us resolve a long standing shortage of funds and I seek the support and advice of the Advisory Commission in promoting and organizing it.

Mr Chairman,

Before concluding, let me return to the predicament of Palestinians in Syria. The extreme concern that I felt in their communities during my May visit is directly connected to a wider problem, familiar to us all: the lack of solution to the question of Palestine refugees, the lack of prospects for that solution, in fact. It is critical that we connect the dots; that we look at the whole picture.

This picture is not new. Like my predecessors, I have frequently appealed in the strongest terms for the need to make more determined efforts to resolve the Palestine refugee issue in the context of a negotiated peace. But too often, the interests of the Israeli government in sustaining an unresolved situation have been allowed to trump the real substance of security and stability for Palestinians and Israelis alike. A faulty paradigm has been created that ignores the core issues and ultimately serves neither the Palestinian nor the Israeli people.

The Syria crisis has brought to the fore again the consequences of leaving unresolved one of those core issues - the question of Palestine refugees. The sensitivity with which they are regarded everywhere in the region - a sensitivity exacerbated in times of crisis - is their constant, gravest vulnerability. Speaking to Palestinians in Damascus and Homs - especially elderly refugees - I clearly realized the foresight with which the *nakba* generation always warned their children and grandchildren: "Do not forget that we are guests here." Those words are now ringing in the ears of every Palestinian, whether directly affected by the Syria crisis or not. Theirs is a shared experience, and - now - a shared existential fear.

In 1948, they were welcomed in solidarity and generosity. In 2013, there is simply nowhere to go. In Syria, many Palestine refugees have moved from the camps, support networks have disintegrated and they face an uncertain future. In Lebanon, those displaced from Syria struggle with lack of space, shelter and resources in camps that were already overcrowded and with poor infrastructure before the crisis. In Jordan, the original Palestine refugees have stability, but there are worries that adding to their already large numbers - and to the presence of Syrian and other refugees - may bring tension and insecurity, upsetting the fragile *status quo*; this is understandable, though the policy of not allowing Palestine refugees fleeing Syria to cross the Jordanian border remains of concern. And in the occupied Palestinian territory, the violence and confinement of the occupation are a feature of daily life. One-by-one and day-by-day, Palestinians are disenfranchised and alienated from land and rights.

Throughout the region, Palestine refugees are seen as a threat to security - but it is their own sense of security that progressively crumbles and with it the fabric of Palestinian identity.

At the risk of sounding repetitive - no, in the full awareness that I am being repetitive, and necessarily so - let me therefore say once again that we must, you must, exert all efforts to bring the peace process on track in a meaningful way - in other words, in a way that places Palestinian rights, including that to self-determination, and that to a just solution to the question of refugees, front and centre.

The distress of Palestine refugees in Syria and displaced from Syria has given the lack of progress in the Israeli-Palestinian peace process an added, and very stark dimension. For refugees, this might well be another tragic turning point. They feel it very strongly. Because across the lands of their painful and protracted exile, Palestinians are connected to each other by their history, their present and their future. The loss of camps in Syria and the uncertainty that it has wrought, are suffered by all, just as the bombardments in Gaza.

These are a people promised justice by the international community, and a people still waiting for that promise to be realized.

Thank you, Mr Chairman.