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Special Political and Decolonization Committee (Fourth Committee)

Summary record of the 22nd meeting

Held at Headquarters, New York, on Monday, 24 November 1997, at 3 p.m.

Chairman: Mr. Mapuranga ..... (Zimbabwe)

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Agenda item 86: United Nations Relief and Works Agency for Palestine Refugees in the Near East (continued)

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The meeting was called to order at 3.10 p.m.

Agenda item 86: United Nations Relief and Works Agency for Palestine Refugees in the Near East (continued) (A/52/13 and Add.1, A/52/311, A/52/372, A/52/415, A/52/423, A/52/503 and A/52/578)

1. Mr. Mekdad (Syrian Arab Republic) expressed dismay at the poor prospects for the restoration of the legitimate rights of the Palestinian people, including the right of Palestine refugees to return to their homes. Despite countless General Assembly resolutions since 1948, the Israeli Government continued its policy of usurping Palestinian land and property, depriving the Palestinian people of its rightful inheritance.

2. The refugee issue was inextricably bound to the search for a comprehensive peace settlement in the Middle East and merited the attention of the international community, so that millions of people would not be forced into a desperate and highly explosive situation. The Israeli Government clearly wished to sabotage the peace process by refusing to honour its pledges and by escalating the tension in the region through acts of violence and intimidation. The statements of that Government's officials boded ill for peace, while Palestine refugees were facing very difficult political and economic circumstances.

3. His delegation noted with deep concern the 29 per cent drop in average expenditure per refugee over the previous four years (A/52/13, para. 8), a figure which did not take into account the effects of inflation. The reduction in expenditure was all the more surprising as it came after peace talks and numerous United Nations conferences outlining the importance of solidarity with refugees.

4. His Government had worked hard to ease the suffering of Palestine refugees, providing them with many vital services in the areas of education, social welfare, health care, administration and housing, at a cost of 40 million dollars between July 1996 and June 1997.

5. UNRWA had helped to improve the quality of services for Palestine refugees in the Syrian Arab Republic and should continue to do so until the refugee question was settled in accordance with General Assembly resolution 194 (III) of 11 December 1948. Donor countries should honour their commitments and increase their contributions so that the Agency's financial crisis could be resolved. His delegation would countenance no cuts in services for or expenditure on Palestine refugees and financial burdens should not be passed on to the refugee community or to host States. The Agency

should be able to perform its functions in its five areas of activity, without distinction between one area and another.

6. Mr. Saliba (Malta) said that the work of UNRWA was proof of the international community's humanitarian commitment and its concern for the Palestinian people. UNRWA remained a beacon of hope for the over 3.4 million Palestine refugees, not only providing them with the means to survive but also trying to ensure their effective participation in society. Therefore, it was of great concern that the Agency's latest financial crisis had necessitated the imposition of even more severe austerity measures than in the past, including a freeze on the employment of teachers and school construction and cutbacks in hospital care that had had an impact on the quality of health services. UNRWA social services and relief programmes had also faced setbacks, a situation which jeopardized assistance to the most vulnerable and limited the income-generation projects intended to raise the standard of living of the Palestine refugees.

7. One of the unique features of the Agency remained its degree of cooperation with the host Governments and the Palestinian Authority in developing programmes suited to local conditions. The overall climate within which UNRWA operated had an impact on its services. It was to be hoped that the current sense of frustration at the stalled peace process would spur renewed international commitment to the Agency's activities as a demonstration of continued attachment to the well-being of the Palestine refugees and a signal of support for the political objectives laid down at the start of the peace process. Chapter IV of the report of the Commissioner-General (A/52/13) relating to legal matters gave a disturbing account of the conditions set by Israel that had obstructed services in the West Bank and Gaza, forcing UNRWA in some instances to recruit international staff, despite the shortage of funds, in order to get around the restrictions on movement. The Agency's move to Gaza had been undertaken precisely in the hope that it would be in a better position to operate in the field without incurring increased costs.

8. The Maltese people's solidarity with the Palestinian people stemmed from a concern for the dignity of every human being but also from a desire for a just and lasting settlement of the question of Palestine. Signed agreements must be implemented, and permanent status negotiations resumed, if the peace process was to be rekindled.

9. Mr. Kohara (Japan), after observing that over 3.4 million Palestine refugees were unable to move about freely and were compelled to live in hardship in refugee camps in the Palestine self-rule areas or in neighbouring countries, paid tribute to UNRWA for its efforts to maintain regional stability

by providing vital humanitarian assistance and to the neighbouring countries of Jordan, the Syrian Arab Republic and Lebanon, which despite their own financial difficulties had received so many Palestine refugees.

10. Recognizing that peace and stability in the Middle East were essential to world peace and stability, his Government had actively supported efforts to advance the peace process there, and it urged both sides to make sincere and courageous efforts to promote peace through dialogue. In the meantime, economic development was essential to improve the lives of the Palestine refugees. All parties must set aside political considerations and act in such a way as not to impede the humanitarian activities of UNRWA or its ability to assist the most vulnerable.

11. His delegation was concerned about the unrest that the retrenchment of UNRWA activities might cause among the refugee population and indeed had caused in the Lebanese camps. Reductions in the number of UNRWA personnel, for instance, could mean the loss of jobs for some Palestinians. Together with the natural growth of the refugee population, the inflation and the expansion of UNRWA operations, the reduced contributions to the General Fund were principally responsible for the worsening financial situation. Donor confidence would be enhanced if the Agency kept the core account clearly separate from the projects account in the General Fund and if it adequately explained the allocation of capital, established a priority among its projects and used its limited resources effectively. Japan itself had since 1993 contributed \$314 million in assistance to the Palestinian people and, very recently, had donated \$1 million to be used in the camps in Lebanon. It considered its investment in UNRWA to be particularly important because of the direct benefit to Palestine refugees.

12. Mr. Al-Muhanna (Saudi Arabia) said that the provision by UNRWA of essential educational, health-care, relief and social services to over 3.4 million Palestine refugees represented a monumental achievement. Its programmes, notably its income-generation programme which provided working capital loans at commercial interest rates to small businesses and micro-enterprises, helped support the Palestinian people and lay the foundations for the implementation of peace in the Middle East.

13. A solution should be found to the Agency's serious financial crisis which had been accompanied by a steep decline in the level and range of services provided to Palestine refugees. Western countries had a particular responsibility to support the Agency, since their actions had led to the Palestinian tragedy. The important work of the Agency and the Palestinian question itself required ongoing

commitment, particularly at a time when the Israeli authorities sought to undermine the entire peace process.

14. While his Government would continue to provide moral and material support to the Palestinian people, Western countries bore primary responsibility for financing the Agency, which they had established in order to resolve a problem of their own making. The international community should also play its part by providing aid to the Palestinian people and allowing innocent refugees to return to their homes. The Agency should be guaranteed the means to carry out its programmes, particularly the Peace Implementation Programme.

15. Ms. Zhang Qiyue (China) observed that the staff of UNRWA had, under very difficult circumstances, provided assistance which had continuously improved the economic and social conditions of the Palestine refugees and thus advanced the cause of peace and development in the Middle East. The move to Gaza had proved beneficial in terms of cooperation between UNRWA and all local authorities. The Agency had demonstrated its awareness that it must cut costs even as it promoted the economic development of the Palestinian territory and its self-rule area.

16. The Middle East problem was still unsolved after many years. The peace process was at a standstill and there had been a grave deterioration of relations between the two parties, with an increased number of violent incidents. The solution to the refugee issue was therefore even more remote. Both parties must comply in good faith with the peace agreements and resume their negotiations, so that the people of the Palestinian territory could regain peace and stability in their lives. At the current critical juncture, UNRWA was the symbol of United Nations determination to resolve the question and was vital to the success of peace.

17. China was concerned about the Agency's financial situation but nevertheless agreed with the Chairman of the Advisory Commission of UNRWA that any action which would negatively affect the well-being of the Palestine refugees should be avoided (A/52/13, p. vii). It hoped that programme delivery would proceed smoothly, as UNRWA, other United Nations agencies, the donor countries and the receiving authorities made a joint effort to compensate for the shortfall. UNRWA for its part must review its management practices in the light of the new situation, with a view to providing better service at lower cost.

18. China had deep sympathy for the Palestine refugees, and the Chinese Government would continue to help them through UNRWA and other bilateral channels, and to work for an early peace and stability in the Middle East.

19. Ms. Millar (Australia) said that for peace to take root there must be economic development and an improvement in the quality of life of ordinary Palestinians. That was where the work of UNRWA was so vital; its social and humanitarian action had been a significant factor in helping to reduce social and economic frustrations.

20. The report of the Commissioner-General (A/52/13) highlighted the constraints, both internal and external, that had continued to affect the Agency's operations during the past year. Its precarious financial situation, which was jeopardizing its programme activities and the delivery of essential services, was cause for concern. Although temporarily alleviated earlier in the year, the financial crisis would no doubt recur the following year without needed management reforms.

21. The Agency was to be commended for having worked to expand its donor base and reduce expenditure. Its work was of paramount importance at the current tense juncture in the peace process. Australia's assistance to UNRWA and the region as a whole had come to 7 million Australian dollars in 1996/97, part of which had been earmarked for teachers in West Bank and Gaza schools. Other donors as well must honour their stated commitments to UNRWA. Only a comprehensive peace settlement would settle the refugee issue and, until then, the role of UNRWA would be vital. Her delegation urged the parties to show determination in making progress towards peace.

22. Mr. Sriyono (Indonesia) said that, in spite of overwhelming budgetary constraints, UNRWA had succeeded in bringing about substantive improvements in socio-economic conditions, especially in the areas of education, health care, relief assistance and social services, of 3.4 million refugees registered with the Agency and was to be commended. The activities UNRWA carried out within the framework of the Peace Implementation Programme were also most gratifying.

23. The deteriorating situation in the Middle East was a source of concern. Instead of reaping the benefits of the peace process, Palestinians had been made to suffer even more as a result of Israeli measures, including closures and the building of illegal settlements in and around Jabal Abu Ghneim. UNRWA had had to face severe constraints caused by the closure of territories imposed by Israel under the flimsy pretext of security considerations. Israel, as the occupying Power, should fulfil its obligations by cooperating with UNRWA instead of placing obstacles in the Agency's way.

24. The report referred to the Agency as "technically bankrupt" as it lacked the resources to fulfil even its current obligations (A/52/13, para. 80). Moreover, the increase in the

refugee population owing to natural growth and inflation had heightened the financial problems. The imposition of austerity measures by UNRWA had led to a 29 per cent decrease in expenditure per refugee. The living standards had therefore plummeted in the West Bank and the Gaza Strip by approximately 36.1 per cent in recent years. Recognizing the dire situation, the refugees themselves had borne some of the Agency's expenses through innovative financing methods. If the situation was not remedied, it would impact negatively on the peace process. He shared the view of the Commissioner-General that importance had to be accorded to placing the programmes on a sound financial footing in order to avert potentially destabilizing consequences.

25. He hoped that Member States would continue to contribute to the Agency in order to counter the situation on the ground at such a critical juncture in the lives of the Palestinian people. Indonesia would continue to lend its unequivocal support to the Palestinians and would, within its modest means, contribute to UNRWA with a view to meeting critical needs, while supporting all efforts to improve programmes and administrative efficiency.

26. Mr. Ngo (Viet Nam) said that the Agency's efforts to maintain basic services for the Palestine refugees and its contribution to improving their socio-economic conditions were commendable. However, he deeply regretted that the Agency's operations in the West Bank and the Gaza Strip continued to face constraints arising from measures imposed by the Israeli authorities, which had led to a serious deterioration in the peace process. In addition, the severe financial crisis besetting the Agency had continued to permeate every aspect of its work. In that regard, he reiterated his delegation's demands that the closures should be lifted as soon as possible and that the financial difficulties facing the Agency should be addressed immediately.

27. The recent crisis in the implementation of the agreements already reached and the failure to achieve a just, lasting and comprehensive peace in the region were regrettable. A political solution had to go hand in hand with sustainable and socio-economic development with a view to ending the present status of the Palestinians who had been displaced from their own land. He called for the immediate implementation of the Interim Agreement on the West Bank and the Gaza Strip and the Declaration of Principles on Interim Self-Government Arrangements. His Government strongly supported the peace process and was determined to help promote the inalienable rights of the Palestinian people, including the right to self-determination and statehood.

28. He expressed his appreciation to the donor countries, international agencies and organizations for their

contributions to UNRWA and urged the donor community to continue its support.

29. Mr. Doudech (Tunisia) said that Israel's ongoing violations of the rights of the Palestinian people and its sabotage of the Middle East peace process had led to a sharp deterioration in the social and political situation in the region, particularly in the West Bank and Gaza Strip. Mass punishments, denial of access to places of work and the frustration of peace efforts had adversely affected the work of the Agency by preventing it from delivering services to an enormous number of refugees. As long as the Israeli authorities continued to violate the principles of international law and undermine the peace process, the work of the Agency would suffer.

30. Although Jordan, Lebanon and the Syrian Arab Republic had cooperated fully with UNRWA in meeting the needs of Palestine refugees and many States outside the region had provided financial support, the Agency was facing a serious financial crisis that threatened to undermine its very *raison d'être*. Certain of its programmes had had to be cut back or abandoned and spending per refugee had dropped in recent years. The Agency had become "technically bankrupt", in that it lacked sufficient resources to fulfil all outstanding obligations (A/52/13, para. 7). The increase in the refugee population had only exacerbated the Agency's financial difficulties, which needed to be resolved if that body was to survive. Palestine refugees themselves had begun to express concern that the Agency might be phased out and had staunchly opposed any perceived changes in UNRWA policies and programmes which might be seen as the first step towards closure of the Agency (*ibid.*, para. 11).

31. His delegation agreed with the Commissioner-General that any reduction in Agency services would send a negative signal to refugees and other parties in the region (*ibid.*, para. 12). The international community had a duty to save UNRWA from bankruptcy by increasing the level of funds and the number of donors. For its part, Tunisia would continue to contribute to an Agency that provided valuable services to Palestine refugees and merited the full support of the international community.

32. Mr. Holter (Norway) said that his Government attached great importance to the invaluable role played by UNRWA in providing assistance to the Palestine refugees. Norway continued to be one of the major contributors to the Agency and had increased its support, including by responding positively to the appeal of the Agency for extraordinary contributions.

33. The difficult financial situation of the Agency had grave implications in terms not only of the consequences for the

refugee population but also of its political consequences for the Middle East peace process. Given the Agency's financial situation, it was more important than ever for the donor community to sustain its efforts. His delegation was concerned that some important donors were considering a reduction of their contributions and reiterated its appeal for an expansion of the donor base. It was confident that the Commissioner-General would pursue his efforts to make the Agency a more efficient instrument.

34. His Government was convinced that the success of the peace process depended on its being seen to yield positive results in the everyday life of the people. Continued support by the international community for the peace process therefore had to be accompanied by substantial economic assistance, in particular to the Palestinian people, and UNRWA had a vital role to play in that regard.

35. Mr. Buni (Libyan Arab Jamahiriya) said that UNRWA was striving to improve the lot of the Palestinian people despite the financial shortfalls and the actions of the Israelis, who not only refused to support the Agency's work but deliberately hampered it by denying its staff freedom of movement. If UNRWA was to continue providing much-needed services, the international community must shoulder its responsibility to provide political and economic assistance.

36. The reports before the Committee showed the misery of a people living on charity, in exile. Yet the Palestinian question was not simply a humanitarian problem, but a legal and political one as well. UNRWA had been conceived as an interim agency, which would provide relief until the Palestinian people could return to its homeland. The principle on which the United Nations based its action in such situations was always the legitimate right of refugees to return to their home countries. Yet nearly 50 years later, the Palestine refugees were still suffering oppression, terrorism and poverty second to none; and never had the international community been as passive.

37. His Government, seeing it as a duty, had taken in many of the Palestinian exiles, whom it had never denied asylum in its territory, contrary to the impression that was created by paragraph 57 of document A/52/13 and its references to Palestinians encamped on the Libyan/Egyptian border. Those Palestine refugees and all others exiled in different parts of the world must be allowed to return home under the terms of a comprehensive peace process that would end the long, oppressive *fait accompli*. The Libyan Arab Jamahiriya supported a democratic, independent Palestinian State with Jerusalem as its capital, in which Jews and Arabs would live on an equal footing.

38. Mr. Páez (Colombia) said that his Government reiterated its solidarity with the Palestinian people and the Palestine refugees and paid tribute to the work done by UNRWA in spite of its financial difficulties. The international community could not remain indifferent in the face of the suffering of other human beings. He commended the donor countries and urged them to continue to provide economic support. He also expressed his appreciation of the host countries for the exemplary manner in which they had taken in Palestine refugees.

39. Mr. Hansen (Commissioner-General of the United Nations Relief and Works Agency for Palestine Refugees in the Near East) said it was encouraging for him and his approximately 23,000 colleagues to learn that their work was appreciated.

40. The Palestine refugee population, notwithstanding its deprivation, was among the most educated in the world. In spite of dire sanitary conditions, it ranked high in terms of primary health indicators. It was able to channel its entrepreneurial and social talents through centres for women and youth. However, there was a real danger that those achievements would be undermined because the Agency had insufficient funds to attend to needs.

41. While some countries had decreased their contributions others had increased them, so the Agency had in fact been more fortunate than other international agencies with a less stable income. Nevertheless, it was facing an increasingly difficult situation for demographic reasons and because of the general political climate in the region. He urged Member States to consider what they could do for UNRWA on both political and humanitarian grounds. If they all were to contribute their fair share in terms of the scale of assessments, next year's debate would be on the achievements made and not on the financial crisis. He reminded the delegations that there would be a pledging conference on 2 December.

The meeting rose at 4.40 p.m.