

UNITED



NATIONS

**Annual Report of the Director
of the United Nations Relief and
Works Agency for Palestine Refugees
in the Near East**

Covering the period 1 July 1957 to 30 June 1958

GENERAL ASSEMBLY

OFFICIAL RECORDS : THIRTEENTH SESSION

SUPPLEMENT No. 14 (A/3931)

NEW YORK, 1958

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NOTE

Symbols of United Nations documents are composed of capital letters combined with figures. Mention of such a symbol indicates a reference to a United Nations document.

TABLE OF CONTENTS

	<i>Page</i>
Introduction	1
I. The provision of relief	2
II. Assistance towards self-support	5
III. The Agency's emergency operations during 1958	6
IV. Relations with host Governments	7
V. The financial position	7
VI. Summary conclusions	9

ANNEXES

A. Refugee statistics	10
B. Health services	11
C. Social welfare	19
D. Self-support programme	21
E. Education and training	23
F. Financial operations	29
G. Budget for the fiscal period 1959	33
H. Legal aspects of the work of the Agency	40
I. Co-operation with other United Nations organizations	43
J. Purchase, control and distribution of supplies	44

Map: Sketch showing UNRWA's operations.

INTRODUCTION

1. In accordance with the provisions of paragraph 21 of resolution 302 (IV) of 8 December 1949 and paragraph 8 of resolution 1191 (XII) of 12 December 1957, the following report of the work of the United Nations Relief and Works Agency for Palestine Refugees in the Near East (UNRWA) for the year ending 30 June 1958 is submitted to the General Assembly.¹

2. Just before the close of the period covered by this report, on 15 June 1958, Mr. Henry R. Labouisse resigned after serving as Director of the Agency for four years. His departure was the occasion for many expressions of regret on the part of the refugees and the staff, by whom he was greatly admired.

3. Towards the end of the reporting period, the Near East was overtaken by yet another major crisis and, once again, the Agency's work was seriously affected. Three months later, while this report is being written, the crisis is by no means over, although measures have been taken to find a solution. The Agency is not directly concerned with political events in the area, but every incident of this kind has a direct impact upon its work amongst and on behalf of the refugees. In the present case, there have been serious interruptions of communications which have had to be overcome by costly, and sometimes dangerous, expedients. Nevertheless, food and other supplies have been moved and dis-

tributed on time, and the essential services maintained. Had the Agency failed in this, yet another cause of grave unrest would have been added to those already present.

4. In last year's report the Director referred once again to the attitude of the refugees, to their conviction that a grave injustice had been done to them and to their longing to return to their old homes. There are no new developments to report this year. There have been no signs of any change from their collective hostility towards major development projects which, to the refugees, imply permanent resettlement away from their ancestral homes and the abandonment of their hopes of repatriation. Nor has there been any affirmative action by the Government of Israel to facilitate the implementation of General Assembly resolution 194 (III) of 11 December 1948 concerning repatriation and compensation.² In the absence of a solution for this political problem, UNRWA's attempts to carry out its assigned task of effecting the "reintegration of the refugees into the economic life of the Near East either by repatriation or by resettlement" will continue to be hampered.

5. Nevertheless, the picture is not entirely black. The signs of "a growing appreciation of the desirability of self-support and of rehabilitation, in the broad sense of an improvement in their conditions of life and prospects for the future", of which the Director wrote last year,³ are even stronger today. Many refugees who had applied for individual grants, and were disappointed when the programme had to be closed down, have asked for it to be re-started. Huts are willingly accepted in place of tents. Applications for vocational training exceed the capacity of the Agency's centres. All these are encouraging signs. At present, and in the absence of some direct and positive action, this trend in the attitudes of the refugees, which should not be stifled by lack of financial support, is the brightest hope for their future.

6. In the first part of 1957, UNRWA was faced with a financial crisis of alarming proportions. Shortage of funds had already obliged it to bring to a close the majority of its activities in the self-support field. There was even a serious danger that the funds needed for its basic programme of relief and education would not be forthcoming. It is with a sense of deep relief that I am able to report that sufficient contributions have been received, or are in sight, to permit the Agency to continue these latter activities until the end of 1958 in accordance with the budget submitted to the Assembly last year. By using money saved as a result of a fall in the cost of basic commodities, the Agency will be able to restore some of the standards of the services to the levels obtaining before the financial crisis. Finally, it is particularly gratifying to report that, assuming the pay-

¹ A detailed description of the origin of the Agency and its mission and work prior to 1 July 1957 will be found in the following annual reports and other United Nations documents:

A. Final report of the United Nations Economic Survey Mission for the Middle East (28 December 1949) (A/AC.25/6, parts I and II).

B. Report of the Secretary-General on Assistance to Palestine Refugees: *Official Records of the General Assembly, Fourth Session, Ad Hoc Political Committee, Annexes*, vol. II, p. 14 (A/1060).

C. Reports of the Director of UNRWA and special reports of the Director and Advisory Commission to the General Assembly:

(a) *Official Records of the General Assembly, Fifth Session, Supplement No. 19* (A/1451/Rev.1);

(b) *Ibid.*, *Sixth Session, Supplements Nos. 16 and 16A* (A/1905 and Add.1);

(c) *Ibid.*, *Seventh Session, Supplements Nos. 13 and 13A* (A/2171 and Add.1);

(d) *Ibid.*, *Eighth Session, Supplements Nos. 12 and 12A* (A/2470 and Add.1);

(e) *Ibid.*, *Ninth Session, Supplements Nos. 17 and 17A* (A/2717 and Add.1);

(f) *Ibid.*, *Tenth Session, Supplements Nos. 15, 15A and 15B* (A/2978 and Add.1);

(g) *Ibid.*, *Eleventh Session, Supplements Nos. 14 and 14A* (A/3212 and Add.1);

(h) *Ibid.*, *Twelfth Session, Supplement No. 14* (A/3686) and A/3735.

D. Pertinent General Assembly resolutions:

194 (III) of 11 December 1948;

212 (III) of 19 November 1948;

302 (IV) of 8 December 1949;

393 (V) of 2 December 1950;

513 (VI) of 26 January 1952;

614 (VII) of 6 November 1952;

720 (VIII) of 27 November 1953;

818 (IX) of 4 December 1954;

916 (X) of 3 December 1955;

1018 (XI) of 28 February 1957;

1191 (XII) of 12 December 1957.

² "The General Assembly . . . 11. *Resolves* that the 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 in equity, should be made good by the Governments or authorities responsible."

³ A/3686, para. 39.

ment of anticipated pledges at the same rate as in the past, contributions appear likely to permit the Agency to embark upon a few selected activities in the self-support field which had been stopped, and which therefore featured in the second priority of the 1958 rehabilitation budget. From many points of view—that of the refugees, of whom a larger number will be able to prepare themselves to become self-supporting; that of the host Governments, who strongly support the Agency's education and vocational training programmes and would like to see them expanded; and that of the Agency, which is happy to observe progress in the constructive field of its mandate—this is a welcome development, and it is strongly urged that adequate contributions should be made once again in order that the progress achieved may be maintained.

7. Reference must be made on this occasion to UNRWA's mandate, which, after successive extensions, is due to be terminated or renewed on 30 June 1960. As to the need for the services that the Agency provides, there can be no question. Even in the most favourable political circumstances, it would be years before the refugees could become self-supporting, however great the

investment in economic development in the Near East. The question is rather how these services should be provided.

8. UNRWA is one means; there are several others. UNRWA has proved its efficiency and has built up a fund of experience, but if the choice falls on one of the others, the decision must be made, and the Agency instructed, not later than the session of the General Assembly in 1959. An organization with as many diverse functions and responsibilities as UNRWA cannot be wound up in a few days. It employs approximately 10,000 staff members, to whom proper notice must be given; there are thousands of assets to be transferred or otherwise disposed of, and hundreds of contracts to be terminated. All this will need time, as will the preparation of alternative arrangements: there can be no break in the flow of services and supplies during the hand-over.

9. A decision of this importance should not be taken without careful study, and it is submitted that the Assembly should, this year, take steps to arrange for such a study with a view to presenting a report and recommendations to the Assembly in 1959.

I. THE PROVISION OF RELIEF

10. At the beginning of the period under review, 1 July 1957, certain parts of the relief programme had already been affected by financial stringency. In particular, practically all new shelter construction other than the programme for the replacement of tents by huts, had been brought to a halt, and the new clothing programme for children had been abandoned. Attempts were made not always successfully, to maintain the standards of current services at lower cost. In short, the relief programme, never more than a bare one, had been reduced to a point where any further reduction would have involved the elimination of a whole category or categories of services. Happily, sufficient funds were finally forthcoming to enable the Agency to carry on without further reductions, and in August of 1958 it appeared that it would be possible to restore some of the services to the previous levels if contributions were received during the last six months in accordance with reasonable expectations. The over-all standard of relief, however, is still very low, and it is still impossible to offer even these modest services to all *bona fide* Palestine refugees in need of them. Nor can the Agency provide for the frontier villagers and other claimants for relief such as the bedouins who have been expelled from their traditional grazing grounds. A special report was submitted concerning all of these groups to the Assembly in 1954.⁴

REGISTRATION AND NUMBERS

11. Statistics on the refugee population are given in annex A. Compared with the number of 933,556 refugees receiving services of one kind or another on 30 June 1957, the number on 30 June 1958 had risen to 963,958. This group of refugees includes those who receive rations and all other services, as well as children, some of whom receive only services. The increase for this year is due, as usual, to the natural increase in the population, as well to the registration of a number of children born in previous years. In addition, there are

89,390 refugees registered with the Agency who have become wholly or partly self-supporting and, accordingly, receive no rations and, in many cases no services.

12. The Agency's means for determining the eligibility of refugees for assistance did not improve significantly during the period. They have never been entirely satisfactory in any of the host countries. Consequently, there are inequities in the distribution of relief and these are increasing with the passage of time, although it is probable that the number of rations actually issued is roughly equal to the number of refugees entitled to receive them.

13. In Lebanon this problem was least serious. The graduated income scale⁵ appeared to be operating to the mutual advantage of the refugees and the Agency. Those who could not wholly support themselves continued to receive certain services which they could ill afford to lose. In the Syrian Region of the United Arab Republic, this graduated scale was applied only to refugees newly recruited and employed by UNRWA, and it has not so far been introduced in Gaza and Jordan. In neither the Syrian Region nor in the Gaza strip can the Agency undertake the necessary investigation into eligibility without the assistance of the local authorities. Although this assistance is substantial, there often remains for several months a backlog of children over one year of age who cannot be given rations until the authorities can arrange for the surrender of the cards of an equivalent number of ineligible recipients, of whom there are undoubtedly considerable numbers.

14. It is in Jordan, however, that the problem remains acute. The situation has been described fully in previous reports.⁶ The rectification of this most unhappy situation lies in the hands of the Government and of the refugees themselves. Towards the end of the reporting

⁵ A/3212, paras. 15 to 18.

⁶ Annual report and special report to the tenth session (A/2978, para. 9 and A/2978/Add.1, section VI); Annual report to the eleventh session (A/3212, para. 14); Annual report to the twelfth session (A/3686, para. 12).

⁴ A/2978/Add.1.

period, refugees in one or two camps let it be known that they would be prepared to implement the proposals, agreed between the Government and the Agency three years previously, for rectifying the ration rolls. However, before this could be put into effect, the political situation deteriorated and nothing was done.

FOOD

15. There has been no change quantitatively or qualitatively in the individual basic food ration nor in the food value of the supplementary feeding programme. The numbers of beneficiaries have remained about the same. The following is a complete list of what UNRWA provides:

(a) *Basic dry rations*

A monthly ration for one person consists of:

- 10,000 grs. of flour
- 600 grs. of pulses
- 600 grs. of sugar
- 500 grs. of rice and/or burghol
- 375 grs. of oil and fats

This ration provides about 1,500 calories per day and per person and is issued each month to about 842,500 refugees, on an average. In winter, the basic monthly ration to all beneficiaries is increased by:

- 300 grs. of pulses
- 500 grs. of dates

and then provides about 1,600 calories in all, per day, per person.

(b) *Supplementary feeding:*

(i) *Whole and skim milk:* Whole milk rations, providing the equivalent of 194 calories per day, are issued to babies aged less than one year. Skimmed milk rations, providing the equivalent of 125 calories per day, are available to children aged 1-15 years, to pregnant and nursing mothers, and to others upon medical recommendation. Approximately 218,000 refugees receive these rations daily.

(ii) *Vitamins A & D capsules* are available every other day to all children in UNRWA elementary schools (during the eight months of the school-year) and daily to all children up to six years of age attending supplementary feeding centres, and to all school-children presenting themselves at those centres during the summer months. On an average, more than one million capsules are issued every month.

(iii) *A hot mid-day meal* providing between 600 and 700 calories is given six days weekly to children and other refugees on medical recommendation. About 45,000 refugees receive the meal daily.

(iv) *A monthly dry ration* providing 500 calories per day is issued to women from the beginning of the fifth month of pregnancy to the end of the twelfth month after delivery. About 26,000 refugees receive this ration.

(v) *A double basic ration* is issued monthly to about 1,400 non-hospitalized tuberculosis patients.

16. Thus, in addition to providing a basic ration, the Agency tries to meet the special needs of the vulnerable groups.

SHELTER

17. The Agency continued to maintain fifty-seven camps in the four host countries. The number of refugees in camps increased by about 23,000 in the period under review. This was the result, partly of the natural

increase of the population, and partly of the acceptance into camps of some of the most needy new applicants in the Gaza strip and Jordan. The percentage of camp residents to the total registered refugee population remained, however, almost the same, advancing by about 1 per cent to 39.4 per cent. Over the last five years this proportion has risen from 32.4 per cent.

18. During the past several years, the Agency has been engaged in a programme of shelter improvement, the most prominent feature of which is the replacement of tents by huts. This not only provides the refugee family with better protection against the elements but is also in the long run an economy. The nature of shelter improvement varies from country to country, or area to area, for a variety of reasons, many of them historical. In the Syrian Region, most of the work is done by the refugees themselves, the Agency contributing a cash grant for roofing material and the Government a similar cash grant. In Lebanon, the Agency issues roofing materials, and it has also constructed some completely new camps, although none during the present reporting period. In Jordan and the Gaza strip, construction has largely been organized and carried out by the Agency itself through local contractors. A comparatively recent development in Jordan and the Gaza strip during this reporting period has been the contribution of labour by some of the refugees themselves, thereby helping the Agency to provide more shelters for the same cost. Nevertheless, the demand for accommodation is far larger than could be met from existing funds.

19. The results of the tent replacement programme thus far are, briefly, as follows: All tents were replaced by huts in the Gaza strip some years ago; tents have virtually been eliminated in the Syrian Region; they have been reduced to about 500 in Lebanon, and to about 4,400 in Jordan. If adequate funds are provided, it is expected that nearly all tents can be replaced during the remaining months of 1958 and in the course of 1959.

20. The replacement of tents does not, however, constitute the only demand upon the shelter programme. There remain two important needs which have been mentioned in previous reports:⁷ those of the squatters and those arising from family changes. The former is most acute in Jordan, the latter in the Gaza strip, but both are general throughout the whole area.

21. By the term "squatters" is meant those *bona fide* refugees who are not registered as camp residents but who, with the passage of time, have settled in makeshift housing around the camps or in quite separate agglomerations. In simple equity, their need for, and entitlement to, Agency-provided shelter is as great as those of refugees who are already registered in camps. Unfortunately, there has never been sufficient money simultaneously to improve the accommodation of registered camp inhabitants by the replacement of tents or otherwise, and to provide the "squatters" with accommodation by new construction. A modest start has been made in the past year: in Jordan it was found possible, through savings in the over-all programme, to authorize the construction of an extension to a fairly new camp just outside of Amman in order to accommodate a particularly ill-and unhealthy-housed group of refugees in the Wadi Seer in Amman.

22. The other major shelter requirement is for dealing with family changes: marriage, divorce, increase in family size, etc. In most places, the refugees do what

⁷ A/3686, paras. 20 and 21.

they can themselves, and often the Agency's contribution is restricted to giving the cost of a roof or materials for a roof, to complete shelter already built by refugees. The Agency has been able to allocate some funds for these purposes, but not enough.

23. Total shelter construction in the period under review was as follows: through a combination of hut construction and the provision of roofing materials or cash grants, some 7,000 families benefited from improved shelter, including the replacement of about 3,500 tents by huts. In the eighteen months to the end of 1959, if funds are available, it is planned to provide improved shelter for nearly 20,000 families. This will complete replacement of all remaining tents in official camps by huts (about 5,000), will meet the most urgent requirements arising out of family changes and will go some way towards meeting the problem of squatters.

HEALTH

24. An account of the Agency's health services is contained in annex B. As in the past, the emphasis has been placed on preventive medicine and on health education, although the Agency maintains static and mobile clinics for the treatment of the sick, and provides some 2,000 hospital beds, mainly subsidized, in government or private institutions. In general, the health of the refugees under the Agency's care has continued to be satisfactory.

25. Throughout the reporting period, the whole health programme has been the subject of intensive review so that, if possible, the same amount of money might provide better services than in the past. As a result, there has been a redistribution of hospital beds in Jordan so as to equalize services throughout the area and to improve standards of care. The milk and supplementary feeding centres, which are also administered as part of the health programme, have also received a more than usually close scrutiny and some re-allocations and adjustments have been made to ensure that refugees who need the services receive it. Very little more in the way of improvement can, however, be expected without an increase in the level of expenditure.

26. The nutritional status of the refugees remains under constant surveillance. A recent informal study by an expert of the World Health Organization shows that over the last two years there has been no deterioration in the general nutritional status of the refugees while it has even improved in some respects. An expansion of the supplementary feeding programme for young children would, however, be advisable. As in the case of the existing programme, beneficiaries would be selected by the doctors on medical grounds. This, in turn, will require an increase in the number of doctors, all of whom have more to do than they should.

27. One of the most frequent causes of infant morbidity and mortality in the Near East is summer diarrhoea, the specific etiology of which remains largely unknown. In endeavouring to combat it among refugee children, emphasis is placed on education in environmental sanitation. In addition, last year, special post-diarrhoea menus were introduced in the feeding centres; two rehabilitation and rehydration centres were established as an experiment.

28. With regard to tuberculosis control, the emphasis placed on domiciliary treatment combined with the use of the new chemotherapeutic agents has been continued and is proving satisfactory. Investigation of the incidence of the disease also continues. In the Gaza strip, for ex-

ample, tuberculin testing of 35,000 children from the ages of 6 to 15 was conducted by the Agency with equipment and some staff loaned by the United Nations Emergency Force. A mass X-ray survey of school children living in the Nablus area in Jordan is also being carried out.

29. In environmental sanitation, more piped water supplies and septic tank latrines have been provided, thus promoting the public health of the camp communities.

WELFARE

30. A description of the Agency's welfare services, consisting of group activities and individual case-work, is to be found in annex C.

31. The Agency's welfare programme has again concentrated on assisting camp residents to combat idleness; the refugees have shown an increasing interest in various opportunities for occupying their time usefully.

32. UNRWA assists refugees who wish to take up in their camps the trades they once practised in Palestine by providing them with the means to buy the necessary tools or equipment. A barber, a tinsmith, a tailor, a shoe-repairer are typical examples of the many who are back at work.

33. As a further development, the Agency by contributing advice and, sometimes, initial supplies, has encouraged refugees with a common interest or trade to band together and form small craft co-operatives. In some cases, co-operative members themselves have shown considerable initiative by raising additional sums from outside sources. An interesting example is the agricultural co-operative recently formed by forty-four refugee heads of families at Karameh Camp, near Jericho. They had been farming individually on some privately-owned land nearby, for which they paid rent. The refugee farmers improved the land and eventually joined together to raise a considerable sum of money to buy the land for themselves. The American Friends of the Middle East, impressed with their purpose and with their past efforts, have loaned them an additional \$12,000 and the Arab Land Bank of Jordan a similar amount, all of which has made the purchase of this land possible. With the formation of the co-operative, they are now buying seeds on a wholesale basis and they will market their products collectively. This has made an impression on other refugees in the locality and additional groups have made similar proposals which are now under consideration. It is hoped that in time they will become self-supporting.

34. These efforts in the general field of welfare—small grants, advice, etc.—should not be confused with the individual grants programme which is described in paragraph 53 of this report.

35. The Agency continues, through its case-work services, to try to meet special individual needs that are not covered by the other relief services. The many voluntary agencies operating in the area are of great help in this work. Of particular interest, perhaps, is the programme for assistance to the handicapped. In the past year, the Agency was able to place seventy-four blind and deaf and dumb children in various local institutions where they receive education and training to become useful citizens.

36. The work of the many voluntary agencies which assist the Palestine refugees is summarized (to the extent that it concerns the Agency's mandate) in annex C to this report. It is, as usual, impossible to overstate the value of their work, and UNRWA is deeply grateful for

their efforts. These agencies greatly assist the refugees by providing funds and supplies (especially used clothing).

CLOTHING

37. It will be recalled that financial difficulties obliged the Agency to bring the programme for new clothing to a halt last year. Accordingly, no new cloth was purchased in the period under review; stocks on hand were turned into clothes and distributed to 234,000 children.

38. An appeal was made for gifts of cloth which has resulted in one major response thus far. At the time of writing (August 1958), CARE has promised enough cloth to provide one set of garments for all children of 1-15 years of age in the Gaza strip; cloth for the 1-5 age group has already arrived. The garments will be cut in the Agency's sewing centres and sewn by the refugee mothers. The Near East Christian Council (NECC) and individual members of the United Nations Emergency Force have also contributed towards the purchase of cloth. It is to be hoped that the response will

grow and that all needy refugee children throughout the area can again be given new clothing. Meanwhile, donations of used clothes and footwear, on which the Agency continues to pay freight charges remain as necessary as ever.

SUMMARY—RELIEF STANDARDS

39. The Agency has been able to provide relief services generally along the lines foreseen in its budget. These services by no means meet all needs, either quantitatively or qualitatively. At the end of the reporting period, some under-expenditure became apparent. A start will therefore be made to meet some of the more urgent needs described above: for example, a little more shelter and a slight expansion of the supplementary feeding programme.

40. This, it should be emphasized, will represent no change in basic standards of relief, which are still considered inadequate. Any significant improvement would require the assurance in advance of considerably more funds than are presently being contributed.

II. ASSISTANCE TOWARDS SELF-SUPPORT

41. Early in 1957, the financial situation was so serious that the Agency was obliged to take a number of decisions which seriously affected the rehabilitation programme. As reported last year,⁸ these included: the termination of the individual grants programmes in Jordan and Syria; the closure of the teacher-training centres in Jordan; deferring the construction and equipment of new vocational and agricultural training centres; deferring the re-equipment of the agricultural training centre in the Gaza strip; ending all new project activities; no construction of new schoolrooms; and the restriction of the number of students entering secondary schools.

42. What remained of the rehabilitation programme after the application of these measures consisted of a general education system (elementary and secondary schooling plus a minimum of higher education), two currently existing vocational training centres, a placement service, and the completion of a few minor self-support projects.

43. Contributions received during the period under review were sufficient to enable the Agency to continue this rump of a rehabilitation programme at the reduced levels described above. In August 1958, it became apparent that the financial situation would allow the Agency after consultation with the Advisory Commission to embark, in a modest way upon some of the activities which had been stopped and which had been allotted second priority in the 1958 rehabilitation budget. In view of changes in refugee attitudes reported in paragraph 5 above, this is a most opportune development. It should also be possible to restore standards in the education programme to the pre-1957 level, control over expenditure in the recent past having had to be so strict that standards have in some instances actually declined.

44. What the Agency has been able to do in general education and vocational training is described in annex E. The Agency's activities in connexion with the handful of uncompleted projects are described in annex D. The following paragraphs emphasize the important points.

GENERAL EDUCATION

45. The Agency's education system remains one of its most important means for preparing the refugees to become self-supporting wherever they may ultimately live. Its object is to provide elementary education for all refugee children, secondary education for a proportion of the refugee school population roughly equal to the proportion of the indigenous school population receiving it in the host countries, university scholarships for a small number of the most gifted students, and as much vocational training as the Agency can afford.

46. During the 1957-1958 school-year, about 173,000 children benefited from the Agency's elementary and secondary education programmes; of these, nearly 118,000 attended the Agency's 381 schools, the balance of about 55,000 being enrolled in Government or private schools where they were subsidized by UNRWA.

47. It will be recalled that during the earlier part of the period under review there was a very real possibility that, for financial reasons, the Agency would be able to complete only the 1957-1958 school-year and would be unable to begin the next one. Not until mid 1958 did it become clear that contributions would be sufficient to cover expenditure for the school-year 1957-1958 and to enable the Agency to plan for the school-year 1958-1959. During 1958-1959, it will be necessary to expand the physical facilities and increase the number of teachers in order to meet the demands of the larger number of children. Arrangements are being made to construct 209 new classrooms which will avoid the introduction of triple-shifting and arrest the trend towards double-shifting.

48. The continued lack of well-trained teachers still causes difficulties. Having been obliged to close its two teacher-training centres for lack of funds, the Agency had to rely last year on less satisfactory expedients, such as summer training courses. These expedients, together with the fact that there is a larger number of students who have completed their secondary education from whom candidates for teachers may be selected, have made it possible to maintain the general level of teaching. Any real improvement in standards will, however,

⁸ A/3686, para. 38.

only be secured by reopening the teacher-training centres. This is highly desirable from every point of view.

49. The handicraft programme in the Gaza strip and Jordan continues successfully, and its extension to Lebanon and Syria will be undertaken as soon as funds permit.

VOCATIONAL TRAINING

50. It proved impossible to build the additional vocational training centres for which plans had been prepared (two in Lebanon, one in Jordan). Accordingly, the Agency concentrated upon refining the curricula and otherwise improving the two centres already running in Jordan and the Gaza strip and on establishing at Tripoli in Lebanon a course for the training of pipeline-welders for whom a keen demand exists in the Persian Gulf area. Annex E describes the programme and achievements in detail and shows how enrolment in the two established centres has increased from 251 to 363, and is expected to rise by October 1958 to 430.

51. The Agency considers that it would be most desirable to reactivate all of its plans for constructing and operating more vocational training centres throughout the area. It is proposed to include at least one teacher-training centre and to expand the vocational training programme among the resumed activities to which reference is made in paragraph 43 above.

PLACEMENT

52. The placement service has been maintained to assist those refugees who are sufficiently skilled in trades and professions to obtain work in neighbouring Arab countries. More refugees have thus found permanent jobs than during any previous period, in spite of the unsettled conditions of the past few months.

INDIVIDUAL GRANTS PROGRAMME

53. As noted in last year's report, one of the most successful means found by the Agency for helping refugees to become self-supporting was the individual grants programmes in Jordan and Syria. Under the programmes, the Agency undertook to make grants, in modest *per capita* amounts not exceeding \$500, to refugees desiring to establish themselves in economically

sound ventures. The first such programme was started in Syria and was originally concentrated on the establishment of tailors, seamstresses and the like in self-supporting work, but was later expanded to cover other fields of activity, including agriculture. The programme in Jordan, which began in early 1955, made provision for grants for various types of enterprises (agricultural, commercial and industrial) and also for housing. The cost of these programmes was low; as of April 1957 more than 7,200 refugees had been made self-supporting in the two countries (5,400 in Jordan and 1,800 in Syria) at a total cost of \$2,324,000. The history of the Jordan programme is of particular interest; and was described in last year's report⁹ as follows:

"When it was first discussed publicly in 1954, there was considerable local political agitation against it on the alleged ground that its success would prejudice the refugees' rights to repatriation; and its commencement was thus delayed for several months. In its early days of operation, it also encountered constant opposition from the refugees and its success was frequently in doubt. During the year under review, the opposition diminished considerably and, even more important, increasingly large numbers of refugees sought to participate in the programme. It has, therefore, been exceptionally disappointing—to the Agency, to the interested refugees and to the Government—that lack of funds has forced the Agency to bring this project to an end. When the Agency was compelled by lack of funds to stop receiving applications, it had on hand a backlog of about 1,600 in Jordan. Each application normally represents a family, all members of which benefit from the grant and become self-supporting."

54. Although it was not possible to revive this desirable programme in the period under review, provision has been made in the 1959 budget (under chapter II) to resume it should the funds be made available. The improved financial position which became apparent after the end of the reporting period will permit a modest beginning to be made. It is earnestly hoped that the funds will be provided to expand this programme so that the initiative will not again be lost.

⁹ A/3686, para. 49.

III. THE AGENCY'S EMERGENCY OPERATIONS DURING 1958

55. The crisis which developed in Lebanon after 10 May 1958 confronted the Agency with a number of serious problems arising from the disturbances and armed conflict there, but by no means confined to that country. Despite the difficulties, UNRWA was able to continue its essential services.

56. While the immediate problem was that of maintaining relief services for the more than 100,000 refugees in Lebanon, UNRWA had also to face the equally complex problem of ensuring the continuous flow of supplies for the Arab refugees living in Syria and Jordan, which had been endangered as a result of the situation in Lebanon. There was a general strike which closed the port of Beirut, made it impossible to move supplies from the port area to the UNRWA base warehouse in another part of the town, and rendered all operations in Lebanon very difficult. In addition, the area north of Tripoli was cut off by land from the rest of Lebanon, all road traffic from Beirut to Syria and Jor-

dan was stopped, and the Syrian-Jordanian border was closed on a number of occasions. Circumstances were rendered even more difficult by the almost day-to-day changes in the situation both inside and outside Lebanon.

57. Amongst measures adopted to meet the situation within Lebanon, inland transport was obliged to proceed in convoy, under army escort. Supplies had to be carried by sea to the refugee camp of Nahr el-Bared, north of Tripoli, and unloaded on open beaches, often in hazardous circumstances. A daily liaison service by motor boat was established to transport serious medical cases from the camp to a hospital in Tripoli. UNRWA water tankers maintained regular supplies of water to camps situated in areas where water mains had been blown up. UNRWA ambulances were on some occasions the only regular means of communication with isolated camps. Owing to the closure of normal supply routes through Beirut, the Agency had to divert ships to Latakia (to supply Syria and Jordan), to Aqaba (to supply Jordan)

and to Port Said for trans-shipment to Aqaba. It established port and transport offices in Aqaba and Latakia and obtained warehouse accommodation in those congested ports. New arrangements had to be made for the transport of supplies from Aqaba to Amman and Jerusalem, and from Latakia to Damascus and Amman. In Syria and Jordan, increased use was made of local procurement to make good deficiencies caused by the im-

mobilization in Beirut of the goods originally bought for the purpose.

58. These emergency operations have cost the Agency an appreciable additional sum of money—provisionally estimated at \$100,000—but none of its activities were so seriously affected that the distribution of rations was delayed.

IV. RELATIONS WITH HOST GOVERNMENTS

59. The three previous annual reports have drawn attention to difficulties arising from Government-Agency relations.¹⁰ The background to these difficulties has not changed: the refugee problem represents for the Arab Governments a burning political issue both of internal and foreign policy, while the nature and size of the Agency's operations give them an exceptional importance in the life of the host countries. Once again, it must be recorded that the host Governments provide a very substantial amount of assistance to the refugees and to the Agency, some of this through the Agency but the larger part going directly to the refugees. This imposes a financial strain on some of the Governments which must not be forgotten when the question of UNRWA's relationships with them is considered.

60. The General Assembly in its resolution 1018 (XI) of 28 February 1957 noted:

"that the host Governments have expressed the wish that the Agency continue to carry out its mandate in their respective countries or territories and have expressed their wish to co-operate fully with the Agency and to extend to it every appropriate assistance in carrying out its functions, in accordance with the provisions of Articles 104 and 105 of the Charter of the United Nations, the terms of the Convention on the Privileges and Immunities of the United Nations, the contents of paragraph 17 of resolution 302 (IV) and the terms of the agreement with the host Governments;

and requested:

"the host Governments to co-operate fully with the Agency and with its personnel and to extend to the Agency every appropriate assistance in carrying out its functions".

¹⁰ A/2978, para. 59 and annex G; A/3212, paras. 7 to 84 and annex G; A/3686, paras. 70 to 76 and annex H.

V. THE FINANCIAL POSITION

64. A full report of the Agency's financial operation is contained in annex F; the Agency's budget for the calendar year 1959 is set forth in annex G. The following paragraphs highlight the important facts concerning the Agency's financial position.

65. Early in 1957, the Agency faced a most alarming financial crisis which continued until the end of that year. There were two principal reasons for the crisis: expenditure generally, but more especially on education and other rehabilitation (or self-support) activities, had been rising; on the other hand, reserves, accumulated during the early part of the Agency's existence, were

61. During the period under review, the co-operation and assistance of the host Governments, although varying in extent from time to time and from country to country, were generally sufficient to enable the Agency to carry out its broad programme. Indeed, the co-operation and assistance received during the recent political crisis were of a particularly high order and were an important factor in enabling the Agency to continue its services uninterrupted.

62. It must, however, be recorded with regret that difficulties have been experienced—difficulties which should never have arisen in the case of a United Nations Agency which has been operating for a number of years in close association with the host Governments. These difficulties can be characterized as attempts unduly to interfere in some aspects of the Agency's work, particularly in matters having to do with personnel, taxation, and the import and export of goods. They appear to arise mainly from failure to appreciate at all levels the implications of the Agency's status as a subsidiary organ of the United Nations. Annex H of this report describes some of these problems in detail. For the most part, although taken separately each problem is not immediately critical, collectively they constitute a challenge to the principles governing the operations of the United Nations and have sometimes hindered the efficient carrying out of certain of the Agency's activities.

63. To sum up, it may be said that over-all relations with Governments during the period under review remain unchanged and generally satisfactory. Unfortunately, toward the end of the period, there was a recurrence of difficulties in the Gaza strip which appeared to have their origin in the failure of the Government to recognize the legal status of UNRWA. Immunity from legal process was denied, and permits to enter or re-enter Gaza were refused to a number of the Agency's international staff. Discussion is continuing in the hope that these difficulties can be resolved.

running out; by December 1957, they were down to \$8.5 million, enough to finance only three months of operations. It was therefore essential either that reserves be replenished or that contributions in any given period, which for several years had been running at a level sufficient only to meet the costs of the relief programme, be raised to new levels sufficient to cover the expenses, not only of relief, but of rehabilitation as well.

66. When it became evident early in 1957 that, despite earlier appeals and warnings, contributions were unlikely to meet the needs of all activities then under way, the Agency introduced measures to reduce expendi-

ture. These affected mainly the self-support programme, but to some extent also the relief programme. The Agency's activities were reduced to a bare minimum. It was estimated then that it would cost about \$33 million a year to finance these programmes at the reduced level, and that a further \$8 million would be needed to restore those programmes which had had to be eliminated. Yet, as late as 6 December 1957, when the Director addressed the members of the General Assembly¹¹ for the third time in as many months, contributions in sight for 1958 amounted to only about \$25 million.

67. The first three operative paragraphs of resolution 1191 (XII) of 17 December 1957 stated:

"The General Assembly . . . Draws the attention of Governments to the critical position of the United Nations Relief and Works Agency for Palestine Refugees in the Near East, and urges them to consider to what extent they can contribute or increase their contributions in order that the Agency may carry out its budgeted relief and rehabilitation programmes and that cuts in services may be avoided;

Requests the Secretary-General, in view of the critical financial position of the Agency, to make, as a matter of urgent concern, special efforts to secure the additional financial assistance needed to meet the Agency's budgets and to provide adequate working capital;

Directs the Agency to pursue its programme for the relief and rehabilitation of refugees, bearing in mind the response to paragraphs 1 and 2 above."

68. In the course of the next few months, a number of Governments responded to this appeal.¹² By April 1958, it appeared that sufficient pledges had been or would be made to finance existing activities for 1958. The next problem was to obtain the payment of these pledges in time to enable the Agency to take full advantage of the United States contribution. This contribution, it will be recalled, is subject to the stipulation that it shall not exceed 70 per cent of total contributions from all Governments. Since the United States pledge is made and paid for the United States fiscal year which runs July-June, the last date for receiving matching payments is 30 June in any year. In the event, sufficient contributions were received on almost the last day of June 1958 to permit the United States to pay over the whole of its pledge, less about \$4,000.

69. At the beginning of July, there was only about \$1.9 million unpaid from pledges available to the Agency for 1958. If, however, it is assumed that regular contributors who have not yet pledged for 1958, or whose fiscal year does not permit them to pledge until the last half of 1958, will do so and will make payments as they have done in the past years, it is then possible to estimate total income for 1958 at \$34.5 million. This will consist of about \$33 million in pledges made and paid for the period and about \$1.5 million on account of pledges for prior years, a windfall that cannot be counted on for 1959.

70. Meanwhile, expenditure on the reduced programmes envisaged in the budget presented to the General Assembly last year is running at the rate of about \$31 million (for the year 1958), somewhat under the

budget rate as a result, mainly, of an unexpected drop in the price of basic commodities during the early part of 1958.

71. Thus, on certain favourable assumptions, the Agency may receive as much as \$3.5 million more in 1958 than it would have to spend on its minimum programmes. After consultation with the Advisory Commission it has been decided that of this surplus, the first \$2 million will be spent on restoring the standards of facilities provided under these programmes and approved in previous years; the remaining \$1.5 million will be used to make a modest start on activities which were allotted second priority in the 1958 budget. Since for technical reasons it is unlikely that expenditure on the latter can begin before 1959, these activities have been shown again in the 1959 budget and the money to finance them will be set aside for that purpose.

72. At the close of 1958, therefore, it is estimated that the Agency's financial position will be approximately the same as it was at the beginning of the year, that is, there will be reserves sufficient for barely three months' operations and the Agency will be completely dependent upon the timely receipt of adequate contributions for 1959 if operations are to continue without interruption and at proper levels. This basically unsatisfactory financial position—unsatisfactory because contributions are rarely paid before the beginning of the financial year, and because there is no cushion of reserves—will not be relieved by the expected surplus of contributions over expenditure in 1958 described above, since, in the first place, this surplus (if it materializes) will be used to restore minimum programme standards to more nearly normal levels and to finance a portion of the self-support chapter of the 1959 budget. In the second place, the factors giving rise to this surplus (the payment of prior years' pledges and a reduction in commodity prices) cannot be counted on to occur again in 1959. The problem facing the Agency, therefore, is to be assured of contributions sufficient to cover its budget for 1959 and to have reserves sufficient to finance operations for a reasonable length of time should receipt of contributions be delayed.

73. In the 1959 budget, existing activities—relief and education, mainly—have been designated as chapter I. It is estimated that the continuation of these activities will cost \$33.4 million in 1959, as compared with a budget estimate of \$32.9 million for 1958. Under chapter II of the 1959 budget have been grouped the self-support activities which were stopped for lack of funds in 1957 and which it is now proposed to restart. The amount that it is estimated could be spent for these purposes in 1959 is \$4.1 million of which, as explained in paragraph 71 above, \$1.5 million may be available at the end of 1958. Thus, a total of \$36 million in new money will be required to finance the 1959 budget.

74. It is again repeated that the Agency's financial operations are seriously hampered by the absence of adequate working capital. This year's experience has provided additional proof. Had there been a reasonable reserve, it would have been possible to commence work upon approved programmes several months earlier, as soon as it became apparent that a surplus of contributions over expenditure would exist. The Agency is therefore again asking for the constitution of an adequate working capital fund by the provision of \$6.5 million, in addition to the amount required for the two chapters of the 1959 budget.

¹¹ A/3693; A/SPC.20/Rev.1; A/SPC/23.

¹² Table 5 appended to annex F shows all Governments who have contributed thus far in 1958, and table 6 those who have increased their contribution over previous years.

75. Although the Agency is not responsible for raising funds, I should like to express, on behalf of the refugees and all interested in their welfare, appreciation for the special efforts that have been made this year to raise

the level of contributions—especially to the contributing Governments themselves and to the Secretary-General and his staff. It is very much hoped that these efforts will be continued.

VI. SUMMARY CONCLUSIONS

76. The Agency has continued to carry out the work assigned to it by the General Assembly within the limits imposed by the political aspects of the Palestine problem. It has been faced once again with the effects of a major political crisis but has nevertheless managed to continue the provision of essential supplies and services through the employment of costly, and sometimes hazardous, expedients.

77. The financial crisis with which it was faced in the middle of 1957 has been met and temporarily overcome thanks to the generosity of contributing Governments and the efforts of the Secretary-General and his staff. Essential programmes (including education) have been maintained and it is hoped, by the end of 1958, to restore the standards of some services which were affected by the imposition of economy measures to meet the crisis. It is also hoped to undertake a limited number of the projects in the self-support programme which had been deferred owing to the shortage of funds. It is highly desirable that these projects should be continued and, to a modest extent, expanded. There are, however, no grounds for complacency; continued and indeed increased financial support is as urgent as ever.

78. The approach of the end of the Agency's mandate in June 1960 requires action by the Assembly to enable it to decide what steps should be taken to provide services which will still be needed.

79. In summary, the following is therefore required:

- (a) Immediate payment of all outstanding pledges;
- (b) Immediate payment by those of the Agency's regular contributors who have not done so of contributions for 1958, or, where applicable, for the last half of 1958 in amounts *pro rata* to their normal contributions for a full year;
- (c) Approval of UNRWA's budget for 1959;
- (d) Pledging and payment of at least \$36 million to enable UNRWA to implement its programmes in 1959;
- (e) Payment of all contributions towards the 1959 budget in advance of expenditure—that is, one half before 1 January 1959 and the remainder before 1 July 1959;
- (f) Payment of \$6.5 million to enable the Agency to establish a small reserve of working capital; and
- (g) Arranging for a study, report and recommendations for dealing with the situation after 30 June 1960.

ANNEXES

ANNEX A

REFUGEE STATISTICS

Table 1

NUMBER OF REFUGEES AND RATIONS DISTRIBUTED^a

Country	June 1950		June 1951		June 1952		June 1953		June 1954		June 1955		June 1956		June 1957		June 1958	
	Refugees	Rations	Refugees	Rations	Refugees	Rations	Refugees	Rations	Refugees	Rations	Refugees	Rations	Refugees	Rations	Refugees	Rations	Refugees	Rations
Gaza	198,227	188,227	199,789	197,233	204,356	198,427	208,560	199,465	212,600	207,037	214,601	208,674	216,971	213,056	221,058	214,463	225,575	218,325
Jordan	506,200	503,423	465,741	444,403	469,576	438,775	475,620	431,012	486,631	443,464	499,606	441,371	512,706	437,855	517,388	433,511	539,519	432,750
Lebanon	127,600	129,041	106,896	106,068	104,901	99,903	102,095	97,324	101,636	100,056	103,600	101,272	102,625	101,056	102,586	101,352	102,291	101,205
Syria	82,194	82,824	82,861	80,499	84,224	80,674	85,473	76,819	86,191	83,233	88,179	84,611	89,977	85,810	92,524	87,451	96,573	90,213
Israel	45,800	45,800	24,380	23,434	19,616	17,176	b	b	b	b	b	b	b	b	b	b	b	b
Total	960,021	949,315	879,667	851,637	882,673	834,955	871,748	807,620	887,058	833,790	905,986	835,928	922,279	837,777	933,556	836,777	963,958	842,493

^a The refugees enumerated are persons registered for rations, their babies under one year of age and children registered for all services except rations. In addition, some refugees registered with the Agency receive, because of their income, only certain services or no services. On 30 June 1958 this group numbered 89,390.

The number of rations has been corrected to the equivalent of full rations as some refugees (frontier villagers) receive half rations. Prior to the eighth session of the General Assembly, children under seven years old and certain Bedouins also received half rather than full rations.

^b No longer UNRWA responsibility.

Table 1 (continued)

	Headquarters	Lebanon	Syria	Jordan	Gaza	Total
<i>Area staff</i>						
Doctors, full-time	1	18	13	45	15	92
Doctors, part-time	0	0	1 ^a	4	0	5
Dentists, full-time	0	1	1	0	1	3
Dentists, part-time	0	0	0	1 ^b	0	1
Nurses (nurse midwives and public health nurses)	1	18	14	51	18	102
Auxiliary nurses (practical, aid, CBA)	0	29	32	198	67	326
Midwives	0	7	2	1	3	13
Sanitation and maintenance officers...	0	3	2	3	2	10
Food supervisors	0	2	1	3	1	7
Laboratory technicians	0	2	1	3	3	9
Pharmacists and technicians.....	1	1	1	1	1	5
Health educator	1	0	0	0	0	1
Others:						
Medical	25	25	19	72	49	190
Sanitation and maintenance.....	1	9	6	13	46	75
Supplementary feeding/milk	0	7	5	13	15	40
				SUB-TOTAL		879
<i>Labour category</i>						
Medical	1	38	37	142	85	303
Sanitation and maintenance.....	0	146	61	584	571	1,362
Supplementary feeding/milk	0	123	106	505	237	971
				SUB-TOTAL		2,636
				GRAND TOTAL		3,531

^a There are, in addition, two private specialists hired on a contractual basis.

^b There are, in addition, eight private practitioners hired on a contractual basis.

2. CLINICS, HOSPITALS AND LABORATORIES

4. The number of clinics operated directly or subsidized in cash by the Agency is seventy-two, of which sixty-four are static and eight are mobile, the latter covering thirty-three points of service. In addition, the services of government clinics and a number of voluntary societies' clinics are utilized as well as the out-patient department facilities of large hospitals in the host countries.

5. On the whole, satisfactory services have been maintained throughout the year, though in Jordan the shortage of medical officers imposed some strain at times in clinics. In Lebanon, the public unrest during May and June limited the use that was made by the refugee population of the facilities provided almost uninterruptedly throughout the whole of this difficult period.

6. Certain modifications of existing services took place in Lebanon and Syria to meet the changing needs in different areas or to provide improved facilities where these were necessary and possible. In Lebanon, during November, a new polyclinic was established on the outskirts of Saida town and close to Ein el Hilweh camp to serve not only the refugee population living in these two centres, but also that of the nearby Mia Mia camp. This arrangement permitted the closure of the three small clinics previously utilized. Similarly, with the opening during the same month of new clinics premises to serve Burj el Barajneh and Shatila camps near Beirut, a further two small clinics were no longer required. In Syria, an extra mobile clinic was established in January to serve certain outlying groups.

7. The following table shows the number of visits paid to Agency clinics during the reporting period:

Table 2

Description	Lebanon	Syria	Jordan	Gaza	Total
General medical cases.....	282,354	331,646	590,575	430,154	1,634,729
Dressings and skin.....	155,406	128,939	808,272	493,856	1,586,473
Eye cases	162,140	56,531	973,972	542,360	1,735,003
Dental	26,486	17,148	41,866	11,323	96,823
TOTAL	626,386	534,264	2,414,685	1,477,693	5,053,028

8. The number of hospital beds maintained by or reserved for the Agency decreased from 2,150 in June 1957 to 2,102 in June 1958. This decrease was the result of the reorganization and readjustment of the hospital services to meet the changing needs in the different areas of operations, and did not reflect unfavourably

on the standards of hospital care, as it was associated with improvements of services taken as a whole. Mainly TB beds were involved in the decrease (see below, para. 35).

9. The decrease in general beds in Jordan was effected in accordance with the hospital reorganization

plan, whereby transfers were to be carried out from Jerusalem to areas much poorer in hospital beds, such as Nablus and Amman. The first stage of the operation—the closure—is reflected in the figures for the end of the period under review, while the opening of the new beds in Amman and in Nablus, foreseen for July and August 1958, will show only in the next report.

10. The number of beds in Syria decreased slightly in certain government hospitals while some small camp maternity posts were closed. By contrast, in the Gaza strip, the number of beds available to refugees and residents has increased by fifty-two beds mainly because of extensions in the Red Crescent and Isolation Hospitals. In Lebanon, the situation has not changed significantly.

Table 3

<i>No. of beds available</i>	<i>Lebanon</i>	<i>Syria</i>	<i>Jordan</i>	<i>Gaza</i>	<i>Total</i>
General	127	103	627	348	1,205
Tuberculosis	150	25	155	150	480
Maternity	14	10	52	80	156
Paediatric	19	18	130	23	190
Mental	41	0	30	0	71
TOTAL	351	156	994	601	2,102

11. The special facilities available in the large teaching hospitals in Beirut for neuro-surgery, thoracic surgery and X-ray therapy continue to be utilized by patients from Jordan, Lebanon and Syria, while similar facilities in Cairo are utilized by patients from the Gaza strip. In Jordan, the Agency's contract with the Red Crescent Hospital at Amman for seventeen beds was terminated at the end of December with the closure of the hospital, but was replaced by a new contract with the Italian Hospital for seventeen beds. The number of beds at the Agency's hospital at Salt was reduced from seventy-five to sixty-seven. In Gaza, the Government Public Health Department took over the UNEF hospital during the second quarter of the period under review and established a seventy-bed isolation hospital in the building, at which refugees are treated.

12. A fire broke out in the Augusta Victoria Hospital, Jerusalem, on 25 April and was rapidly brought under control thanks to local efforts. Repairs to the wards were carried out efficiently, so that, in fact, the fire did not have any serious repercussions on the services for the patients.

13. Facilities for the admission to hospital of mental patients continue to be provided by the Agency in Lebanon and Jordan while in Syria and in Gaza this responsibility is borne by the Government authorities. The Syrian authorities, in addition, continue to maintain in Damascus a sixty-bed asylum for aged refugees, who are provided with food, clothing and medical care. The Agency supplies such medicines as are required.

14. Laboratory services continue to be provided by Agency-operated, university, governmental, or subsidized private laboratories. In Lebanon, following the opening in Beirut of the new government public health laboratory, arrangements were completed with the Director of Health for the examination by the laboratory of clinical and pathological specimens submitted by the Agency's medical officers as well as for the examination of water supplies for potability. In Lebanon and Syria, in accordance with the arrangements for co-operation in the malaria eradication programme, information is passed to the Ministry of Health in respect of all refugee patients found to be suffering from malaria on microscopical examination of blood smears carried out in Agency laboratories. A similar arrangement has been put into effect in Jordan since the national malaria eradication programme was started in 1958.

3. MATERNAL AND CHILD HEALTH

15. With the occurrence during the summer months of 1957 of the epidemic of Asiatic influenza, refugee children were kept at home and, as a result, calls upon the Agency's maternal and child health services decreased. In the Gaza strip, the camp maternity centres were closed for the greater part of September, but were able to re-open on 1 October. Similarly, a measles epidemic which spread in the Gaza strip during the early months of the new year resulted in a decreased attendance of children for routine services during January and February. By March, however, with the decline in the epidemic, attendance once more reached a normal level. During the period under review, attendances for ante-natal care at the Agency's clinics numbered 105,127 in comparison with 109,701 for the previous period, while the corresponding figures in respect of the infant health attendances were 338,617 (monthly average 28,218) and 350,752 (monthly average 29,230), respectively.

16. The function of the maternity clinic being the maintenance of the state of good health of the expectant mother, attendance at monthly intervals is encouraged during the early stages of pregnancy, gradually changing to weekly intervals as the expected date of delivery approaches. Delivery normally takes place in the home or in the camp maternity centre, hospital care usually being reserved for complicated cases. In the clinic, there is regular medical and nursing supervision, simple health instructions are given, and a ready-made layette or materials for the making of a layette are provided. On medical certification, a daily issue of skim milk and a monthly issue of supplementary dry rations are made from the beginning of the fifth month of pregnancy till the end of the twelfth month after delivery. A serological test for syphilis is carried out and if the result is positive an adequate course of treatment is given and family members are also examined for evidence of the disease. The number of such tests carried out during the period under review was 18,463 of which 256, 1.4 per cent, proved to be positive.

17. In the discovery, treatment, and control of syphilis among the refugee population, as well as in the observation of the epidemiological trends of the disease, the maternity health service and the serological test for syphilis carried out at the first attendance at the ante-natal clinic are of paramount importance. Since large and

changing groups of women are under constant medical supervision, there is early discovery of the disease where it exists, and there are full facilities for treatment and observation of patients with positive serological tests.

	1951-1952	1952-1953	1954-1955	1955-1956	1956-1957	1957-1958
Number of ante-natal STS per- formed	17,538	19,458	21,223	20,800	18,629	18,463
Number of positive STS.....	1,032	577	557	342	259	256
Percentage positive	5.9	3.0	2.6	1.64	1.39	1.4

19. The child health services provide simple advice to mothers regarding the care of their infants and young children, covering such subjects as breast feeding, weaning, diet, bathing and clothing. Prophylactic immunizations against smallpox, diphtheria, pertussis and enteric group fevers are carried out. Beneficiaries for supplementary feeding in the 0-2 years' age group are also selected through these clinics.

20. As in all countries in the Near East, summer diarrhoea and gastro-enteritis among infants and young children constitute a serious problem during the warm weather. As mentioned in the previous year's report,² certain dietetic experiments have been carried out in Jordan and the Gaza strip in the case of infants recovering from diarrhoea. Those in Jordan have been the more successful and the special menu used there, the basis of which is labneh (a skim-milk cottage cheese) is being introduced into the Gaza strip. A special in-service training programme in maternal and child care conducted by the Senior Medical Officer for Maternal and Child Health, the Senior Public Health Nurse and the Health Educator has completed its first two-month course for qualified nurses in the Jericho area. The second course for auxiliary personnel started in May. It is intended that this course be repeated in all areas in Jordan. Special emphasis is being placed on nutrition of infants, ineffective summer diarrhoea, breast feeding and post-diarrhoea menus.

21. During the period under review, 12,792 school-children and 299 teachers in Agency schools were medically examined. In Jordan, however, because of staff shortages, the school health teams were unable to operate during most of the year. In Lebanon and in the Gaza strip, very few examinations took place as the duties of the school health teams were concentrated on special surveys or other related medical activities. In Gaza, for example, the school medical officer has been engaged in the anti-ankylostomiasis campaign, in the tuberculin testing and BCG vaccination of school-children, as well as in immunizations against pertussis and the enteric group of fevers. In Jordan, all elementary school-children were re-inoculated against diphtheria. In Syria, the school health examinations proceeded normally.

4. NUTRITION

22. The calorie value of the basic rations supplied to refugees continued unchanged throughout the year at about 1,500 calories per day in summer and about 1,600 calories per day in winter, and with a total vegetable protein content of 41.7 and 44.2 grammes respectively. The constituents also remained unchanged except that, at the end of October 1957, burghol was eliminated and the subsequent issue of cereal, other than flour, consisted of rice only.

18. The following statistics give interesting information on the epidemiological trends of syphilis occurring among refugee pregnant women attending maternity clinics during the last seven years (statistics for 1953-1954 not available):

23. The average monthly number of expectant and nursing mothers in receipt of the special supplementary rations issued from the beginning of the fifth month of pregnancy to the end of the twelfth month after delivery, and having a value of 500 calories per day, was 25,140. This same group, together with all children up to the age of 15 years, who are also entitled to a daily issue of milk, added up to an average daily number of 185,279 persons. In addition, milk was issued on medical prescriptions to schools and orphanages. For those refugees (mostly children) selected on medical grounds as being in need of supplementary feeding, a nutritionally balanced hot meal was provided on six days each week and issued to an average of 43,363 persons daily. This meal, which varies in calorific value according to the age of the recipient from 200 calories to 700 calories, includes, besides the dry ration constituents, items of fresh food such as fruit, vegetables, meat, eggs, as well as 500 grammes of dry skim milk to help in preparation of the menu. This daily meal is provided for a period of three months, but may, on medical certification, be continued for a longer period. Fish oil capsules continue to be issued through supplementary feeding centres and to school-children attending the Agency's elementary schools. Hospital rations have continued unchanged, while approximately 1,300 out-patients suffering from pulmonary tuberculosis continue to receive double basic rations. The issue through Agency milk centres of a daily ration of milk to some 17,000 Gaza (non-refugee) residents by the voluntary society CARE was in abeyance throughout most of the period under review, but was recommenced in April 1958.

24. The school milk programme continued satisfactorily in Syria, Jordan and Gaza, the dilution of the milk powder in water being changed from the proportion 1.4 to 1.3 with considerable appreciation by the school-children. In Lebanon, however, little progress has been made in implementing this programme.

25. The report on nutrition and dietary survey conducted in 1955-1956 was, after a prolonged and detailed analysis by WHO, considered inconclusive. Collection of further and periodical data appeared necessary and efforts were made to devise methods for obtaining these. Although a pilot study was started in Jordan in 1957, the innumerable technical difficulties attached to such periodical clinical surveys slowed down progress and the project is still in the planning stage.

26. The chief of the Nutrition Section of WHO spent four weeks in the Agency area during November 1957 visiting camps, clinics, hospitals, milk and supplementary feeding centres, examining large numbers of school-children and assessing their general nutritional state. He also held discussions with the paediatric specialists attached to the various hospitals admitting refugee children. He found no deterioration in the general nutritional state of the refugees since his last visit, which had taken place two years previously; in some aspects there was an improvement.

² A/3686, annex B, para. 21.

5. COMMUNICABLE DISEASES CONTROL

27. A list of infectious diseases recorded among the refugee population during the period under review is given in the following table:

Table 4

	Lebanon	Syria	Jordan	Gaza	Total
Plague	0	0	0	0	0
Cholera	0	0	0	0	0
Yellow fever	0	0	0	0	0
Smallpox	0	0	0	0	0
Typhus (louse borne).....	0	0	0	0	0
Typhus (endemic)	0	0	0	0	0
Relapsing fever	0	0	8	0	8
Diphtheria	7	8	70	1	86
Measles	1,124	421	2,008	10,395	13,948
Whooping cough	1,100	606	1,835	33	3,574
Chickenpox	277	413	3,160	7,619	11,469
Mumps	409	373	1,021	1	1,804
Meningitis (cerebro-spinal)	7	5	8	5	25
Poliomyelitis	7	6	43	0	56
Enteric Group fevers.....	152	144	157	150	603
Dysentery ^a	18,170	15,529	14,100	22,579	70,378
Malaria ^a	66	291	1,843	18	2,218
Bilharziasis	0	0	0	94	94
Ankylostomiasis	49	0	0	1,509	1,558
Trachoma ^a	7,146	1,217	82,143	15,948	106,454
Conjunctivitis ^a	21,437	10,795	102,352	18,727	153,311

^a The numbers shown on this table represent number of attendances not clinical cases.

28. No quarantinable disease occurred during the period under review and only eight cases of relapsing fever, considered on epidemiological grounds to be tick-borne, were reported in contrast to the forty similar cases recorded during the previous twelve months. All occurred in Jordan. Dysentery and eye diseases are still the most prevalent infections, particularly during the summer months. The reduction in the number of cases of enteric group fevers is noteworthy and is undoubtedly due to provision of safe water supplies, effective immunization and improved health education.

29. An outbreak of Asiatic influenza spread in all Agency areas of operations in July, August and September 1957. In October, a second wave occurred in Lebanon and Jordan with a lower attack rate, but greater severity. No mortality was registered among refugees.

30. There has been some increase in the incidence of poliomyelitis. Fifty-six cases were reported in all countries during the period of review in contrast to twenty cases during the previous period. After careful consideration of the epidemiological factors involved, the Agency decided not to institute a vaccination programme, but

	Lebanon	Syria	Jordan	Gaza	Total
TAB	5,213	67,615	48,754	38,881	160,463
Smallpox	4,470	2,233	1,979	103,686	112,368
Diphtheria	6,306	2,637	35,586	4,077	48,606
Pertussis	1,027	1,431	9,195	5,076	16,729

35. *Tuberculosis control.* The emphasis placed on the domiciliary treatment of tuberculosis combined with the use of the new chemotherapeutic agents has been continued this year and is proving to be satisfactory. So much so that the waiting lists for hospital admission have practically been abolished in all countries and it was even possible to close the twenty-six bed tuberculosis pavilion of the Augusta Victoria Hospital at Jerusalem, there being sufficient beds elsewhere to cover the reduced need for hospital admission. Double basic rations con-

is watching the situation carefully. A few vaccinations have been carried out in several Agency clinics in Jordan, the vaccine being distributed by the Ministry of Health.

31. An anti-ankylostomiasis campaign was launched in those localities of the Gaza district where the disease is prevalent. A general survey, followed by the mass treatment of positive cases, was carried out among the school-children and this is expected to have the effect of reducing the incidence of the infection among the population.

32. Gaza experienced an outbreak of measles which affected the refugee and non-refugee population alike. Normal precautions were taken.

33. An outbreak of diphtheria which started among the non-refugee population in Jordan also affected the refugees. A vigorous anti-diphtheria campaign prevented the spread of this disease.

34. *Immunization.* In all Agency clinics active immunization campaigns against the related communicable diseases were carried out. The total number of routine immunizations given during the period under review were as follows:

tinue to be provided for all pulmonary tuberculosis patients undergoing domiciliary treatment.

36. In Jordan, the new Government/WHO tuberculosis centre at Amman was opened in November and an agreement was reached with the Ministry of Health as a result of which all tuberculous refugee patients living in East Jordan are being treated at this centre. Following the gift by the Swiss Government of a microfilm attachment for the X-ray unit at the Agency's tuberculosis hospital at Nablus, a mass X-ray survey of the school-

children living in that area is at present being carried out. Similarly, in the Gaza strip, a tuberculin-test and CG vaccination campaign is taking place among school-children. Those showing a positive reaction to the tuberculin test are X-rayed by the UNEF mass-radiography unit.

37. The facilities for thoracic surgery in Bhannes sanatorium, Lebanon, are available to all refugees registered for the Agency's services.

38. *Malaria control.* The following table gives a summary of the Agency's anti-malaria activities during the year:

Table 5

Country	Residual spraying campaigns			Population protected
	Camps sprayed	Villages sprayed	Square metres sprayed	
Syria	2	1	41,121	1,130
Jordan	1	59	1,744,185	51,250

Larvicidal campaign (Jordan)

Estimated number of square metres oiled during period April-November 1957, inclusive.....	51,483,500
Number of litres DDT-pure, resin-solar oil (2.5 per cent DDT, 2 per cent resin).....	128,594

Drainage (Jordan)

Number of linear metres cleared.....	17,891
Number of cubic metres dug as drains.....	18,880
Number of square metres dried.....	782,650

39. In Jordan, a malaria eradication programme on national scale is now being developed. The Agency's anti-malaria programme will be absorbed within the framework of this national eradication programme.

40. Since 1953, the most malarious areas of the country, the Yarmuk and Jordan valleys, have been controlled by the Agency and during the year under review coverage has continued to include not only the val-

leys themselves but also the adjoining mountainous areas. Weekly larviciding of all potential anopheline-breeding surfaces in the area of control was carried out regularly throughout the breeding season. Residual spraying of some of the villages lying on the borders of controlled areas and on the frontiers was also carried out to prevent infiltration of vector mosquitoes. Several difficulties were experienced in preventing infiltration of disease-carrying mosquitoes into the border areas between Jordan and Syria and Jordan and Israel.

41. An epidemiological survey carried out in the controlled areas of Jordan showed among the 526 infants examined only four positive blood smears, and when these cases were investigated they proved to have contracted the disease outside the controlled area. Likewise, 2,803 school-children examined from the controlled area revealed a parasite rate of only 0.9 per cent. Any further reduction of this figure is rendered impossible through movement of people between non-controlled and controlled areas.

42. In Lebanon and Syria, the Agency's anti-malaria programmes were incorporated with the national malaria eradication schemes during the year. Spraying teams operating in refugee camps were supervised by the national malaria programme employees and the Agency's malaria technician.

43. The Agency was represented by its epidemiologist at the WHO Technical Malaria Eradication meeting for the whole Eastern Mediterranean Region held in Baghdad during December 1957. Three papers on the activities of the Yarmuk-Jordan anti-malaria programme were presented by him at the meeting.

44. The percentage of incidence of malaria during the season July to December is obtained from the records of all the Agency clinics. The table below shows the incidence of malaria from year to year. In spite of the slight increase of the incidence of malaria in the non-controlled areas in Jordan, the over-all incidence of the disease in the four countries shows a declining trend.

Table 6

Country	July	August	September	October	November	December
<i>Lebanon</i>						
	<i>Per cent</i>					
1953-1954	1.2	1.5	1.1	1.5	0.8	0.5
1954-1955	0.4	0.2	0.3	0.3	0.3	0.2
1955-1956	0.18	0.18	0.18	0.19	0.16	0.07
1956-1957	0.14	0.22	0.11	0.22	0.13	0.11
1957-1958	0.2	0.4	0.007	0.13	0.17	0.15
<i>Syria</i>						
1953-1954	0.4	3.4	2.6	3.4	1.9	1.0
1954-1955	1.3	1.9	1.5	2.5	1.4	0.5
1955-1956	0.54	0.68	0.8	1.0	0.5	0.18
1956-1957	0.27	0.34	0.4	0.5	0.3	0.25
1957-1958	0.6	0.1	0.23	0.41	0.22	0.09
<i>East Jordan</i>						
1953-1954	8.5	8.3	7.5	8.3	6.0	5.1
1954-1955	3.0	3.0	3.9	4.1	3.5	2.2
1955-1956	1.96	1.8	1.7	1.9	2.3	1.5
1956-1957	1.2	0.97	1.0	0.96	0.75	0.38
1957-1958	0.17	0.35	0.49	0.68	0.62	0.66
<i>West Jordan</i>						
1953-1954	2.1	2.4	2.7	2.4	2.2	1.0
1954-1955	2.2	1.5	1.4	1.8	1.7	1.6
1955-1956	1.24	1.2	0.86	1.1	1.1	0.8
1956-1957	1.1	0.86	0.81	0.8	0.5	0.59
1957-1958	0.17	0.38	0.93	0.8	0.55	0.3

Table 6 (continued)

Country	July	August	September	October	November	December
<i>Gaza</i>						
1953-1954	0.0	0.0	0.0	0.0	0.0	0.0
1954-1955	0.0	0.0	0.0	0.0	0.0	0.0
1955-1956	0.0	0.0	0.0	0.0	0.0	0.0
1956-1957	0.0	0.0	0.0	0.0	0.0	0.0
1957-1958	0.0	0.0	0.0	0.0	0.0	0.0

6. ENVIRONMENTAL SANITATION

45. *Water Supplies.* In general, there was no change in the water supply situation in camps during the year. One camp in Jordan (Amari), which previously had been supplied by water tanker, was eventually connected to the Jerusalem-Ramallah municipal water supply. The use of private rented wells in Bureij and Nusirat camps in the Gaza strip is shortly to be discontinued on completion of Agency-constructed wells. The less-than-average rainfall during the winter of 1957-1958 in southern areas of the Syrian Region and many parts of Jordan is expected to result in water shortages in some of the Agency camps. Provision for water tankers to supplement existing supplies should, however, meet the anticipated shortages.

46. *Excreta and refuse disposal.* A substantial additional number of septic latrines were built in camps in Jordan, but the number of latrine holes is still less than the goal of three per hundred of the population. A programme has been inaugurated in Jordan to encourage officially the construction of private latrines by refugee families living in camps. The Agency provides a slab, S-trap, and two bags of cement while the refugee families provide the labour and requisite additional materials. Disposal of refuse, hitherto largely by incineration or burial by the Agency, is now more often effected by local contractors or municipalities against payment.

47. *Insect control; anti-fly measures.* The insecticidal programme carried out using mainly a mixture of Diazinol and DDT for control of flies did not produce very good results. Fly resistance to most insecticides becomes a major obstacle and again most reliance has to be placed on sanitation measures and health education of the public. Trial of newer methods using modified insecticide "cocktails", baits and impregnated cords are also being planned, while space spraying is still used in feeding centres.

48. *Anti-louse measures* were carried out successfully and regularly in all fields with 1 per cent BHC (Lindane). No cases of louse-borne diseases were recorded in the Agency area of operations during the period under review nor, for that matter, during the last five years.

49. *Control of bed bugs and fleas* was also carried out generally, but with limited success. Gammexane water dispersible powder was extensively used either alone or in combination with DDT besides Diazinol and chlordane, which were used mostly against fleas. Introduction of newer mixtures of insecticides recommended by WHO are under study.

7. NURSING SERVICES

50. The nursing services continue to make a major contribution to the Agency's health programme in the preventive field of maternal and child health, school health, tuberculosis control, home visiting, health education and prophylactic immunization, as well as in the

curative field of clinic and hospital services. In addition, an active part is taken in the basic training of students of general nursing as well as in the various forms of in-service training carried out by the Agency's health services. An indication of the work-load that is largely borne by the nursing staff is given in table 2 of this annex.

51. For these various preventive and curative services, a staff of 102 nurses and 326 nursing auxiliaries is employed. This number does not include the nursing staff of the different hospitals and clinics subsidized by the Agency. In order to raise the standard of nursing services, particularly in the preventive field, fellowships tenable for one year at the School of Public Health of the American University of Beirut were granted to four selected Agency nurses who, having successfully completed their course of training, returned to their posts to benefit the service with their wider knowledge and improved techniques.

8. HEALTH EDUCATION OF THE PUBLIC

52. This activity, established with the assistance of WHO, has now been in operation for three years, and it is encouraging to note that certain Governments as well as important commercial concerns are developing a similar approach in dealing with preventable health problems. Health education workers in the field instruct parents and children, school teachers and pupils, community leaders, Agency employees (including sanitation staff) in schools, clinics and supplementary feeding centres, as well as in homes and public places, in order that the community may be enabled to lead a healthier way of life. It is difficult to evaluate what has been achieved in such a short period as three years, but it is not unreasonable to see the influence of health education in the decrease of enteric group fevers in Jordan, in the increased standards of cleanliness of those attending the supplementary feeding centres, and in greater tidiness in camp areas.

53. Special mention must be made of the two films produced by the Agency. One of them deals with the anti-fly campaign and was filmed in Jericho during the cleanliness week launched there in June. The other was extensively shown in Jordan during May and June 1958 and demonstrates the preparation of special local foods for infants. It stresses the nutritive value of such foods, and the attending mothers are thus encouraged to feed their infants accordingly.

54. Specific activities of health education workers during the period under review included, during the spring and summer, participation in anti-fly campaigns, tuberculosis control and immunization campaigns, the prevention and control of infective summer diarrhoea, the showing of a food protection exhibition, the exhibition of films on health subjects, and teachers' health education courses. During the autumn and winter, they included organization of school health committees, a nutrition exhibition and participation in an anti-

ankylostomiasis campaign. They also helped the other health services during the Asiatic influenza epidemic which occurred in the middle of 1957 and during the measles epidemic which occurred in the Gaza strip early in 1958.

9. MEDICAL EDUCATION AND TRAINING

55. The following table shows the continuation of the training programme of medical and para-medical personnel:

Table 7

<i>Project or fellowship</i>	<i>Location</i>	<i>Length of training</i>	<i>Number qualified</i>
<i>Courses completed during the year under review (academic year 1956-1957)</i>			
Public health diploma for doctors....	American University, Beirut	1 year	2
Public health certificates for nurses..	American University, Beirut	1 year	4
Sanitation certificate	American University, Beirut	1 year	3
Health education certificate.....	American University, Beirut	1 year	1
Medicine	American University, Beirut	5 years	2
Medicine	Cairo University	5 years	3
Medicine	Ein Shams University, Cairo	5 years	3
Dentistry	Cairo University	4 years	1
Midwifery	Maternité Française, Beirut	1 year	1
Nursing	Augusta Victoria Hospital, Jerusalem, Nursing school	3 years	18
Nursing	United Kingdom schools	3 years	4
<i>Courses in operation</i>			
Medical	Egyptian universities	5 years	66
	American University, Beirut	5 years	13
	Faculté Française, Beirut	5 years	2
	Syrian University	5 years	12
	Iraqi University	5 years	6
Dental	Egyptian universities	4 years	6
	Iraqi University	4 years	1
	Syrian University	4 years	2
	Faculté Française, Beirut	4 years	1
Veterinary	Egyptian universities	4 years	5
Pharmacy	Syrian University	4 years	1
	Egyptian universities	4 years	5
	American University, Beirut	4 years	2
General Nursing	American University, Beirut	3 years	1
	Makassed Hospital, Beirut	3 years	1
	Augusta Victoria Hospital, Jerusalem	3 years	37
	Baptist Hospital, Gaza	3 years	9
	United Kingdom schools	3 years	19

56. In addition to the above, one Agency medical officer attended a special five-day course in dermatology and venerology held at the American University of Beirut. The annual meeting of the Société Libano-Française de Médecine took place in Beirut in November 1957, and was attended by a number of the Agency's medical officers from Lebanon and Syria. The Agency contributed to the cost of the eighth Middle East Medical Assembly, held in May 1958. Some fifty-five doctors of the Agency's staff or from hospitals subsidized by the Agency attended the Assembly; a special section was devoted to nursing in which the Agency's nursing staff took part.

57. In Jordan, a series of lectures on, and clinical demonstrations of, nutritional deficiencies as manifested among the refugee population were given by the Agency's medical consultant to different groups of camp medical officers and have proved very helpful in clinical diagnosis and in the selection of beneficiaries for supplementary feeding. The current in-service maternal and child health training course has already been referred to in paragraph 20 of this annex.

58. As in previous years, the staff of St. John's Ophthalmic Hospital in Jerusalem again agreed to receive three UNRWA medical orderlies for three months

during the summer to give them a refresher course in ophthalmic work. Many of the UNRWA staff have already had this training, which has raised considerably the standard of the technique used in ophthalmic clinics.

59. The school of nursing in Jerusalem is again preparing to receive a new group of first-year students. The availability of more girls with secondary education, as well as the growing interest of the better educated part of the population in the nursing profession, has made it possible to raise the entry requirements from eight to nine years of schooling. The Government/United States Operations Mission School requires the same standard. A committee of nurses has been formed to standardize the educational programmes and revise the curriculum of the Government/United States Operations Mission School of Nursing in Amman and the school of nursing at the Augusta Victoria Hospital in Jerusalem.

10. MEDICAL SUPPLIES

60. In general, throughout the period of review, the provision of medical supplies has been satisfactory. The bulk of the items was purchased by the Agency through UNICEF on the world market at competitive prices. Local purchase was reserved for relatively few items

needed urgently or in small amounts. No major problems have been experienced in distribution to the different areas or to the individual hospitals and clinics operating therein.

11. REPORTS AND STATISTICS

61. Information on the pattern of diseases occurring in the refugee population is being collected as advised by a WHO expert in health statistics. Two sample surveys, one in August 1957 and the other in January 1958, have been carried out in Agency clinics and the data derived therefrom is at present being subjected to statistical analysis and interpretation. Similarly, a statistical study is being made of hospital admissions, diagnosis and treatment. It is believed that, with the fuller and more accurate knowledge thus obtained of disease incidence, the

services can be better adapted to suit the needs of the population served.

12. GOVERNMENT AND VOLUNTARY SOCIETIES

62. Grateful tribute must again be paid to the various Governments, universities and voluntary societies for the very generous and valuable contribution which they have made to the health programme. These were made in the form of personnel, subsidized beds in hospitals, services in out-patient and mobile clinics as well as in maternal and child health centres, assistance with immunization campaigns, medical supplies, layettes, X-ray equipment and supplementary food supplies. All such help has been of great assistance to the Agency in the operation of its extensive and complicated health services.

ANNEX C

SOCIAL WELFARE

1. THE REFUGEE AS A MEMBER OF HIS COMMUNITY

(a) *General*

1. One of the tragic aspects of the life of a refugee is that he often has nothing to do. This is true of many Palestine refugees and is particularly true in the Gaza strip, where 300,000 people in all are concentrated in a small area of largely unproductive, desert land, and in Jordan, where there is a large surplus population. Although a man may not be aware of it, the debilitating effect of ten years without regular work is considerable. In tackling this problem of enforced idleness, the Agency has received considerable assistance from voluntary societies or groups all over the world.

2. In approaching some aspects of this problem, the Agency has enlisted the voluntary efforts of the refugees themselves, through the establishment of refugee co-operatives, through the continuation of certain training courses and through an expanding programme of direct assistance to individuals seeking occupation. It has also continued to assist refugees who wish to emigrate to other Arab countries or overseas. The distribution of much needed second-hand clothing donated by voluntary agencies has also been supervised by the Agency's welfare workers.

(b) *Voluntary efforts*

3. Welfare workers have encouraged outstanding camp residents to contribute their services freely for the common good as a step towards developing a local community spirit. An opportunity for promoting this policy occurred when the Agency was forced to abandon its literacy programme through lack of funds. Some teachers undertook to continue these classes on a purely voluntary basis. In another case, the students themselves provided the teacher with a small stipend. Kindergartens have also been organized in many camps which receive no other assistance from the Agency than permission to occupy available space in the Agency buildings. Here again, teachers have volunteered their services while the parents have taken up periodic collections among themselves to buy expendable supplies. In most men's recreational centres the librarians are volunteers, as are the members

of the sports committees. In spite of these satisfactory results, however, the idea of rendering voluntary assistance to the community is still far from being accepted by all the refugees.

(c) *Self-help projects*

4. To encourage this principle of voluntary effort, some projects have received support from the Agency. For example, when a group of refugees propose to do something for their own betterment or for the betterment of the whole camp, the Agency provides some assistance in the form of cash or materials. Thus, refugees were able in several instances to build mosques in their own camps, the Agency providing roofing materials only. A proposal is under study at present as a result of which a vegetable market will be constructed by the refugees in the largest camp in Jordan.

(d) *Refugee co-operatives*

5. During the past twelve months, a considerable amount of thought has been given to the possible creation of refugee co-operatives. Since physical and natural assets are almost entirely lacking, and since the potential market is very restricted, such ventures can hardly make their members self-supporting. The refugees can, however, earn a small income with which to supplement the basic assistance which they receive from the Agency. But far more important, they will no longer be idle.

6. Here again, the greatest difficulty experienced by the Agency is the lack of understanding and experience of co-operatives amongst the Palestine refugee population. Welfare workers spend much of their time explaining to camp refugees the basic theory of co-operatives, the advantages that can accrue to members, and the responsibilities which they must assume. This particular programme, which is being developed with care in Jordan and Gaza, has already seen some encouraging results. Seven co-operatives have already been established with the Agency's assistance, and they are in the process of registration with the appropriate government departments. Two of them are poultry and livestock co-operatives, another two are carpentry co-operatives, one is for handicrafts, one for soap-making and one for agriculture.

The Agency's assistance has ranged from \$280 to a maximum of \$1,400 in cash with, sometimes, the further provision of materials. The programme has not yet received the approval of the authorities in Syria and there is little interest in this idea among refugees living in Lebanon where there are opportunities for casual labour.

(e) *Arts and crafts*

7. The Agency has continued to assist women who produce embroidery in the traditional Arab style by selling their products in Beirut and Cairo. However, the small interest taken by the refugees in Jordan, Lebanon and Syria and the correspondingly small volume of output have not justified the Agency's efforts and, with the exception of Gaza, all operations in those countries have been discontinued. On the other hand, in Gaza, some 500 women are continuously employed on embroidery, and sales reached a new record in the last twelve months, when they totalled \$64,000. Plans are now being drawn up so that the centres can be taken over by outside agencies or by private commercial concerns.

(f) *Adult training courses*

8. The Agency has closed down a number of adult training courses where the results obtained were unsatisfactory. There remain thirty-three sewing classes and five carpentry classes, the former being very popular since they present one of the few opportunities for refugee women to work together in groups and, incidentally, to learn a skill by which they can earn a few piastres. Literacy training is provided for those who cannot read. During June and July some 800 women in all four host countries graduated from the first of these courses, which have been remodeled with an intensified curriculum to last six months, at a cost of approximately \$31.50 per student. The carpentry training courses, all in Gaza, are also popular, and former trainees have been employed locally as well as abroad. Some ninety men are attending these courses.

2. ASSISTANCE TO INDIVIDUAL REFUGEES

(a) *Hardship cases*

9. Assistance to individual hardship cases is an important aspect of the Agency's welfare services to the refugees. It has been maintained at a slightly lower cost than in the previous period, and less than \$50,000 was spent on refugees who received emergency aid in this manner. This sum also includes the value of gifts in kind, such as blankets or kerosene. Voluntary agencies in all areas have given substantial assistance to these hardship cases.

(b) *Assistance to the handicapped*

10. During the year under review the Agency has assisted handicapped youth by placing seventy-four blind and deaf and dumb children in various local institutions, where they receive the education and the training which will help them to become useful citizens. Unfortunately, there are no vacancies in existing schools for training the many adult refugees who are similarly handicapped. Appeals made to outside agencies to help in rehabilitating some forty-seven badly crippled children have not so far met with a favourable response.

(c) *Small rehabilitation grants*

11. Welfare workers frequently receive requests from an individual for a small sum of money which would

enable him to engage in some occupation, and funds have been approved for grants of up to \$50 to help a refugee to start work when it is clear that his proposed undertaking is sound. Among those who have been assisted in this manner are carpenters, a rope maker, a cigarette seller, vegetable sellers, a roving tinsmith, barbers and shoe repairers.

(d) *Other forms of individual assistance*

12. There are a number of families which are still separated as a result of the 1948 conflict, and the Agency assists them to trace and if possible to reunite with the missing members. Through negotiation with the International Red Cross of Geneva, the Agency has arranged for the investigation of inquiries concerning refugees missing since 1948. One hundred and fifty requests have been processed within the last few months. Only forty-one cases involving the reunion of families have been concluded successfully in the last twelve months because of the many restrictions imposed on the movement of refugees, while failure to receive government approval is still delaying action in another seventy cases.

3. ASSISTANCE FROM VOLUNTARY AGENCIES

(a) *General*

13. Previous reports have acknowledged the splendid work of the many voluntary agencies which brought help to the refugees. Their efforts have continued unabated during the last year and have included gifts of second-hand clothing, blankets, clothes for special distribution to hardship cases, gifts in kind and in cash, either directly to the Agency or to individual refugees, and to local institutions. Certain agencies have continued to administer and to support schools and hospitals. In short, they have met many of the needs of the refugees which would have otherwise been neglected because of the Agency's limited resources.

(b) *Adult clothing programme*

14. Second-hand clothing contributions collected by voluntary agencies all over the world constitutes the only clothing programme for the refugee adults. That programme provides for one distribution to every refugee family per year. The Agency had to establish a ceiling at \$200,000 this year on ocean freight to bring the bales of clothing to the area. Donations received from voluntary agencies this year are listed below and are compared with those received during the previous year.

	1956-1957 K _a	1957-1958 K _a
Clothing	1,761,681	1,409,759
Shoes	142,396	94,965
Blankets	34,533	29,855
Foodstuffs	781,167	326,388
Medical supplies	75,296	18,800
Miscellaneous	21,577	45,117

No shipments were made to Beirut during May and June of this year because of the virtual halt to port operations during the crisis. This partly accounts for the over-all decline in shipments from 1956-1957 to 1957-1958.

(c) *Children's clothing programme*

15. As reported last year, the Agency was obliged to bring to a halt its children's clothing programme. Remaining stocks of cloth, purchased under the original programme, were made up into garments and issued to

some 234,000 children. In addition, funds made available by the United Nations Emergency Force, the Near East Christian Council, and the Women's Auxiliary of UNRWA made it possible to procure, cut and distribute cloth for clothes for 15,000 school children in Gaza. Arrangements have already been completed by which CARE (Cooperative for American Remittances to Everywhere, Inc.) in conjunction with its Egyptian programme, will supply the cloth for garments for all refugee children and non-refugee needy children of Gaza between the ages of 1 to 15. Negotiations are under way with CARE for similar programmes in the other host countries.

(d) *Other activities*

16. During the past year, voluntary agencies and other groups have agreed to take over certain welfare

American Friends Service Committee	Cooperative for American Remittances to Everywhere, Inc.	Lutheran World Relief	Save the Children Fund
Anglican Bishop in Jerusalem (Refugee Fund)	Greek Orthodox Church, Beirut	Mennonite Central Committee	Southern Baptist Mission
Arab Evangelical Episcopal Community	Greek Orthodox Patriarchate, Jerusalem	Middle East Relief Association	Unitarian Service Committee of Canada
British Red Cross Society	Greek Industrialists of the Chamber of Commerce, Athens	Near East Christian Council Committee	UNRWA Women's Auxiliary
Canadian Lutheran World Relief	Joint Christian Committee for Refugee Work in Lebanon	Near East Foundation	Women's Voluntary Services (British)
Canadian Red Cross Society	Jamiat Al Islam	Netherlands Red Cross Society	World Relief Commission—National Association Evangelicals
Catholic Relief Services	League of Red Cross Societies	New England Council of Lions Clubs	Young Men's Christian Association
Church World Service		New Zealand Council of Organizations for Relief Services Overseas Inc.	Young Women's Christian Association
Church Missionary Society		Oxford Committee for Famine Relief	
Committee on Overseas Relief—United Churches of Canada			

(e) *Appreciation*

17. The voluntary agencies which have given substantial assistance to refugees are listed below. Space does not permit the inclusion of the many local voluntary agencies who also have helped so much. To all these voluntary groups the Agency expresses deep gratitude on behalf of the refugees and its appreciation for their continued and indispensable assistance.

ANNEX D

SELF-SUPPORT PROGRAMME

1. GENERAL

1. In last year's report, the Director, after referring to the virtual exhaustion of the reserves attributed to rehabilitation, wrote "it is therefore absolutely essential that the 1958 rehabilitation programme budget also be covered in its entirety by current payments from contributors, and that payments be received by the Agency in time"¹. At the beginning of 1958, it was even doubtful whether the Agency would receive sufficient funds to permit it to carry out the education programme as envisaged in the budget, and other self-support activities have had to be restricted to the bare essentials. Programmes, such as the individual grants programme, which had already been terminated could not be restarted. Activity this year has therefore been restricted to tidying up certain minor projects upon which the Agency was already embarked.

2. SELF SUPPORT PROJECTS IN THE GAZA STRIP

2. The only active project has been the afforestation programme designed to protect agricultural land by preventing the encroachment of moving sand-dunes, and to stabilize certain other areas which could later be cultivated. Since the beginning of this programme in

March 1954, some 3½ million trees have been grown in nurseries and transplanted over selected areas of the strip. A further million seedlings have been prepared and are ready for planting during the spring of 1959, thus completing the Agency's total target of 4½ million trees.

3. SELF SUPPORT PROJECTS IN JORDAN

(a) *Agricultural settlements*

3. At Merj Naaja, in the Jordan Valley, the Agency found water some years ago and established a small community of thirty families on an area of 865 dunums of irrigated land. As reported last year, it was hoped that they would be self supporting by the end of 1957, but this has not been achieved and the Agency is confronted with new demands from the settlers. In particular, the Agency has been requested to provide stand-by pumps and motors and additional classroom facilities and to line some secondary water-channels with concrete. Negotiations for the establishment of the community as a co-operative society have been protracted. A co-operative was finally registered with the appropriate Ministry at the beginning of May. The Government has requested the Agency to maintain an interest in this project, at least until the additional pumping equipment has been delivered.

¹ A/3686, annex G, para. 70.

4. At the Jisr el Majameh settlement there are now eighty-four refugee families. The Agency was requested and agreed to enlarge the present irrigated area by developing another 600 dunums to the north-east of the area; it is also constructing a pumping station on the river Yarmouk, as well as building additional concrete channels. A co-operative similar to that existing at Merj Naaja will be established.

5. Agreement was finally reached with the Government regarding the future of the El-Hebeileh agricultural and housing settlement. An official of the Government Department of Co-operative Societies has visited the project with a view to forming a co-operative which will be responsible, among other things, for sub-dividing the available lands amongst the members. Apart from nominal maintenance expenses on the housing units, the Agency is not proposing to spend more funds on this project; it continues, however, to issue rations to the refugees occupying the settlement.

(b) *Development Bank of Jordan*

6. The Jordan Government has increased its share in the capital of the Bank by JD6,250 (\$17,500), with the result that paid-up capital rose to the figure of \$1,186,500.

7. The number of loans in operation at the close of the year ending 31 March 1958 was 223 to a value of \$1,004,214. Of these loans, 203, amounting to \$712,359, were made for agricultural development, and twenty loans, amounting to \$291,855, were granted to industrial projects. Since the Bank started its operations in November 1951, 245 agricultural loans and twenty-seven industrial loans have been approved, totalling \$1,408,000.

8. Most of the Bank's operations during the year continued to be connected with agriculture, loans being made, for example, for terracing, stone-walling, farm buildings, the construction of minor irrigation canals, the drilling of artesian wells and the planting of olive and mixed fruit tree orchards.

9. In the industrial field, the Bank extended a loan for the construction of a brewery, the first to be built in Jordan. The goldsmiths' trade, not an unimportant feature of Jordan's industrial life, has also been assisted in the form of a loan to purchase up-to-date machinery.

10. At the end of March 1958, the number of refugees employed in activities financed by the Bank was not less than 2,000.

11. The net profit of the Bank during the year ending 31 March 1958 amounted to \$43,697, as compared with \$43,355 the year before.

12. Collections on capital instalments and interest during the financial year 1 July 1957 to 31 March 1958 amounted to 41.17 per cent, as compared with 72.42 per cent during the previous year. This marked fall in collection is mainly attributed to uncertain conditions in the Middle East.

4. PLACEMENT SERVICES

(a) *Placement for jobs*

13. The Agency machinery for helping refugees with trades and skills, or with professional qualifications, to find employment is now well established. Visits were paid to important centres in the Persian Gulf area where employment opportunities are numerous. During the past year, notices for some 1,400 vacancies were received

and immediately advertised to all refugees. Unfortunately, the unsettled political situation in many of the host countries has hindered the orderly development of this programme. Requirements for entry and exist permits from one country to another have been so restrictive that they could not be met in many cases. From December 1957 until May 1958, the Egyptian authorities directed that all applications for jobs made by refugees in the Gaza strip be processed by them. In spite of many difficulties, some 500 refugees were found monthly paid jobs during the last twelve months. These were mainly in the Persian Gulf area, Iraq and Libya. For the first time, it has been possible for the Agency's placement service in Syria to assist refugees in finding local employment, and applications are increasing. There was also some increase in refugee employment in the Gaza strip in connexion with the municipal improvements carried out by the Gaza authorities, and with UNEF.

(b) *Assistance to emigrants*

14. The Agency has for some years furnished assistance to refugees who wish to emigrate from Lebanon and Jordan, of whom 571 benefited thereby during the last twelve months. Emigrants went mostly to South American countries.

15. The following table shows the countries of emigration during the year under review:

Argentina	1
Brazil	137
Bolivia	11
Canada	11
Colombia	1
Chile	9
Egypt	16
Honduras	8
Iran	54
Kuwait	34
Qatar	24
Sierra Leone	1
Saudi Arabia	9
United States of America.....	80
Venezuela	170
Germany (Federal Republic).....	4
Yemen	1
	TOTAL
	571

5. THE ECONOMIC BASIS OF SELF-SUPPORT

16. During the period under review, the Agency has continued its work on both general and specific studies. Four major studies were undertaken:

(a) *The Economic Development Projects of Syria:* This study presents, describes and analyses development projects in the Syrian Region of the United Arab Republic in the fields of agriculture and irrigation, industry and power, transportation, communication and others. This was published as *Bulletin of Economic Development No. 15*. It was developed with the assistance of Government departments and officials, to whom the Agency gratefully acknowledges its indebtedness.

(b) *Family Budget Studies in the Arab World:* This study, which is still in preparation, presents and analyses the pattern and distribution of expenditure of different income groups in Iraq, Jordan and the two regions of the United Arab Republic. It also correlates income and expenditure at different levels of income. It thus provides a general conspectus of the distribution of income and average income groups, as well as the

distribution of expenditure on different commodities and services. The bulk of the research has been completed and the complete study will be issued as *Bulletin of Economic Development No. 16*.

(c) The effects of UNRWA Expenditure on the Economy of the Host Countries: A report has been prepared which measures the direct benefits accruing to the economy of the host countries as a result of UNRWA expenditure during the period 1 July 1956 to 30 June 1957. These benefits include the amount of salaries and wages paid by the Agency and spent in those countries, purchases of commodities produced locally, payment for transport and other services provided by local firms and undertakings, as well as grants and subsidies made by UNRWA to different institutions. It is interesting to note that, during the period indicated above, the following amounts were spent by the Agency in the respective areas.

	<i>Dollars</i>
Egypt	461,000
Gaza	2,601,000
Iraq	69,000
Jordan	8,810,000
Lebanon	4,858,000
Syria	2,294,000
TOTAL	19,093,000

(d) Study of Cost of Living in the Host Countries: This study reveals the changes in the cost of living in Jordan, Syria, Egypt, Lebanon and in the Gaza strip during the period July 1955 to January 1958.

6. SUMMARY

17. A summary of the Agency's total expenditures on self-support projects from 1 January 1951 to 30 June 1958 is appended below.

Table 1

SUMMARY OF TOTAL EXPENDITURES UNDER THE SELF SUPPORT PROGRAMME 1 January 1951 to 30 June 1957

<i>Description</i>	<i>1 January 1951 to 30 June 1954 \$</i>	<i>1 July 1954 to 30 June 1955 \$</i>	<i>1 July 1955 to 30 June 1956 \$</i>	<i>1 July 1956a to 30 June 1957 \$</i>	<i>1 July 1957 to 30 June 1958 \$</i>	<i>Total to to 30 June 1958 \$</i>
Agricultural and lands development.....	569,935	210,829	449,605	657,922	177,379	2,065,670
Commercial, financial and industrial.....	1,029,400	72,117	226,938	(186,281)	5,648	1,147,822
Elementary and second education.....	2,490,654	3,014,899	4,137,545	4,551,869	4,700,624	18,895,591
Expenses and losses—Gaza emergencies...	—	—	—	248,296	2,384	250,680
Loans, grants, assistance to individuals....	298,577	76,437	468,208	1,580,588	169,404	2,593,214
Miscellaneous unclassified	25,539	—	—	—	—	25,539
Placement service	81,537	46,604	354,974	381,779	222,323	1,087,217
Rehabilitation administration	1,427,411	460,293	497,238	245,120	207,812	2,837,874
Research, experimentation and planning...	1,271,375	1,264,850	434,316	300,450	73,757	3,344,748
Share of common services.....	3,574,539	790,456	905,045	993,632	951,002	7,214,674
Special activities	125,863	440,936	296,294	322,347	124,985	1,310,425
Special camp facilities.....	—	—	100,073	97,524	21	197,618
Urban housing and community facilities...	72,824	34,421	73,262	58,774	1,179	240,460
Vocational training and higher education..	834,427	529,233	835,404	912,249	746,683	3,857,996
TOTAL	11,802,081	6,941,075	8,778,902	10,164,269	7,383,201	45,069,528

^a It is to be noted that expenditures prior to 1 July 1956 under the various categories do not, in some cases, agree with those reported in the financial statements when cumulated for the same periods. This results from:

- (i) Adjustments made in the financial statements through the Working Capital Fund but reclassified in the above table to appropriate categories, and
- (ii) Reclassification of certain projects and special activities. Annual totals remain, however, unchanged.

ANNEX E

EDUCATION AND TRAINING

1. GENERAL

1. The education of refugee children on its present formal lines was started over five years ago. It has two main objectives. The first is to provide elementary education extending over six years of schooling for all refugee boys and girls who desire to come to school: this is done mainly in UNRWA/UNESCO schools but is also done in government and private schools. The second is to

provide secondary education for a limited number of pupils which for the last two years has been fixed at 15 per cent of the total elementary school population. For some time, it has been the Agency's intention to raise the permissible percentage of secondary pupils, to bring it into line with the existing conditions in the host countries. Lack of funds has so far made it impossible to implement this step, and an ever-increasing number of refu-

gee pupils now complete their elementary education for whom secondary education cannot be provided by the Agency. As in the case of elementary education, refugee pupils attend secondary classes in UNRWA schools as well as in government and private schools; the subsidies which are paid in the latter cases cover only a part of the real cost of their education. In addition, Governments are accepting large numbers of secondary students for whom the Agency is unable to pay any subsidy at all.

2. During the year under review, the number of children who benefited from the Agency's elementary and secondary education programme was 173,051 (1956-1957: 168,062). Of these 117,936 (1956-1957: 114,705) attended elementary or secondary classes in one or other of the 381 schools (1956-1957: 372) maintained by the Agency. A total of 55,115 (1956-1957: 53,357) pupils were enrolled in government and private schools under the Agency's grants-in-aid system. Some 363 (1956-1957: 250) trainees were enrolled in the Agency's two vocational training centres and 356 (1956-1957:

369) attended universities at the Agency's expense. The number of teachers employed by the Agency was 3,321 (1956-1957: 3,137).

3. As already remarked, financial difficulties restricted the UNRWA/UNESCO educational programme to a certain extent. The extension of teacher training and vocational training which is so urgently needed has not yet been achieved because of lack of funds. This obliges a larger number of pupils than is desirable to embark upon the standard type of purely academic secondary education.

4. The general level of teaching is still improving to a limited extent as more candidates with full secondary education become available. Many of these, after some years of in-service training, obtain employment outside the Agency. A substantial improvement of the education system can, however, only be obtained by the re-opening of the teacher-training centres.

5. The number of girls in the Agency's schools is still increasing. Enrolment figures for girls by year and by area since 1951 are shown in table 1.

Table 1

ENROLMENT OF GIRL PUPILS

Area	June 1951	June 1952	June 1953	June 1954	June 1955	June 1956	June 1957	June 1958
Gaza	5,357	5,410	6,189	8,652	10,507	12,729	14,205	15,625
Jordan	4,349	4,526	10,035	14,249	15,589	16,790	16,464	16,565
Lebanon	1,029	2,076	3,169	4,154	4,337	4,558	4,682	5,163
Syria	941	727	2,074	3,585	3,693	3,863	4,281	4,505
TOTAL	11,676	12,739	21,467	30,640	34,126	37,940	39,632	41,858

6. The handicraft programmes in Gaza and Jordan have developed satisfactorily. The annual exhibitions of pupils' work showed a further improvement in workmanship, the result to a great extent of the refresher courses for handicraft teachers held in the summer of 1957.

2. ELEMENTARY EDUCATION

7. For the fourth year in succession there was a decrease in the number of pupils entering the first class of the elementary cycle. The new intake in 1957-1958 was 19,212, which should be compared with new intakes of 19,712 last year, of 21,120 in 1955-1956, of 27,718 in 1954-1955 and 31,000 in 1953-1954. This small but steady decrease is largely explained by the reduction in the backlog of older pupils. Successive intakes consist more and more of pupils who have reached the normal entry age of six years, and less and less of those entering for the first time at a later age.

8. The total number of pupils registered in UNRWA/UNESCO elementary schools in May 1958 was 102,031 (62,380 boys and 39,651 girls). This compares with 101,504 (63,439 boys and 38,065 girls) in May 1957. The total number of pupils is slightly (527) higher than last year. What is significant is that the number of boys has decreased by 1,059 while the number of girls has increased by 1,586. This means that girls older than six years of age are still entering the educational system for the first time while as stated above, boys entering for the first time are on the whole not older

than six. Moreover, there is a tendency for girls to stay longer in school and to drop out of school at a later stage than was formerly the case.

9. The payments of grants-in-aid and fees for books on behalf of refugee pupils attending government and private elementary schools showed a slight increase.

10. The total number of refugee pupils receiving elementary education at the Agency's expense was 144,549. This shows a slight increase over last year's total, 143,849.

3. SECONDARY EDUCATION

11. The increasing number of pupils seeking secondary education continues to constitute a major and very pressing problem, especially as, owing to lack of funds, the percentage of pupils allowed to enter the secondary schools during the 1957-1958 school year could not be raised and was restricted to an over-all quota of 15 per cent of the total elementary school population. Only in Jordan was an increase of from 12.4 to 15 per cent possible. In the Gaza strip, the payment of grants-in-aid was fixed at a lump sum of \$68,000, independently of the number of refugee pupils in the Government's secondary schools (it has since been possible to pay the full subsidy of \$40 per pupil).

12. Table 2 shows the number of secondary school pupils according to school and area. Figures in parentheses are those for 1956-1957.

Table 2

NUMBER OF SECONDARY SCHOOL PUPILS

Area	Agency schools	Government schools	Private schools	Totals
Gaza	7,495(6,410)	3,400(1,595)	— (—)	10,895(8,005)
Jordan	5,852(4,608)	4,500(4,295)	314(533)	10,666(9,436)
Lebanon	996(1,003)	81(85)	2,219(2,177)	3,296(3,265)
Syria	1,562(1,180)	1,236(1,187)	847(1,140)	3,645(3,507)
TOTAL	15,905(13,201)	9,217(7,162)	3,380(3,850)	28,502(24,213)

4. UNIVERSITY SCHOLARSHIPS

13. Scholarships were awarded in the following faculties of the universities of the Middle East: agriculture, arts, commerce, dentistry, education, engineering, medicine, pharmacy, science, veterinary, tawjihi (post-matriculation year for Jordan students). As in the preceding year, care was taken to ensure that all scholarship-holders were of the highest possible calibre. The success of this procedure in former years was reflected in the gratifying standards attained by the students, as well as by the number of those who graduated with honours in June 1958.

14. The 356 scholarships granted during the academic year 1957-1958 were distributed over the four areas as shown in table 3 (figures in parentheses are for 1956-1957).

Table 3

SCHOLARSHIPS AWARDED

Gaza	Jordan	Lebanon	Syria	Totals
96 (97)	150 (156)	63 (73)	47 (43)	356 (369)

15. As a result of the arrangement concluded in 1956 between the Iraqi Ministry of Education and UNRWA, twenty refugee students were maintained in the various university faculties in Baghdad during the year 1957-1958. They were exempted from the payment of tuition fees, UNRWA providing them with their expenses for board, lodging, books and transport.

16. In addition to the 356 scholarships financed by the Agency, UNRWA scholarship-holders attending universities in Egypt themselves "earned" a further six scholarships which were financed out of fees remitted by the authorities in the previous year in respect of students with high academic standing. These six special scholarships were all awarded to candidates on the Gaza waiting list. The actual number of scholarship-holders from the Gaza strip was therefore 102, and the over-all grand total 362.

5. VOCATIONAL TRAINING

17. The year under review has mainly been devoted to improving the training facilities at the Kalandia Vocational Training Centre near Jerusalem, to completing the dormitory and hostel at the Gaza Vocational Training Centre and to establishing a course for the training of pipeline-welders at Tripoli, Lebanon. These efforts have already increased the number of refugees under training,

and a further increase is anticipated by September 1958. The expansion was far less than envisaged in the 1957 budget, when it was planned, if funds were provided, to establish two new residential vocational training centres in Lebanon each with an enrolment of 200 trainees, one more in Jordan with an enrolment of 400, together with a residential agricultural training centre in Lebanon for 120 trainees. These plans had to be abandoned because of lack of funds.

18. It has been mentioned in previous reports, and it must be repeated, that, with the growing demand for trained personnel in the Middle East, particularly in the oil-producing areas of Iraq and the Persian Gulf States, there is an increasing desire amongst young refugees to learn a trade and to become self-supporting. In consequence, applications to the Agency for vocational training have greatly exceeded the number of places available.

19. At the Kalandia Vocational Training Centre, new courses have been introduced in general welding, site surveying, quantity surveying, and additional trainees have been admitted to the courses for draughtsmen and machine-fitters. Cable jointing has been included in the syllabus of the wiremen's course. Plans have been completed to start a course in business and commercial training for forty-eight pupils, and one in diesel fitting for sixteen trainees.

20. The residential section of the Gaza Vocational Training Centre was opened in April 1958.

21. Repeated requests to the Agency from several contracting companies concerned with the construction of oil pipelines and storage tanks in the Middle East and North Africa resulted in the establishment, in January 1958, of a series of intensive ten-week courses in pipeline-welding. The courses were on a double-shift basis, with twenty-four trainees on each shift, and were conducted in rented premises at Tripoli, Lebanon. Graduating trainees were assured of employment at attractive salaries. Excellent progress was made until May, when the training had to be suspended because of civil disturbances.

22. Owing to the total loss of stock and equipment from the Agricultural Training Centre at Gaza during the Israel occupation, and to financial stringency, it was decided at the end of September 1957 that the Centre could not be re-opened. As an alternative, it was agreed to subsidize a course arranged by the Egyptian authorities for the trainees affected.

23. In the Centres at Kalandia and Gaza, training was offered in fourteen different trades. The following table shows the distribution of trainees by trades at the end of the session. (1956-1957 totals are shown in parentheses):

Table 4
NUMBER OF TRAINEES

	Kalandia	Gaza
<i>Building trades</i>		
Builders	15 (5)	— (—)
Carpenters	16 (—)	32 (32)
Plumbers	10 (12)	— (—)
Draughtsmen	21 (6)	— (—)
Site surveyors	17	—
Quantity surveyors	20	—
<i>Electrical trades</i>		
Electricians	16 (12)	16 (16)
Radio mechanics	16 (15)	15 (15)
Wiremen-cable jointers	16 (—)	— (—)
<i>Mechanical trades</i>		
Auto mechanics	15 (16)	31 (31)
Blacksmith/sheet metal workers...	11 (—)	24 (13)
Machine fitters	24 (17)	29 (29)
Welders	12 (14)	— (11)
Moulders	— (—)	7 (7)
TOTAL	209 (97)	154 (154)

It will be noted that the total number of trainees at the two centres has increased from 251 to 363; it is expected that by October 1958 the total enrolment will be about 430.

24. In addition to the training carried out in the Agency's own centres, full-time and part-time courses, chiefly in commercial and secretarial subjects, were conducted in several government or private institutions.

6. FUNDAMENTAL EDUCATION

25. In September 1957 the Fundamental Education Programme was abandoned. Certain features of this programme, such as the women's sewing classes and the men's carpentry classes, were transferred to the Agency's Social Welfare programme under which they have been continued (see annex C, para. 8).

7. TEACHER TRAINING

26. In the absence of the two teacher-training centres in Jordan, which were closed down in May 1957, the Agency was forced to rely on other less satisfactory methods for training its teachers. Summer refresher courses became more diversified with the addition of specialized "subject" courses for senior teachers. Particularly in the Gaza strip and Jordan there was a marked increase in in-service training activities. In addition, the UNESCO specialist in the teaching of English was able to organize successful teacher group sessions in both Jordan and Lebanon throughout the academic year.

8. PHYSICAL FACILITIES

27. Though in general the ban on school building had to remain in force throughout the academic year 1957-1958 because of lack of funds, there was some relaxation in May 1958, when permission was given to carry out a "pocket" construction programme designed to eliminate tented classrooms and to restrict the increase in double-shifting that would have resulted had no build-

ing been permitted at all. In addition to this very modest programme, which involves only a score of classrooms in all areas, additions are being built to three handicraft units in the Jordan Valley. There the existing standard "T" shaped units are being converted into "H" shaped units, by the addition of one woodwork and one metal-work room in each case. This device enables the working capacity of the unit to be doubled at very much less than double the initial outlay. Further expansion is contemplated.

9. UNESCO STAFF AND SERVICES

28. The number of seconded UNESCO specialists was reduced by one when the Fundamental Education Adviser returned to Paris (see para. 25 above). In addition to supplying the senior staff for UNRWA education and training activities, UNESCO furnished funds for the educational testing programme which is being conducted in Agency schools by one of its seconded specialists.

10. THE UNESCO WORKING PARTY

29. The last session of the UNESCO Working Party, which meets every two years and assembles official representatives of the Ministries of Education of the host countries, of the Cultural Division of the League of Arab States of the Department of Education of UNESCO and of the UNRWA Education and Training Division for frank and generally fruitful round-table discussions, was held in Beirut in December 1955. Another Working Party was therefore overdue and it was finally held in Jerusalem on 5, 6 and 7 May 1958. There were large delegations in attendance, particularly from Jordan and from the United Arab Republic. It proved possible to carry out realistic discussions on a proper technical level.

30. During these discussions, representatives of the host countries called particular attention to a number of questions. They asked, first and foremost, that the education and training budget be placed on a special footing by the United Nations, in such a way that it would no longer be subjected to the variable fortunes of the UNRWA rehabilitation budget. They asked that the education and training programme be expanded along well-defined lines corresponding to the expansion of educational facilities in the host countries themselves. It is estimated that this expansion would involve an additional expenditure of some \$3 million annually, and the figure is quoted as an indication of the extent to which the educational programme of the Agency falls short of a desirable minimum in the eyes of the official representatives of the host countries. These representatives asked particularly that proper credit be given to the host countries in the present report for the educational burden that they share with the Agency. It was pointed out in this connexion that, whereas in the majority of the host countries, Agency grants-in-aid amounted to \$7 per head for elementary pupils and \$40 per head for secondary pupils, the actual costs were in the neighbourhood of \$20 and \$80 respectively. Not only do the host countries assume this additional burden in respect of refugee pupils actually receiving grants-in-aid but, in addition, almost as many more refugee pupils are accepted into government schools free of charge. In this way, the host countries are responsible for concealed contributions to the Agency's educational programme totalling many hundreds of thousands of dollars.

UNRWA/UNESCO SCHOOLS SHOWING NUMBER OF PUPILS PER CLASS AT THE END OF MAY 1958
Elementary classes

Area	I		II		III		IV		V		VI		Totals	
	Boys	Girls	Boys	Girls	Boys	Girls	Boys	Girls	Boys	Girls	Boys	Girls	Boys	Girls
Gaza	2,929	2,896	2,816	2,802	2,816	2,675	3,845	2,526	4,398	2,183	3,932	1,345	20,736	14,427
Jordan	4,027	3,763	3,566	2,683	4,034	3,033	5,036	3,021	5,196	2,512	3,715	1,014	25,574	16,026
Lebanon	1,879	1,406	1,461	1,037	1,902	1,136	1,603	783	1,245	468	775	241	8,865	5,071
Syria	1,326	986	1,221	875	1,022	707	1,276	712	1,700	644	660	203	7,205	4,127
Total	10,161	9,051	9,064	7,397	9,774	7,755	11,760	7,042	12,539	5,807	9,082	2,803	62,380	39,651
GRAND TOTAL	19,212	16,461	17,325	18,802	18,346	11,885	102,031							

Area	I		II		III		IV		V		Totals	
	Boys	Girls	Boys	Girls	Boys	Girls	Boys	Girls	Boys	Girls	Boys	Girls
Gaza	3,036	723	3,261	475	—	—	—	—	—	—	6,297	1,198
Jordan	2,367	360	1,682	179	769	—	352	—	143	—	5,313	539
Lebanon	543	65	361	27	—	—	—	—	—	—	904	92
Syria	538	140	295	131	351	107	—	—	—	—	1,184	378
Total	6,484	1,288	5,599	812	1,120	107	352	—	143	—	13,698	2,207
GRAND TOTAL	7,772	6,411	1,227	352	143	15,905						

DISTRIBUTION OF PALESTINE REFUGEE CHILDREN RECEIVING EDUCATION AS AT MAY 1958

	Number of UNRWA/ UNESCO schools		Elementary		Secondary		Total		Total number of assisted refugee pupils in elementary and secondary classes in		Total number of refugees receiving education
			Elementary		Secondary		Total	Government schools		Private schools	
			Boys	Girls	Boys	Girls		Boys	Girls		
Gaza	77	20,736	14,427	1,198	6,297	1,198	7,495	3,400	—	46,058	
Jordan	185	25,574	16,026	539	5,313	539	5,852	26,500	7,002	80,954	
Lebanon	50	8,865	5,071	92	904	92	996	1,014	8,921	24,867	
Syria	69	7,205	4,127	378	1,184	378	1,562	6,591	1,687	21,172	
TOTAL	381	62,380	39,651	2,207	13,698	2,207	15,905	37,505	17,610	173,051	

ANNEX F

FINANCIAL OPERATIONS

1. The accounting period for the Agency is now the calendar year. Financial statements for the period ending 31 December 1957 were published early in 1958.¹ The same information concerning the current period will appear early in 1959.

2. The present annex gives a preliminary view of the Agency's financial operations for the current accounting period, *i.e.*, the twelve months ending 31 December 1958. It is based upon actual figures for the first six months of the period, but for the final six months it must unavoidably rely upon estimates of income and expenditure. Paragraphs 3 to 10 inclusive cover the first half of 1958, for which actual results are available, and paragraphs 11 to 13 inclusive the second half, for which the figures are only estimates.

3. *Budget and expenditure: first half of 1958.* The Agency's budget for 1958 was reviewed by the General Assembly at its twelfth session, when the Agency was directed to pursue its programmes of relief and rehabilitation for refugees bearing in mind the response to appeals to Governments for funds. In other words, the work that the Agency proposed to do, and the standards of services it proposed to provide for the refugees, were approved, but their implementation depended upon the amount of money contributed. This budget called for a total expenditure of \$40.66 million, of which \$25.66 million was for the relief programme and \$15 million for the rehabilitation programme. The rehabilitation programme was further sub-divided into first and second priority items. The former comprised activities then in operation (*e.g.*, general education) and was estimated to cost \$7.2 million. Second priority items were those which had been started earlier but had had to be stopped or postponed due to lack of funds (*e.g.*, the individual grants programme); these it was proposed to revive if sufficient additional funds were forthcoming over and above those needed for the relief and first priority rehabilitation programmes.

4. Thus, from an operational point of view, the budget was in effect divided into two main parts: programmes then in operation (relief and first priority rehabilitation, estimated together to cost \$32.9 million) and programmes stopped but to be revived if possible (estimated to cost \$7.8 million). For convenience, these two parts may be designated chapter I and chapter II respectively, and have in fact been so designated in presenting the new budget. Apart from the amount of dollars, 1.5 million reserved from 1958 (see paragraph 15 below) expenditure on chapter II cannot take place until there are assurances that sufficient funds will be available for chapter I activities. The latter, in the first six months of 1958, cost a total of \$14.3 million (of which \$11 million was for relief). The rate of expenditure, it will be seen, was somewhat below that foreseen in the budget, mainly because prices of basic commodities fell below expectations. It is unlikely, however, for reasons explained in paragraph 13 below, that this rate of under-expenditure will continue through the latter half of 1958.

5. *Income: first half of 1958.* Table 1 shows income actually received in the first six months of 1958.

Table 1
INCOME
(In thousands of US dollars)

	Total	Relief	Rehabilitation
<i>Contributions from Governments</i>			
From prior years pledges..	1,421	428	993
From current pledges.....	16,439	13,685	2,754
	17,860	14,113	3,747
Other income	287	240	47
Total income—six months.....	18,147	14,353	3,794

6. Appended to this annex is table 5, which gives the details of contributions from Governments for the first six months of 1958. Thus far, only twenty-five Governments² (including those of the host countries)—of which twenty-three are Members² of the United Nations—have contributed, although there are pledges available from several more (last year forty-one Governments contributed, of which thirty-four were Members).

7. *Excess of income over expenditure: first half of 1958.* Total income exceeded total expenditure by \$3.8 million. Income for relief during the first six months was about \$3.3 million more than expenditure, while income for rehabilitation was \$0.5 million more than was spent. For reasons explained in paragraphs 14 and 15 below, the excess of income over expenditure for the whole of 1958 will not be as large as this.

8. *Assets and liabilities: first half of 1958.* As at 30 June 1958, the Agency had total assets of \$26,019,575 including \$18,951,956 in cash on hand or with banks and other agents, and \$5,834,951 in supply inventories, plus accounts receivable of \$1,066,886. Against these assets, the Agency had liabilities amounting to \$3,217,668. These liabilities consist mainly of contractual commitments to the staff for terminal payments. Net assets (working capital) thus amounted to \$22,801,907.

9. The changes in assets and liabilities, resulting from income and expenditure during the six months ended 30 June 1958, were as follows:

Table 2
CHANGES IN ASSETS AND LIABILITIES
(In millions of US dollars)

	30 June 1958	31 December 1957	Increase (Decrease)
Total assets	26.0	23.4	2.6
Less liabilities	3.2	4.5	(1.3)
Net assets	22.8	18.9	3.9

¹ *Official Records of the General Assembly, Thirteenth Session, Supplement No. 6D (A/3836).*

² Includes as one unit both the Egyptian and the Syrian Regions of the United Arab Republic.

10. Of the total working capital amounting to \$22.8 million, \$9.5 million was invested in supply inventories or reserved for goods on order. This inventory investment constitutes the Agency's pipeline of supplies and represents about four to six months' requirements, the bare minimum for efficient operations. Thus, after deducting the value of the pipeline, and of non-liquid receivables amounting to \$0.5 million, working capital available for operational purposes on 30 June 1958 stood at \$12.8 million. Table 3 gives an analysis of working capital as at 30 June 1958, and shows the breakdown as between relief and rehabilitation:

Table 3
ANALYSIS OF WORKING CAPITAL
As at 30 June 1958
(In millions of US dollars)

	<i>Total</i>	<i>Relief</i>	<i>Rehabilitation</i>
Working capital	22.8	18.7	4.1
Deduct portion not available for operational purposes			
Investment in inventories and goods on order, etc.....	9.5	9.1	.4
Non-liquid receivables5	.5	—
TOTAL DEDUCTIONS	10.0	9.6	.4
Working capital available for operational purposes at 30 June 1958	12.8	9.1	3.7

11. *Estimates covering financial operations: last half of 1958.* Income for the period July through December depends very largely upon the amounts of the pledges which may be made by the United States of America and by the United Kingdom of Great Britain and Northern Ireland and the size of any advances against those pledges which the two Governments are prepared to pay. By September, the United Kingdom Government had paid \$2.7 million on account, but neither the size of the United States pledge for the whole of its fiscal year, nor the amount that country would advance were officially known at the time of writing. In the circumstances, the Agency has had to assume that the United States would pay at about the same rate as in the previous year, and has taken this to be \$11.5 million.

12. Apart from the United States and United Kingdom advances, there were outstanding on 1 July \$1.9 million in pledges which the Agency is counting on receiving during the last half of 1958. Taking all things into consideration, it is estimated that total income during the balance of the year from all sources will amount to only \$16.4 million, of which \$12.6 would be for relief and \$3.8 for rehabilitation. This is considerably less than the amount received in the first half of the year, when several fairly large contributions were paid which will not be repeated in the second half. Table 6 appended lists the countries which have thus far increased their contributions. As in the past, it appears that about 90 per cent of total income will come from two countries, the United States and the United Kingdom.

13. On the expenditure side, it is estimated that the Agency will spend during the last six months of 1958 on its original programmes at least \$16.7 million on current chapter I activities. This, it will be noted, is some-

what above the rate of expenditure on the same programmes in the first half of the year, but this is not unusual. The Agency budget must make allowances for a gradually increasing rate of expenditure throughout its budget period for a number of reasons, *e.g.*, a natural increase in the population; the fact that expenditure on education toward the end of the calendar year (the beginning of the academic year) is greater than in the earlier part, due to purchase of books, supplies, *etc.*; and to the fact that most of the shelter construction work undertaken is completed in the latter part of the year. On this occasion, the estimates also take account of a recent rise in the prices of basic commodities. They do not, however, include any allowance for a possible large increase in costs attributable to the current political crisis.

14. *General summary of financial operations: 1 January—31 December 1958.* On the basis of the two sets of data presented and discussed above—actual expenditure and income for the first six months of 1958 and estimated expenditure and income for the last six months—it is estimated that total expenditure on the original programmes for the full year will amount to at least \$31 million and that income will amount to at most \$34.5 million, leaving a maximum possible excess of income over expenditure in the original programmes of about \$3.5 million.

15. Of this excess of income over expenditure, about \$2 million represents savings over the year, resulting from the combined effects of the drop in the price of basic commodities and of a favourable movement in exchange rates. The balance of \$1.5 million consists of contributions received over and above the 1958 budget estimates for financing the relief and first priority rehabilitation programmes. After consultation with the Advisory Commission, it was decided to devote the savings to making good certain shortcomings in those programmes resulting from the cuts imposed by the financial crisis of 1957. As much as possible will be spent before the end of the year, and the balance committed. The exact picture will not be available until early next year, but it may be assumed that the Agency will spend, or commit, approximately \$33 million on relief and first priority rehabilitation activities during the calendar year 1958. Table 4 compares total estimated income and expenditure for 1958 based on the foregoing discussion. Proposals for the utilization of the expected excess of income over expenditure of \$1.5 million are described in annex G.

Table 4
INCOME AND EXPENDITURE
(In millions of US dollars)

	<i>Total</i>	<i>Relief</i>	<i>Rehabilitation</i>
1 January-31 December 1958			
Income (estimated)	34.5	27.0	7.5
Expenditure (estimated)	33.0	24.9	8.1
Excess of income over expenditures	1.5	2.1	(0.6)

16. A final word of caution with regard to income is necessary. Estimates of total income include about \$1.5 million in payments already received in 1958 from pledges outstanding from prior years. If current outstanding pledges are paid before the end of 1958 (and it has been assumed that they will be) this "windfall"

of \$1.5 million will not be available again for the future. In other words, income in 1958 from pledges made and paid for the same period will amount to about \$33 million, i.e., almost exactly the amount requested in the 1958 budget for current operations. The possible "surplus" of \$3.5 million is thus made up in fact of this "wind-fall" of payments on prior pledges, plus the unexpected

and (unbudgetable) drop in basic commodity prices, neither of which is likely to be repeated. Thus, there are no grounds for complacency, nor can any reduction from the present level of contributions be afforded in 1959. A more detailed account of requirements for 1959 in both the relief and rehabilitation fields is contained in annex G.

Table 5

PLEDGES AND CONTRIBUTIONS FROM GOVERNMENTS TO UNRWA

For the six months ended 30 June 1958

(Expressed in US dollars)

Name of contributor	Description	Pledges		Contributions received		Balance of unpaid pledges	
		Unpaid from prior years	For 1958	From prior years' pledges	From 1958 pledges	Prior years' pledges	1958 pledges
Australia	£44,643 Australian	—	100,000	—	100,000	—	—
Austria	US dollars	—	1,400	—	—	—	1,400
Belgium	1,000,000 Belgian francs	—	20,000	—	20,000	—	—
Brazil	US dollars	25,000	—	—	—	25,000	—
Canada	Canadian dollars 62,500 (balance of pledge)	63,750	—	63,750	—	—	—
Canada	Canadian dollars 500,000 and flour (Can.\$1,500,000)	—	2,075,000	—	2,031,425	—	43,575
Denmark	350,000 Danish crowns	—	43,440	—	43,440	—	—
Denmark	50,000 Danish crowns ^a	—	7,240	—	—	—	7,240
France	207 million French francs and scholarships ^a	492,857	5,142	492,857	5,142	—	—
France	93 million French francs	—	221,429	—	119,047	—	102,382
France	Rent of camp and warehouse sites	—	23,040	—	11,520	—	11,520
Greece	45 tons of raisins	16,500	—	16,500	—	—	—
Greece	130 tons of raisins	—	39,000	—	—	—	39,000
Gaza Authorities	Rent of clinics and land	—	14,000	—	7,000	—	7,000
Federal Republic of Germany	0.8 million German marks ^b	—	190,476	—	—	—	190,476
India	Medical services, supplies and equipment	13,532	—	231	—	13,301	—
Iran	200,000 rials	2,680	—	—	—	2,680	—
Iran	200,000 rials	—	2,680	—	—	—	2,680
Israel	Transport, wharfage and port services	36,821	—	—	—	36,821	—
Italy	25 million Italian lire	—	39,953	—	39,953	—	—
Jordan	Water and rents	—	97,000	—	48,521	—	48,479
Lebanon	Refund of port charges (1 Nov. 1949 to 30 June 1951)	107,820	—	—	—	107,820	—
Lebanon	Water and rent of camp sites	—	8,000	—	3,907	—	4,093
Liberia	US dollars	—	5,000	—	—	—	5,000
Libya	US dollars	—	14,000	—	—	—	14,000
Luxembourg	US dollars ^b	—	2,000	—	—	—	2,000
Morocco	1 million French francs	—	2,381	—	2,381	—	—
Morocco	2 million French francs	—	4,762	—	4,762	—	—
Netherlands	125,000 Dutch florins	—	32,895	—	32,895	—	—
New Zealand	Milk powder	28,000	—	28,000	—	—	—
Norway	300,000 Norwegian crowns	—	42,000	—	21,000	—	21,000
Norway	50,000 Norwegian crowns ^a	—	7,000	—	—	—	7,000
Pakistan	100,000 Pakistani rupees	—	20,964	—	20,964	—	—
Saudi Arabia	2,000 tons of fuel	112,459	—	64,636	—	47,823	—
Saudi Arabia	2,000 tons of fuel and 100,000 US dollars	—	212,420	—	100,000	—	112,420
Carried forward:		899,419	3,231,222	665,974	2,611,957	233,445	619,265

Table 5

PLEDGES AND CONTRIBUTIONS FROM GOVERNMENTS TO UNRWA

For the six months ended 30 June 1958

(Expressed in US dollars)

Name of contributor	Description	Pledges		Contributions received		Balance of unpaid pledges	
		Unpaid from prior years	For 1958	From prior years' pledges	From 1958 pledges	Prior years' pledges	1958 pledges
	Brought forward:	899,419	3,231,222	665,974	2,611,957	233,445	619,265
Spain	1 million pesetas	—	23,810	—	—	—	23,810
Sudan	1,500 Sudanese pounds	—	4,200	—	4,200	—	—
Sweden	300,000 Swedish crowns	—	57,915	—	28,958	—	28,957
Sweden	51,800 Swedish crowns ^a	—	10,000	—	—	—	10,000
Switzerland	Hospital equipment	7,423	—	—	—	7,423	—
Switzerland	300,000 Swiss francs	—	70,093	—	70,093	—	—
Tunisia	US dollars	—	2,000	—	—	—	2,000
Turkey	Turkish pounds or supplies	5,357	—	5,357	—	—	—
Turkey	Turkish pounds	—	5,000	—	—	—	5,000
United Arab Republic							
Egyptian Region ...	Transport, rents, and port services	—	180,000	—	90,102	—	89,898
Syrian Region	Rents and transport	—	80,000	—	40,128	—	39,872
United Kingdom of Great Britain and Northern Ireland ...	£378,571 sterling ^a	—	1,060,000	—	1,060,000	—	—
United Kingdom of Great Britain and Northern Ireland ...	£657,143 sterling	—	1,840,000	—	1,840,000	—	—
United States of America	US dollars ^b	500,000	2,500,000	500,000	1,693,915	—	806,085
United States of America	US dollars	250,000	9,000,000	250,000	9,000,000	—	—
Uruguay	US dollars	5,000	—	—	—	5,000	—
Yugoslavia	Supplies ^c	40,000	—	—	—	40,000	—
Yugoslavia	Supplies ^c	—	40,000	—	—	—	40,000
		<u>1,707,199</u>	<u>18,104,240</u>	<u>1,421,331</u>	<u>16,439,353</u>	<u>285,868</u>	<u>1,664,887</u>

Special notes on table 5:

^a Designated by the contributor for the rehabilitation programme.

^b Subject to parliamentary approval.

^c Yugoslavia notified that these supplies were despatched by 30 June 1958.

General note on table 5:

The foregoing table, taken from the Agency's financial report for the six months ended 30 June 1958, is reproduced in full in this annex so as to provide information with regard to income that is directly comparable with the figures for actual expenditure for the same period, the latest date for which such information is available. Data on contributions received through 31 August 1958 has since become available and is summarized in this note for information.

During the two months of July and August, 1958 the Agency received total contributions of \$4.1 million, of which \$2.7 million

represented a payment from the United Kingdom for the six months ending 31 December 1958, of which \$2.2 million was for relief and \$0.5 million for rehabilitation. The balance of approximately \$1,368,000 comprised a payment of \$802,154 from the United States for the rehabilitation programme plus a variety of smaller payments from several countries, including the continued rendering of services by the host countries valued at their monthly rates as well as services and/or supplies from France (\$3,570) and Yugoslavia (\$80,000), and payments in cash from France (\$104,960), Federal Republic of Germany (\$190,476), Japan (\$10,000), Norway (\$21,000) and Sweden (\$67,915).

With regard to pledges for relief still outstanding, the following may be noted: the payment of the balance of the Canadian pledge is expected before 31 December 1958; the raisins from Greece are expected shortly after the crop is gathered in the fall; the kerosene from Saudi Arabia is available and will be called upon for distribution during the coming winter; utilization of the Spanish pledge of one million pesetas is being studied.

Table 6

INCREASED AND NEW CONTRIBUTIONS FROM GOVERNMENTS TO UNRWA

for the year 1958

(Expressed in US dollars)

Name of contributor	Amount of contribution or pledge	Normal or previous contribution	Increase	Remarks
Australia	200,000	112,500	87,500	Year 1957/1958
Austria	1,400	700	700	—
Canada	2,075,000	515,000	1,560,000	Increase made in flour
Denmark	50,680	43,440	7,240	Increase is for rehabilitation
Federal Republic of Germany	190,476	16,603	173,873	—
Italy	39,953	—	39,953	Last contribution was \$20,000 in 1954/1955
Liberia	5,000 ^a	—	5,000	New contributor
Libya	14,000 ^a	—	14,000	New contributor
Monaco	2,381	286	2,095	—
Norway	49,000	42,000	7,000	Increase is for rehabilitation
Spain	23,810 ^a	—	23,810	New contributor
Sudan	4,200	—	4,200	New contributor
Saudi Arabia	100,000	40,000	60,000	Cash
Saudi Arabia	112,420 ^a	56,210	56,210	Kerosene
Sweden	67,915	57,915	10,000	Increase is for rehabilitation
Switzerland	70,093	—	70,093	Last contribution was \$50,986
Tunisia	2,000 ^a	—	2,000	paid in kind over past 3 years
United Kingdom of Great Britain & Northern Ireland	5,600,000	5,400,000	200,000	New contributor
United States of America...	22,996,069	21,500,000	1,496,069	Year 1957/1958

^a Not yet received.

ANNEX G

BUDGET FOR THE FISCAL PERIOD 1959

INTRODUCTION

1. Following the practice introduced last year, the Agency's budget for the next fiscal period (1 January—31 December 1959) is submitted for the information and approval of the Assembly.

2. A slight modification has been made in the way in which the estimates are presented. In the past, the budget has been divided into relief and rehabilitation programmes but, with the virtual elimination of all rehabilitation activity except education and vocational training (together with placement), it has seemed better to bring together into one chapter of expenditure all the activities upon which the Agency is currently engaged, and to group in a second chapter those activities which, owing to the absence of funds, have had to be brought to a close, but whose revival is so clearly desirable that a request for contributions for that purpose cannot be omitted. The new presentation eliminates the sub-division of programmes in the rehabilitation field between first and second priorities (as employed last year). Since the content of each sub-heading (basic subsistence, supplementary feeding, etc.) is unchanged, budget estimates for 1958 and those for 1959 can easily be compared.

3. The special reasons which existed last year for comparing the 1958 budget estimates with 1957 estimated expenditure no longer apply, and the presentation this year reverts to the usual practice of comparing the two budget estimates.

4. As will be seen from the following table, \$33.26 million will be required to maintain current activities (chapter I) at their present levels (after taking account of the increases in the over-all and school populations), a figure slightly higher (by \$510,000) than the budget estimates for the same activities in 1957. It is also estimated that a further \$4,115,000 will be required to permit the re-activation, in a modest manner, of the most urgent and desirable of the rehabilitation programmes which were brought to a halt in early 1957. The latter are grouped under the heading of chapter II. Details of each activity are given in paragraphs 5 to 53. The problem of financing the budget is dealt with in paragraphs 54 to 63. The 1959 estimates are based upon the cost of basic commodities and supplies at the levels ruling in August 1958 (when the estimates were made). Any significant increase in prices will inevitably require additional contributions.

BUDGET FOR FISCAL PERIOD 1959

(In thousands of US dollars)

	1959 budget	1958 budget	Increase (Decrease)
	\$	\$	\$
CHAPTER I			
<i>(Relief)</i>			
Basic subsistence	14,700	14,850	(150)
Supplementary feeding	1,530	1,520	10
Health care	2,730	2,500	230
Shelter and camps.....	1,750	1,730	20
Social welfare	590	590	—
Registration and eligibility.....	230	330	(100)
Transport within UNRWA area	1,390	1,340	50
Stores control and warehousing	600	700	(100)
<i>(Rehabilitation)</i>			
General education	5,350	4,700	650
Vocational education	850	690	160
Placement services	150	150	—
Completion of minor projects..	190	450	(260)
<i>(Common costs)</i>			
Common services	2,500	2,500	—
Operational reserve	800	800	—
TOTAL, CHAPTER I	33,360	32,850	510
CHAPTER II			
<i>(Rehabilitation)</i>			
Expansion of vocational educa- tion	850	2,060	(1,210)
Projects and special activities..	2,000	4,550	(2,550)
Special camp facilities.....	1,000	1,000	—
Special education programme in Gaza	265	200	65
TOTAL, CHAPTER II	4,115	7,810	(3,695)
TOTAL BUDGET	37,475	40,660	(3,185)

2. CHAPTER I OF THE BUDGET

(a) General

5. Apart from fluctuations in the prices of basic commodities and supplies which might seriously upset the accuracy of the estimates, the political situation in the area may—and frequently does—affect the Agency's ability to carry out its programmes, and their cost. Thus, for example, recent events in Lebanon have made it impossible to undertake the camp and shelter programme there in accordance with the planned schedule, although attempts to recover the lost ground will be made as soon as the internal security situation permits. On the other hand, the interruption of the normal supply routes to Syria and Jordan has entailed heavy additional (and unbudgeted) expenditure.

6. In April 1958, a survey of the cost of living revealed that there had been a considerable rise since the previous survey made in 1955. It was also established that the majority of Governments and large commercial concerns had recognized this trend by adjustments to salaries of their officials and staff. After consultation with the Advisory Commission it was decided to pay a bonus, retroactive to January 1958, on a graduated scale to all locally-recruited staff, in such a way that the lower-paid staff benefited the most. Provision has been made in the

new budget for the payment of a similar bonus in 1959 (costing \$600,000 in a full year), assuming that funds are available and that the cost-of-living index does not fall in the meantime. The cost of this bonus has been allocated as appropriate to each activity and is not shown separately.

7. The new budget will provide for the additional expenditure arising from the natural increase of the over-all population and the normal annual increments in staff salaries. With regard to construction, provision has been made for the completion of the programme to replace tents in camps by huts, for essential sanitation facilities, for some additional shelter to meet the most urgent requirements imposed by social changes and to accommodate some "squatters", and finally, for six distribution centres in Jordan to replace marquees and to improve the efficiency of ration distribution. With regard to equipment, the budget includes provision for the replacement of worn-out vehicles in the Agency's transport fleet, and in other functions for the essential replacement of worn-out equipment. In general, the budget estimates for 1959 provide, as last year, for expenditure to meet the essential requirements for food, shelter, medical care and education at standards below which the Agency cannot operate without grave risk to the well-being of the refugees.

8. In order to avoid having to refer constantly to the previous report, the description of each of the activities in the following paragraphs, which analyse the change in the estimates as compared with those for 1958, has been reproduced almost word for word from that report (although the statistics have been brought up to date).

(b) Basic subsistence

1959	1958
\$14,700,000	\$14,850,000

9. This budget heading provides for a ration of flour, rice, sugar, lentils, dates and other basic dry commodities, giving approximately 1,500 calories daily in summer and 1,600 calories daily in winter for an estimated average of 851,860 beneficiaries. Also provided is a ration of 150 grammes of soap per month and one blanket per three persons per year for the same number of beneficiaries, and a ration of 1½ litres of kerosene per person per month during five months of winter for an estimated total of 400,000 persons in camps.

10. The cost of basic subsistence includes (in addition to the purchase cost of supplies) port costs on supplies, their transport to field warehouses, control of their quality, and their distribution to entitled recipients. The costs of warehousing of commodities, however, and transportation from warehouses to distribution centres are provided for under "Stores control and warehousing" in section (i) and under "Transport within the UNRWA area" in section (h) below.

11. It has been estimated that the normal increase in the number of beneficiaries in 1959 will cost about \$150,000. Prices in 1959, however, are expected to be slightly lower than those used in the 1958 budget, although higher than those prevailing thus far in 1958. The net effect of these two influences has been an overall estimate for this function of \$150,000 below the budget estimate for 1958.

(c) Supplementary feeding

1959 budget	1958 budget
\$1,530,000	\$1,520,000

12. This budget heading provides for special rations to supplement the basic subsistence ration for certain

Type of ration	Calories per day
(i) Whole milk	194
(ii) Skim milk	125
(iii) One hot meal per day...	600/700
(iv) Special ration of flour, rice, etc.	500
(v) Special ration, of flour, rice, etc.	1,500/1,600
(vi) Vitamin capsules	—

13. The cost of supplementary feeding is computed in the same manner, and with the same reservation respecting warehousing and transport, as noted for basic subsistence in paragraph 10 above, but it includes also provision for the cost of reconstituting dried milk powder and for the preparation and serving of the hot meals.

14. After adjusting estimates in accordance with changes in the number of beneficiaries, an increase of \$10,000 over the estimates for 1958 is to be expected.

(d) *Health care*

1959 budget	1958 budget
\$2,730,000	\$2,500,000

15. This budget heading covers both preventive and curative medical treatment in clinics and hospitals for approximately 975,000 refugees.

16. The computed costs of health care cover all costs associated with the health care programme except for the transport of medical supplies within the UNRWA area, which are provided for separately (see section (h) below).

17. Certain economies in operations and improvements in administration and organization which were initiated in 1957 and continued in 1958, will be maintained in 1959. However, in 1959 the prices of food items for patients and hospital staff will be higher than the average level for 1958; prices of medical supplies will be somewhat higher; vacant medical posts on the approved manning tables are expected to be filled in 1959, subsidies for beds in government and private hospitals will be higher, and several ambulances which are beyond the stage of economical repair will need to be replaced. The effects of these changes are estimated to involve an expenditure of \$230,000 more than the figure in the budget for 1958.

(e) *Shelter and camps*

1959 budget	1958 budget
\$1,750,000	\$1,730,000

18. This budget heading covers the provision and maintenance of shelter for approximately 400,000 refugees, together with water supplies, sanitation facilities, insect and rodent control, etc. (These latter are also enjoyed by approximately 36,000 additional refugees—"squatters"—who have established themselves on the outskirts of official UNRWA camps.)

vulnerable categories of refugees who require additional food, as follows:

Type of beneficiary	Estimated number of beneficiaries per month
Babies 0-1 year	12,500
Children aged 1-15. Nursing and pregnant women. Special medical cases	219,700
Special nutrition cases.....	48,000
Nursing and pregnant women	28,550
Non-hospitalized tuberculosis cases	1,650
School and other children...	94,650

19. The 1959 budget provision includes the following requirements:

	1959 budget	1958 budget
(i) Recurring costs of shelter repair, sanitation, water supply, etc.....	930,000	830,000
(ii) Replacement of tents by huts in official camps	280,000	650,000
(iii) Provision of additional shelter...	440,000	150,000
(iv) Miscellaneous construction (latrines, incinerators, roads, etc.)..	100,000	100,000
	<u>1,750,000</u>	<u>1,730,000</u>

20. The increase of \$100,000 in recurring expenditure is due to three major items: first, approximately \$60,000 represents the increase in the value of the Jordan Government's contribution of water and rentals in UNRWA camps and sanitary installations charged against this budget heading, to bring it to its proper valuation; second, the Agency is obliged to use more expensive pest control measures where bugs, flies and lice have developed a resistance to the old measures; third, the increased provision of shelter in organized camps necessitates a modest increase in sanitation services, such as latrine maintenance and voiding.

21. The provision of \$280,000 for tent replacement will permit the Agency to complete the programme, begun in 1956 and continued through 1957 and 1958, aiming at replacing worn-out tents by huts for some 2,000 families. Although the construction of a hut initially costs more than the price of a tent, it is cheaper in the long run since no replacement is subsequently required and the maintenance cost is lower. Prior to 1957, replacement of worn-out tents cost between \$200,000 and \$300,000 per year while the repair of usable tents was a heavy additional charge. By the end of 1957, the programme of replacing worn-out tents by huts had progressed to a stage where no new tents had to be bought in 1958. Only a small reserve of tents is maintained for emergencies. No provision is made for the purchase of tents in 1959.

22. The provision of \$440,000 for additional shelter (as distinguished from the replacement of tents) will enable the Agency to construct huts or provide roofs for about 6,750 families, and will meet the most pressing needs arising from social changes and expanding families, and for accommodating some of the squatters.

23. The inclusion of \$100,000 under the heading of miscellaneous camp construction is for the provision of urgently needed additional sanitation facilities, principally water supplies and latrines.

(f) *Social welfare*

1959 budget	1958 budget
\$590,000	\$590,000

24. The social welfare activities include:

(i) \$190,000 for case work among those refugees who are in particular need of assistance—widows, orphans, the aged, the chronically sick and other persons handicapped in circumstances of exceptional hardship—together with assistance for burial costs and to private institutions serving the refugees;

(ii) \$210,000 for ocean freight and distribution of donated clothing (which, again in 1959, will be the only source of clothing for adult refugees). It is due mainly to the generous efforts of voluntary agencies that it is possible for the refugees to be clothed. The Agency's contribution to the clothing programme covers only the cost of ocean freight on consignments of used clothing and transportation within the UNRWA area;

(iii) \$190,000 for the Agency's community development programme in the camps, which includes support for thirty-one sewing training courses, five carpentry training courses, twenty-nine men's recreation centres, a fund for initial assistance in the form of grants for small scale group projects proposed by refugees, and a fund for small grants to individuals to enable them to go to work again. The Agency is also encouraging voluntary societies to take over the support and supervision of those activities in which they are interested.

(g) *Registration and eligibility*

<i>1959 budget</i>	<i>1958 budget</i>
\$230,000	\$330,000

25. This budget heading provides for the cost of registration of refugees and their social changes by birth, marriage and death, their changes of physical location, modifications in the categories of refugees entitled to rations and services, together with verification and determination of eligibility for such assistance.

26. The reduction of \$100,000 from the 1958 budget represents the transfer of the cost of the Agency's statistical and recording unit from this budget heading to Common services, in line with the development of this unit as a service to finance, supply, procurement and other divisions.

(h) *Transport within the UNRWA area*

<i>1959 budget</i>	<i>1958 budget</i>
\$1,390,000	\$1,340,000

27. This budget heading covers the costs of all passenger transport within the UNRWA area and of all transport (including port operations) of supplies from the point of reception to the point of consumption, with the exception of port costs on basic food commodities and their transport to field warehouses. This exception has been made to avoid apparent fluctuations in the cost of basic subsistence which would otherwise arise from the fact that basic commodities are purchased locally at times and purchased abroad at other times (see also para. 10 above).

28. The budget estimate for 1959 is \$50,000 higher than the budget estimate for 1958 to provide for essential replacement of vehicles.

(i) *Stores control and warehousing*

<i>1959</i>	<i>1958</i>
\$600,000	\$700,000

29. This budget heading covers the warehousing of supplies after receipt in the UNRWA area, together with administrative costs associated with the proper control

of supply inventories valued on an average at more than \$5 million.

30. The decrease of \$100,000 below the 1958 figure is due to a combination of a reduction in the volume of technical stores; the progressive disposal of supplies and equipment surplus to the Agency's current levels of operations; a significant reduction in stock levels; and some refinements in stores control.

(j) *Emergency expenses*

31. It is not yet possible to predict, with any degree of accuracy, the probable costs of emergency operations in Lebanon, Syria and Jordan due to the political crises in the Middle East. Supplies have been brought in through the ports of Latakia for Syria and Jordan and through Aqaba for Jordan. Road transport freight costs have varied significantly from the estimates compiled last year. Certain localities in Lebanon have had to be supplied by chartered schooners sailing out of Beirut. On the other hand, operations through the port of Beirut were at a substantially reduced level; certain operations, especially supplementary feeding in some localities in Lebanon, were disrupted or curtailed, and similar problems arose in Jordan due to the shortage of fuel; in Jordan, generally, acute shortages of petrol oil and lubricants hampered but did not arrest relief operations. A provisional and quite tentative estimate of emergency expenditure in 1958 from these causes, is \$100,000. No allowance for this was included in the budget for 1958, nor has any provision been made in this new budget, the cost being met from operational reserve.

(k) *General education (normal programme)*

<i>1959 budget</i>	<i>1958 budget</i>
\$5,350,000	\$4,700,000

32. This budget heading covers the provision of elementary education (grades 1 to 6) for practically all refugee children who seek it and of secondary education (grades 7 to 11 or 12) for certain percentages of the elementary school population (set at 17.5 in Jordan, Lebanon and Syria, and a special arrangement in Gaza). The curriculum also includes handicraft training for students in those areas where the Agency has been able to provide facilities. General education activities are conducted both in Agency-operated schools and also by subsidies to private and government-operated schools.

33. To some extent the budget presentation is complicated, since the school year, which begins about September (the actual date varying between countries), falls partly in one budget period and partly in another. Provision for the calendar (and budget) year 1959 includes the last half of the school year 1958-1959 and the first half of the school year 1959-1960. The estimates of school populations are:

	<i>School year 1958-1959</i>	<i>School year 1959-1960</i>
Elementary education	157,900	159,600
Secondary education	31,100	33,000
	<hr/>	<hr/>
	189,000	192,600

34. The improved financial position towards the end of the year made it possible in 1958 to authorize the construction of 209 classrooms to avoid any triple shifts to UNRWA schools during the 1958-1959 school year and to arrest the trend toward double shifting. The construction of a limited number of additional classrooms may also be necessary in 1959, using funds from the operational reserve, if available.

35. The increase (\$650,000) in the 1959 estimate over the 1958 budget is due to a combination of the following factors:

(i) Normal population increases produce larger school populations, both in primary and in secondary categories, necessitating the employment of additional teachers, the consumption of additional supplies, etc. For 1959, this increase will cost an estimated \$170,000.

(ii) Normal salary increments, together with higher salaries earned by teachers improving their qualifications, and other unavoidable staff cost increases, will amount to an estimated \$330,000.

(iii) In 1957, shortage of funds compelled the Agency to defer the scheduled increase in the secondary school population from 15 per cent of the primary population to 17.5 per cent in Lebanon, Syria and Jordan (in order to keep abreast of the improvements in standards in the host countries). In 1958 this increase was again not budgeted, but it will now be possible to proceed with implementation in the last half of 1958. Provision for continuation at 17.5 per cent is included in the 1959 budget, at a cost of \$140,000.

(iv) Finally, an amount of \$150,000 has been included to provide subsidies for secondary schooling in Gaza for an additional 3,400 students over and above the number that would normally be assisted by UNRWA. The conditions leading to this situation were described in paragraphs 47 to 50 of annex G of last year's report,¹ and it will suffice here to point out that, in view of the virtual absence of employment possibilities in Gaza, where 330,000 persons are confined in a narrow strip which could with difficulty support a fraction of that number, the Government and the Agency have accepted a far larger percentage of pupils in secondary schools than correct educational practice would permit. This, of course, is only an expedient and the solution for this problem does not consist in keeping young men at school but in encouraging them to find employment outside the strip. However, until such time as a more lasting solution has been found, further expansion of secondary school facilities offers a temporary but unsatisfactory solution.

In 1958, the Agency included a provision for this purpose under second priority rehabilitation programme, to be expended only if contributions were sufficient to permit doing so. Now that this special subsidy can be paid for 1958, it is proposed to continue it in 1959, as a part of the normal education budget. Hence the item appears to represent an increase over the 1958 budget for the normal general education programme, but in reality represents only a transfer from the budget heading of "Special education programme in Gaza" (1958) to "General education" (1959). The provision in 1958 was \$200,000, but it was found that \$150,000 was enough and the same figure is provided in the 1959 estimates.

(v) Against these increases, amounting in all to \$790,000, administrative and operational economies are expected to produce a saving of \$140,000.

(1) *Vocational education*

<i>1959 budget</i>	<i>1958 budget</i>
\$850,000	\$690,000

36. This budget heading covers the provision of a limited number of university scholarships for the training of carefully selected students in medicine, arts and sciences and other professional fields where there is a

demand in the Middle East, together with the cost of operating the two vocational training centres and a number of special courses in arc welding and other trades, in nursing training, in secretarial and commercial training, and, to a limited extent, in teacher training in government establishments.

37. In chapter I of the 1959 estimates only the cost of currently operating activities is included. Certain other vocational education plans are provided for under chapter II (see paras. 56 and 57 below). There are material variations between the budget for 1958 and actual or estimated expenditure, due to some extent to slightly increased operating costs, but mainly to the increase in the number of students at the Kalandia (Jordan) Vocational Training Centre, where provision has been made for additional courses in surveying, commercial training and diesel fitting; to the expansion of the arc welders' course (although this has been disrupted by the current emergency in Lebanon); and to the completion of the dormitories, principal's house and playing field at the Gaza Vocational Training Centre.

38. Provision in 1959 is made for the continuation of the following vocational education activities, the increase of \$160,000 over the 1958 budget representing the cost for a full year of the additional courses initiated during 1958:

<i>Activity</i>	<i>Cost</i> \$
(i) University scholarships for professional training	255,000
(ii) Operation of two vocational training centres (Jordan and Gaza).....	322,000
(iii) Arc welding course (Lebanon).....	75,000
(iv) Commercial training (Gaza and Lebanon).....	35,000
(v) Teacher training (Gaza).....	15,000
(vi) Nursing training (Jordan and Gaza).....	10,000
(vii) Miscellaneous courses (all areas).....	16,000
(viii) Administration and common instruction.....	122,000
TOTAL	850,000

(m) *Placement services*

<i>1959 budget</i>	<i>1958 budget</i>
\$150,000	\$150,000

39. This budget heading covers the operation of a placement service which helps qualified refugees to find jobs and the provision of subsidies for refugees who wish to migrate to areas where employment opportunities exist. The figure is the same as for 1958.

(n) *Completion of minor projects*

<i>1959 budget</i>	<i>1958 budget</i>
\$190,000	\$450,000

40. Owing to financial stringency in 1957 no new projects were initiated; a number were closed in 1957, and most of the remaining ones were terminated in 1958. Only the following projects will be continued in 1959:

(i) The anti-malarial campaign in the Yarmuk-Jordan Valley, which is scheduled to be concluded during 1959 at a cost of \$17,000.

(ii) The Jordan Development Bank, towards the capital of which the Agency is due to make a further contribution of \$140,000.

(iii) Land survey and afforestation to develop farm lands in Gaza by planting trees to arrest sand encroachment, for which \$23,000 is required to complete the programme during 1959.

¹ A/3686.

(iv) Rehabilitation of orphans and handicapped youth, for which \$10,000 will maintain the programme at current levels.

(o) *Common services*

1959 budget	1958 budget
\$2,500,000	\$2,500,000

41. This budget heading covers the general administration of the whole of the Agency's continuing activities in chapter I and of proposed activities in chapter II both at Headquarters, Beirut, and in the Field Offices. These include:

(i) General administration, which comprises the Office of the Director, the offices of country representatives, area and camp officers, the New York liaison office and the Advisory Commission.

(ii) General Services, which comprise procurement of supplies, production of documents, legal and financial services, mechanized records, personnel services, office facilities, communications and travel services and translation.

(iii) Operations administration and services, which comprise the supervision of operations, the production of economic studies, public information services, technical services and visual aids.

42. In prior years it was customary to divide the cost of common services, somewhat arbitrarily, between the relief and the rehabilitation programmes under the headings of relief administration and rehabilitation administration. This is no longer necessary now that all current operations have been amalgamated under chapter I.

43. This function would normally show an increase to reflect annual staff increments. In 1958, however, reorganization and streamlining resulted in economies which will be maintained in 1959 and will not only offset such unavoidable increases but also the cost (\$100,000) of the Agency's statistical and recording unit transferred to this budget heading from that of registration and eligibility.

(p) *Operational reserve*

1959 budget	1958 budget
\$800,000	\$800,000

44. An amount of \$800,000 has again been included in 1959 to provide for operational contingencies such as winter storm damage to shelters and for emergencies such as those from which the Agency has suffered during the past five years. The amount represents only 2.4 percent of the total cost of chapter I operations and is considered to be the minimum required for safety.

45. The operational reserves do not include any special provision for possible increases in basic commodity prices where a significant rise could easily require additional funds and possibly a re-appraisal of the entire budget.

3. CHAPTER II OF THE BUDGET

(a) *General*

46. The activities which have been included in this second chapter of expenditure, while in themselves highly desirable, enjoy a lower priority in the allocation of funds than those which are described in chapter I. The latter, concerned as they are with the feeding, accommodation, health and education of the refugees, cannot be reduced or stopped without causing immediate suffering or, in

the case of education, without taking away from the refugees the service which they probably prize the highest. Chapter II is concerned with the revival of activities in the self-support field which were terminated or suspended for financial reasons in 1957 and which were identified as second priority items in the 1958 rehabilitation budget. The estimated cost of chapter II in 1959, at \$4,115,000, is considerably less than the corresponding estimate in the 1958 rehabilitation budget (\$7,810,000), but represents an amount that could reasonably be spent in the course of the year. In the case of projects and special activities, it is believed that the sum of \$2 million might be paid or committed through an individual grants programme similar to the one terminated in 1957 when 1600 applications were outstanding. It goes without saying that contributions over and above those required to finance chapters I and II would be highly desirable, for they would enable the Agency to embark with more assurance on a wider range of self-support activities (*e.g.*, more vocational training centres).

(b) *Expansion of vocational education*

1959 budget	1958 budget
\$850,000	\$2,060,000

47. This budget heading provides for the re-activation of teacher training in Jordan by the construction (\$153,000) and equipment (\$31,000) of the men's teacher-training college in Ramallah, Jordan. Although it is unlikely that the building will be completed much before the end of 1959, provision is also made for operating costs for six months (\$47,000), or a total cost of \$231,000. It also provides for the rental for one year of premises for a women's teacher-training college, and its operation (\$60,000).

48. Provision is also included for the construction and equipment of one additional vocational training centre in Jordan, for which the estimated total cost is \$382,000. No provision is made in 1959 for operating costs, which are estimated at approximately \$250,000 per annum after the first intake of trainees is inducted in 1960. A further \$107,000 is included for the expansion of facilities at Kalandia by the construction of a new dormitory and certain additional workshops which would raise total enrolment to nearly 400.

49. With allowance for contingencies and price variations, the total expenditure under this heading is not expected to exceed \$850,000.

(c) *Projects and special activities*

1959 budget	1958 budget
\$2,000,000	\$4,550,000

50. Under this heading is included a modest provision for the re-activation of the individual grants programme, mainly for agricultural, industrial and commercial undertakings.

(d) *Special camp facilities*

1959 budget	1958 budget
\$1,000,000	\$1,000,000

51. This heading covers the cost of building new camps for those refugees whose present shelter is, and has always been, thoroughly unsatisfactory by reasons of makeshift construction, bad location and other factors of concern to the Agency and to the host Governments.

(e) *Special education programme in Gaza*

1959 budget	1958 budget
\$265,000	\$200,000

52. The exceptional education conditions existing in Gaza have been previously described under paragraph 35 (iv) above, where the 1959 budget provision for subsidies to an unusually large secondary school population was discussed. It was pointed out there that the 1959 budget contains a provision of \$150,000 for secondary school subsidies to some 3,400 pupils above the normal number assisted. However, the assistance thus provided to these students is only the minimum to cover marginal costs of the additional teachers, supplies and so on. It does not provide for construction of facilities, and the exceptionally large number of students in secondary schools in Gaza, plus the normal population increases for which it has not been possible to provide additional facilities in past years, have created a particularly unsatisfactory condition of overcrowding in classrooms. Virtually all classrooms are now used by two shifts daily, and many of them will have to be used by three shifts unless something is done immediately. A minimum of 400 additional classrooms is required to eliminate this very unsatisfactory condition, at a cost of \$265,000.

53. It should be noted that this particular budget heading in 1959 is not really comparable with the same budget heading in 1958. As explained in paragraph 35 (iv) above, the 1958 "Special education programme in Gaza" provided for the subsidies which in 1959 appear under the "General Education" heading. Although both items are related to the same problem, namely, the exceptional education conditions existing in Gaza, the minimum subsidies for operations have, in 1959, been included in chapter I of the budget, while the classrooms now proposed to be constructed have been included in chapter II.

4. FINANCING THE 1959 BUDGET

54. Last year, the programmes which the Agency was directed to pursue were estimated to cost nearly \$41 million, of which \$33 million were required for meeting the cost of current operations (mainly relief and education). The balance was needed for re-starting some of the self-support activities which had been brought to a close in 1957 through lack of funds.

55. Due to a fortunate combination of circumstances, the Agency is likely to complete its minimum programme in 1958 for \$31 million, or about \$2 million less than the amount estimated in last year's budget. After consultation with the Advisory Commission, it has been decided to devote this saving to restoring standards where these had been affected by decisions forced upon the Agency by the financial crisis of 1957.

56. It has also been decided that the expected excess of contributions over the amount required for the minimum programme (\$1.5 million) should be used to re-activate a number of the activities which featured in the second priority programme last year. Since it is unlikely for technical reasons that a start will have been made upon these activities until the latter part of 1958, they have been included in the 1959 budget under chapter II, while the funds allocated for them have been brought into reserve. The effect of these decisions is to reduce the amount of new money required to finance chapter II in 1959 by \$1.5 million, from \$4.1 to \$2.6 million.

57. Thus, to implement its programmes for 1959, the Agency will require new contributions of at least \$36 million. As will be noted from the preceding discussion of the budget, the total cost of chapter I and chapter II amounts to \$37.5 million, but this figure will be reduced by the \$1.5 million referred to above. A summary of the 1959 cash requirements is therefore as follows:

	<i>In millions of US \$</i>
To cover chapter I (mainly relief and education)	33.4
To cover chapter II (other self-support activities)	4.1
Total requirements	37.5
Less funds available from excess 1958 contributions over minimum budget.....	1.5
Net funds required for 1959 budget.....	36.0

58. It must be emphasized that all of the net \$36 million of funds required to cover the 1959 budget must come from 1959 pledges and contributions. The Agency's working capital (discussed separately below) is certainly too small to permit any of it to be used to meet the 1959 budget, and there are no other funds available.

59. It must also be emphasized that the late receipt of contributions can only increase the Agency's difficulties in carrying out its mandate, in view of its very limited resources. If the Agency cannot be assured of adequate funds well in advance of the scheduled date of expenditure, proper planning of operations becomes impossible and the execution of even a minimum programme is threatened. For the proper and reasonable financing of its operations, the Agency should be able to count on receiving at least half of the necessary contributions by 1 January and the remaining half by 1 July.

60. The Agency's requirements of contributions for 1959 are unavoidably slightly higher than the amount expected to be received in 1958 (\$36 million against \$34.5). The additional money is required to meet the cost of a constantly increasing population, and to cover higher prices and other unavoidable increases in costs such as the annual increments in staff salaries. The additional \$1.5 million must come either from new contributors, or from an increase in the rate of contributions from regular contributors, or from a combination of both. Since only about thirty-four Member Governments will have contributed to the 1958 budget, and since only two of these will have provided nearly 90 per cent of total contributions, it is earnestly to be desired that a larger number of Member States will find it possible to make appropriate contributions to the Agency's 1959 budget.

5. WORKING CAPITAL

61. The Agency started operations on 1 January 1958 with \$8.5 million of working capital available for operations, and expects to complete the fiscal year on 31 December with approximately the same amount of free working capital, since (as has been explained earlier) the Agency expects to spend or commit in 1958 an amount equal to total contributions received. An amount of \$8.5 million is barely enough for three months' operations in the absence of contributions. Although the Agency fortunately received most of its 1958 contributions in reasonably good time for operations, it is obvious that a reserve of funds equal to only three months' operations is an extremely narrow margin. It is indeed so small that the slightest hesitation in the flow of contributions can completely disrupt the Agency's operations, as occurred in 1957 when delays in the receipt of income

ced the Agency to curtail or defer highly desirable, and in some cases necessary, parts of its programme because it lacked sufficient reserves to carry on with them till further contributions were received.

62. The Agency strongly recommends that it be provided with working capital available for operations equal to at least five months' requirements (approximately \$15 million) or an increase of \$6.5 million. Such a reserve would ensure the availability of funds to enable to carry on its work without interruption, even if contributions were slow in arriving, and would lessen the chances of further unfortunate disruptions of the kind to which the Agency has too frequently been faced.

6. SUMMARY

63. The Agency's budget for 1959 totals \$37.5 million, consisting of \$33.4 million for chapter I activities (*i.e.*, mainly relief and education) and \$4.1 million for chapter II activities (*i.e.*, other self-support activities). To finance this budget, the Agency expects to have available \$1.5 million from excess contributions received in 1958; the balance of \$36 million must come from contributions for 1959. In addition, the Agency requests the receipt, by loan or by contribution, of \$6.5 million to bring its working capital to a safe level in view of continuing uncertainties concerning the size and timing of the receipt of contributions.

ANNEX H

LEGAL ASPECTS OF THE WORK OF THE AGENCY

1. GENERAL LEGAL ACTIVITIES AND PROBLEMS

1. The legal aspects of the work of the Agency are manifold, and have included an undiminished number and variety of legal problems. Apart from the considerable volume of routine work, mainly involving commercial, labour and administrative law, attention has also been given to matters of public international law and relationships with host Governments. During the year, continued efforts have also been made to resolve certain problems (especially in regard to outstanding claims) which resulted from the hostilities of November 1956 and to which reference was made in the last report.¹

2. The outbreak in May 1958 of civil disturbances and armed conflict in Lebanon, and their continuance throughout the remaining part of the reporting period, inevitably gave rise to a number of legal and security problems. Apart from the protection of the Agency's installations, staff and property, the Agency was obliged to vary shipping arrangements and to negotiate emergency contracts for the off-loading of supplies at alternative ports (mainly Aqaba and Latakia), and their subsequent overland transportation by alternative routes. These difficulties involved an increase in costs and unforeseen risks, and also interfered with the performance of certain existing contracts.

3. Although the Agency's relationships with host Governments have been maintained on much the same basis as before, the lack of universal recognition of the Agency's status as a subsidiary organ of the United Nations has given rise to increasing legal and practical difficulties during the year. The position in this regard is particularly serious in the Gaza strip and in the Egyptian region of the United Arab Republic, where the Agency's legal status was formally denied by government authorities, and where resulting restrictions on the Agency's facilities and activities have in several respects imperilled the efficient conduct of the Agency's operations. Related problems have also arisen in the other host countries, where in particular instances the Agency's privileges and immunities in regard to taxation and fiscal matters, importation facilities or legal process have not been admitted. While maintaining the close working co-operation established with all host Governments, the

Agency has renewed its efforts, through both negotiations and written representations, with a view to obtaining the recognition and facilities which are necessary for the fulfilment of its mandate and which were conferred on the Agency by the constitutional texts under which it was established.

4. Further difficulties have also arisen in connexion with the inter-governmental agreement (referred to in the last report)² concerning rail transportation between Lebanon, Syria and Jordan. The application to the Agency of the restrictive regulations which are the subject of this agreement has continued to result not only in delays, but in considerable extra costs (amounting in all to more than \$650,000), and in spite of the Agency's insistence on its exemption from any restrictions on the method adopted for the transportation of its supplies, this problem remains unresolved.

5. Mention was made in the previous report³ of two claims made by the Agency against the Government of Israel in respect of damages resulting from the entry into and occupation of the Gaza strip by Israel forces. One of these claims, relating to damages and losses sustained by UNRWA and its staff as a result of the Israel occupation of the Gaza strip, has been re-submitted in further detail during the year in the amount of \$309,865. At the same time, the Agency has also lodged an additional claim against the Israel Government amounting to \$62,500, for losses and damages resulting from a road accident with an Israel military vehicle which took place in February 1957, and in which one UNRWA staff member was killed and two others injured. The Agency understands that these claims are under consideration by the Israel Government, but has not yet received any definite reply thereto. In the meantime, the Israel Government has lodged several claims against the Agency amounting altogether to more than \$55,000, in respect of services and supplies said to have been provided to the Agency by the Israel Government during the same period. These latter claims are being considered in the general context of the Agency's claims against Israel.

6. The very large number of contracts concluded by the Agency each year (and which, during the period

² A/3686, annex H, para. 26.

³ A/3686, annex H, para. 8.

under review, numbered over 3,000) continue to give rise to a variety of legal problems, including the drafting of conditions of contract, defaults on the part of suppliers, insurance matters and claims by or against the Agency. Although differences or disputes under commercial contracts have in most cases been resolved by negotiation, arbitration has been envisaged in respect of certain outstanding claims, some of which involve disputes of considerable complexity.

7. In the field of administration, the direct employment by the Agency of some 10,000 staff members continues to have numerous legal ramifications. As stated in the last report,⁴ the Agency's new staff regulations and provisional staff rules were issued on 1 July 1957. Since then, considerable progress has been made with a view to achieving more comprehensive and standardized rules and conditions of service and procedures, thus further clarifying the legal relationship between the Agency and the various categories of staff whom it employs.

8. With regard to appeals from staff members, the Agency has maintained its *ad hoc* Joint Appeals Board machinery, but at the same time has taken the necessary steps for the appointment and election of chairmen and members of the new Joint Appeals Board which is shortly to be established. Elections for this purpose have already taken place among the Agency's locally-recruited staff, a series of staff consultations have also been held, and revised staff rules on this subject are ready to be issued.

9. Mention was made in the last report⁵ of the decision of the United Nations Administrative Tribunal (Judgement No. 70), rendered on 23 August 1957, in the case of a former staff member of UNRWA who had alleged *inter alia* wrongful termination. In this judgement the Tribunal rejected all the claims of the applicant and, incidentally, took note of the new adjudication procedures now provided for in the Agency's staff regulations and provisional staff rules issued on 1 July 1957.

10. Continued co-operation has been maintained with the United Nations Emergency Force (UNEF) in regard to various legal matters, especially in connexion with the services provided by the Agency during the year under its agreement with UNEF for the procurement and shipment of supplies. In addition, the Agency has recently been providing various forms of legal assistance to the United Nations Observation Group in Lebanon (UNOGIL).

11. As in previous years, the Agency has continued to benefit from the very helpful collaboration of the Office of the Legal Counsel of the United Nations and also of the legal advisers of the various specialized agencies.

2. LEGAL WORK IN THE VARIOUS HOST COUNTRIES

(a) *The Egyptian Region of the United Arab Republic and the Gaza strip*

12. It must again be reported, with regret, that the Agency has continued to encounter serious difficulties as a result of the apparent unwillingness of the Egyptian authorities to recognize the status of the Agency as a subsidiary organ of the United Nations, or to accord to the Agency the privileges and immunities which flow from that status, and which are necessary for the fulfilment of its duties. Although this matter has been the

subject of a number of written representations and discussions, the basic divergence between the viewpoints of the Government and the Agency has become increasingly apparent, and some examples of the practical consequences are given below.

13. Mention was made in the last report⁶ of the refusal by the Egyptian authorities to grant permits to certain Agency officials to enter or re-enter the Gaza strip. Although, during the early part of the period under review, it appeared that these difficulties were in course of being resolved, the position deteriorated in the second half of the year, and permits were denied to several UNRWA officials whose presence in Gaza was particularly necessary for the Agency's operations. In spite of the Agency's written and verbal representations to the Government of the United Arab Republic, this matter has unfortunately still not been resolved.

14. Misunderstandings have also arisen in connexion with the Agency's jurisdictional immunity, and attempts have been made to apply the provisions of local municipal law to contracts of service between the Agency and its staff members. Thus, three court actions and three complaints to the Egyptian Department of Labour were filed against the Agency by former staff members. In none of these court cases has the Agency's status or jurisdictional immunity been recognized and, as mentioned in the previous report,⁷ one such case resulted in a judgement expressly denying this status and immunity.

15. A further written denial of the Agency's status and privileges and immunities was contained in a document (dated 8 September 1956) emanating from the State Counsel, which only came to the Agency's attention at the end of 1957, after being cited in court proceedings. The Agency's status and immunities were more recently again denied in a letter addressed to the Agency on 10 May 1958 by the Government authorities in Gaza, citing the State Counsel's opinion.

16. Attempts to serve summonses and attachment orders are other examples of actions which violate the immunity from legal process of the Agency and of its staff members in the performance of their official duties. In several instances the Agency has been obliged to return or to protest against summonses or court orders which were improperly issued or transmitted. With a view to resolving these misunderstandings, the Agency has endeavoured to reach agreement with the government authorities on the adoption of procedures in regard to judicial processes and government investigations, which would respect the status and immunity of the Agency and its assets and records, without impairing the proper course of justice.

17. The authorities of the United Arab Republic have recently sought to require international officials of the Agency in Gaza to complete questionnaires amounting to a form of alien registration, this being inconsistent with the provisions of the Convention on Privileges and Immunities of the United Nations adopted by the General Assembly on 13 February 1946. After consultation with the Legal Counsel of the United Nations, the Agency has accordingly declined to comply with this requirement.

18. Although the full extent of the Agency's immunity from the payment of taxes has not always been admitted, the Agency has obtained reimbursement from

⁴ A/3686, annex H, para. 5.

⁵ A/3686, annex H, para. 6, footnote 31.

⁶ A/3686, annex H, para. 11.

⁷ A/3686, annex H, para. 14, footnote 34.

the government authorities of a number of taxes and customs duties from which it is exempt.

19. Apart from the various problems which have still to be satisfactorily resolved, certain other difficulties which arose during the year, and which led to official representations by the Agency, were settled in a practical manner in collaboration with the government authorities.

(b) *The Syrian Region of the United Arab Republic*

20. On the whole there has been an improved understanding of the Agency's status in the Syrian Region of the United Arab Republic, although in some respects the position is not entirely satisfactory.

21. Mention was made in the previous report⁸ of two judgements of the court of Cassation in Syria, of which the first declared the Agency to be a public body of the Syrian Republic, and the second took into account the true legal status of the Agency. In spite of the importance of the principle involved, it has not been possible to rectify or annul the former of these two judgements. In the meantime, however, in a more recent case, a criminal court of first instance recognized in its judgement the Agency's status and immunity. In regard to other judicial proceedings which occurred during the year, the Agency has encountered a variety of specific problems concerning both procedure and substance.

22. Some of the restrictions in the movement of Agency officials within Syria, mentioned in the previous report⁹ have persisted during the period under review. In particular, certain Agency officials have been prevented from travelling on duty in specified areas in which the Agency is operating, the necessary military permits not having been granted. In spite of the Agency's representations in this respect, this curtailment of its officials' freedom of movement still remains unresolved.

23. The position in regard to the Agency's immunity from taxes and customs duties has in certain respects improved during the year, especially in connexion with the Agency's exemption from taxes and customs duties on petroleum, kerosene and alcohol. On the other hand, the difficulties which were previously reported,¹⁰ resulting from the repeated attempts by the government authorities to levy income tax on the salaries of area staff members of the Agency, have continued much as before, and at the end of the reporting period still remained unresolved.

24. Legal problems of a contractual or administrative nature have continued to arise in Syria, both in connexion with land and buildings used by the Agency and also with regard to supplies and the employment of staff.

(c) *Jordan*

25. The negotiations previously reported¹¹ concerning the revision of the existing general agreement between the Agency and the Government of Jordan have not been resumed during the period under review, although some useful discussions have taken place with the Government in regard to certain specific points of difference, and in some respects a larger measure of agreement has been achieved.

26. The Agency's claim against the Jordan Government for compensation for loss and damage resulting from civil disorders and riots, mentioned previously,¹² is

still outstanding, and the Agency has so far been unable to obtain from the Government any acknowledgement of its liability in this connexion. Nor has the Agency received from the Government any reparation or acknowledgement of the wrongful attachment of Agency funds by a Jordan court in 1954, referred to in previous reports.¹³

27. Although certain specific legal problems concerning the Agency's status and privileges and immunities have been settled in a practical manner through the co-operation of the government authorities, some difficulties remain outstanding, as for example in regard to certain taxation matters and judicial proceedings. The Agency has been obliged to make further representations, and to return certain summonses and notifications which were improperly transmitted, or which required the payment of taxes, or appearances in court proceedings.

28. The Agency has also encountered a variety of legal problems in connexion with commercial contracts, project agreements, building operations and other Agency activities in Jordan, some of which have given rise to claims or disputes, which have been the subject of negotiations or amicable settlements during the year.

(d) *Lebanon*

29. One legal difficulty which arose in connexion with the Lebanese crisis resulted from the special restrictions which were imposed by the Lebanese Government on the movement of Palestine refugees, including Palestinian staff members of the Agency, across the Lebanese-Syrian frontier. Arrangements for essential movements of local Agency staff between these two countries were, however, in due course negotiated with the Lebanese authorities.

30. Other legal problems which have arisen during the year in connexion with the Agency's activities in Lebanon have mainly concerned the detailed application of the Convention on Privileges and Immunities of the United Nations, and of the agreement concluded between UNRWA and the Government of Lebanon on 26 November 1954.

31. Although the Agency has obtained reimbursement of certain taxes and customs duties from which it is exempt, other such claims have been the subject of difficulties and delays. Particular mention should be made of the Agency's outstanding claims, referred to in last year's report,¹⁴ concerning port dues and expenses resulting from the compulsory use of rail transport through the application of the inter-governmental agreement referred to in paragraph 4 above. With a view to reaching a settlement of these and other outstanding claims, it was agreed in principle that they would be referred to a joint committee composed of representatives of the Government and of the Agency. After initial delays, however, the establishment of this committee was postponed indefinitely owing to the Lebanese crisis, with the result that the claims in question are still awaiting settlement.

32. Also during the period under review, the immunities of Agency officials have, on various occasions, been disregarded or insufficiently respected, for example in connexion with certain court summonses, municipal taxes and customs requirements. In order to settle such problems (of which other examples were mentioned in

⁸ A/3686, annex H, para. 23.

⁹ A/3686, annex H, para. 22.

¹⁰ A/3686, annex H, para. 24.

¹¹ A/3686, annex H, para. 15.

¹² A/3686, annex H, para. 16.

¹³ A/2717, annex G, para. 11 (i); A/2978, annex G, para. 19; A/3212, annex G, para. 19.

¹⁴ A/3686, annex H, para. 18.

the previous report¹⁵) various proposals were made by the Agency, including a possible referral to arbitration. It

¹⁵ A/3686, annex H, para. 20.

was later envisaged, however, that this matter could be resolved through the intermediary of the joint committee referred to in the preceding paragraph.

ANNEX I

CO-OPERATION WITH OTHER UNITED NATIONS ORGANIZATIONS

1. GENERAL

1. During the year under review, cooperation between UNRWA and other agencies of the United Nations continued and grew. The Agency wishes to express its appreciation for the advice, assistance and co-operation it has received from the various organizations, as well as from departments and offices of the United Nations Secretariat in New York. In turn, UNRWA was able to be of assistance to other United Nations organs and specialized agencies operating in the area. The extent of this assistance was expanded during the year to cover the United Nations Observation Group in Lebanon (UNOGIL) for which the Agency temporarily provided support of a purely administrative character.

2. Most United Nations organizations and specialized agencies which have offices in Beirut were provided either free or at cost with various administrative services by the Agency. Several, along with UNRWA, have their offices in the same compound.

3. The arrangement reported last year,¹ whereby the Director of UNRWA assists United Nations staff members and their dependents in certain areas of the Near East in time of crises, continued to apply during the recent crisis in Lebanon.

4. The Agency was represented at the meeting of the Administrative Committee on Co-ordination (ACC) held in Geneva on 5 May 1958. UNRWA was also represented during the United Nations Week at the Brussels International Exhibition.

2. UNITED NATIONS BODIES

(a) *United Nations Children's Fund*

5. In accordance with an arrangement under which UNRWA pays the estimated costs of the services rendered by UNICEF, the latter has continued to act on UNRWA's behalf as the purchasing agent for general goods, the bulk of the medical supplies required for the refugees and, in some cases, for basic ration commodities.

6. UNICEF's programme for assistance for mothers and children living in frontier villages in Jordan was continued, the number of people assisted remaining constant at about 50,000. These persons are not refugees within UNRWA's mandate, but all of them have had their livelihood affected by the Palestine conflict. UNICEF uses the Agency's services for the distribution of supplies for this programme, and UNRWA charges UNICEF with the cost of transport within Jordan.

7. The arrangements with regard to malaria control reported last year² continue in effect. Under these, the Lebanese Government has assumed responsibility in refu-

gee camps in Lebanon for malaria control, and UNICEF provides the insecticides for the operations as part of its over-all assistance to the malaria eradication campaign in Lebanon. In Jordan, UNICEF provides some insecticides, vehicles and equipment as its contribution to the joint programme for the eradication of malaria in Jordan, in which the Jordan Government, WHO and UNRWA also participate. For the time being, UNRWA remains responsible for supplies, vehicles and equipment in the Yarmuk-Jordan area, where it is itself responsible for the anti-malaria campaign.

8. The Agency was able to loan one of its staff members for a short period to take photographs for UNICEF as part of the latter's public information activity.

(b) *United Nations Conciliation Commission for Palestine*

9. In accordance with General Assembly resolution 1191 (XII), the Agency has continued its consultations with the Commission in the best interest of their respective tasks. During the year under review, this has been limited generally to the exchange of information, on an informal basis, concerning the work of each organization.

(c) *United Nations Emergency Force*

10. The full co-operation between the United Nations Emergency Force (UNEF) and UNRWA reported last year continued during the period under review. This has taken the form, for the most part, of consultations in Gaza on matters of mutual concern, and procurement by UNRWA on behalf of UNEF in respect of goods the latter wishes to purchase in the Beirut area. UNEF has reimbursed UNRWA for the cost of these services.

(d) *United Nations Information Centres*

11. The past year has seen a considerable increase in the utilization by UNRWA of the services of the United Nations Office of Public Information in New York and of the United Nations Information Centres throughout the world, with great benefit to the Agency. The Office of Public Information's press, radio and television services have been particularly helpful during the sessions of the General Assembly; and the photography, publications, radio and television services have recently increased their assistance in the field. The Information Centres have continued to be helpful in disseminating information about UNRWA, in arranging visits and in maintaining useful contacts. All this has led to a better understanding of the Agency's operations and problems in the areas covered by the Centres. For its part, UNRWA has offered the United Nations and specialized agencies all possible assistance as regards public informa-

¹ A/3686, annex I, para. 3.

² A/3686, annex I, para. 8.

tion in its own area of operations. In particular, it has been able to act on behalf of the Cairo Information Centre on several occasions.

(e) *United Nations Observation Group
in Lebanon*

12. Upon the establishment of the United Nations Observation Group in Lebanon (UNOGIL), UNRWA was asked to provide, on a purely temporary basis, and without becoming involved in the operation, such administrative and other assistance as might be required. This assistance included the initial arrangements regarding office space and housing, the provision of secretarial assistance and office supplies and equipment, assistance in making travel arrangements and in the purchase of supplies for them on the Beirut market. This support continues though on a progressively diminishing scale as UNOGIL establishes its own administration.

(f) *United Nations Truce Supervision
Organization*

13. The Agency and the United Nations Truce Supervision Organization (UNTSO) have continued their practice of consultation and exchange of information on matters of common concern. UNTSO also gave the Agency valuable help during the recent crisis.

3. SPECIALIZED AGENCIES

(a) *United Nations Educational, Scientific
and Cultural Organization*

14. As in previous years, UNESCO continued to take an active interest in all aspects of the education

programme and to give the Agency very helpful technical advice. Contributions have continued to be received under the UNESCO gift coupons scheme.

15. On 1 July 1957, eight senior members of the Agency's Education Division, including the Chief of the Division, were on secondment from UNESCO. At the end of the period under review, on 30 June 1958, the number of seconded staff was seven and discussions were going on with a view to increasing this number to meet the modest expansion that is taking place in the Agency's education programme.

(b) *World Health Organization*

16. During the year under review, WHO continued its interest in the health programme and provided very valuable technical help to the Agency through the exchange of information on nutritional and epidemiological and other problems. The secondment of the Agency's Chief Medical Officer and of three other senior members of the Agency's health staff has been continued.

17. The Regional WHO meeting in Alexandria, the WHO Executive Board meeting in Geneva, and the WHO General Assembly at Minneapolis were each attended by an Agency representative. The Agency was also represented at the Technical Meeting on Malaria Eradication held in Baghdad, Iraq.

(c) *Food and Agricultural Organization*

18. Regular consultations between UNRWA and FAO regarding refugee nutrition have continued during the past year.

ANNEX J

PURCHASE, CONTROL AND DISTRIBUTION OF SUPPLIES

1. PURCHASE

1. In implementing its programmes for the benefit of the Palestine refugees, the Agency each year normally spends between \$16 million and \$18 million on supplies, the final figure depending on world commodity prices. The principal commodity (food) costs between \$13 and \$14 million, the largest single item being flour, of which the Agency buys nearly 100,000 tons. The balance is spent on medical supplies and equipment, construction materials, blankets, domestic fuels and the many other items required by the different programmes undertaken for the refugees.

2. The Agency has established a system of ordering which takes account of existing stocks, average monthly consumption and the time needed for placing the order and transporting the goods. It maintains a catalogue, listing more than 9,000 items, with a detailed description of all commodities and materials regularly used by the Agency. This has permitted a considerable degree of standardization, with all its attendant advantages, including a high degree of cost control. Stocks are reviewed quarterly and a regular pipeline of replenishment is maintained. Coupled with constant inventory control of

stocks, standardization has permitted a reduction of about \$1 million in the operating stock level during the past year.

3. The Agency purchases its requirements at the lowest price consistent with quality and adequate assurances of delivery on time. In pursuance of this policy, the practice of world-wide competitive bidding is used to the extent feasible. Market research to determine, for example, the types of products available, the seasonal and other movements of prices and the influence of other factors is also compiled. Other things being equal (price, quality, availability, etc.), the Agency buys in the Near East in order to help the local economies. Thus, in a normal year, the Agency spends between \$7 and \$8 million on goods produced in the Near East, or on goods produced outside but imported by local merchants who have offered them at competitive prices. For example, rice has been bought in the United Arab Republic, dates in Iraq and some flour in Jordan. The balance of the Agency's requirements comes from outside the Near East and is purchased directly in the country of origin, from which shipment is arranged to the appropriate port in the area, normally by sea. Until the recent crisis in Lebanon, the ports principally used were Beirut, which served

Lebanon, Jordan and Syria, and Port Said, through which the Gaza strip was for the most part supplied.

4. The crises in the Near East during 1957-1958 had their repercussions upon the Agency's buying programme and expenditures. In some instances, and for different periods, normal supply channels were interrupted. Borders were closed and transport unavailable. In these circumstances, it was often necessary to authorize local procurement (at higher prices) for the areas cut off from the main channels of supply through Beirut. Sometimes the goods needed in the isolated regions were, in fact, available in the Agency's warehouses in Beirut, but it was not possible to move these goods to the point of distribution in the time required. This not only disrupted the programme, but forced UNRWA to duplicate its purchases to a certain extent. The diversion of shipping and increased insurance rates are other factors which tend, during a crisis, to increase procurement costs.

5. In the process of buying in the world market, UNRWA makes use of the facilities of UNICEF, for which a fee is paid. For its part, the Agency buys for other United Nations agencies operating in the Near East on a reimbursable basis. For example, UNRWA has served as a purchasing agent for UNEF for requirements in the Beirut area and, more recently, for UNOGIL.

2. CONTROL OF QUALITY

6. But it is also important that the supplies purchased are of the proper type and quality. To ensure this, staff members are present during the discharge of various shipments of flour and other commodities. In Beirut and Port Said, locally purchased supplies are generally inspected both before and after delivery.

7. Inspection trips by Agency staff were made last year covering two purchases of flour in Germany. The flour was sampled in the German mills, when loaded on river barges and sea-going ships, at various points in Germany and in the ports of Rotterdam and Hamburg. While this is typical of checks made in Europe, quality control in North America is arranged through agents.

8. The Agency maintains a laboratory where complete analyses of flour, fats, soaps and textiles are regularly made to ascertain the exact quality of supplies delivered. Physical tests and examinations are made of samples of pulses, dates, rice, sugar, textiles and blankets. These analyses have been very valuable in controlling the quality of these commodities. Inspection, analysis and evaluation of samples have automatically eliminated undesirable goods which do not conform to specifications.

3. DISTRIBUTION

9. The end of the process is the distribution of supplies to those who need them. As noted above, when the supplies are procured on a world-wide market, they are checked for quality and then brought to Near Eastern points for distribution, normally through Port Said and Beirut. During the period under review, Port Said handled approximately 45,000 tons of UNRWA cargo. During the same period, the port of Beirut received some 105,000 tons of UNRWA cargo constituting about 20 per cent of the total imports of the port. Supplies arrived on 595 ships of forty-two different nationalities. The disturbances in Lebanon compelled the Agency to use other ports—Latakia (Syria) and Aqaba (Jordan)—despite the extra expense which the use of these ports involved.

10. Normally, commodities received in Beirut are either despatched immediately to Syria or Jordan, or forwarded to the large warehouses which the Agency operates in Beirut, and which can hold up to 12,000 tons of various commodities. In these warehouses are kept all commodities for consumption in Lebanon, as well as centralized stocks, such as motor spare parts, medical supplies and administrative supplies. In addition, supplies received in bulk for the Agency's whole area of operations are sorted, stored and despatched to their final destinations, either by rail, by road or by air—the UNRWA aircraft carries a small quantity of urgently needed supplies as well as passengers on regular flights—or by motor schooners. The motor schooners are normally used solely for Gaza where cargo is offloaded into lighters. This latter operation, at best difficult, is only possible during the summer months because of the swell and surf in winter. UNRWA offices in Beirut and Port Said are in charge of all shipping operations, customs, clearance, quantity control, insurance and despatching.

11. In the four host countries, the Agency operates seventy warehouses, with a total capacity of 103,000 cubic metres, most of which have been put at the Agency's disposal by Governments free of charge. The others cost the Agency \$32,000 in rentals, while the total warehousing operations cost some \$356,000 annually. In Jordan, UNRWA recently completed the building of a pre-fabricated central warehouse near Amman, where no adequate facilities had previously existed.

12. Transport of supplies to the distribution centres, where the refugees receive their rations, is performed jointly by an UNRWA fleet of vehicles and by trucks hired from contractors. Only flour and sugar are transported by rail from Beirut to Amman as a result of regulations intended to provide business for the narrow gauge railway linking these two cities. The Agency is claiming the difference in cost between road and rail, but has not yet been paid. 53,000 tons of supplies were transported by rail during the period under review.

13. The Gaza strip is, for the most part, fed by rail from Port Said up to the Agency's warehouses, whence goods are despatched to distribution points by UNRWA transport. It is estimated that the free use of the Egyptian railways from Port Said to Gaza represents a yearly contribution of \$147,000.

14. The Agency's fleet of vehicles consists of 392 vehicles, including 77 eight-ton trucks, 30 ambulances, 70 pickups, 22 buses, 104 sedans and station-wagons, and 89 "off-and-on" road vehicles, either jeeps or land rovers. During the period under review, this fleet has transported 9 million ton/kilometres of goods, and 18 million passenger/kilometres. Transport through contractors is mostly restricted to supplies: 12 million ton/kilometres were transported by these means between 1 July, 1957 and 30 June 1958, at a cost of \$175,000. This figure, however, does not include transportation provided free by the host Governments. In Syria, 90 per cent of the supplies are transported at government expense from the Damascus central warehouse to distribution points, at an estimated cost of \$40,000.

15. The maintenance of Agency vehicles is carried out in UNRWA workshops and garages in each host country. These workshops have now extended their services to UNTSO vehicles, and to some extent to those of UNEF and UNOGIL. Stocks of spare parts, although kept to the minimum, represent a total value of \$111,000 and cover 4,500 items, all fully described and

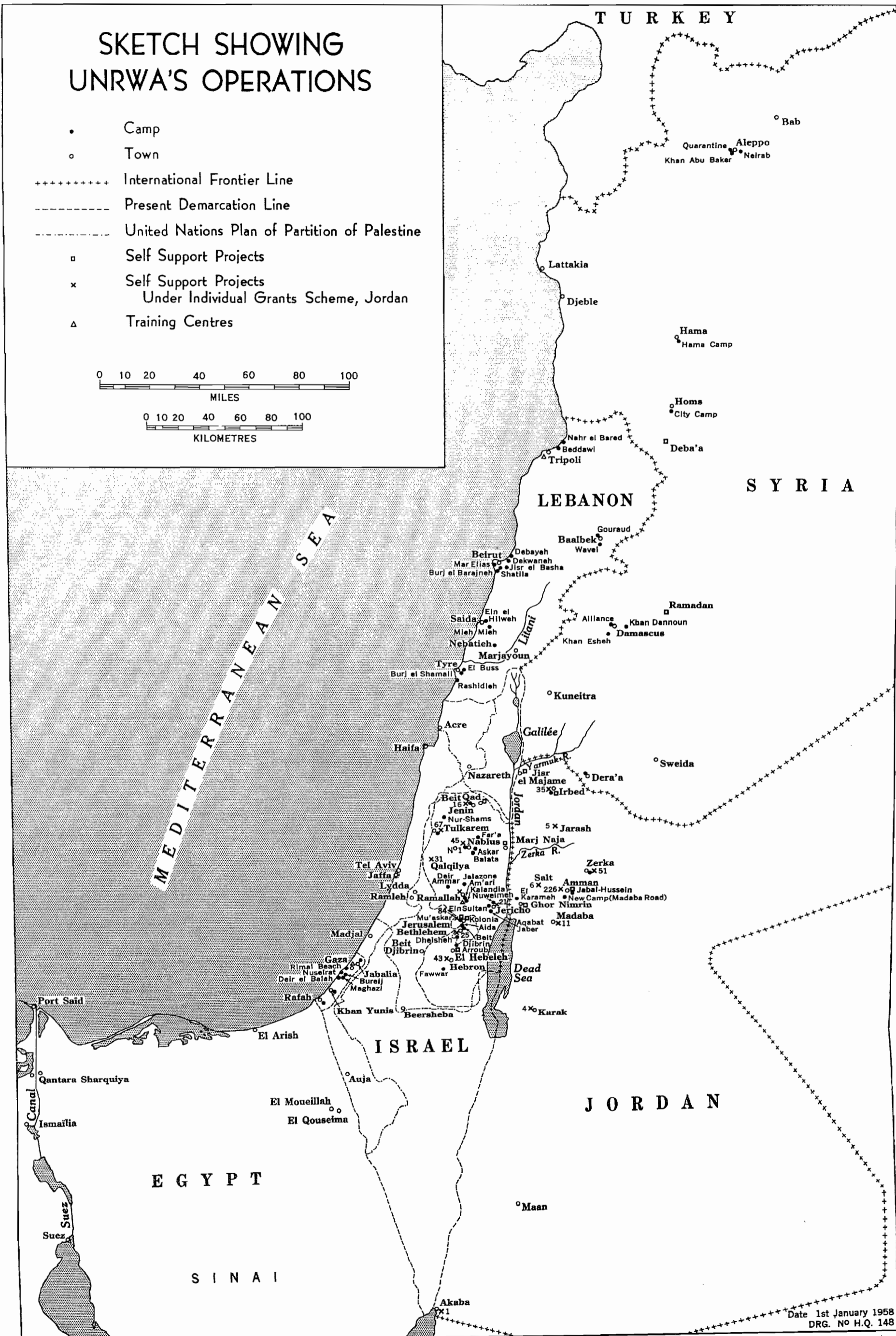
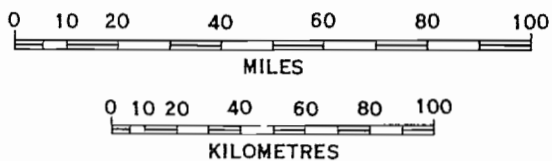
identified in a catalogue. The consumption of spare parts averages \$93,000 per year.

16. The refugees receive their supplies at distribution centres. There are about 120 static centres, some in rented premises and others in buildings which have been erected by the Agency for the purpose. At the largest centre, some 31,000 rations are issued per month. In addition, the Agency distributes from trucks where the

number of beneficiaries is small or they are located in remote areas. Distribution usually takes place once a month but there are variations to fit particular conditions. In the Gaza strip, for example, distribution is done twice monthly, whilst south of Maan, in Jordan, distribution is effected only every quarter. The annual cost of this work is about \$350,000, including salaries of staff, construction or rent of premises, etc.

SKETCH SHOWING UNRWA'S OPERATIONS

- Camp
- Town
- +++++ International Frontier Line
- Present Demarcation Line
- United Nations Plan of Partition of Palestine
- Self Support Projects
- × Self Support Projects Under Individual Grants Scheme, Jordan
- △ Training Centres



Date 1st January 1958
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