

## THE IMPACT OF RECENT UNRWA AID CUT: A HUMANITARIAN CHALLENGE

By

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*(Views expressed in the brief are those of the author, and do not represent those of ISSI)*



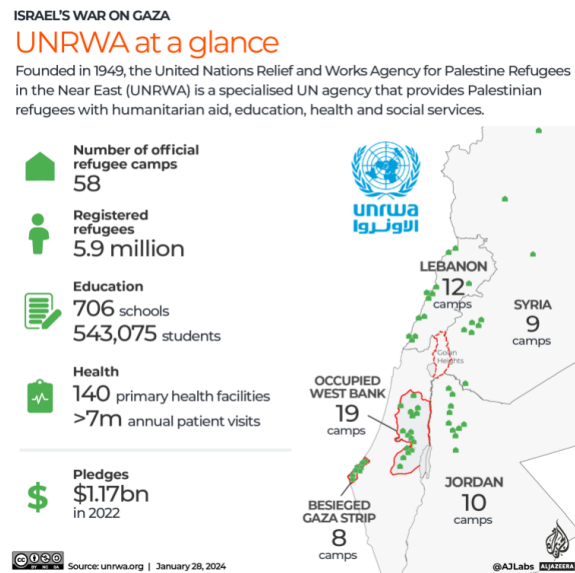
The United Nations Relief and Works Agency (UNRWA) has long been at the forefront of providing essential humanitarian aid and services to Palestinian refugees. Recent reports of an aid cut to UNRWA raise concerns about the well-being of the vulnerable population it serves and the broader implications for regional stability and peace efforts.

UNRWA was established in 1949 to address the needs of Palestinian refugees displaced during the Arab-Israeli conflict. The Agency operates in the West Bank, Gaza Strip, Jordan, Lebanon, and Syria, providing vital services such as education, healthcare, and social services to millions of refugees. UNRWA is committed to advancing the human development of Palestinian refugees through the achievement of the following five strategic outcomes under the Agency's Medium-Term Strategy:<sup>1</sup>

1. Strategic Outcome 1: Refugees' rights under international law are protected and promoted
2. Strategic Outcome 2: Refugees' health is protected and the disease burden is reduced
3. Strategic Outcome 3: School-aged children complete quality, equitable and inclusive basic education

<sup>1</sup> Strategic Outcomes and Statistics Bulletin, United Nations Relief and Work Agency, <https://www.unrwa.org/what-we-do>

4. Strategic Outcome 4: Refugee capabilities strengthened for increased livelihood opportunities
5. Strategic Outcome 5: Refugees can meet their basic human needs of food, shelter and environmental health.



*Source: al Jazeera<sup>2</sup>*

#### Aid Cut:

Primarily, the aid cut stems from various geopolitical, financial, or policy considerations. Donor countries, often facing budget constraints, may reassess their priorities or demand greater accountability and transparency from UNRWA.

Currently, the decision to cut aid to UNRWA comes after several of its staff were accused by Israel of involvement in the 7 October 2023 Hamas attack.<sup>3</sup> In the wake of this allegation, the UN Secretary-General requested Commissioner-General Mr. Lazzarini to promptly investigate the recent developments with the directive that any UNRWA staff found to have been engaged in or supported the events on October 7 or any other criminal activities must be promptly terminated and referred for potential criminal prosecution; and initiated an independent expert review, as communicated by Commissioner-General Lazzarini on January 17, 2024.<sup>4</sup> Accordingly, UNRWA opened an investigation

<sup>2</sup> "Which countries have cut funding to UNRWA, and why?" al Jazeera, January 28, 2024, <https://www.aljazeera.com/news/2024/1/28/which-countries-have-cut-funding-to-unrwa-and-why>

<sup>3</sup> "Which countries have cut funding to UNRWA, and why?" al Jazeera, January 28, 2024, <https://www.aljazeera.com/news/2024/1/28/which-countries-have-cut-funding-to-unrwa-and-why>

<sup>4</sup> "Horrified by Allegations Implicating UN Staff in 7 October Terror Attacks in Israel, Secretary-General Orders Investigation, Termination of Staff Found to Be Involved," United Nations, January 26, 2024, <https://press.un.org/en/2024/sgsm22115.doc.htm>

into some employees that Israel alleged were involved in the attacks, and that it has severed ties with those staff members.<sup>5</sup> The largest contributors to UNRWA include EU countries and the U.S., collectively providing approximately \$865 million, constituting around 75% of the Agency's \$1.16 billion budget.<sup>6</sup>

Major donors (countries) that have suspended their UNRWA funding include:

1. **United States, \$343.9 M:** The United States has temporarily paused additional funding for UNRWA as it reviews the allegations and the steps undertaken by the UN.<sup>7</sup>
2. **Germany, \$202.1 M:** Until the end of the investigation Germany has temporarily halt new funds for UNRWA.<sup>8</sup>
3. **European Union, \$114.1 M:** The European Commission halted its funding to UNRWA until it agreed to carry out an audit of the Agency by EU-appointed independent external experts.<sup>9</sup>
4. **Sweden, \$61 M:** "Aid funds must go to the right organizations and not come close to terrorism."<sup>10</sup>
5. **Japan, \$30.2 M:** Japan temporarily suspended its additional funding to UNRWA until it conducts an investigation and takes measures to address the allegations.<sup>11</sup>
6. **France, \$28.9 M:** France stopped its aid for the first quarter of 2024, with the condition of continuing aid with respect to how the UN acts in conjunction with the allegations.<sup>12</sup>

<sup>5</sup> "UNRWA probes employees over suspected involvement in October 7 attack," al Jazeera, January 26, 2024, <https://www.aljazeera.com/news/2024/1/26/unrwa-probes-employees-over-suspected-involvement-in-october-7-attacks>

<sup>6</sup> "List of Countries Suspending UNRWA Funding," United Nations Watch, January 29, 2024, <https://unwatch.org/updated-list-of-countries-suspending-unwra-funding/>

<sup>7</sup> "Statement on UNRWA Allegations," US Department of State, January 26, 2024, <https://www.state.gov/statement-on-unrwa-allegations/>

<sup>8</sup> "After US, Germany freeze aid to UNRWA, could EU follow?" DW, January 29, 2024 <https://www.dw.com/en/after-us-germany-freeze-aid-to-unrwa-could-eu-follow/a-68116182>

<sup>9</sup> European Commission Statement on UNRWA," European Commission, January 29, 2024, [https://ec.europa.eu/commission/presscorner/detail/en/ip\\_24\\_505](https://ec.europa.eu/commission/presscorner/detail/en/ip_24_505)

<sup>10</sup> "Sverige stoppar biståndspengar till UNRWA," Dagens Nyheter, January 29, 2024, <https://www.dn.se/sverige/sverige-stoppar-bistandspengar-till-unrwa/>

<sup>11</sup> "Allegations about UNRWA staff members' involvement in the October 7 terror attack on Israel last year," Ministry of Foreign affairs of Japan, January 28, 2024, [https://www.mofa.go.jp/press/release/pressite\\_000001\\_00122.html](https://www.mofa.go.jp/press/release/pressite_000001_00122.html)

<sup>12</sup> "Israel/Palestinian Territories – UNRWA," Ministry for Europe and Foreign Affairs, France Diplomacy, January 28, 2024, <https://www.diplomatie.gouv.fr/en/country-files/israel-palestinian-territories/news/2024/article/israel-palestinian-territories-unrwa-28-jan-2024#:~:text=France%20has%20not%20planned%20any,are%20properly%20taken%20into%20account.>

7. **Switzerland, \$25.5 M:** The Swiss foreign ministry indicated that it would continue with the financial contributions to the Agency once it had more information on these serious allegations.<sup>13</sup>
8. **Canada, \$23.7 M:** Global Affairs Canada paused all additional funding to UNRWA pending the outcome of the investigation.<sup>14</sup>
9. **United Kingdom, \$21.2 M:** The Foreign, Commonwealth & Development Office (FCDO) temporarily suspended future funding of UNRWA post allegations.<sup>15</sup>

Following these developments, Sally Thomas, Humanitarian Emergencies Lead at Caritas Australia highlighted constant and continued aid to Gaza as a vital step in the de-escalation of the conflict, stating that without adequate aid funding the humanitarian crisis will escalate, and more suffering could bring more tension to the Middle East and called out countries on lacking empathy for a ‘population on its knees.’<sup>16</sup>

The halt in financial support from donor states has dire consequences for more than two million civilians in Gaza, with over half of them being children who heavily depend on UNRWA assistance. The population is grappling with the imminent threats of starvation, a looming famine, and the potential outbreak of diseases due to Israel's ongoing indiscriminate bombardment and intentional withholding of aid in Gaza. Amidst the ongoing crisis, more than one million displaced Palestinians have sought refuge in multiple UNRWA shelters, creating a challenging environment for the agency and aid organizations.

The suspension of funds introduces an alarming risk of exacerbating the already precarious situation for Palestinians. Such a financial halt jeopardizes the availability of fundamental necessities, including food, water, and medical assistance, among others. Moreover, the potential repercussions extend to essential services such as education and protection, further intensifying the vulnerability of the displaced population. The withholding of funds not only hampers immediate relief efforts but also

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<sup>13</sup> “Swiss aid payments for UNRWA are in doubt,” SWI, January, 28, 2024,

<https://www.swissinfo.ch/eng/politics/swiss-aid-payments-for-unrwa-are-in-doubt/49164836>

<sup>14</sup> “Canada suspends UNRWA funding after employees implicated in Oct. 7 terror attacks,” National Post, January 26, 2024, <https://nationalpost.com/news/demands-for-canada-to-suspend-unrwa-funding>

<sup>15</sup> “Allegations about UNRWA staff and 7 October attacks: FCDO statement,” Foreign Commonwealth & Development Office, United Kingdom, January 27, 2024, <https://www.gov.uk/government/news/statement-on-allegations-about-unrwa-staff-and-7-october-attacks#:~:text=The%20UK%20is%20appalled%20by,we%20review%20these%20concerning%20allegations.>

<sup>16</sup> “Political division will have dire humanitarian consequences in Gaza,” Relief Web, January 31, 2024, <https://reliefweb.int/report/occupied-palestinian-territory/political-division-will-have-dire-humanitarian-consequences-gaza>

undermines the long-term well-being and prospects of those affected by displacement, amplifying the gravity of the humanitarian crisis in the region.

With the escalation of the humanitarian crisis in the Gaza Strip to catastrophic proportions, humanitarian organizations are already struggling to address the urgent needs in Gaza, emphasizing the imperative for a substantial increase in aid, rather than a reduction, with any further constraints on aid inevitably leading to increased fatalities and heightened suffering. The potential repercussions of these funding cuts contradict the provisional measures put forth by the International Court of Justice (ICJ) on January 26, which underscore the urgent necessity for immediate actions to guarantee an adequate flow of humanitarian assistance into Gaza.<sup>17</sup>

- *Humanitarian Consequences:* The reduction or withdrawal of aid to UNRWA has immediate and severe consequences for the Palestinian refugees who heavily depend on its services. Education, healthcare, and other essential support systems are compromised, potentially leading to deterioration in living conditions and exacerbating the already challenging circumstances faced by these vulnerable communities.
- *Suspension of Essential Support Systems:* The lack of resources for essential support systems not only heightens economic hardships but also intensifies social and psychological challenges, creating a precarious environment for already vulnerable communities. Moreover, the withdrawal of aid exacerbates the living conditions of Palestinian refugees, potentially leading to deterioration in their overall well-being.
- *Impact on Education:* UNRWA plays a crucial role in providing education to Palestinian refugee children. Any reduction in funding directly affects the quality and accessibility of education services. This, in turn, hampers the prospects of a generation already grappling with the challenges of displacement and conflict.
- *Healthcare Challenges:* The healthcare infrastructure supported by UNRWA is vital for providing basic medical services to the refugee population. A cut in aid may result in a lack of medical supplies, reduced capacity to respond to health emergencies, and increased vulnerability to diseases, particularly in densely populated areas like Gaza. A cut in aid threatens the stability and functionality of this healthcare infrastructure, with consequences that extend beyond the immediate loss of resources. One of the most immediate and tangible

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<sup>17</sup> "UNRWA funding cuts jeopardize lifeline for millions in Palestine," Relief Web, January 29, 2024, <https://reliefweb.int/report/occupied-palestinian-territory/unrwa-funding-cuts-jeopardise-lifeline-millions-palestine>

impacts would be the shortage of medical supplies, essential medications, diagnostic equipment, and other critical resources that contribute to the effective functioning of the healthcare system, impeding the ability to provide adequate care.

- *Regional Stability and Peace:* The implications of an UNRWA aid cut extend beyond the immediate humanitarian crisis. This can contribute to increased instability in the region, hindering efforts towards a peaceful resolution of the Israeli-Palestinian conflict. The deteriorating living conditions of Palestinian refugees may exacerbate tensions and contribute to radicalization. The deterioration of living conditions among Palestinian refugees is a critical factor that can contribute to heightened tensions in the region. As basic needs become harder to meet, individuals and communities may experience increased frustration and desperation. This not only strains relations within the refugee population but also raises the risk of conflict and unrest, hindering any prospects for peaceful coexistence.

#### Global Divide:

In recent months, Israel's relationship with the United Nations has deteriorated due to the organization's repeated condemnation of Israel's military actions in the Gaza war. Tensions escalated in December 2023, when UN Secretary-General António Guterres invoked a seldom-used but potent tool i.e., Article 99,<sup>18</sup> to advocate for a ceasefire, prompting strong criticism from Israeli diplomats. The Israeli Foreign Minister, Eli Cohen, characterized Guterres' tenure as a "danger to world peace" and accused him of supporting Hamas by calling for a ceasefire after the October 7 attack.

As Israel's offensive enter its fifth month, entire neighbourhoods in Gaza have been obliterated, essential supplies dwindled, and over 2.2 million people are at risk of starvation, dehydration, and deadly diseases. The UN's Office for the Coordination of Humanitarian Affairs (OCHA) reported that at least 1.7 million Palestinians had been internally displaced, often multiple times. While a growing number of world leaders have expressed concern over the rising Palestinian death toll, and international calls for a ceasefire have continued, Israel remains obstinate in its position, insisting on continuing its actions to 'eliminate' Hamas.

Aid cuts to UNRWA have far-reaching consequences, affecting the lives of millions of Palestinian refugees and impacting regional stability. The international community must engage in dialogue and find sustainable solutions to ensure the continuation of essential humanitarian services. Ultimately,

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<sup>18</sup> Letter by the Secretary-General to the President of Security Council invoking Article 99 of the United Nations Charter, United Nations, December 6, 2023, <https://www.un.org/en/situation-in-occupied-palestine-and-israel/sg-sc-article99-06-dec-2023>

prioritizing the well-being of vulnerable populations and supporting the work of organizations like UNRWA is essential for fostering peace and stability in the region.

The potential dysfunction of UNRWA could escalate political and social tensions in the region, particularly in host countries for Palestinians that would directly bear the brunt of funding reductions. Nations and the international community must not exacerbate the situation but rather proactively address these adverse consequences. Efforts should be directed towards mitigating negative impacts and collaboratively seeking humane, respectful, and sustainable long-term solutions for the region.