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"Welcome," reads the artwork scrawled on the wall outside of an UNRWA girls school at the Jerash Palestinian Refugee Camp in Jordan. Photo: Omar Chatriwala (CC BY-NC-ND 2.0)

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UNRWA, funding crisis and the way forward

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SUMMARY

This commissioned report has two main aims: First, providing a description of what UNRWA is, including its history, mandate and services, with particular emphasis on the recent funding deficit and how that has impacted its operations. Second, to explore the future for UNRWA and its services by investigating hypothetical scenarios.

The report traces the roots of UNRWA back to the 1948 Arab–Israeli war when some 750,000 people were uprooted and had to flee, creating the Palestinian refugee problem. In response, UNRWA was established to aid the refugees and continues to exist because no durable solutions to the refugee problem (repatriation, resettlement, integration or compensation) have been found. The report underscores the responsibility of the international community for creating the refugee problem and finding its solution.

The report explains how UNRWA's mandate has evolved over time and remains anchored in the UN General Assembly. The Agency provides services primarily to registered Palestine refugees in five fields of operation: the West Bank, Gaza, Jordan, Lebanon, and Syria. Its activities cover education; health; relief and social services (RSS); humanitarian assistance through emergency appeals; microfinance; infrastructure and camp improvement; and protection. Education, health, and RSS constitute UNRWA's main activities, and staff salaries make up the largest share of UNRWA's budget.

More than 540,00 pupils are enrolled in the 718 UNRWA schools and about 10,000 students attend vocational training centres and teacher training institutes. In total, UNRWA employs about 20,000 teachers, out of close to 30,000 staff in total. The Agency provides basic health services in 143 primary health facilities, with approximately 3,000 staff and conducts a total of 8.5 million consultations annually. UNRWA also provides cash and food assistance to those most in need. This report describes some of the services provided by UNRWA, raising the issue of service eligibility and highlighting that UNRWA is a cost-effective provider of state-like services. However, due to long-lasting funding challenges, the services are not as good as they could otherwise have been. Signs of deteriorating service delivery are described by some reports and observers, and planned reforms are delayed.

A total of 41% of UNRWA's budget is spent in Gaza, and there is a background of precarity and instability across Gaza, Lebanon, and Syria. This report gives insight into how Palestinian refugees, host countries, and international donors perceive UNRWA, and examines some key dynamics in these relations.

The report finds several explanations for UNRWA's funding problems:

- Donor fatigue, and aid being channelled elsewhere. One key reason for this is the lack of a political solution to the refugee problem combined with the perpetually growing costs of UNRWA operations;
- Yearly rather than multi-year allocations, as more predictable funding would improve the scope for future planning and would involve less time being spent on fundraising;
- An (often unarticulated) opinion among some donor states that it is time for host governments, particularly Jordan, to assume more responsibility for the Palestinian refugee population;
- Skepticism and outright opposition to UNRWA based on the misunderstanding that its existence helps perpetuate the refugee problem or unfounded claims that the Agency instigates violence, for example, through school curricula with an anti-Israeli edge;
- The interplay between foreign policy and national politics;
- The collapse of the Middle East peace process; and
- Rising global prices, especially for food and energy.

Long-term, stable funding is a precondition for UNRWA's future functioning at the level it does today. However, despite UNRWA's fundraising efforts in recent years, the Agency has not succeeded in widening its funding base. New donor countries have been reluctant to join the regular donors, and historic donors are finding it increasingly difficult to raise the required funds. The report discusses the funding challenges and the possible implications of these. The possible scenarios can be grouped according to their focus: a) continued austerity measures; b) a combination of various cuts in services,

including structural changes such as applying stricter needs-based criteria; c) models of reorganisation, such as mandating other entities to assume UNRWA responsibilities; d) more positive scenarios such as increased funding or implementing modernisation measures; e) scenarios in which the mandate is altered to become more in line with the international refugee regime; f) changes to the political context in which UNRWA operates; and g) collapse of UNRWA.

In sum, apart from the more optimistic scenarios of increased funding, these options range from bad to worse. Some of the scenarios imply serious political repercussions, while others will not make UNRWA more sustainable nor ensure that the quality of its services is maintained or improved. The most likely way forward appears to be the continuation of current austerity measures, and a consequent deterioration of services. This scenario harms the refugee population in a highly insecure and volatile region. And it raises the question as to when a gradual deterioration of UNRWA's services will no longer be possible and instead becomes an actual collapse of operations. Above all, this most-likely scenario carries high political risks and uncertainty for the international community in a fragile region and at a time when, globally, there is little capacity to manage major new crises.

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LIST OF ACRONYMS

ADCOM – UNRWA's Advisory Commission

G77 – Group of 77, a coalition of 134 developing countries at the UN

IASC – Inter-Agency Standing Committee

IFI – International financial organization

IMF – International Monetary Fund

MNR – Palestinian refugee women married to non-refugees

NGO – Non-governmental organisation

OECD – Organisation for Economic Co-operation and Development

oPts – occupied Palestinian territories

PA – Palestinian Authority

PLO – Palestine Liberation Organization

PMTF – Proxy-Means Testing Formula

RSS – Relief and Social Services

SSNP – Social Safety Net Programme

SSP – Social Services Programme

SUBCOM – Subcommittee to UNRWA's Advisory Commission

TVET – Technical and vocational education and training

UN – United Nations

UNCCP (PCC) – United Nations Conciliation Commission for Palestine

UNDP – United Nations Development Programme

UNGA – United Nations General Assembly

UNHCR – United Nations Refugee Agency (the office of the High Commissioner for Refugees)

UNIDIR – United Nations Institute for Disarmament Research

UNRWA – United Nations Relief and Works Agency for Palestine Refugees in the Near East

INTRODUCTION

UNRWA represents the international dimension of the Palestinian refugee question, it cannot be decoupled from this fundamental fact: In 1948, Israel was established as a state for Jews while a majority of Palestinians became stateless refugees. The displacement of the Palestinians—the Palestinian refugee question—is both a major root cause of the unresolved Palestine-Israel conflict, and one of the most controversial questions today. For seven decades, UNRWA has provided humanitarian assistance and state-like services to the “Palestine refugees”.¹ Today, UNRWA suffers under the weight of a bleak funding situation and austerity measures due to donor fatigue and less political interest for the Palestine question, and hence for UNRWA as well. UNRWA’s future seems uncertain, but its performance will affect the lives of millions of refugees in a region characterised by political instability and economic decline.

This report was commissioned by the Norwegian Ministry of Foreign Affairs with a two-pronged task. The first was to describe “what international donors should know about UNRWA”. In doing so, we have covered the following themes: UNRWA’s mandate, services and organization; the Agency’s areas of operation; humanitarian aid; the Palestinian refugee question and international law; the political context; UNRWA’s economic situation; and major donor patterns. The second task was to provide a consolidated analysis of relevant scenarios for UNRWA going forward.

In gathering information, we have used different methodological approaches. Firstly, we have used document analysis as the report builds on a close reading of internal UNRWA documents, as well as publicly available UNRWA reports and other information available at UNRWA web pages (Annex A). Secondly, we have undertaken 35 semi-structured interviews with 38 persons between February and September 2022. We have interviewed policy experts, academics, international donor representatives, UNRWA staff, and host representatives. Most of the interviews were conducted digitally via Zoom or Teams, though some have been face-to-face, and a few in writing. Some were interviewed more than once. The interviews were carried out under conditions of confidentiality and anonymity, and hence we mention no names or affiliations in the report. The interviews were not audio-recorded. Finally, we have consulted various evaluation reports as well as literature and academic publications on UNRWA and the Palestinian refugee issue (the literature list).

The UNRWA documents have given us first-hand access to essential numbers and UNRWA’s own assessments. While some themes are well-documented and analysed in existing research and evaluations, others—such as the quality of services—are not. When several interlocutors have responded similarly, it increases the validity of a claim. Other times, a quote from an interlocutor is used to illustrate an argument. We have used a combination of methodologies and sources, which generally strengthen the findings. At the same time each sub-theme is presented/treated relatively briefly, meaning that some nuances are lost, and some themes have been left out. We are responsible for any mistakes.

The report is divided into two parts. Part One provides an overview of UNRWA, focusing on its mandate and current predicament. In Section 1, we give a brief introduction to the Palestinian refugee question. In Section 2, we provide an introduction to UNRWA, the relevant UN resolutions and its mandate. We explain UNRWA’s mandate by discussing its beneficiaries, providing an overview of its services and assistance, the evolution of the mandate and a brief discussion about what kind of organisation UNRWA is. In the third section, we centre UNRWA and the Palestinian refugees, and highlight living conditions, the quality of UNRWA services and assistance and discuss the relationship between the Palestinian refugees and UNRWA. The fourth section provides an overview of UNRWA and the host countries, and we briefly explain the refugee question in political negotiations, host countries and regional politics. Section 6 explains key themes pertaining to UNRWA, the UN and

¹ A note on terminology: As is explained in section 2, “Palestine refugees” refers to those fleeing in 1947-1949 and who registered with UNRWA, while “Palestinian refugees” refers also to refugees who are not registered with UNRWA. In this report we use these terms interchangeably. “Palestine” in the label “Palestine refugees” refers to the place they fled from. Note that in the early years UNRWA assisted also 17,000 internally displaced Jews in Israel, Lebanese nationals and Algerians, Jordanians and Syrians (Albanese and Takkenberg 2020: 23ff).

international donors. Here we describe the funding model, the current funding gap, perceptions of UNRWA and UNRWA–donor relations.

In Part Two we discuss 12 hypothetical scenarios and discuss some of their possible ramifications. Some are scenarios suggested by either UNRWA or international donors, others are analyses of UNRWA in light of various trends, realities and regional developments. One is the event of increased funding, and some are options or choices for UNRWA or the UN General Assembly (UNGA).

List of scenarios for UNRWA's future

1. UNRWA continues like today: “muddling through”
2. Other UN agencies operate selected UNRWA services
3. UNRWA without RSS and Emergency relief
4. Tightening the eligibility criteria for RSS
5. Cutting selected services in Jordan and the West Bank
6. Cutting all services and assistance to refugees in Jordan and/or the West Bank
7. Modernization to improve efficiency
8. Increased funding to UNRWA
9. Closer alignment with the global international refugee regime
10. The collapse of PA and/or Hamas
11. The collapse of UNRWA
12. UNRWA in 2040

PART 1: UNRWA

1. A brief introduction to the Palestinian refugee question

Any discussion of UNRWA's future must keep in mind that the international community, manifested in the UN and the League of Nations, was complicit in creating the Palestinian refugee problem. The 1917 Balfour Declaration supported a Jewish homeland in Palestine at a time when 90% of the population was Arab Palestinian. This pledge was incorporated into the British mandate, facilitating the rise of the Zionist movement in Palestine. The UN General Assembly (UNGA) decision to partition Palestine in November 1947 (Resolution 181) signalled the start of the war between the two communities, which resulted in the establishment of Israel on most of the land, the decimation of Palestinian society and mass flight, and the loss of a future Palestinian state, making Palestinians a "refugee nation" (Siddiq 1996).

The origin of the Palestinian refugee problem is paramount for understanding UNRWA. During the 1948 Arab-Israeli wars, some 750,000 Palestinians fled their homes to areas outside of what became Israel. In the academic literature there is a consensus that Israel is mainly to blame for this displacement (violence, massacres, propaganda and direct deportations). After the war, Israel enacted laws barring the refugees from returning to their homes (Morris 2004; Pappé 2006; Khalidi 2005; Masalha 2001). Immigration to Israel was contingent on it being a Jewish majority state. The 750,000 Palestinian refugees were dispersed in the region accordingly: 280,000 in the West Bank; 200,000 in Gaza; 97,000 in Lebanon; 75,000 in Syria; and 70,000 in Jordan. Some fled further afield to countries like Iraq and Egypt (Albanese & Takkenberg 2020: 35-36; El-Abed 2009). After the war, Arab Palestine was erased from the map. The UN partition plan defined 56% of Mandate Palestine for the Jewish state, but Israel conquered territories beyond this, taking 78% of Mandate Palestine. The West Bank was annexed by Jordan and Gaza was occupied by Egypt.

The 1967 war between Israel and the Arab neighbour states altered the situation in multiple ways. Israel occupied the West Bank, Gaza and East Jerusalem, in addition to the Golan Heights and the Sinai. The war created a new wave of Palestinian refugees: 320,000 fled from the West Bank into Jordan, making it the largest host state (Albanese & Takkenberg 2020: 50). Some were already registered as Palestine refugees, while others fled for the first time and were defined as Internally Displaced Persons (IDPs). Displacement has since remained a central feature of the conflict over Palestine, and new displacements have resulted from ensuing wars and politics, both secondary displacement, new displacement and migrations within UNRWA fields of operations, and beyond (Albanese & Takkenberg 2020: 183 ff).

2. UNRWA Resolutions and mandate

In the following sections, we present key dimensions of UNRWA's mandate: where it operates; who it covers; and the type of services it should deliver. We also discuss the evolution of the mandate and politics associated with it.

2A) UNGA Resolution 194

The founding document of the international community's responsibility for the Palestinian refugees is UNGA Resolution 194 (III) from 1948, with the following key paragraph:

...refugees wishing to return to their homes and live at peace with their neighbours should be permitted to do so at the earliest practicable date, and that compensation should be paid for the property of those choosing not to return and for loss of or damage to property which, under principles of international law or equity, should be made good by the Governments or authorities responsible.

Durable solutions for the Palestinian refugees are supposed to be part of the peace process between Israel and the surrounding Arab states, originally mandated to the Palestine Conciliation Commission (PCC or UNCCP), but the commission has been defunct since 1964 (Fischbach 2003). The refugees were a topic of discussion in the negotiations after 1948, but due to major disagreements between the US, the UN, Israel and the Arab states, serious progress was never made. For the international community, therefore, the Palestinian refugees were seen as a humanitarian rather than a political issue (Heian-Engdal 2020; Berg 2020; Fiddian-Qasmiyeh 2019: 31).

2B) UNGA Resolution 302

The United Nations Relief and Works Agency for Palestine Refugees in the Near East (UNRWA) was established in December 1949 with UNGA resolution 302(IV). The founding mandate was composed of two elements: a) "To carry out in collaboration with local governments the direct relief and works programmes" and b) "To consult with the interested Near Eastern Governments concerning measures to be taken by them preparatory to the time when international assistance for relief and works projects is no longer available." The UNRWA mandate is fundamentally based on this resolution, but it has evolved substantially over the years.

The works programs were developed to economically integrate the refugees in the region through large-scale schemes, turning refugees into workers (road building, irrigation, modernisation projects). Works gradually fell out of the mandate due to opposition from both host states and the refugees, who saw it as a mechanism of integration and a dissolution of their right of return (Brynen 2014: 264; Berg 2020: 36). The second part of the original mandate implied that UNRWA should cease to exist once durable solutions were in place and therefore be a temporary agency. The establishment of UNRWA and the failed political processes after 1949 meant that there was limited political pressure on Israel to accept the return of the Palestine refugees.

UNGA resolutions 194 and 302 form the twin-structure of the international community's responsibility for the Palestinian refugees. These twin structures are entwined, but in practice the durable solution part of the equation has been put on hold since the 1960s, whilst the humanitarian element has been extended precisely because the durable solution part of the structure failed. Unlike the UNHCR, where durable solutions (voluntary repatriation, resettlement or integration) lie at the heart of the mandate, UNRWA does not provide durable solutions. This has led many researchers to label UNRWA's mandate as weak compared to that of UNHCR. Benjamin Schiff (1995: 273) aptly phrased UNRWA's task as "individual empowerment through education, not by progress towards a resolution to their collective political problem". A fundamental problem for Palestinian refugees is

that they have lacked access to justice in the form of voluntary, durable solutions or reparations based on international law and UN resolutions.

2C) Areas of operation

UNRWA's mandate covers Palestinian refugees in UNRWA's "Field of Operations": Jordan, Lebanon, Syria, the West Bank and Gaza. Until 1952, UNRWA also operated within Israel. Since Israel's occupation of the West Bank and Gaza, it became the equivalent of a host state. However, after the establishment of the Palestinian National Authority (PNA or PA) with the 1995 "Cairo Agreement", the PA has been designated host entity on the West Bank and Gaza. Since 2007, Hamas has been the *de facto* hosting entity in Gaza.

2D) Beneficiaries

The Palestinian refugee population has grown immensely since 1948, and as of 2021 there were 5,8 million Palestine refugees registered with UNRWA. The distribution between the five fields of operation is as follows: Jordan: 2,337,780; Gaza: 1,520,653; the West Bank: 887,009; Syria: 576,357; and Lebanon: 485,854 (UNRWA, Registered Population Dashboard). A few key points about "who is a Palestine refugee" need to be clarified, as it is part of UNRWA's mandate, but also because this theme is often both politicised and misunderstood.

Resolution 302 did not provide a definition of a Palestine refugee, and an operational working definition was developed with the aim of determining eligibility for UNRWA services. The current definition refers to "persons whose normal place of residence was Palestine during the period 1 June 1946 to 15 May 1948, and who lost both home and means of livelihood as a result of the 1948 conflict, and include descendants through the male line." (From 2009 Consolidated Eligibility and Relief Instructions" UNRWA, Report of the Commissioner-General of UNRWA, 1 January–31 December 2019, UN Doc. A/75/13).

The definition excluded some people who lost their home or livelihood, but not both, in 1948. Many persons, and their descendants, who did not fit the criteria of the 1950s definition have thus never been included as officially registered Palestine refugees. Some such groups were defined as "Jerusalem poor", "Gaza poor", "frontier villagers" and "Kafalah children". They may nonetheless access UNRWA schools and health centres (UNRWA, confidential paper, no title, n.d.).² The evolution of the operational definition has led to the inclusion of more individuals. Descendants in the male line were added to the definition due to their continued statelessness (Albanese & Takkenberg 2021: 90-105). Until 2006, Palestinian refugee women (and their children) married to non-refugees could not register as "Palestine refugees", but UNRWA subsequently extended its services to this "MNR category". Yet today the registration of the MNR varies across fields due to budgetary considerations (UNRWA, confidential paper, no title, n.d.).

UNRWA also operates with a related, but lesser known category, the "Non-registered Eligible Persons", which consists of persons who do not meet (or cannot prove that they meet) the operational definition but may be eligible for certain assistance or services. This category includes non-registered persons displaced due to the 1967 war and subsequent hostilities (e.g., Lebanon 1982), and the provision of services to this group was endorsed by the UNGA. This category also includes non-registered persons who exceptionally receive UNRWA assistance and services under the Emergency Programmes, non-registered persons who request and qualify for the Microfinance services, individuals who are not Palestine refugees but live in camps where services are provided to the community as a whole, and family members of UNRWA staff who are not registered refugees. Furthermore, it covers a limited number of students in UNRWA schools, often in arrangements with host authorities, and

² Currently, there are 7,992 in the category Gaza poor; 124,159 frontier villagers and 10,449 are Jerusalem poor. (UNRWA, Registered Population Dashboard)

persons accessing UNRWA health services. Those displaced in 1967 have never been registered with UNRWA, and UNRWA is unable to report on exactly how many of them access services or to verify their status (UNRWA, confidential paper, no title, no year).

This category mainly illustrates how UNRWA has responded to major displacements after 1948, and have extended basic services to some of the affected groups. The number of UNRWA beneficiaries fitting into these various categories is large. In 2019 UNRWA estimated that 19% of UNRWA health service clients (383,711 persons) were either not registered in UNRWA's refugee registration information system or fell into a 'service only' category. The same is true for 15% of UNRWA's pupils (87,385 children). This state of affairs keeps UNRWA from supporting only 1948 refugees in camps in contexts where other groups of people are equally in need of basic services. UNRWA has, for instance, enrolled Syrian refugees residing in Palestinian camps into their schools. As we will discuss in Section 3, refugees also access host authority services, and UNRWA estimates that around 50% of Palestinian refugee school age children are not in UNRWA schools, for example.

Opponents of UNRWA, such as many Israeli politicians or the US Trump administration, have suggested that if UNRWA were to collapse the Palestinian refugee population would cease to have a claim on return (Brynen 2014: 270-275; Berg 2020: 40-41; Lynch 2018). This is not the case. The principle of the right of return is not unique to the Palestinian refugees. It is anchored in international law as it evolved after World War II (Albanese & Takkenberg 2021; Husseini & Bocco 2009; Aruri 2001; Richter-Devroe 2013). The debate about UNRWA's future is rife with politically motivated arguments that UNRWA perpetuates the Palestinian refugee question. In reality, it is the lack of a just solution that does so, not UNRWA. Furthermore, it is often argued that the number of Palestinian refugees is "too high" and that UNRWA's refugee definition is at odds with the international refugee regime. While the exact number of refugees residing in some host countries are not updated and probably inflated due to migration, the criticism of UNRWA's definition of a Palestine refugee is politically motivated. Opponents typically argue that only those who fled in 1948 should be recognised as refugees, yet UNRWA's generational registration practice is standard in refugee law. UNHCR utilises wider registration criteria than UNRWA and recognises the 1967 displaced as Palestinian refugees (Albanese 2018; Berg 2020: 43). It is important to note that the Palestinian diaspora and stateless population is much larger outside UNRWA's areas of operation. There are an estimated 13 million Palestinians globally, of which 9 million are refugees but only 5.8 million live in UNRWA's fields (Dumper 2006; Albanese 2018; Albanese & Takkenberg 2020: 53; UNRWA, Registered Population Dashboard; El-Abed 2009). Palestinians constitute about one-fourth of all recognised refugees worldwide (UNHCR 2022).

2E) Services provided

UNRWA's operations are divided into the following main programmes: 1) Education; 2) Health; 3) Relief & Social Services (RSS); 4) Emergency Appeals;³ 5) Microfinance; 6) Infrastructure & Camp Improvement. About one-third of the refugees live in the 58 official Palestinian refugee camps. In addition, many reside in informal encampments. Most of UNRWA's services are offered in or near official camps and most UNRWA employees are Palestinian refugees. Basic education, health services and RSS are often seen as the heart of UNRWA's mandate.

Education: In the 2020–2021 school year, 540,644 pupils were enrolled in the 710 UNRWA elementary and preparatory schools and eight secondary schools in Lebanon where Palestinians are barred from higher national education. The schools are staffed by some 20,000 educational staff, most of whom are Palestinian refugees. The curricula and textbooks of host authorities are used in UNRWA schools, supplemented by the Agency's own materials on human rights. The same school year 7,890 students were enrolled in UNRWA's vocational training centres, and 2009 students attended the two

³ Emergency Appeals is not, strictly speaking, a programme, but rather a funding source through which education, health, RSS and other programmes are delivered.

teacher training institutes in the West Bank and one in Jordan (TVET). The cost of education per pupil in UNRWA schools is far lower than in any OECD country.

Health: UNRWA provides basic health services in its 143 primary health facilities and specialised care in the Qalqilya hospital in the West Bank. In 2019, 2.2 million persons used UNRWA health services, with a total of 8.5 million consultations. In 2020, the programme employed around 3,000 staff, including 436 medical officers, 31 specialist doctors, 109 dental surgeons, 1,001 nurses, 591 paramedical staff and 838 auxiliary staff (UNRWA health programme 2021). UNRWA also provides basic solid waste management services in the official refugee camps. The cost of medical care per person at UNRWA ranks far below the lowest OECD country, and below, for instance, India.

Relief and Social Services (RSS): The stated aim of RSS is to promote the development and self-reliance of “less advantaged” members of the Palestine refugee community, especially women, children, persons with disability, and the elderly. It employs 807 staff and partners with a number of Women’s programme centres and community rehabilitation centres. RSS is divided into two main programmes. First, the Social Safety Net Programme (SSNP) provides food and cash assistance. Its beneficiaries are also eligible for additional assistance through other UNRWA programmes, including priority enrolment in vocational training centres, preference for shelter rehabilitation and increased coverage for hospitalisation. Second, the Social Services Programme (SSP) provides social services.⁴ Thirdly, RSS manages the Agency’s registration system (Registered Refugee Information System). New births, deaths, marriages, divorces and changes of residence are recorded each time registered persons provide relevant documentary proof and request the update of their family registration card. It is important to distinguish between those who are registered and eligible, and those who avail themselves of services any given year. The actual use of UNRWA services depends on socio-economic status (affordability of alternative services), health needs (UNRWA does not provide or support all kinds of needs), location of services relative to place of residence (travel distance and cost) and the perceived quality of services.

UNRWA services and assistance are organised according to two principles and are either universal or targeted. UNRWA basic education and primary health services are available on the principle of **universality**, i.e., they are provided to all those living in its areas of operation who meet UNRWA’s definition of a Palestine refugee and who are registered with the Agency. **Targeted** eligibility criteria are applied to, for example, vocational training, technical training, hospitalisation, SSNP, emergency relief, and shelter rehabilitation. Only those who meet the set criteria may benefit from the service. Both the criteria for registering and the eligibility criteria are complex and, as in any system, inconsistencies occur. Since 2011, UNRWA has applied a “proxy-means testing formula” (PMTF) to determine eligibility for SSNP assistance. It estimates household poverty against a set poverty line through the use of several poverty indicators (proxies), i.e., characteristics that are correlated with poverty and that can be used to estimate the poverty level of the household.⁵ PMTF has been applied in all fields except Syria, where the outbreak of civil war in 2011 and exceptionally high levels of poverty have prevented its application. Here, UNRWA uses a categorical approach for the SSNP, with a near universal approach used for cash assistance funded under the emergency appeal. The Agency has recently introduced a similar approach in Gaza. Due to the current scale of emergency in Gaza, Lebanon and Syria, the trend is towards basic universal assistance (funded through Emergency Appeals) to a large share of the Palestinian refugee population in these fields, and with more targeted SSNP assistance (“top-ups”) to those with very high dependency ratios (age, disability, gender). Some numbers illustrate this trend: In total, around 390,000 persons received “Social Safety Net Assistance” under the SSNP programme in 2020, while 1.9 million persons received Emergency Appeals-funded humanitarian assistance. Of these there were 1.1 million recipients in Gaza, 400,000 in Syria and 250,000 in Lebanon (UNRWA, confidential paper, no title, n.d.).

4 This includes individual and family-based casework addressing social and psychological distress as well as gender-based violence, child neglect, exploitation and abuse, disability discrimination and other protection issues. RSS also manages the UNRWA registration system (Registered Refugee Information System).

5 These include household characteristics such as the location and quality of the dwelling, the possession of durable goods, the demographic structure of the household, and the education, health and labour force characteristics of household members.

In light of the current economic and political contexts in the region (see sections 3-4), the level of UNRWA food and cash assistance is limited and, in most cases, does not cover people's basic needs. Moreover, much of UNRWA's support lacks predictability: SSNP distributions are regular whilst aid based on Emergency Appeals might not be. The Agency moved to cash support in 2016 in all fields except Gaza, where UNRWA maintained food distribution in view of market conditions and the stabilising role of UNRWA food imports on basic commodity prices, with cash introduced under the SSNP in late 2021. One interlocutor, however, referred to the food rations as a "slap in the face" due to their small size.⁶

2F) Evolution of the mandate

UNRWA's mandate is not set down in a statute, but has evolved over time starting with UNGA resolution 302. UNRWA's relationship to the UNGA is both a reporting mechanism and a mandate-giving mechanism. Since UNRWA is a temporary agency set up to last until the Palestinian refugee problem is resolved, the UNGA has regularly renewed UNRWA's mandate, usually every third year. When the UNGA every year approves UNRWA's budget it indirectly approves the Agency's activities as part of its mandate. This means that the mandate is not static but can be, and historically has been, changed. The Commissioner General may suggest a revision in dialogue with the advisory commission (29 members and 4 observers) and the UNGA may accept or reject these suggestions, or in some cases endorse retroactively. Alternatively, the UN Secretary General may instruct UNRWA to take on new tasks (Bartholomeusz 2010: 454, 473).

Education became UNRWA's flagship enterprise in the 1960s and represented a drive towards individual empowerment for future opportunities. A major evolution in RSS has been the move away from welfare and relief toward social development. In the 1950s, donors pressed UNRWA to limit beneficiary numbers, to save costs. Historically, the move from universal coverage of food rations to the targeting of only "special hardship cases" in 1978 (1982 in Lebanon), serves as a major example of UNRWA's adopting "needs criteria". New programmes have been added, such as the Infrastructure and Camp Improvement Programme in the 2000s, aimed at improving living conditions of refugees in camps. Another more recent programme is the financially self-sustained microfinance programme.

UNRWA's protection mandate has gradually evolved, particularly since the war in Lebanon (1982) and the Intifada in the occupied Palestinian territories (1988). In 2004, the Agency made an explicit reference to a mandate for "protection activities". The most concrete examples are the strengthening of the rights of children, women and persons with disability in UNRWA schools and health facilities. UNRWA has also been tasked with monitoring and reporting human rights violations and promoting respect for the Palestinian refugees' rights (UNRWA, Confidential paper: "UNRWA's mandate and services. Historical evolution of UNRWA's mandate and scope", 17.5 2021).⁷ Some argue that UNRWA should strengthen its protection mandate further by, for example, more systematically documenting human rights violations.

An often-presented argument is that UNRWA's mandate has grown too much, making it unsustainable. Associated with this argument is the assumption that refugees should become less vulnerable over time. In the Palestinian case, statelessness has persisted, and insecurity is a significant feature of Palestinian existence across the region (see sections 3-4). On the one hand, the lack of sustainability is not unique to UNRWA and ought to be put in a comparative perspective. The UNHCR, UNDP and other UN organisations have expanded their activities as well, and none of these organisations are sustainable per se. Unsustainability is rather a feature of the UN system since there are no quick fixes to the consequences of war, displacement and poverty. The expansion of UNRWA's

⁶ The food basket in Gaza (introduced in 2021) contains wheat flour, rice, sunflower oil, sugar, whole milk powder, lentils, and chickpeas.

⁷ In 2022 UNRWA's understanding of protection is the IASC term (See "Inter-Agency Standing Committee Policy on Protection in Humanitarian Action", IASC) and "what UNRWA does to safeguard and advance the rights of Palestine refugees" (correspondence with UNRWA).

mandate is largely a consequence of new generations being born into statelessness and refugeehood, from 750,000 in 1949 to 5.8 million today, but the mandate has also evolved as a response to wars and changing contexts and needs over the decades, as described above.

2G) Humanitarian or political?

UNRWA is a complex organisation, both with regard to registration criteria, its mandate and services, and not the least for what it is seen to represent. It is often interpreted in highly different ways.

UNRWA was established with a humanitarian-oriented mandate with a non-political label, but its operations and existence are saturated by politics. Historically, UNRWA has helped Palestine refugees endure their statelessness, prosper in regional labour markets, and—indirectly—the Agency has helped Palestinians survive as a political force (Schiff 1995). UNRWA can be understood as a “substitute for a state” or a “quasi-state”, providing essential state-like services such as education, health care and social services to a stateless people, and a provider of emergency relief to the poorest refugees. During wars and upheavals, UNRWA has risen to the task and has in many cases been able to respond effectively and rapidly due to the number of local staff, close relations in the refugee communities, a large welfare distribution system and the trust of regional governments (Schiff 1995).

Access to basic services like education and health are fundamental human rights. For many Palestinian refugees UNRWA and its services are considered a symbol of the Right of return based on UNGA Resolution 194 and represent an obligation that the international community has that follows from its responsibility for the Palestinian *nakba* (the 1948 “catastrophe”). Researchers have documented that it is the denial of access to rights that makes it difficult for the refugees to give up the “politics of suffering”, i.e., linking services and assistance from UNRWA to the right of return (Gabiam 2016). Palestinian refugees and organisations representing them perceive budget cuts and rumours of reduced services as signs of a first step towards winding down UNRWA. Since UNRWA is a symbol of the right of return, such steps are perceived as undermining this right (even though it is anchored in international law). This perception must be understood as the result of prolonged lack of access to rights and justice, in a context where refugees are cornered, assistance is cut, the quality of services deteriorate, the economic situation is regressing leading to insecurity, and the political situation is volatile.

The fact that UNRWA does not have a mandate to provide durable solutions has made several researchers and observers of UNRWA and Palestinian refugees describe its mandate as weak. While international funding to UNRWA supports Palestinian refugees and their basic human rights, the same funding may at the same time, paradoxically, contribute to a “humanitarianisation” of a political problem that indirectly serves to maintain the status quo because the international community is not working seriously to reach a just resolution of the refugee question (Fiddian-Qasmiyeh 2019; Feldman 2018, Berg 2020). This is an unresolved puzzle of aid to refugees, as basic needs and human rights must be covered. As we demonstrate in some of the scenarios in Part Two, there are different views on what UNRWA should be and do in the future.

Notwithstanding a humanitarian and relatively weak mandate, UNRWA carries political and legal significance. The Agency represents the Palestinian refugee question internationally, both in the UN and towards the international community more broadly. The Commissioner General has a mandate to advocate on behalf of the Palestinian refugee question and the political importance of UNRWA ultimately lies in representing and registering the refugees. While the Palestinian refugee question may be further marginalised in international politics, according to international law the international community and the UN will remain responsible for UNRWA’s mandate and the refugee population, until it can solve the root conflict that created the refugee question in the first place (Schiff 1995: 270). The UN has characterized UNRWA as its “permanent responsibility for the question of Palestine until it is resolved in all of its aspects in accordance with international law” (UNGA res A/RES/71/23 See Albanese & Imseis 2022).

3. UNRWA and the Palestinian refugees

3A) Living conditions

This section attempts to paint a rough picture of the Palestinian refugees' living conditions in UNRWA's five fields of operation. Two decades ago, their living conditions resembled those of their respective host-country populations, on average, with Lebanon being a negative exception. There were, however, discrepancies between countries and between refugee groups within each country. The refugee population of Jordan was, for instance, better off than the population of Syria, and camp refugees scored more poorly than non-camp refugees on some indicators, particularly those pertaining to housing and income. On the other hand, the presence of UNRWA in the camps meant that camp residents generally did well on education and health indicators thanks to high-quality basic schooling and primary health care. Refugees without access to host-state public services and formal employment, such as those in Lebanon and refugees from Gaza without a national ID in Jordan ("ex-Gazans"), were systematically poorer and more vulnerable than other refugees. (Jacobsen 2000; Hanssen-Bauer & Jacobsen 2007; Kvittingen et al 2019). The 2000s saw donor-funded camp improvement projects implemented and the housing conditions of many camp refugees gradually improved (Husseini & Bocco 2010; Misselwitz & Hanafi 2010; Berg 2014; Abbot et al. 2017).⁸ Despite this, the housing conditions in the camps are often substandard with high population density and weak physical infrastructure.

Three events that have shaken the progress of conditions dramatically are the second intifada, the Israeli blockade and armed attacks on Gaza, and the Syrian civil war. The second intifada, characterised by the violent conflict between Israel and Palestinians that erupted in 2000, brought about deteriorating living standards in the occupied Palestinian territories. For 15 years, Israel's isolation policies have dramatically accelerated the de-development of **Gaza** (Roy 2017), resulting in a weak economy, an unemployment rate of 50%, high poverty rates and so forth. On top of that, the various waves of military attacks have ruined homes and infrastructure and have killed and maimed members of Gaza's population, also causing great psychological harm. UNRWA is a major actor in Gaza, where about two-thirds of the population are refugees. Due to the blockade, and since the international community does not engage with Hamas, UNRWA has been crucial in catering for the humanitarian needs of Gaza's population, and currently as many as 70% depend on aid received through the Agency. The dire situation in Gaza and UNRWA's role in alleviating people's suffering is illustrated by the fact that UNRWA spends 41% of its program budget in Gaza (see section 5, UNRWA AOR 2021).

The **Syrian** civil war destroyed the country in many ways, including obliterating the homes of many Palestinian refugees and displacing scores. While some managed to find a safe haven elsewhere in Syria, many sought refuge in Lebanon and Jordan, and others went further away, including to Europe. The living conditions of Palestinian refugees in or from Syria deteriorated. UNRWA was negatively affected as infrastructure was destroyed and the provision of services was hampered in Syria, and those who escaped to Lebanon and Jordan put heavy strains on the Agency's services there. There are currently approximately 438,000 Palestine refugees in Syria, and 120,000 have fled the country (UNRWA, Syria Crisis webpage). Out of the Palestinians that remained in Syria, 95% are wholly dependent on UNRWA (Albanese & Takkenberg 2020: 219-227). UNRWA spends 6% of its program budget in Syria, which makes it the smallest of the five fields of operation (UNRWA AOR 2021).

Lebanon's financial crisis with an inflation exceeding 150% in 2021 (World Bank, Inflation, consumer prices) has led to soaring poverty, and Palestinian refugees, including those from Syria, are among the most seriously affected. Even prior to the current economic predicament, Lebanon was the area of operation with the highest proportion of Palestinian refugees living in "abject poverty"

⁸ Water and sewage systems were upgraded and in private dwellings metal roofs were replaced with proper concrete roofs, bathrooms were upgraded, more dwellings got proper kitchens, some shelters were extended whilst others were beyond repair and hence rebuilt, and solar water heating was introduced (Tiltneš & Zhang 2013).

(Fiddian-Qasmiyeh 2019; Albanese & Takkenberg 2020: 207). Due to the economic collapse, they are presumably falling further behind. Since 2011 Lebanon has become host to a high number of refugees from Syria, including 31,000 Palestinian refugees who are “heavily reliant” on UNRWA aid. UNRWA spends 12% of its program budget in Lebanon (UNRWA AOR 2021).

The West Bank unemployment rate is 15-20%, and even higher in the refugee camps, despite people having access to the Israeli job market in addition to the PA areas. However, the West Bank economy is weak, largely due to structural dependency on the occupying power, it is aid dependent, and the high and rising costs of living negatively affect people’s circumstances. Negative developments over the past years are manifest in that the total Palestinian GDP fell by 11.5% from 2019 to 2020 (World Bank Group, UN & EU 2021: 25). 16% of UNRWA’s program budget is spent on the West Bank (UNRWA AOR 2021).

In **Jordan**, approximately one-third of all Jordanian nationals are UNRWA-registered refugees (Albanese & Takkenberg 2020: 198-207). Trends in labour employment, purchasing power, education, health and living conditions generally follow that of the host population. With 2 million Palestinian refugees in Jordan, UNRWA spends 18% of its program budget in the country (UNRWA AOR 2021). The relative expenditure would have been much higher had UNRWA not concentrated its services on the camp population and those most in need. Unemployment and poverty rates are higher in the camps than outside camps, and chronic health failure is more common. Like in Lebanon, UNRWA offers schooling, health services and social support to needy Palestinian refugees from Syria, some 19,000 individuals.

Due to the conditions in Lebanon, Syria and Gaza, the circumstances of the Palestinian refugees residing in these three fields have deteriorated substantially, with an increased need for humanitarian aid. Therefore, UNRWA must help a higher number of poverty-stricken Palestinian refugees than ever.

Previously, UNRWA’s state-like education and health services, as well as its social services, have been paramount to ensuring the Palestinian refugees’ living conditions are comparable to host-country populations, particularly as the Agency predominantly has served the camps and other disadvantaged segments of refugees. However, whether or not UNRWA will remain able to secure the poorest Palestinian refugees a life-line remains to be seen. A weak world economy and the war in Ukraine, which has driven the prices of petroleum, fertilisers, grain, etc. through the roof, impacts everyone negatively, not boding well for enhanced living conditions of Palestinian refugees in the near future. Migration, within and out of UNRWA’s areas of operation, has increased and might well increase further. Key drivers of migration are legal status, security conditions, and socio-economic conditions, including unemployment. Declining UNRWA services also impact this in some fields (Achilli & Hanafi 2022).

The context under which Palestinian refugees live and UNRWA operates have changed several times due to local, regional, and global shocks and events. How such factors actually impact the lives of Palestinian refugees and UNRWA’s operations is not well understood. Despite improved data collection efforts by UNRWA in the past decade or more, solid information and insight about discrepancies between the services and living conditions in the various fields is lacking.⁹ Evaluations by UNRWA’s internal Evaluation Division or by external organisations have pointed out that existing UNRWA data are predominantly used by UNRWA’s top management and for reporting to donors. They could have been put to better use if shared and discussed (more widely) with outside partners and experts, including academics and researchers, and examined and debated at several levels within the organisation and across fields. Enhanced collaboration with sister UN agencies to collect and analyse data also seems like a fruitful way towards a better understanding of “the ground”, to identify challenges and solutions. More open processes of engagement would both contribute to improved services and strengthen the relations between UNRWA and the Palestinian refugee population. Yet, like other activities, moves in the direction indicated here have certainly been hampered by UNRWA’s

⁹ UNRWA has been involved in research and data collection by outside agencies such as the work of a consortium of researchers from 2005 (Bocco et al. 2007) and Fafo (Tiltne & Zhang 2013).

continued funding crisis, which allocates less funds to evaluations than other UN agencies (UNRWA n.d., Husseini & Saba 2022).

3B) The quality of UNRWA services

External evaluations have generally provided an overall positive assessment of UNRWA, pointing to the Agency's ability to deliver services in accordance with its mandate despite formidable resource constraints and external shocks, and at comparatively low cost. Although evaluations have concluded that UNRWA's achievements in its various program areas have been efficient and strong and comparable to that of other providers, they also present challenges and suggest ways forward. However, too few evaluations have been implemented. There is a perception of falling quality of UNRWA services both amongst Palestinian refugees and UNRWA staff, but UNRWA lacks the tools for monitoring and assessing service quality adequately. More assessments would enhance the strategic thinking of UNRWA and its partners (e.g., donors and host countries) and the quality of its programs (MOPAN 2019; Mowjee 2021; UNRWA n.d.).

Education is important in any society and particularly crucial for refugees and stateless people, as it constitutes "a liquid asset" that, in theory, can be invested and used to secure livelihoods wherever they reside. UNRWA has provided quality secular education to four generations of Palestinian refugees, at times a better education than the host states provide their own citizens. Currently, the Agency offers basic education in all fields, secondary education in Lebanon, and vocational and technical training in all fields and teacher training in Jordan and the West Bank. Refugees have considered education by UNRWA as important not only as a venue to employment, but also because it is important for fostering their national identity (Al-Husseini 2000; Shabaneh 2012; Rosenfeld 2004, 2009). Traditionally, UNRWA students have performed better than other students for the *tawjihi*, the General Secondary Education Certificate Examination in Jordan and the PA. A World Bank study drawing on data from 2011 concluded that UNRWA's students in basic education outperformed public schools in Jordan, the West Bank and Gaza by the equivalent of one extra year of learning (Abdul-Hamid et al. 2016).¹⁰ During the years 2011-2015, UNRWA implemented a reform to modernise and strengthen its education program. The year after, this reform was found to have resulted in improvements in the quality of teaching and learning, increased efficiency (more students graduating on time), and a reduction in student drop-out and grade repetition.

The situation may have changed since then. For many years UNRWA schools have operated with double shifts, which implies shorter school days, and UNRWA has had to increase the number of students in each class in many schools to accommodate all children, including Syrian and Palestinian refugees from Syria in Jordan and Lebanon, and has reached a class size of 50 in some schools. The average class size in Gaza is 41 pupils. Furthermore, and because of austerity measures, an increasing number of teachers work on short-term and even daily contracts, with ensuing high job insecurity and limited training. In Gaza, where as many as 15% of the teachers are paid daily (Ibrahim 2022).¹¹ UNRWA reports lacking school materials and delaying maintenance of buildings and infrastructure. Presumably attributable to the above factors, the Agency suggests that the quality of its schools there are deteriorating as compared with local public schools, and more young boys than before are dropping out of school (Hasselknippe 2022). The situation in Lebanon is also particularly bleak, not least thanks to the influx of Palestinian refugees from Syria and the resulting large class sizes, and since poverty is more widespread and deeper there than before, something which limits access to required school materials and which generally drives up school drop-out rates (Al-Hroub 2011, Chaaban et al. 2016, Fiddian-Qasmiyeh 2019). Studies have found a negative association between psycho-social ill-health

¹⁰ The strong results were attributed to "the way these schools recruit, prepare, and support teachers; because of instructional practices and pedagogy in the classroom; and because of school leadership, accountability, and mutual support [which] has created a distinguished learning community centered on the student." (Abdul-Hamid et al. 2016: xvii).

¹¹ UNRWA has put a ceiling for daily paid workers not to exceed 7.5% and intend to gradually hire more "permanent" teachers in Gaza in the coming three years.

and attendance in UNRWA schools in all fields, and the stress that many Palestinian refugee children are, and have been, exposed to, such as conflict and war, poverty, loss of home and family members etc., may lead to such ill-health (Al-Hroub 2011, Nathani et al. 2022). The COVID-19 pandemic will only have added to this burden. An assessment of UNRWA in Lebanon found that provision of psychosocial support and recreational activities were crucial for student retention and school achievement (van de Velde 2019).

Palestinian refugee children may—and in many cases, do—access public and private schools. For example, amongst non-camp refugees in Jordan, as many as seven in ten children attend public schools, and an equal share of 15% attend UNRWA and private schools, respectively. This reflects the fact that in Jordan UNRWA primarily serves the camp population and those residing in its vicinity. In the camps, nine in ten children attend UNRWA schools, whereas 7% attend public and 3% attend private schools. Between the mid-1990s and 2012, Jordan witnessed a shift away from UNRWA schools to private schools outside camps (from 21% to 14% enrolment in UNRWA schools in Irbid, Zarqa and Amman) and a smaller change from UNRWA to public schools inside camps (down 2 percentage points) (Tiltne & Zhang 2013). Notwithstanding the findings of the World Bank referred to above, this trend *could* be a response to a decline, or perceived decline, in the quality of UNRWA schools relative to the two other types of schools already more than ten years ago. However, these statistics could also have other explanations, first among them population growth, as it has been impossible for UNRWA to keep pace and offer educational services to the same share of Jordan's *total* Palestinian refugee population as before. The emphasis is still on the refugee camps and thus the most disadvantaged of the refugees.

UNRWA has modernised its **health services** by introducing the family health team approach (starting in 2011) and e-Health (electronic medical records) to provide better and more efficient services. The former reform, reorganising services, has contributed towards the quality of services and allowed UNRWA to meet growing needs. However, provided more resources and the coupling of the family health team approach with stronger gender and vulnerability analysis, UNRWA has the potential to deliver even better services (Blight et al. 2021). The latter reform—the introduction of an electronic health information system—aims at improving the quality of services by allowing more time for consultations as well as saving time and office space. Some positive impacts have been observed, such as better use of mother-and-child health care. If e-Health is fully developed and properly used, both the beneficiaries of health services and UNRWA health personnel can expect to gain immensely (Dominguez-Gonzalez 2016; Ballout et al. 2021).

UNRWA provides both preventive and curative health services, but with limits. For example, whilst mother-and-child health care is universal, some specialist health care treatment, including at hospitals, are not supported, or only partially covered. Whilst past surveys have shown general satisfaction with UNRWA's health services, those with chronic health failure have consistently been less pleased than other patient groups (Tiltne & Zhang 2013), possibly because many of them demand more health care than UNRWA offers. The Agency primarily serves the most disadvantaged Palestinian refugees, people who, despite faring well on some indicators (Alduraidi et al. 2020), have weaker overall health than the refugees who are economically better off.

Our interviews have suggested that the quality of UNRWA's health services has eroded in recent years, particularly affecting women's health. However, we have not found evidence to substantiate such claims and UNRWA reports post-COVID “gradual improvement in performance indicators” (UNRWA (2022): Dept. Of Health Annual Report 2021). A main worry of the Agency, though, seems to be that maternal and infant mortality rates remain relatively high (same as previous UNRWA reference + van den Berg et al. 2018). Since UNRWA does not provide a comprehensive coverage of health services and due to wider and deeper poverty amongst its constituents, UNRWA is most likely going to face an even stronger demand for and pressure on its health services in the future. Unless UNRWA's funding crisis is overcome, this may have negative consequences for the future health and well-being of Palestinian refugees.

3C) Palestinian refugees' relations to UNRWA

Palestinian refugee relations to UNRWA are based on at least four strands: 1) As registered refugees recognised by the UN; 2) as health clients, pupils, students; 3) as aid recipients; and 4) as employees (teachers, doctors, nurses, social workers, bureaucrats, drivers, sanitation workers, etc.). These are complicated relationships characterised by feelings of loyalty, identification, dependency, disappointment, fear and distrust. In the following, we will comment on some of these factors.

UNRWA relies on a local workforce to manage its services, making it a major employer. 95% of UNRWA employees are Palestinian refugees (Fiddian-Qasmiyeh 2019: 35; Farah 2009). This sets UNRWA apart in the UN family since other UN agencies rely heavily on international staff, and often contract local NGOs for operational activities and services. For host countries, Palestinian employment in UNRWA represents a major element of “stabilisation”, as one employee will support many family members. For many Palestinian employees, UNRWA has been a provider of stable income, but years of austerity measures have deeply affected them with respect to access to employment, terms of employment and security of income (Fiddian-Qasmiyeh 2019). For refugees in Lebanon, UNRWA is often the only provider of formal employment.

The insecurity of employment, employment conditions, UNRWA budget cuts and the threat of further cuts deeply impact the refugee community and their sense of security and stability. One factor that triggers fear and insecurity is bad communication, and it seems that many Palestinian UNRWA employees as well as individuals and organisations in the wider refugee community consider the information and communication efforts by UNRWA to be substandard. According to several interlocutors, information about austerity measures, budget reductions and other policy decisions affecting beneficiaries and staff is often dropped onto the refugees without dialogue and consultations leading up to them. The way UNRWA messages budget cuts towards the refugees, often via media, increases the sense of instability, especially for those with precarious and unreliable resources. While many refugees and employees profess a strong loyalty to UNRWA, many also harbour a deep sense of mistrust toward the agency, and rumours, leaks, and fears are common. Refugees may fear that budget cuts are linked to a liquidation of UNRWA. At the same time, many Palestinian staff are members of labour unions, which sometimes strike to protest UNRWA policies. While Palestinian employees may be disciplined or fired, local staff demands cannot be ignored, and weak trust between refugees and UNRWA is one of many factors that makes UNRWA reforms difficult.

The unequal power distribution between top-level international staff and local staff represents a decade-long source of tension within the Agency.¹² Many identify UNRWA's leadership with outside powers, and refugees may not think that their interests are the organisation's top priority (Schiff 1995: 276). From the point of view of refugees, it appears that the UNRWA leadership gravitates towards the demands of international donors and host countries rather than needs and claims of the refugees under their purview. This can be understood as UNRWA walking a tightrope between the demands of different stakeholders, including the need to be perceived as neutral.

Beyond budget cuts and the structural setup, one important underlying reason for the lack of trust and credibility is that UNRWA does not adequately engage with the refugees, thanks to a lack of genuine representation of refugees within the Agency (Dumper 2016; al-Husseini 2012; Farah 2009). Palestinian refugees are the main stakeholders and are UNRWA's backbone. In recent years, UNRWA has developed tools and mechanisms for engagement with refugees, e.g., school parliaments, parent-teacher associations, school health committees, etc. But according to numerous interlocutors, UNRWA should strive to become more accountable to those groups, and take serious initiatives to build stronger relationships, mechanisms of representation with them and accountability to them. There are existing models that UNRWA could emulate, such as the UNCHR, which has taken steps to increase participation (such as “Nothing about us without us”). It is important to ensure that such

12 Historically, confidence in UNRWA was undermined by efforts to cut rations, but also the enforced depoliticization of schools, and the Agency's compliance with host and occupying state demands (Schiff 1995: 274).

initiatives are not tokenistic, but rather meaningful modes of representation that can lead to increased participation and ownership. Ideas and initiatives already exist in the diverse refugee communities. Participation, including critique of UNRWA, might eventually strengthen the organisation.

4. UNRWA and the host countries

4A) *The refugee question in political negotiations*

The Palestinian refugee question was core to the Israeli–Palestinian conflict from the get-go. After the 1948 war, the refugees became less present in the negotiations, but with time the Palestinians became more significant players in regional politics. The Palestine Liberation Organization (PLO) was founded in 1964 and the PLO’s core constituency was the Palestinian refugee communities. The right of return was the core Palestinian demand. Until the Madrid (1991) and Oslo (1993) processes, the Palestinians were excluded from the peace process and the PLO was thus unable to push the right of return in negotiations. When the PLO finally participated in talks, they concentrated on state-building in the occupied Palestinian territory (oPts) rather than on the right of return. They did not abandon the demand, but it became a final status issue (Hovdenak 2009). It was put to the Refugee Working Group as part of the multilateral process. The PLO leadership’s return to Palestine and the establishment of the Palestinian Authority (PA) meant that their core constituency ceased to be the refugees outside Palestine, but primarily the Palestinian population in the oPts. It was the PA, rather than the PLO, which thence represented Palestinian interests. The refugee issues were then marginalised. While the US-led peace process continued for decades after the Oslo agreement, it led nowhere and albeit discussed at Camp David in 2000, the final status issues were never properly addressed (Quandt 2005). The Donald J. Trump presidency was a game-changer. The peace process was called off and replaced with a coordinated discussion between the Trump and Netanyahu governments resulting in a final status proposal, which cancelled the Palestinian demands for a just solution for the refugees. The Palestinians rejected this proposal. Since then, both Israel and the US have disengaged from negotiations with the Palestinians.

4B) *UNRWA, host countries and regional politics*

Any discussion of UNRWA’s situation and future predicament must take into account the broader political context in the region, and in the host states. Host countries are very concerned that comprehensive reforms of UNRWA might imply the start of the organisation’s liquidation and perceive (large) budget cuts and mandate amendments as “red lines”. This is something UNRWA and donors must consider and affects the potential for modifying UNRWA. There are many reasons why host states are careful about breaking with the Palestinian position, and one is that Lebanon and Jordan have experienced wars with the Palestinians. While “host countries share the Palestinian narrative, [they] sometimes view the refugees as much as potential security risks than productive contributions to local society” (Brynen 2014: 264). This is true in the context of the refugees’ rights (citizenship, economic possibilities) and in the political engagement between the host regimes and the refugees. As will be shown below, the refugees have been subject to various discriminatory systems, from “quasi-parity in Syria to complete marginalisation” in Lebanon (Al-Husseini & Bocco 2010, 261). While host states have shown generosity to the Palestinian refugees over many decades, their main concern is their own stability and national security. The unresolved refugee question continues to be one underlying reason for the lack of regional stability, and this also entwines with complex politics in host countries and beyond. In camps, human security is often frail due to poor living conditions, but also because political forces play out in vastly different ways both inside and outside many camps (Salamey & Tartir 2022).

In the following, we summarise Palestinian refugees' status in the host states.

Jordan was a core PLO base until the 1970 civil war when the organisation was expelled. Jordan has remained the largest host measured in the number of refugees and is often considered the most stable host state with a peace treaty with Israel (1994). Jordan's position means that it is often mentioned as the one host where changes can be made to how UNRWA functions, but in Jordan the concern of most political actors is to maintain the status quo and national security. UNRWA is a major foreign policy issue for Jordan, as is keeping UNRWA service delivery, and the country fears bearing the full cost for the refugees. As US partner in the fight against terrorism, the US is not likely to put demands on Jordan. Jordan is thus often seen as not only the only functioning government partner of UNRWA and the donors, but also as a guardian of the status quo since crossing the red-lines will so adversely affect the Kingdom.

Since 2011, Syrian refugees have put a heavy toll on Jordan, which is a poor country that is heavily dependent on foreign aid. Any risk of aid reductions raises national concerns that the country's economic problems will grow significantly. Palestinians have both received citizenship and retained their refugee status. Their citizenship is considered temporary with a lower legal value than that of so-called East Bank Jordanians. "Hyphenated citizens" has been used to describe their rights (Albanese & Takkenberg 2020: 200). This is especially true for those who came from the West Bank in 1967 who are considered to belong to the PA's jurisdiction, and many have had their citizenship revoked. Those who fled from Gaza in 1967 (the "ex-Gazans, who number between 160-180,000) never acquired Jordanian citizenship.

The **Palestinian Authorities** are divided between the Fatah-led PA in the West Bank and Hamas in Gaza. From the perspective of the USA and the EU, and many other states, the legitimate Palestinian Authority is the PA, and they do not engage with Hamas. Both the PA government in the West Bank and the Hamas government in Gaza have far outstayed their electoral mandate. The most recent attempt at holding Palestinian elections were cancelled in 2021. Both governments have become increasingly autocratic and aid-dependent (Robinson 2016; Tartir 2016; Baconi 2018, 2021; Roy 2007; Keating, LeMore & Lowe 2005). The overall status of refugees in these areas is complicated because the oPts are highly fractured and operate under a complex set of systems. Gaza has been under an Israeli blockade since 2007 and run by a Hamas administration, while formally administered by the PA. East Jerusalem was annexed by Israel, but Palestinian refugees living there have not received citizenship. The West Bank is divided into Areas A, B, and C. The refugees there only have residency permits and are often stateless (Albanese & Takkenberg 2020: 227-244).

The blockade of **Gaza** has made UNRWA's role larger and increased its salience (Dumper 2020). The Agency depends on Hamas to operate in the enclosed strip. According to interlocutors, Hamas considers the liquidation of UNRWA a "declaration of war". UNRWA is seen to be existential for Hamas' ability to govern the strip, since it provides services that Hamas would otherwise be responsible for. Hamas is powerful in several camps. On the **West Bank**, the Palestinian political leadership is powerful in some camps. Recent examples from Jenin and Amari camps show that cuts in UNRWA services worsen the relation between the camp population and the Fatah-ruled PA (and Israel), and with UNRWA. In some cases, camp committees may contribute to keeping the calm, and protests against the PA are more likely in camps where Fatah is weak. As a result of budget cuts, both "protests of misery" and political protests are likely, according to several interlocutors. The PA considers camps and UNRWA to be essential for long-term negotiations with Israel.

Syria is in a decade-long civil war with no end in sight, and Palestinians have been stuck in the middle of the fighting. This, of course, is a difficult landscape for Palestinians to navigate. In humanitarian terms, the refugees are heavily dependent on humanitarian assistance. The Assad regime and other militant actors have politicised this aid (Wieland 2021). Prior to the civil war, Palestinian refugees had similar rights to Syrian citizens but lacked formal citizenship. There were limitations on their right to buy arable land and some categories of Palestinians required special travel documents and were barred from re-entry if they stayed abroad for more than six months.

Lebanon has been one of the most precarious sites of refuge but also housed the PLO headquarters for many years. The Palestinian camps were central arenas for fighting during the civil war and the Israeli invasion. The Lebanese government keeps out of the camps, only guarding their perimeters. The refugee camps function as autonomous areas, as formalised through the PLO–Lebanese 1969 Cairo agreement. After the Oslo treaty, the PLO largely left the Lebanese camps to their own devices, leaving a power vacuum which was to some extent been filled by criminal gangs and militant groups. In recent years, the PLO has reimposed itself on the camps, but prospects for including the Palestinian refugees in a national political process are non-existent (Sogge 2021). Palestinians in Lebanon do not have citizenship, they have limited mobility rights outside the camps and there are specific regulations excluding them from the formal labour market and the social security system.

Israel is the elephant in the room in discussions about UNRWA. It is not a host state despite the fact that refugee camps in the West Bank and Gaza are under Israeli occupation and blockade. Israel’s multi-layered legal structure complicates this. Since Israel annexed East Jerusalem, UNRWA operates in areas covered by Israeli law but that are not recognised as part of Israel by the international community (which considers the annexation of East Jerusalem illegal). The Shu’fat camp in East Jerusalem illustrates this. It is located in an area under Israeli law but the Israeli-built “separation wall” has physically excluded the camp from Jerusalem, placing it in limbo. When it comes to the durable solution perspective, repatriation is an Israeli red-line, as it rejects the notion of refugee return. The international community has, in practice, accepted Israel’s position despite the fact that it goes against international law. UNRWA must cooperate with Israel to operate in the oPts, and they therefore hold regular meetings. The Commissioner General meets the Israeli MFA and diplomats, and the relationship is mainly described as strained.

5. UNRWA, the UN and international donors

5A) UNRWA and the UN

UNRWA’s position is a reflection of its unique position within the UN family and its temporary mandate. It is a UN body whose mandate applies to one population group, the Palestine refugees, in a field covered universally by another UN body, the UNHCR. UNRWA is unique as a UN organisation in that it delivers services directly to the refugees, not by sub-letting to NGOs, etc. UNRWA is a “subsidiary organ” of the UNGA and the Commissioner-General is an Under-Secretary-General of the UN responsible to the UNGA for the “operation of the programme”. UNRWA reports directly to the UNGA as one of only two UN agencies to do so¹³ and does not have a constituent instrument or a statute (Bartholomeusz 2010: 453–454, 473). The Advisory Commission (ADCOM) meets twice a year, and it is tasked with giving advice and assistance to the Commissioner-General. It is made up of 29 members and four observers, representing donor countries and host countries. The Sub-Committee (SUBCOM) assists ADCOM and meets more regularly.

5B) The current funding model

UNRWA has three funding portals, and these are the “Programme Budget”, “Emergency Appeals” and “Project Budget”. Basic education, health services and RSS are covered through the Programme budget, and staffing for most programmes is covered under this Budget.¹⁴ The Programme Budget thus comprises recurrent staff costs, with education (USD 493 million, 60% of the total) and health (USD 123 million, 16% of the total) as major expenses. In 2021 this budget was USD 806

¹³ The other agency is the United Nations Institute for Disarmament Research (UNIDIR),

¹⁴ This includes teachers, health workers, protection and infrastructure staff, including a large contingent of sanitation workers, but not staff working on the EA, who are EA funded.

million, in addition to USD 75 million carryover from the previous year. The Emergency Appeals are humanitarian responses to ongoing crises, such as those in Syria and Gaza. The third part is the “Project Budget” at USD 172 million in 2021, which typically covers camp infrastructure upgrading and technical assistance to support reforms.

One of UNRWA’s key features is that it is almost entirely dependent on annual donor funding. Annual funding is generated from two types of sources: Individual donor countries (including the EU) and Non-Governmental Support, which also includes UN funding. The Commissioner General is responsible for fundraising, as there is no responsible governing board nor mandatory assessed contributions. The only regular part of UNRWA’s funding that comes from the UN’s assessed dues are the salaries of the international staff (see scenario 8). Of its slightly under 30,000 staff, only 253 UNRWA employees are such international staff. Of these, 201 are funded through UN assessed dues and 52 through other funding schemes (Correspondence with UNRWA, 2022).

Some parties consider the existing annual funding model to be acceptable, due to UNRWA’s “temporary” character, and argue that it ensures that UNRWA’s work is continually under scrutiny and subject to debate and pressure, keeping the Palestinian refugee question high on the agenda. Years of underfunding with negative repercussions seem to make this assumption a mistaken one (Dumper 2020). After more than 70 years, short-term funding is a serious challenge for UNRWA as the Commissioner General and the staff continuously must chase funds for ongoing operations. This is highly time-consuming and unpredictable, in particular as the organisation is so vulnerable to the political weather. It is likely that the international community will remain responsible for UNRWA’s mandate in the foreseeable future, and the Agency needs more predictable and sustainable funding. Multi-year funding would increase UNRWA’s sense of stability, oversight and ability to plan. With multi-year funding, UNRWA’s programs and projects would be funded on a medium-term basis, and added benefits could be recognized procedures, training, security of employment, and evaluations used to optimise the delivery of its services (Dumper 2020). For years, UNRWA has voiced a need for multi-year funding, and in 2021 there were 29 multi-year donor agreements. Amongst the top-donors, Norway, the UK, the EU and Sweden currently provide multi-year funding and argue that more donor states should follow suit. A significant obstacle to this funding model is that donors have annual budgetary systems nationally that might not allow multi-year commitments. This includes the US, which has traditionally been UNRWA’s largest donor.

Lack of a just political solution to the Palestinian refugee question, demographic growth (the “youth bulge”), and widespread and presumably increasing poverty and vulnerability imply that UNRWA’s budget must grow if it is to continue delivering services at the current level. Population growth may not have the same strong effect in the West Bank and Jordan, where UNRWA’s services primarily target the population residing close to its service points, as in the other three areas, where services cover nearly all Palestinian refugees. Out-migration may also affect this. The pressure on schooling will be particularly strong in Gaza, where fertility is the highest. Furthermore, the Palestinian population everywhere is aging, a trend that increases the need for regular health services since the elderly have chronic health problems more often than younger people.

5C) Trends in donations

International donors have contributed generously to UNRWA since the beginning, often despite difficult domestic budget negotiations. UNRWA’s current funding problems reflect the challenge of upholding such funding over time. Over the past ten years (2012–21) we see noteworthy trends amongst the key donors. In a typical year the top 5 list of donors is composed of the USA and a combination of European states and the EU. The US is typically on top with USD 300–350 million, whilst the EU stands at around USD 150–200 million. Individual high contributing European countries, especially Germany, the UK and Sweden, stand at USD 30–100 million annually. The US has typically been a stable donor, but due to the Trump cut in 2018 US aid fell to USD 60 million (2018) and to zero (2019), before reverting to USD 338 million (2020 and 2021). This means that

Europe and the US have carried the largest financial burden, whilst a few Arab countries (Lebanon, Jordan, Syria, oPts) have carried the burden of hosting the refugees.

Outside Europe and the US, Saudi Arabia has varied its funding levels greatly, at times being amongst the top-donors whilst at other times giving very little. Looking at these ten years, Saudi Arabia gave from USD 12 million in 2012 to USD 160 million in 2018, before dropping to zero in 2021. Apart from Japan, which is in the USD 20-50 million range, the non-Arab Asian countries are remarkably absent. While the cut in US funding has received plenty of attention and criticism, the cuts in the funding from the Gulf countries have received far less scrutiny. As a group, the Gulf countries first grew from USD 17 million in 2012 to representing a stable source in the USD 141-177 range (except 2017 when they dropped to USD 77 million) and peaked in 2018 at USD 316 million, contributing greatly to fill the US gap (and probably due to US pressure on these states to increase funding in their absence). After that, their collective contribution plummeted to USD 149 million in 2019, USD 38 million in 2020 and USD 29 million in 2021. For many—but not all—years, Gulf countries have contributed more project funding than core budget funding. While their contributions can be large, they have seldom been counted on to fill the core budget gap.

A significant portion of the UNRWA budget comes from non-governmental support. This includes private sector funding, such as individual donors, international organisations, including from UN assessed contributions (almost half of the funds), donations from large banks and various zakat charities, to mention some. The total amount of such donations amounted to USD 75.3 million in 2021. The range for such donations over the last five years is from a low of USD 59 million (2018) to a high of USD 101 million (2020). (UNRWA, Contribution 2012-2021).

5D) *The politics of funding*

UNRWA has an underlying funding paradox: it has overwhelming political support in the UNGA through the regular renewal of the mandate, but money does not follow automatically from that support. While Palestinian refugees consider UNRWA to represent the international community's responsibility for the refugee question, donors generally have not funded UNRWA from a rights perspective or as a recognition of historical wrongs. Most donors fund it out of more pragmatic reasons and to support regional stabilisation (Brynen 2014: 264-278).

While some donors do indeed fund UNRWA to support basic human rights, others mention the far more mundane reason of funding being a result of the habit of having done so for decades. Stabilisation has persisted as a major rationale for supporting education, health services and the employment of refugees. One desired effect is to prevent radicalisation in the refugee camps, but the relations between aid and de-radicalisation warrants a few comments.¹⁵ When, on the one hand, donors seek to prevent radicalisation and, on the other hand, pressure to cut in UNRWA services, such as vocational training, this is a contradiction. In places like Gaza and Lebanon, very little is on offer for youth, and vocational training can be powerful because the refugees learn a useful labour skill. Palestinian refugees are part of a young and growing population, living in vulnerable conditions without basic human security, and with highly insecure future prospects (Chatty 2009; Hart 2022). Instead of threatening to cut, donors should consider investing in human and social security for refugees to build a fundament for better lives, and a future. It should be noted that framing funding to UNRWA to prevent “radicalisation” may be understood as a dehumanising discourse since access to basic services is a human right.

Rex Brynen (2014: 267-274) presents the paradox that most donors have not criticised the political and economic isolation of Gaza since 2007, but instead fund UNRWA to deal with the negative economic and social consequences of Israeli politics. Moreover, the security establishment in Israel has often seen UNRWA as a stabiliser and supporting Israel's security interests while right wing politicians

15 While poverty, unemployment, marginalisation, prolonged injustice, human rights violations, etc. may be conducive conditions, the drivers of radicalisation are complex, depending also on individual motivations, political organisation and dynamics—for example the role of individuals (Salamey & Tartir 2022). Research on de-radicalisation points to the importance of validation, incorporation and pathways to citizenship.

have tended to criticize UNRWA and seek its end. One interlocutor pointed out that there are “a lot of contradictions in UNRWA, but the solution is not to abolish it. The blockade would not stop if you stop funding UNRWA, it would only mean more human suffering”. Economically, UNRWA is considered cost-efficient compared to other externally financed agencies and the pressure for cuts and reform cannot be understood as being merely about money. As this report has highlighted, it is also about what many consider a “too political” agency, with UNRWA being perceived as a “carrier” of the unresolved and contentious Palestinian refugee question. Another challenge worth mentioning is that funding to UNRWA has been seen as serving a function in working towards a two-state solution, but as the peace process has collapsed that type of argument has gotten reduced traction in the donor community. In global politics, Palestine is currently considered less important than it had been before.

Conditionality of aid provides another example of how aid to Palestinians is politicised and relates to UN neutrality standards with regard to incitement, resistance, terrorism. To meet these demands, UNRWA has implemented training, a digital anonymous reporting system and vetting of staff (UNRWA, Non-Paper on The Principle and Practice of Neutrality, n.d.). UNRWA has zero tolerance for incitement, but this can be hard to control. While these steps may help secure funding in US Congress, and in some cases provide a healthier teaching environment, they may also be deeply problematic since the line between neutral and political is difficult to draw.

Political attacks on UNRWA have increased over recent years, especially in the repeated criticisms of school curricula. These serve to delegitimise and weaken UNRWA and lead to severe repercussions. It endangers annual funding, and is time-consuming both for donors and UNRWA alike. Over time, the combined effect of criticism and demands for cuts may in practice reduce the Palestinian refugee question as an international refugee question and should be considered as an attempt to “de-internationalise” it. Comparatively speaking, funding for UNRWA is a “drop in the bucket”, and a number of interlocutors point to a larger political agenda of some governments. That these attacks on UNRWA happen while Israel is enacting a policy of an informal annexation of the oPts and tightening the occupation (International Crisis Group 2019; Lynk 2022) leads some to argue that the pressure to cut UNRWA’s funding indirectly supports Israeli politics.

5E) Funding crisis, austerity measures, and the current funding gap

The funding crisis is not new to UNRWA. In his seminal work on UNRWA, Schiff (1995: 115) argued that “if money is the organization’s lifeblood, since 1956 UNRWA has considered itself anaemic”. In the 1970s the education programme was several times put on the block, threatening school closures, but operations were saved by additional contributions. As a pattern, during a war or a crisis, funding often increased, then plummeted once the crisis ended. In the 1980s and 1990s, as a result of reforms, multiyear program budgets, more accurate program descriptions and cost estimates, budgets were more stable (Schiff 1995: 126-136). Since the 1990s, austerity measures have been a recurring feature (Fiddian-Qasmiyeh 2019: 32). UNRWA has implemented wide range of austerity measures. Over the last few years (2015-2022), these include increased teaching load per teacher; increased number of students per class; temporary cancellation of annual salary step increments; hiring freezes, including on replacing retired personnel; and procurement stops, i.e., no new IT equipment, vehicles or phones. Costs cut through these measures have been significant. According to an UNRWA estimate, the cumulative costs saved from 2015 to 2020 total USD 722 million (UNRWA, Summary of Cumulative Costs saved since 2015).

In spite of long-term austerity measures and reforms, at the end of 2021, UNRWA had a total 8% funding gap in its Programme Budget. The budget gap is between USD 60-100 million in recent years, and it has been repeated over many years. UNRWA has often been saved by donors who expedite the sum from next year’s budget and carry over liabilities to the following year, even though both measures add further financial burden to the budget the following year. UNRWA is under pressure to close the expenditure gap and balance budgets, but also to present a model for more sustainable future funding.

As described under Section 2, the cost of operations increases every year. As UNRWA provides quasi-state services, about 85% of its costs are personnel expenditures, and any substantial cut to the budget will entail job losses at high political cost and high political risk. There would also be a high financial cost as staff are mostly on fixed term contracts, so severance would have to be paid.

As demonstrated above, UNRWA budget is divided into three parts. All three face underfunding, but it is the Programme Budget where the funding gap is the most serious, as this budget is the backbone of operations. It covers salaries and faces both structural underfunding and cash-flow constraints. A particular aspect of the cash flow challenge and delays in salary payments, or employment cuts, is that unpaid or newly unemployed UNRWA staff are likely to trigger an organised response from UNRWA unions, such as a strike. It is important to note that there is a difference between the reactions UNRWA unions may have to budget cuts and those of the broader Palestinian refugee population. In some instances, these can coincide, whilst in others they may not.

5F) Donor perspectives

There has been a stalemate between UNRWA and donors over responsibility for cuts, and this theme deserves mentioning, as it is key background to scenarios 1-6 below. Often, donors consider that even minor cuts are helpful in making the budget gap smaller and that there is a potential for further cuts and increased efficiency. Many donors expect UNRWA to signal cuts, and some argue that UNRWA should do less. Some donors describe UNRWA as “unwilling” to make cuts, and are frustrated that it keeps complaining about a lack of funds. Some see the dialogue with UNRWA as difficult. Moreover, many donors feel that UNRWA does not provide them with full transparency. This includes both insights into UNRWA’s risk analyses of specific cuts and about data on the quality of services compared to global standards. Donors may not be fully aware of the risks that follow from cuts, and some seek more political insights from UNRWA. Information from UNRWA is sometimes described as vague, and some argue that UNRWA’s budgeting is “opaque”. According to one interlocutor, some donors see UNRWA as a “degraded organisation” and that funding it is like “filling a punctured bucket”. According to some international donors, UNRWA keeps postponing making the necessary hard decisions, thereby postponing “the inevitable”, i.e., many small, or some large cuts and reforms or needs-based health and education (as discussed in scenarios below). Some argue that there is no potential for increased funding, and that even stable donor countries might reduce their funding in the future. Adding to donors’ funding fatigue is the fact that processes have been implemented over many years to get UNRWA out of the vicious funding cycle, but UNRWA has not gotten any closer to closing the gap or to perceived “sustainability”.

UNRWA and the refugees experience this type of donor messaging as deeply problematic. They feel that donors do not want to hear about refugees’ needs and rights, insisting simply that UNRWA must “change”. According to one interlocutor demanding UNRWA to change or cut is like “shooting at an ambulance” since UNRWA is already running at the minimum. The emphasis on stability implies that core donors insist on not touching UNRWA services and assistance in Gaza, Lebanon or Syria. As some of the scenarios below show, this often leaves the West Bank and frequently Jordan highlighted as the main options for potential cuts.

UNRWA has become such a deeply politicised topic that debates about funding UNRWA often follow left-right political divides within some donor countries. The effect of the Israeli position is also important to keep in mind. The current Israeli government does not appear to actively lobby against UNRWA in the same way as the Netanyahu governments did in the past, but there is an upcoming Israeli election and lobbying against UNRWA may once again increase. Various election outcomes in Israel and donor countries might have rapid negative impacts on donor trends.

In the EU there are disagreements about UNRWA. While some states see it as a vital organisation and donate large amounts, others are far more sceptical, and some occupy a middle position – both providing large amounts of money and taking a lead in criticising the UNRWA textbooks. In the US the domestic disagreement over UNRWA has intensified over the past few years. Traditionally both

parties have been stable donors to UNRWA, but under the Trump presidency this became so politicised that many fear that the US will stop funding UNRWA again if Republicans retake the presidency, or even just Congress. When it comes to the Gulf states that have recently pulled back, there are reasons for inconsistency. On the one hand it may be due to fear of “Arabising” funding to a refugee question they consider a European responsibility, but on the other and more importantly, most Gulf states base their funding explicitly on political relations, interests, and particular strategies of aid.

UNRWA, however, expects advice from ADCOM or the UNGA. In practice, UNRWA has suggested cuts, but there are also numerous examples of donors suggesting concrete cuts. The fear in UNRWA of future US aid cuts, along with pressure from donors to close the gap, has led to an increased sense of urgency in UNRWA. Out of a sense of responsibility to prepare the Agency for possible major cuts, internally UNRWA has considered models of operations to accommodate radical cuts, while knowing that such models would be politically unacceptable. UNRWA’s ability to manoeuvre between the sometimes entirely contradictory pressures of refugees, diverse hosts, diverse donors and staff, is limited. While the Agency’s core mandate is to support Palestine refugees, the voice of the refugees is often in a small minority amongst the many other pressures brought to bear on UNRWA. A number of interlocutors argue that UNRWA has a strong sensitivity to upsetting donors, and some argue that UNRWA could do better “throwing the ball to the other side” and presenting to the international community more convincing visions for the future. It should also be underscored that the views of donors are not homogenous and sometimes diverge in striking ways.

PART 2: SCENARIOS

This section provides a brief presentation of 12 hypothetical scenarios going forward for UNRWA and discusses challenges and potential reactions, before we follow up with a more overarching concluding discussion. The first seven scenarios include variations of cuts and reforms, and they are all variations of scenarios built on the premise that UNRWA needs to close the budget gap, and are one that either donors or UNRWA itself have explored. Without improving the funding situation, the reality of these scenarios is that they range from bad to worse in terms of their impact on the refugees and the region hosting them. The final five scenarios identify hypothetical political developments that may directly affect UNRWA, including changes in the political or legal structures UNRWA operates within. The scenarios cover a range of issues and their likelihood and implications are affected by political dynamics, ongoing trends, donor behaviour, changes in demands on UNRWA, risks facing the Agency and the Agency's ability to respond.

The scenarios are hypothetical, and their consequences are uncertain. It is unlikely that any one scenario would happen in isolation or exactly as described, and some of them could come in different configurations. A major caveat is that human behaviour is impossible to predict, and that any of the scenarios may have different outcomes than outlined and may lead to unforeseen consequences.

1. UNRWA continues like today: “muddling through”¹⁶

The current practice is a zero-growth budget¹⁷ made to manage UNRWA with cuts here and there, implementing austerity measures, taking up loans, reducing expenditure on staff, hiring daily-paid employees even for filling permanent roles (e.g., teachers), and leaving vacant positions unfilled. This strategy is the default UNRWA strategy not because it is sound or strategic, but due to the need to cut costs and because “red line policies” make other options politically much more difficult. In spite of substantial savings, zero-growth is a detrimental policy, because needs, prices and the refugee population continue to grow. Both UNRWA as an organisation, its employees and the refugees under its care continue to suffer under this strategy, and cuts one year will be followed by new cuts the next without making UNRWA more cost-efficient. It is a short-term solution to manage a cash-flow crisis and does not address underlying structural problems. Continuing as it is today, UNRWA cannot break out of the current stalemate and improve services. Continued budget cuts will undermine and erode the quality of services in all programs as well as UNRWA's infrastructure, leading to heightened future costs. Currently, and in this “muddling through” scenario, there is not enough money to evaluate services or to ramp up attempts to mobilise more alternative funding. The consequences of this scenario for UNRWA include deteriorating working conditions, teachers on daily and temporary contracts, poor infrastructure maintenance and overburdened staff. While staff is UNRWA's single largest cost, it is also UNRWA's largest asset, so these cuts have adverse effects both on refugees needing basic services, individuals and on the organisation itself.

Continued austerity measures will undermine UNRWA's role as supporting the status quo. As highlighted above, years of austerity measures have meant that huge cuts have already been made. We see two inherent dangers in thinking about that sum (from 2015-2020 accumulative costs saved through austerity measures total USD 722 million, see section 5e). The first is that while some of these cuts were good reforms, such as streamlining the organisation, others have negatively affected the quality of what UNRWA provides. The other danger is that some donors see that sum and think that this illustrates that there is always more room for cuts. We contend that the opposite is the case. Having made such deep budgetary cuts, UNRWA is effectively cut to the bone, undermining existing services.

¹⁶ Mick Dumper (2016) refers to “muddling through” scenario as “continuing the attempts to increase annual contributions and to diversify the donor base, and pushing the social compact/multiyear agreement approach.” In this report, we use “muddling through” to refer to continued austerity measures and zero-growth budgets, and otherwise keeping funding mechanisms and fundraising as they are today.

¹⁷ Overall, the budget has increased by 100m since 2017, although budgets were frozen from 2020-2022.

As we have highlighted, the political situation is particularly unstable in Gaza, Lebanon, and Syria, and UNRWA provides a modicum of basic social security in these places. In this context, continued financial cuts exacerbate instability, infringe refugees' basic human rights, and erode basic building blocks for a functioning society. Likely consequences of the "muddling through" scenario include high unemployment, dangerous migration to Europe, as well as people resorting to coping mechanisms such as child labour and child marriages, both of which may lead to increased school drop-out rates. In Gaza, the population is often completely dependent on assistance and services provided by UNRWA. In Syria and Lebanon too, UNRWA services are essential for the camp population, and further cuts are expected to lead to serious hardship and protests. Continued budget cuts could also have serious repercussions on the West Bank and in Jordan, where UNRWA mainly serves poor people in the Palestinian refugee camps. In both areas, refugees and host countries might have no choice but to accept further smaller and gradual cuts, and one should expect minor, periodic protests. In the future, shrinking resources could worsen relations between camp populations and, for example, the PA, and higher fragility of human security will affect Palestinian refugees lives directly and may have ripple effects also on relations with Israel.

2. Other UN agencies operate selected UNRWA services

This scenario involves the transfer of certain tasks to other UN agencies, so-called "enhanced partnerships". A version of this scenario was hinted at in UNRWA Commissioner General Philippe Lazzerini's Ramadan message to the Palestinian refugees in April 2022. The reaction was strongly negative from hosts and the refugees, and it seems that this idea has been abandoned for now. It is still included here as a scenario, because it is an option that has been seriously discussed in various fora. An example of how this could function would be that international donors fund WFP to manage food and cash assistance programmes in some fields. This strategy was explored because UNRWA is under heavy pressure to reduce costs and reform.

As opposed to the "muddling through" scenario the totality of services could be salvaged, and UNRWA's main achievement could be to preserve refugees' access to the specific services. In the short term, this could contribute to closing UNRWA's funding gaps, but donors would have to channel funding for Palestinian refugees to other UN agencies instead of UNRWA, and it would not imply any cost cuts for them. This model would not make UNRWA or the actual programmes more sustainable, it would rather be a more complicated and most likely a more expensive way of delivering the same services simply because donors are unwilling to fund the current model. While pleasing donors who may fund other organisations that are considered less political, this strategy can have higher costs than benefits and would institute "paper changes" at a high political cost. Some interlocutors are concerned that other UN agencies may be less stable than UNRWA and that host governments will eventually become responsible for the transferred services, confirming host countries' fears. Some donors find this scenario attractive, but refugees strongly oppose it. "Enhanced partnerships" would represent a major structural transformation of UNRWA, which would undoubtedly raise the question about the liquidation of UNRWA and the Palestinian refugee question and would lead to protest and tension across the fields.

In the unlikely event that such a scenario is pursued, UNRWA would need to clarify questions that will inevitably arise: Is it a temporary structural change until funding is secured? Will the categories of "beneficiaries" of, for example, food or cash assistance change? How might refugees be affected? What is the scale, scope and possible savings for UNRWA? With this approach, will international donors be more willing to fund remaining UNRWA key services, such as education and health? What will be the role of UNRWA within these partnerships? Is it a de facto handover of responsibility, or is it done on behalf of UNRWA, and, over time, what would be the difference? Does it imply a change of UNRWA's mandate? Long-term political implications of such a scenario depend on the answers to these questions.

It is important to note that UNRWA has longstanding partnerships with other UN agencies such as UNESCO, WHO, WFP, UN Habitat, UNFPA, UNICEP, UNHCP, and various NGOs, and such partnerships are a key pillar under the current Medium-Term Strategy. The existing partnerships are of a different nature than the “enhanced partnerships”: they are complementary, and often quite small in size. They add to UNRWA’s often rudimentary services and aim to fill gaps in UNRWA service delivery. UNRWA should improve its cooperation with these, and donors should step up funding to them (see scenario 8). Emerging fields should be explored in close collaboration with refugee communities’ initiatives, such as environmental sustainability, rooftop and urban gardening, solar panels, etc. This could be one step to help improve food security, cut electricity bills and reduce aid dependency.

3. UNRWA without RSS and Emergency relief

This scenario would involve an in-depth reform of the UNRWA structure in which UNRWA will keep its education and health programmes, but leave all humanitarian assistance (Emergency Appeals/RSS) to other international organisations.

This would be a radical reform, but UNRWA would retain similar budgetary demands on education and health, which make up the bulk of current budgets. These are both covered by the Programme Budget, which is what some donors are the least interested in funding. Moreover, the cost of such a transition would be high, and although one might foresee a takeover of staff, it is possible that having other agencies provide these services would actually turn out to be more expensive – and without improving the quality of the services delivered. The red lines are the same as in the previous scenarios, and it raises serious concerns for both hosts and refugees about the liquidation of UNRWA. This scenario would have huge political costs, and lead to protests and heightened tension.

4. Tightening the eligibility criteria for RSS

In this scenario, costs would be cut by eliminating certain categories of Palestinians receiving RSS, such as a) Refugees who are citizens of Jordan or living in PA controlled areas. In Jordan, only ex-Gazans and Palestinian refugees from Syria would in this case receive RSS. The second category under consideration here is b) Refugee women married to national citizens (MNR). This category, the argument goes, should not receive RSS because their husbands receive government assistance from Jordan, the PA, Syria or Lebanon. Finally, there is c) “Non-registered” (1967 refugees and Syrian refugees, etc.).

In Jordan and the West Bank, all recipients of RSS must already qualify according to UNRWA poverty criteria (PMTF, see explanation in Section 2). RSS exclusion would thus target people who are already vulnerable, leading them to become more dependent on the host countries. The proportion of people receiving RSS is significant in Lebanon, Syria, and Gaza, but is far lower in Jordan and the West Bank since only those who fit the criteria of RSS are entitled to it. In Jordan only 3 % of the Palestinian population receives RSS cash assistance.

What some donors refer to as “double dipping”, which is combining national and UNRWA social security, is a reality, and some inconsistencies do exist within the programme, as noted above. Yet efforts to avoid this practice will be both politically sensitive and might be more expensive than the current cost of giving RSS to these groups, since it would involve higher administrative costs as employees would need to spend considerable time investigating eligibility and coordinating closely with the hosts. More importantly, the expression “double dipping” implies that the support received from one source is complete and stable. In reality RSS support from UNRWA does not adequately provide for a family. This reform might be more cosmetic savings, and not save large amounts of money, yet it would disproportionately target the most vulnerable. Moreover, actively excluding categories of people quickly becomes politically perilous, and will have a huge political cost. Such a reform would be met with a lot of resistance and suspicion, and UNRWA would have to expedite much political capital to push it through.

Due to the pressure on UNRWA to cut expenses, the criteria for receiving RSS are often under scrutiny beyond this exact scenario. As the RSS is the smallest programme, and there are only a small number of recipients on the West Bank and in Jordan, the financial gain for UNRWA would be small, though the political cost would be high.

5. Cutting selected services in Jordan and the West Bank

According to this scenario, in Jordan and the West Bank, cuts are considered in select fields such as a) economic support to hospitalisation, b) solid waste management, c) social services (RSS), d) health care more broadly, e) teacher training, and f) technical and vocational education and training (TVET). In this scenario, UNRWA would stop providing some of these services, and the host countries would gradually take over. This scenario also involves discussions about providing some of these services through funding models in which UNRWA would bear partial responsibility and hosts/donors would have partial responsibility for specific services, a more hybrid setup.

According to a number of interviews, UNRWA teacher training has often been considered a major reason that the quality of UNRWA schools has been good. If you remove this from UNRWA, the organisation will have one less significant thing to offer youth looking for education and employment that can make them more self-reliant. A similar argument is valid for TVET. Sewage and garbage are an example of how important UNRWA solid waste management is in camps, for example in Lebanon. Every time something happens (i.e., a strike or an episode of violence) which halts UNRWA activity, the streets fill up with garbage.

Annual savings would be limited, and the idea of host countries taking over would be considered extremely sensitive. There are disparate opinions regarding refugees' reactions regarding hospitalisation, for example. Some informants argue that transferring the responsibility for economic support for hospitalization from UNRWA to the host state would be seen as a first step in dismantling UNRWA and would thus trigger demonstrations and other protest forms. Others argue that since mainly the most vulnerable receive such support, popular resistance is less likely. Of the above-listed services, it is the total removal of RSS and health care which would be the most dramatic, as those would target all Palestinian refugees in Jordan and the West Bank. Such cuts would have serious consequences for the refugees' human security and would spark fierce protests.

All interlocutors stress that Jordan and the PA would reject such a solution, as moving recipients over to them would clearly be crossing a red line. Also, since the PA is struggling economically, it is not in a position to expand the base of people receiving its services. Like UNRWA, both the PA and Jordan suffer under declining donor funding, and it is unlikely that donors will fill the gap. At the same time, a few interlocutors have suggested that since the PA and the Jordanian government are in dire need of international funding, they might be willing to take on an expanded role if donors pushed hard and contributed with substantial long-term funding. This would in any case be politically extremely sensitive, lead to serious protests and repercussions, and a number of donors would not support it. The end result would be no net savings in terms of total donor funding, as funding would have to be redirected to the governments instead.

Rather than cuts and transfer of services UNRWA could explore **reconfigurations** in close dialogue with Palestinian stakeholders, experts, think-tanks and refugee communities. The aim would have to be to improve the quality of services, and one example could be to improve the coordination between the UNRWA health system and the PA Ministry of Health. An initiative like this should be a genuine attempt to invest in refugees' health and safety, and it is not unlikely that it could lead to financial savings or organisational enhancements in the future.

6. Cutting all services and assistance to refugees in Jordan and/or the West Bank

This scenario implies a total dismantling of UNRWA on the West Bank and in Jordan. In this scenario, due to their citizenship status in Jordan and on their residency status on the West Bank,

Palestinian refugees (except the ex-Gazans in Jordan) would not receive UNRWA services. There is a lot of pressure on Jordan but Jordan also has leverage over some donors in part due to the fact that there is an understanding that the political ramifications of such a scenario are massively negative. For this reason, most observers do not see this scenario as possible.

A smaller version of this scenario is an implementation of needs-based or eligibility criteria in such a way that it will primarily affect Jordan and the West Bank. The effect of using needs-based criteria would effectively be a transfer of core services to the host countries. The argument presented by some donors is that the only way to make serious budgetary cuts by changing the eligibility criteria is if a needs-based approach is applied to refugees' access to UNRWA health care and schools. Such an approach would, in all likelihood, be so cost saving that it would substantially reduce UNRWA's programme budgets. However, such a move would result in serious negative societal effects for the refugee communities, refugees and the host entities would see this as far overstepping the red-lines, and it would be in contravention of the core of UNRWA's mandate.

This approach can be seen as an indirect way of a (very gradual or more sudden) transfer of services to host countries. As shown above, some host countries are already doing a lot, in particular Jordan, where many Palestinian refugees already attend government schools, etc. This scenario implies that the host country must do more, and effectively shifts the burden onto the host country. In Lebanon, refugees do not have access to state health care. In real politics today, crossing red lines, the Palestinian Authority on the West Bank would most likely have to turn to international donors and ask for funding. Jordan has previously experienced that the international community promised stable funds regarding the Syrian refugees in the country and feel that this promise was not kept. The regime will therefore strongly oppose any move which depend on a promise of external funding which they worry might gradually fall away. Additionally, since so much of Jordan's population is Palestinian there is a concern that crossing red-lines in such a way, which will be seen as a dismantling of the right of return, would lead to massive opposition against the Jordan government, although the effects of protests are unclear. Beyond political ramifications, interlocutors point to corruption involved in non-military aid in Jordan, and expect that a transfer of services might have negative effects both for access and quality of education for Palestinian refugees in Jordan, also in terms of gender. UNRWA spends 18% and 16% of its budget in Jordan and West Bank, respectively, and most of those who attend UNRWA schools live in camps. Lebanon and Syria have many other serious concerns and also offer much less to Palestinian refugees. UNRWA spends 12% of its budget in Lebanon and 6% in Syria, and it would have dramatic consequences for the refugees, many of whom would most likely be without access to basic education and health. As discussed in section 4, 41% of UNRWA's budget is spent in Gaza, and this is also where population growth is highest. If most of the refugees in Gaza fit the needs-criteria, no or little saving would be made here.¹⁸

7. Modernisation to improve efficiency

UNRWA's physical infrastructure, the car pool, the information system, etc. are deeply affected by years of austerity measures and the resulting lack of maintenance and upgrades over time. The austerity measures have also negatively affected UNRWA's ability to invest in itself and develop organisational tools and new ways of working. Like all UN agencies, UNRWA is expected to adopt new practices that increase accountability, transparency, and integrity, but the austerity measures have meant that UNRWA has had nothing to invest in these fields. UNRWA seeks a one-time capital injection of USD 122-139 million to substantially upgrade. Modernisation would then also include increased digitalisation of UNRWA bureaucracy. A possible outcome of the modernisation scenario is that

¹⁸ On the other hand, if most refugees in Gaza would not fit the given needs criteria, changes in Gaza could hypothetically save money. Amid the international boycott of Hamas, a Hamas takeover of UNRWA schools and health centres appears very unlikely, as Hamas depends heavily on UNRWA, and a transfer could lead to serious repercussions. One hypothetical question is if a transfer could be envisioned with large-scale funding from Qatar, but it appears unlikely that the international community would want to risk the implications of such a scenario in Gaza.

UNRWA will need fewer employees as a result of the process. Reducing the number of staff will be politically sensitive, will dramatically hurt many refugee families economically, and will be contrary to UNRWA's "stabilising" role as an employer of refugees.

Yet there is no doubt that modernisation, including digitalisation, is urgently needed and that it can enhance the quality of services, make UNRWA more cost-effective and, importantly, improve the working conditions for employees. It is unlikely that savings in personnel will be significant and reduce personnel costs considerably as the number of professionals such as teachers, medical doctors, nurses, midwives, and social workers will have to remain at the same level as today, and increase as the population grows. Modernisation would most likely reduce human resources in supportive and administrative functions. The aim for such a reform must be to make UNRWA better fit for purpose, to improve services, and not to cut the number of employees.

8. Increased funding to UNRWA

This section explores different configurations or scenarios about increased funding.¹⁹

8A) Increased funding through UN Assessed Dues

Assessed dues are the compulsory annual funding from member states to the UN budget (UNGA 2016; see 5B). UNRWA has received some money through this structure, but the use of such funds has been heavily restricted and UNRWA reports that there has been a negative trend in the allocation until recently. In 2022, 201 international staff positions in UNRWA were funded through this post. On average, UNRWA has annually received USD 30–40 million from the assessed dues. In 2021, funding for an additional 43 international staff was given, which marked a significant increase. Funding for international staff from assessed dues represents 4–5 % of UNRWA's budget, but this money is locked to that staff category. If positions are not filled by the end of the year, funding will lapse, and will not be able to help close the budget gap. Funding through assessed dues is subject to heavy political scrutiny by member states.

In 2017 the UN Secretary General recommended that UNRWA could request more assessed dues funding (UNGA 2017), but this route was blocked by the Trump administration according to interlocutors. Currently, such a request is being explored not only in terms of asking for more money, but also in asking that such money be allowed to be used for other specified budgetary purposes. A prospective request has a number of challenges, some of them political in nature, including the process of submitting a request to the UN Advisory Committee on Administrative and Budgetary Questions and then on to the 5th committee of the UN. A major challenge is that the UN Regular Budget is often considered a zero-growth budget. It is heavily negotiated and "budget hawks" tend to oppose any increase. Countries like the US, China and Russia, as well as the EU, are key players in budget negotiations, while an appeal for increased funding to UNRWA through assessed dues would require a UN majority, which in practical terms would imply support from the G77 countries.

Prior to making the request a number of questions must be addressed. One is the possible or strategic size of the request: Should it aim to close the current funding gap or be more ambitious? Increased funding of UNRWA through the assessed dues has been a controversial topic among key donors, and some have opposed it on the grounds that it may set a precedent for other UN agencies to make similar demands. Furthermore, if the total UN Regular budget does not increase, it would imply cuts to other UN agencies, which could then resist this move. UNRWA's budget is relatively large, and some observers believe that only minor sums could be allocated.

Another question pertains to what the request for funding should be for: Should UNRWA aim to cover major activities from the programme budget, such as education or health? This would help

¹⁹ Two alternative future funding models, a) creating a trust fund based on the value of the Palestinian properties held under the Israeli Custodian of Absentee Property to create a Palestinian custodian linked to UNRWA and b) Compensation for refugees' human capital and skills from host countries in an endowment/trust fund, have not been explored in this report (Dumper 2016).

cover the core of UNRWA's funding trouble, the state-like expenses. Covering this would help make UNRWA's funding more sustainable. Covering state-like expenses such as general education could be a strategic selling point of such funding since this is what makes UNRWA different from all other UN organisations. Part of the argument could be that the programming of UNRWA education and health was put in place by the international community in the 1950s and has been endorsed repeatedly by the GA. Education and health are basic requirements for human development and are basic human rights, and with population growth and inflation, voluntary funding it is not enough. The legal argument for education and health is that the Palestinian refugees are the permanent responsibility of the UN. The education programme is large and expensive (80% of the programme budget), while health is smaller, and both struggle with falling quality. Whichever field UNRWA argues should be supported through assessed dues, the chances of success can be increased if UNRWA manages to present UN members with a convincing narrative. Some interlocutors argue that this might require a rhetorical repackaging of UNRWA. This is challenging, since some of the most appealing arguments for some donors, such as security in Gaza, can be controversial with hosts who might see this as UNRWA slicing up its funds in such a way that some areas of operation get stable funding while others do not.

The potential for movement on this funding path appears to be an expression of a combination of things: the size and continuity of the funding gap, the difficulty in getting state donors to step up, an emerging recognition of the extreme political risks involved in other scenarios for UNRWA, and the dangers associated with future cuts. If the request for more assessed dues funding is successful, the short-term implications could be to help avoid UNRWA's collapse and to reduce the annual budget gap—depending on the size of the funds made available in this manner. The long-term implications, also depending on the size of funding, would be a step towards making UNRWA less vulnerable to the political weather and would provide one pillar of funding stability. The question of future funding to meet the needs of a growing and increasingly vulnerable population remains open.

The need to re-frame UNRWA could be seen as two-part. One is urgent, pragmatic, aimed at the fast-approaching 2022 UNGA, while the second is a more long-term need to develop a convincing future strategy for the agency.

8B) Increased funding from UN member states

UNRWA's funding has been dominated by support from the US, Europe and, periodically, the Gulf states. As the budget gap has been a constant feature over the past years, while costs have increased and some of the major donors have been unreliable in their funding, UNRWA has worked to diversify its donor base. A result of this is that non-OECD countries are now major funders of projects and emergency assistance (Dumper 2016). This effort has not led to UNRWA closing the gap in the program budget, however. Donor fatigue is very real, a fact exacerbated by the reality that funding to UNRWA is most often covered by donors' humanitarian aid portfolio while most UNRWA services (except parts of RSS and Emergency Appeals) are not strictly humanitarian, but rather developmental, such as education. In competition with more urgent emergencies such as in Syria and Afghanistan, these conditions lead to an unwillingness to commit to UNRWA. Even if the potential is limited, donors should consider funding UNRWA from other portfolios. On the same subject, a recent report suggests that rather than dealing with UNRWA as a humanitarian agency, UNRWA should rather be considered a "non-territorial trustee" organisation serving the refugee population. This way, it is argued, UNRWA could be funded through a regional cooperation envelope or a multi-year trust fund, rather than under the banner of humanitarian assistance (Dumper, Buttu, Al-Husseini & Rabbani 2022). Still, this is not likely to drastically increase their willingness to provide funding. The most likely way UNRWA could increase its funding from UN member states is if a higher number of states contribute or if current donor states would allocate more significant amounts.

Arab donors are often mentioned as a potential source for increased funding. However, political interests, the future cost of reconstruction of Syria and Yemen, and the normalisation agreements with Israel (Dumper 2020) all make it likely that the funding levels of Gulf donors will remain volatile, whilst

the remaining Arab states lack the economy to give serious contributions. Other potential donor states that could contribute more include East Asian states, but asking non-involved states to fund Palestine refugees in today's strained global situation is presumably a very hard sell. Several interlocutors have argued that there is simply no more donor money to be collected. In fact, they argue that it is more likely that currently stable donors might reduce their contributions.

8C) Increased support from non-state actors

An often-mentioned alternative source of revenue is increased contributions from non-state actors such as multinational corporations, international financial institutions (IFIs, such as the World Bank and the IMF), private foundations, NGOs working globally and locally, private businesses and private donations, Islamic waqf or zakat funding. Globally, multinational corporations and private foundations are important sources of humanitarian aid and may be less dependent on short-term political considerations (Dumper DFID, 2016: 17). On the other hand, IFIs are no less political entities than the donor states and would require political support from major states such as the US to make support feasible. A number of regional organisations currently suffer from the economic crises in the region, but this could change in the future. Non-governmental funding represents a sizeable portion of UNRWA's budget, with USD 75.3 million in 2021, and there could be more potential here.

A convincing strategy is important also to reach non-state actors. UNRWA could expand its digital funding appeals targeting corporations and individual donors, but currently such an approach requires investing money UNRWA does not have. The austerity measures are in themselves substantial obstacles to increasing the funding base. One example is that more and better fundraising are key to increasing funding. A comparison with the UNHCR is striking: it has 450 fundraising staff, while UNRWA has 30. UNRWA simply cannot afford to do substantially more fundraising.

9. Closer alignment with the global international refugee regime

As outlined in section 2 UNRWA's mandate is not static. Clearly, UNRWA's mandate would end if the refugee question was resolved in a just way. In fact, it is a grey area as to which of the above scenarios would explicitly require a formal amendment of UNRWA's mandate prior to the change of practice, or whether it is enough that a revised mandate retroactively acknowledges the change. One type of change of mandate could be to reduce UNRWA's responsibilities, either by type of service/assistance, or by changing who would receive it, as in some of the scenarios above. The second type of amendment is an expansion of the mandate. This can be either in a political sense or in an assistance/service provider sense. The effect of amending the mandate will depend on how drastic the change is. In practical terms, there are at least three ways of more closely aligning the Palestinian refugee "regime" more closely with the global refugee regime.

9A) Elaborating a Comprehensive Response Framework for Palestinian refugees as mandated by the New York Declaration

One way forward is represented by moving UNRWA closer to the global international refugee regime, as reiterated by the 2016 New York Declaration for Refugees and Migrants and the 2018 Global Compact on refugees, thereby ending the exceptionalism of the way the Palestinian refugee question has been approached. The New York Declaration, unanimously adopted by the UN General Assembly and applicable to all refugees, including Palestinian refugees (as appears from a number of references to UNRWA in the text), asserts, *inter alia*, that (1) any response to refugee situations needs to always include a combination of humanitarian assistance, international protection *and* durable solutions; (2) this is to be done for each refugee situation, including protracted ones, through the elaboration of a Comprehensive Refugee Response Framework elaborated through a multistakeholder approach (a template of which is appended to the Declaration). The Global Compact further elaborates this

in greater detail, including by making clear that – relevant to UNRWA – educational and health services to refugees should be provided through host countries and that “parallel systems” – such as the UNRWA education and health programs – should be avoided (Albanese & Takkenberg 2020; Albanese & Takkenberg 2021).

9B) Reinterpretation of UNRWA’s mandate to include the pursuit of durable solutions

We have highlighted that UNRWA’s mandate is weak in terms of protection, as it does not include durable solutions. A major change to the mandate’s direction would be if the UNGA amends the mandate by increasing UNRWA’s role to also include durable solutions. Within this scenario, one could explore the possibility of a gradual move away from direct service delivery.

On the one hand, such a move would make UNRWA more politically unpalatable to some key donor states and would be seen as politicising the agency. Further, such a change may not get needed political support and indeed could endanger the current mandate and risk repercussions (see also Dumper, Buttu, Al-Husseini & Rabbani 2022). It would be seen as a move to try to solve the “protection gap” and would engage UNRWA more in the politics of solving the refugees’ predicament. In such a scenario, funding to UNRWA could be seen as an investment in a political solution. Expanding the mandate in this direction would certainly also be highly controversial among Palestinians. UNRWA has a historic mandate focussing on improving social welfare, health and education, which it, according to a number of interlocutors, should not move beyond.

It is an open question if a re-packaged UNRWA can be a more viable entity, in terms of funding, than the current UNRWA. One of the problems today is that donors feel they are pouring funds into a black hole because there is no political solution in sight and because UNRWA assistance and services are not directly linked to any political end-result. By expanding or changing UNRWA’s mandate, one could seek to address these concerns; however, doing so may also generate new political and operational concerns. The current UNRWA leadership is not actively seeking a change of mandate as it is seen as highly unpredictable, which risks opening up a pandora’s box and may inadvertently result in reducing the mandate.

9C) UNRWA cedes operations to UNHCR (by default or design)

The scenario of ceding operations to the UNHCR, by default or design, is highly theoretical. In theory, it could happen automatically by the cessation of UNRWA, as described above, or by an overt transfer. The relationship between UNRWA and UNHCR is such that so long as the Palestinians are covered by the UNRWA mandate, they are outside the UNHCR structure, due to the so-called exclusion clauses. However, if UNRWA were to cease existing, the Palestinian refugees would automatically become the UNHCR’s responsibility. In such a case the exclusion clauses – that is, 1.D in the 1951 Convention Relating to the Status of Refugees and 7C in the UNHCR – would cease, and the Palestine refugees would fall under UNHCR’s mandate. In the following we outline key arguments for and against this scenario.

The arguments against incorporating Palestine refugees under the UNHCR are many: 1. UNRWA represents the Palestinian refugee question internationally, and many fear that the Palestinians would disappear in the midst of other refugee groups under the UNHCR. This argument implies that Palestinians might gain legally but lose out politically, which connects to the second point. 2. The UNHCR, while working for durable solutions in principle, would not be able to do anything for Palestinian refugees in this regard due to global politics and as long as international politics looks like it does. 3. Overall, the UNHCR does not adequately meet protection needs of the refugees under its purview, due to states’ unpredictable funding and increasingly restrictive responses to refugees. Furthermore, it is not actively enough promoting durable solutions (Loescher 2014), and it tends to “humanitarianise” its operations. 4. What would happen with the emergency and quasi-state services provided by UNRWA under the UNHCR? The latter does not do service delivery, and refugees under

the UNHCR are mainly served by host government services or NGOs. Would the host countries be expected to take over? They would see this as crossing a red line, and that could lead not only to a lacuna of services and assistance, but also increased unemployment. 5. Interviews reveal that “a lot of people in camp worry that UNRWA will merge with the UNHCR” and worry that UNHCR would take over the operations of UNRWA. In addition it is possible that one reason many Palestinians are highly critical of and sensitive towards the UNHCR is also due to the arguments made about the UNHCR by politically motivated opponents of UNRWA, such as former Israeli prime minister Netanyahu, and others in the wake of the US aid-cut in 2018. It is likely that such a move could lead to Palestinians campaigning against it, and that a takeover would be perceived as a political message against Palestinians.

On the other hand, some argue that the Palestinian refugees might be better protected under the UNHCR than under a weak UNRWA. Palestinian refugees lack access to durable solutions, and this is not in line with refugee law; and in practice, UNRWA’s weak mandate does not help them seek the protection (in theory at least) provided to refugees under the UNHCR. This means that an individual Palestinian refugee in Gaza cannot seek resettlement in third countries, and if she needs to leave the enclosed and besieged strip, it will often be via illegal, expensive and dangerous routes. Another example is that Syrian refugees could (although in limited numbers) seek resettlement, but Palestinian-Syrian refugees could not. As mentioned above, it is unknown or contested what the UNHCR could or would actually be able to do if the Palestinian refugees came under their mandate. Some of our interlocutors have argued that the UNHCR would in fact first raise “repatriation” as a durable solution, and that it could contribute to changing the exceptional discourse on Palestinian refugees. One advantage would be that international funding to the UNHCR is less politicised, as this agency is often perceived by donors and others to be less politically controversial than UNRWA.

Incorporating Palestine refugees under UNHCR’s mandate is not a theme that has been explored in depth in legal or political research. What has been given more research attention so far, however, is the “protection gap” between UNRWA and the UNHCR (Kagan 2009; Goddard 2009; Akram & Al-Azza 2015; Lilly 2018), and the status of Palestine refugees registered with UNRWA who leave UNRWA’s Field of Operations. Theoretically they fall under the mandate of the UNHCR, but in practice this often does not happen (Moghli, Btarie & Gabiam 2015).

10. The collapse of PA and/or Hamas

The continued existence of Fatah-ruled PA on the West Bank and Hamas in Gaza cannot be taken for granted. Much like UNRWA, they hover around the political and economic breaking-point, but it is impossible to foresee exactly what would constitute a terminal point. If one or both of these regimes collapse, the situation in the oPts would enter a very different phase. Possible developments if this were to occur include a new Palestinian leadership taking over in an orderly fashion, Palestinian infighting breaking out, or Israel deciding to move in to retake control.

Under this scenario, in the short term, UNRWA’s role will most likely be enhanced as it would be better placed than any other body in the region to take up responsibilities under such a collapse. Its advantageous position of being in location with a sizable staff, vast infrastructure and expertise would then play out in full. This would nonetheless come with massive challenges, not just because UNRWA is already pushed to the brink of its capacity, but also because the security for the staff would be a major challenge in such a situation. Exactly how Israel would react in such a scenario would probably depend on the extent to which changes in the West Bank or Gaza would be perceived to directly threaten state security in the short term. Regardless, this would be difficult territory for UNRWA, but based on past experience, international donors would most likely not insist on cuts to UNRWA’s budget in such a crisis.

11. The collapse of UNRWA

UNRWA could collapse under the combined weight of its budgetary deficit and the requirements of its mandate. While some politicians in the US, EU and Israel would welcome such an outcome, for most of the international community this would be a very unwelcome and unintended consequence of failing to collect enough financial support. A complete collapse would most likely not happen from one day to another, in part because UNRWA would have large costs they have to pay even if they cease to deliver services, including pensions for their previous staff and repayment of UNRWA's debt of USD 0.5 billion. End of service liabilities for all fixed-term staff alone are estimated to be around USD 900 million (and the UNGA will most likely be responsible for such liabilities if UNRWA is closed down). Deciding on who will pay these bills if UNRWA collapses will take time to settle. It is not clear at what point UNRWA could collapse, or if such a collapse would be gradual or more sudden. The big question going forward is whether “muddling through” has a breaking point when UNRWA's ability to deliver falls below a certain threshold (which itself is hard to define), or if one of the big donors pulls out again and UNRWA is then unable both to bridge that expanded budget gap and maintain the adequate level of services. One end-point could be the day the Agency is no longer able to borrow money from next year and can no longer carry its deficit forward. If UNRWA – for more than short periods of time – cannot pay its suppliers, salaries, and fuel, it is technically bankrupt. In such a context, the Commissioner General or the UN Secretary-General would have to go to UNGA and inform Member States that the mandate is unfulfillable.

It is difficult to predict what would happen if such a financial breakdown happens and UNRWA collapses despite a political will to keep it afloat, but some basic immediate ramifications need to be highlighted: Over 540,000 children would have no school to go to. 2.2 million people would lose access to basic health care. Ca. 30,000 people would immediately lose their jobs. 1.7 million amongst the poorest in the region would stop receiving food or cash handouts on which they depend. And the UN would have major financial obligations to tens of thousands of UNRWA's staff.

A somewhat scaled down version of this scenario is that UNRWA is forced to transfer services to host countries, but maintains its function as an administrative organiser. Mick Dumper (2020: 9) has written: “In the most dystopic version of this scenario UNRWA would continue with the maintenance of refugee registrations, providing legal representation and documentation where required, and perhaps support for extreme hardship cases. It would exist then as a rump administrative structure coordinating the integration of refugees into the education, health and welfare systems of the host countries.” One could also add that under such a scenario, UNRWA could also be responsible for monitoring and reporting on Palestine refugees' access to services and advocating on behalf of the refugees.

The collapse of UNRWA is sometimes referred to as the “nuclear option”, implying that it would lead to extremely significant political repercussions. Politically, the collapse of UNRWA would signal the international community's failure and a disengagement of its responsibility. Legally, as we will highlight below, the Palestinian refugees would immediately be moved to the mandate of the UNHCR, but they would be faced with a humanitarian collapse in the absence of UNRWAs services and assistance. In any given context the collapse of an educational and health care system would be a catastrophe. In specific contexts such as Gaza, Lebanon and Syria there would be no system in place which could replace what UNRWA does today. Even Jordan, the best placed of the host states, could not financially afford such a scenario. Pressure would then once again fall on the international community to step in, but the cost of replacing what UNRWA has delivered with something new would likely both be far more expensive than the current cost of UNRWA, and there would be a detrimental time-lag with serious humanitarian, social and political consequences.

12. UNRWA in 2040

After having provided for the Palestinian refugees for decades, and having weathered multiple crises, UNRWA entered a perfect storm of problems in the years around 2020: exhausted donors, deepening political and economic crises in almost all the host states, no political process, and increasing costs globally. UNRWA needs to increase funding every year. It is not unlikely that the political situation and living conditions may deteriorate further, with all the human rights violations and human suffering that will entail. A population hard pressed will therefore be increasingly dependent on UNRWA in the coming years.

Unless there is a political solution, there are essentially four major options going forward in the next decades. In the most optimistic version of events, the international community steps up and secures increased funding, enables UNRWA to modernise and provide stable, good-quality services to the Palestinian refugees and/or increase provision of protection. Unfortunately, we consider this unlikely, since we do not foresee an increased willingness from donors. A second option is that UNRWA makes very tough choices and implements major reforms, making it more economically robust, despite serious political obstacles as mentioned in scenarios above, and hence breaking with its current mandate. This we also consider to be highly unlikely.

In both the third and fourth paths, humanitarian costs will increase while aid remains stable or is reduced. UNRWA and the refugees will then get less for that money. Devoid of sufficient funding, UNRWA will then either survive by effectively shrinking or will buckle under and collapse completely, as illustrated under scenarios “muddling through” and “the collapse of UNRWA”, respectively. If UNRWA survives and donors do not step up, it will deliver worsening services, and scrap on with a continuously insecure budgetary situation with looming crises multiple times a year. In 2040 UNRWA will then deliver worse services to a growing population in increasing need. If this rings true, unfortunately, it will stand as a testament to the international community’s failure to solve what in essence was one of the original refugee crises of the modern international refugee regime. If it collapses, that testament will be even worse. Then UNRWA will not be remembered for all the good things it did, but instead for how the international community left millions of refugees to their fate.

CONCLUSION

More than 70 years after the establishment of Israel and the displacement of two-thirds of the local Palestinian population, UNRWA exists because a just solution to the Palestine refugee predicament has not been found. UNRWA has provided quality basic services and humanitarian assistance to the refugees in line with UNRWA's mandate, which has often been politicised by critics and misunderstood by others. It has evolved over the decades, being adjusted to changing contexts and needs and augmented mainly in response to demographic growth. The mandate is humanitarian in nature, and often described as weak since it does not provide durable solutions. UNRWA nonetheless has political significance, most prominently as a symbol of the refugees' right of return and the international responsibility for their predicament. UNRWA represents the Palestinian refugee question internationally, with both advocacy and registration as significant elements in its responsibility.

The living conditions of the Palestinian refugees are characterised by precarity and instability. Despite reforms and efforts from some 30,000 UNRWA staff, the quality of UNRWA services is deeply affected by years of a "muddling through" strategy with a series of austerity measures caused by budget reductions. More knowledge is warranted about the short- and long-term consequences of these cuts, and such knowledge must be used as a premise for discussions about how the quality of UNRWA services can be improved and remain at a high level. The quality of these services affects the relationship between UNRWA and the refugee communities. This relationship is often ambiguous, characterised by loyalty but also fear and a sense of betrayal due to budget cuts, jeopardised services and a sense that the whole organisation is at risk of being dissolved (or a sense that the future of UNRWA is in play). Several interlocutors underscore a sense that UNRWA management is under such heavy pressure from the donors and under serious constraints (red lines) from the hosts that the management prioritises manoeuvring to address such demands rather than the refugees' needs. For the refugee communities this can be experienced as UNRWA's not taking them into consideration before implementing changes that affect them. While this prioritisation from UNRWA is understandable, it increases the distrust and sense of being abandoned the refugees feel. To meet this insecurity and build trust, it is urgent that UNRWA take serious steps to improve communication and accommodate a genuine dialogue with refugee communities. In any strategy developed by either UNRWA or donors, UNRWA should avoid developing strategies behind closed doors. We advise frankness, transparency, and inclusiveness to build trust and needed alliances and legitimacy.

While sustainability is an ideal, it is simply unobtainable here, since as long as the durable solutions are not addressed, UNRWA has to deliver to a growing number of new students and basic health services for a growing population. Sustainability is not just a contradiction in terms for UNRWA in particular, but it is also a feature of most major relief and development agencies operating amid wars, displacement and upheavals. The Palestinian refugee question has been marginalised in political negotiations, and UNRWA can be seen as a keeper of the status quo, at the same time as it provides fundamental human rights to distraught communities who are often dependent on what UNRWA provides. Observers believe that UNRWA is politically weak and lacks an overall strategy to push for a positive way forward.

UNRWA's predicament reflects a failure of the UN and the international community. In the absence of a just political solution, international donors have funded UNRWA for decades, but donor fatigue has set in at the same time as major donor states' views on UNRWA have become politicised in a negative way. Donor stability is therefore precarious while prices are on the rise. The unpredictable fallout from the war in Ukraine and the lack of a political horizon there may result in less political emphasis on the Middle East. On the other hand, a number of interlocutors believe that the "stability paradigm" will continue and that UNRWA will still be seen as necessary to safeguard the status quo in the region. In any case, shifting donor priorities, and strategic interests in terms of geo-strategic concerns will affect future funding patterns, and this may place Palestinian refugees even further down on the international political agenda.

There are no easy futures for UNRWA and the refugees it works for. We have identified and analysed 12 scenarios for UNRWA going forward. Scenarios 1-6 focus on hard choices of cutting or reforming what UNRWA delivers, and to whom. The current constraints UNRWA operates under mean that its options range from bad to worse. None of these scenarios fundamentally help improve UNRWA's sustainability, and all these scenarios would be highly politically sensitive. UNRWA would have to expend a high political price, the quality of services would likely remain the same or worsen, and in some cases, savings would be limited. Our main takeaway is that the more cuts are made, the more severe the consequences and the greater the repercussions and reactions from refugees and hosts. A number of these scenarios will no doubt spark both protests and increased instability. Such reactions will not just be about symbolic aversion against a weakening of UNRWA, but they would be against setbacks in basic rights and services in contexts of precarity and insecurity. It is essential to highlight that UNRWA services a population that is under serious duress in a volatile region. All cuts will both directly increase their duress and heighten the regional volatility. It is a paradox that the international community and donors often express concerns about the "radicalisation" of youth, while suggesting reducing education, training and job opportunities for the young. Continued "muddling through" is the most likely of our scenarios, and it has been the default UNRWA strategy. It is also a serious threat to refugees' well-being, social safety and human rights, and a likely precursor to further destabilization. The ongoing austerity measures have already resulted in falling quality of services. UNRWA needs to reverse this development, and also modernise to salvage what they currently deliver, and optimally deliver improved services. Scenario 7 is a specific modernisation push, while scenario 8 is about options for increased funding. In scenario 8 we outline some options, of which the push for getting more from assessed dues is especially interesting as it could both help close the budgetary gap and increase funding stability by anchoring it in the UN structure.

Scenarios 9-11 are of a different nature, they are examples of political reconfigurations which will directly or indirectly effect UNRWA, and 11-13 are hypothetical scenarios concerning UNRWAs mandate. Scenario 10 is by far the most drastic as it is one in which UNRWA completely collapses. The analysis of all these scenarios are tentative and highlight the difficult conditions UNRWA works under. Scenario 12 is a reflection of the dire cost of a prolonged version of the muddling through scenario.

None of scenarios 1-7 can make UNRWA sustainable. That can only be achieved through a just political solution. However, some initiatives could help UNRWA close the budget gap without undermining its political legitimacy in the eyes of the refugees and host countries. These options, outlined in scenario 8, would involve increased funding in some way or another, and thus depend on the willingness to fund it. We essentially see three ways this can happen: 1) increased UN funding through Assessed Dues; 2) increased funding from UN member states, including from development funding portfolios; and 3) increased funding from non-governmental donors. It would also be important to support UNRWA's NGO-partners and refugees' initiatives beyond what UNRWA is offering. The first would imply an actual change in the structure of UNRWA funding, which is sorely needed, both because it would fill the funding gap and because it would increase funding stability. The second two would be very helpful, but would lead to the same challenges of chasing funding year by year. More predictable funding through multi-year pledges is needed as more of these would enhance UNRWA's budgetary sustainability.

As some of the scenarios in this report illustrate, there is no optimal way going forward, but UNRWA needs to develop its future strategy. In the prevailing political climate, seeking to amend its mandate to include durable solutions would be very high risk, even of risking repercussion and delimiting the mandate. In search of a future strategy, many questions could be explored carefully. More in-depth analysis of the short- and long-term implications of some of the above scenarios is warranted, and in particular how to increase and secure more stable funding. Significant and in-depth studies of UNRWA's actual roles, including political significance, in the context of current political crisis in the region, and UNRWA's potential future roles in the event of any or no political solutions are also warranted. One key challenge is that what good strategy for the refugees or/and UNRWA may not be appealing or seen as strategic by some major international donors, but ways to bridge this gap and

rationales should be explored in depth. In the proximate future, it appears likely that UNRWA will seek to continue its state-like services and act as a provider of humanitarian relief in the absence of statehood and just solutions. Within its existing mandate, UNRWA should seek to improve quality of services, including reconfigurations to improve quality, do more advocacy on behalf of the refugee question (not just fundraising), focus on human security and human development, monitor and register human rights violations, and widen the scope and implementation of its “protection” activities.

UN member states must consider the implications of a failed UNRWA – both in terms of regional instability and human suffering – and see the Agency as an opportunity to support basic human rights, much needed social security and improved living conditions to refugees in insecure conditions of the region. In the current political context, and in an international perspective, funding UNRWA is also an important way for states to express and secure their support for international norms regarding refugee rights. As Israel has moved to the right, supporting UNRWA can be a way for foreign ministries to support the idea that international law extends from an international order. The UN could put its institutional weight behind UNRWA, and the Secretary General could extend more vocal support to UNRWA and its role in promoting human rights. This could both function as a way to garner more financial support and to shield UNRWA from politicised criticism. The future shape of UNRWA will have to address the needs of Palestinian refugees and deliver high-quality services so that they can lead decent lives. The ability to do so ultimately depends on the willingness of donors to fund it. Such funding is a small way for the international community to uphold international law.

ANNEX A: WRITTEN SOURCES

UNRWA's strategic plan

- Outline for strategic plan 2023 – 2028
- Evaluation of current MTS
- UNRWA Management initiatives

UNRWA budget

- Budget breakdowns by field, programme and sub-programme
- Slide pack on UNRWA's budget process and key cost efficiency measures implemented since 2015

Austerity measures and cost savings

- Summary of austerity measures and cost controls since 2015
- Summary of cumulative costs saved since 2015 through austerity measures and MTS reforms
- Background paper prepared by UNRWA for UNGA consultations on sustainable financing in 2017

UNRWA mandate

- Historical evolution of UNRWA's Mandate
- Eligibility for services

Ministerial International Conference background information

- Summary of access to UNRWA services
- 4 non-papers on humanitarian principles, budget, funding, donor base, efficiencies
- Non papers on budget and humanitarian principles shared ahead of the conference
- Co-chairs summary

Recent relevant donor initiatives

- Challenges facing UNRWA in an uncertain future (2016, funded by DFID) – Professor Mick Dumper, Exeter University
- Non-paper by EU on MTS reforms
- Professor Mick Dumper's report on rethinking of UNRWA's financial models (2021, funded by H Boll Stiftung foundation) and background paper

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