

## **FUNDING OF UNRWA**

### **Background**

Established in 1949, the UN Relief and Works Agency for Palestine Refugees in the Near East (UNRWA) is the UN agency that supports Palestinian refugees and their descendants. In June 2023, UNRWA announced that it was operating with a US \$75 million shortfall to provide food for people in Gaza.<sup>1</sup> In the same month, following decades of underfunding and deprioritisation, UN Secretary General, António Guterres, said 'UNRWA is on the verge of financial collapse.'<sup>2</sup> UNRWA is the largest and most well-established aid provider in Gaza, across the occupied Palestinian territory and across the wider region.

### **Israeli smear against UNRWA**

In January 2024, the Israeli government began spreading unsubstantiated smears about UNRWA, claiming that it had been infiltrated by Hamas. Specifically, Israel claimed that 12 UNRWA employees had participated in the 7<sup>th</sup> October attacks.<sup>3</sup> On the 22<sup>nd</sup> February 2024, US intelligence reports cast doubts on Israel's claims, saying that they could not be independently verified.<sup>4</sup>

UNRWA Commissioner General, Phillippe Lazzarini, called it an 'insidious campaign' and said that the dismantling of UNRWA would condemn 'an entire generation to despair.'<sup>5</sup> However, on the 9<sup>th</sup> February, Lazzarini also admitted to dismissing nine employees without probing Israel's unsubstantiated claims.<sup>6</sup>

### **Global North response**

Following Israel's unsubstantiated smears, 18 countries, entirely from the Global North, and the European Union decided to suspend funding to UNRWA. These countries included: Australia, Austria, Britain, Canada, Estonia, Finland, Germany, Iceland, Italy, Japan, Latvia, Lithuania, the Netherlands, New Zealand, Romania, Sweden, Switzerland and the United States.<sup>7</sup> This list included major funders, including eight out of ten of the top donors to UNRWA, meaning that UNRWA faced a \$450 million shortfall from an overall budget of \$880 million.<sup>8</sup>

### **Legal challenge to UK government response**

On the 26<sup>th</sup> March 2024, Bindmans LLP launched a legal challenge against the Foreign, Commonwealth and Development Office (FCDO), challenging their decision to pause funding to UNRWA.<sup>9</sup> The pre-action letter was sent on behalf of a British-Palestinian man in a bid to protect his family, who are UNRWA-registered refugees. The legal challenge was supported by the International Centre of Justice for Palestinians through the provision of evidence and financial support. The complaint specifically alleged that the government's decision to halt funding for UNRWA may have violated its international obligations, possibly making it complicit in Israel's apparent breach of the Genocide Convention<sup>10</sup> and Common Article 1 of the Fourth Geneva Convention. It also argued that the decision ran contrary to the FCDO's International Development Strategy<sup>11</sup> and International

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<sup>1</sup> [UN News. \(2<sup>nd</sup> June 2023\) UN agency for Palestine refugees on verge of financial collapse.](#)

<sup>2</sup> [UN News. \(2<sup>nd</sup> June 2023\) UN agency for Palestine refugees on verge of financial collapse. UN News.](#)

<sup>3</sup> [Ali Bunkall \(31<sup>st</sup> January 2024\) Israeli intelligence report claims four UNRWA staff in Gaza involved in Hamas kidnappings". Sky News.](#)

<sup>4</sup> [The Guardian. \(22<sup>nd</sup> February 2024\) US intelligence casts doubt on Israeli claims of UNRWA-Hamas links, report says.](#)

<sup>5</sup> [UN News. \(17<sup>th</sup> April 2024\) 'Insidious campaign' by Israel is denying lifesaving aid to Gaza says UNRWA chief.](#)

<sup>6</sup> [Emine Sinmaz. \(9<sup>th</sup> February 2024\) UNRWA staff accused by Israel sacked without evidence, chief admits. The Guardian.](#)

<sup>7</sup> [Alasdair Soussi. \(17<sup>th</sup> February 2024\) Which countries are still funding UNRWA amid Israel's war on Gaza.](#)

<sup>8</sup> [Harriet Sherwood \(25<sup>th</sup> February 2024\) UN's Palestinian aid agency 'at breaking point' after \\$450m budget shortfall.](#)

<sup>9</sup> [ICJP. \(27<sup>th</sup> March 2024\) Legal challenge to be launched against Foreign Office for UNRWA defunding decision.](#)

<sup>10</sup> [UN General Assembly. \(9<sup>th</sup> December 1948\) Convention on the Prevention and Punishment of Genocide. Resolution 260A\(III\).](#)

<sup>11</sup> [FCDO. \(29<sup>th</sup> August 2023\) The UK government's strategy for international development.](#)

Humanitarian Framework.<sup>12</sup>

### **Independent Commission for Aid Impact May 2024 Report**

The Independent Commission for Aid Impact (ICAI) is a non-departmental public body that operates independently of the UK government and acts as the international aid watchdog on behalf of the International Development Committee. On the 21<sup>st</sup> May 2024, the international aid watchdog released a new report on 'UK humanitarian aid to Gaza.'<sup>13</sup> The report analysed the severity of the humanitarian situation in Gaza and the UK government response and responsibility towards Gaza. The report outlines a series of 'further steps', revealing government shortcomings on the resumption of aid funding for UNRWA and its assessments on Israeli violations of international law.

### **Colonna Report**

On the 20<sup>th</sup> April 2024, the independent UN-commissioned 'Colonna report' into UNRWA was released. The report was requested by the UN in response to the Israeli government's unsubstantiated allegations against UNRWA. The Report Group found that UNRWA has 'robust' frameworks to ensure compliance with the humanitarian principle of neutrality. It also found that the Israeli government failed to provide evidence for the baseless accusations it made against UNRWA.<sup>14</sup> In response to the report, UN Secretary General, Antonio Guterres, said that he would accept the findings of the report.<sup>15</sup>

### **UK Reinstatement of Funding and response by the pro-Israeli lobby**

On the 19<sup>th</sup> July 2024, UK Foreign Secretary David Lammy announced that he was planning on resuming funding to UNRWA. This made the United Kingdom one of the last countries of the original eighteen to restore funding. In response to the decision, Labour Friends of Israel (LFI)<sup>16</sup> and the Board of Deputies of British Jews (BoD)<sup>17</sup> released statements.

LFI said that funding should be resumed in the short term, but that UNRWA should have a transitory role and its functions should be transferred to a revitalised Palestinian Authority. UNRWA's mandate is updated every three years, to reflect the fact that it would become superfluous in the instance of a peace process that led to a safe and secure viable Palestinian state. In lieu of this outcome, any efforts to redefine UNRWA should be met with a high degree of scepticism as efforts to undermine the vital aid channels to Palestinian people who are currently suffering from an entrenched illegal occupation and a genocidal campaign by Israel since October 2023.

Meanwhile, BoD continued to peddle myths about UNRWA, including the allegations that UNRWA employees were involved in the 7<sup>th</sup> October attack, that Hamas operates out of UNRWA facilities and that UNRWA schools have issues with incitement of violence and antisemitism. It is deeply troubling that BoD would weaponise and trivialise antisemitism in this way, and that it would spread unsubstantiated smears about UNRWA. Such smears have previously led to the withdrawal of funding, which had a knock-on effect of exacerbating Israel's genocide in Gaza and restricting aid to use starvation as a weapon of war.

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<sup>12</sup> [FCDO. \(10<sup>th</sup> November 2022\) UK humanitarian framework.](#)

<sup>13</sup> [ICAI. \(21<sup>st</sup> May 2024\) UK humanitarian aid to Gaza. Independent Commission for Aid Impact.](#)

<sup>14</sup> [Final report for the United Nations Secretary. \(20<sup>th</sup> April 2024\) Independent Review of Mechanisms and Procedures to Ensure Adherence by UNRWA to the Humanitarian Principle of Neutrality. Executive Summary: pg.5.](#)

<sup>15</sup> [UN. \(22<sup>nd</sup> April 2024\) Accepting Recommendations of Independent Review Group on Palestine Refugee Agency. Secretary-General Commits to Establish Action Plan for Implementation. SG/SM/22199.](#)

<sup>16</sup> [Labour Friends of Israel. \(19<sup>th</sup> July 2024\) Government announces funding for a reformed UNRWA.](#)

<sup>17</sup> [Board of Deputies. \(19<sup>th</sup> July 2024\) Despite UK Government's resumption of UNRWA funding, fundamental issues around the agency remain.](#)