



**REPORT OF THE COMMISSIONER-GENERAL OF THE UNITED NATIONS RELIEF
AND WORKS AGENCY FOR PALESTINE REFUGEES IN THE NEAR EAST**

Addendum

1. This addendum to the Commissioner-General's report to the General Assembly 1/ contains information on the financial results of 1987, the financial achievements to date in 1988, and the Agency's budget for 1989. The 1989 budget will be refined and finalized as the operational budget of the Agency and approved by the Commissioner-General for the appropriation of funds in 1989.

2. Direct assistance to Palestine refugees is also provided by local Governments in the area of operations. Information on this assistance is shown as reported by the Governments concerned in annex I.

I. FINANCIAL RESULTS IN 1987

3. The Agency's income to its General Fund and ongoing activities amounted in 1987 to \$184.1 million. To maintain the regular programmes at their planned levels the Agency spent \$181.1 million, which was about \$3 million less than received. The balance has enabled the Agency to replenish its much depleted working capital. This asset currently amounts to \$25.8 million, but is considered inadequate when judged against the size of the Agency's operation and the manner by which it is funded. The Agency's financial position still needs re-enforcing to ensure its continued financial health.

4. Capital expenditure for 1987 was planned at a level of \$9.5 million. Of these planned expenditures, \$3 million was funded by special donations and \$4.2 million from the General Fund, leaving an unfunded balance of \$2.3 million.

II. FINANCIAL PERFORMANCE IN 1988

5. The Agency's consolidated budget estimates for 1988 as presented to the General Assembly were \$216.5 million. Of this amount, \$188.0 million was for the General Fund, \$14.9 million for funded ongoing activities and \$13.6 million for capital and special projects. This original budget has been adjusted to account for the depreciation of the United States dollar that took place late in October 1987 and resulted in the 1988 budget being increased to \$221.3 million. The operational budget was authorized for expenditure by the Commissioner-General in December 1987. Later on in 1988 the European Community agreed to fund an increase in expenditure for the supplementary feeding programme, bringing the total budget up to about \$223.7 million.

6. At the time of preparation of the present report the Agency is facing a probable deficit in the funding of the General Fund activities that will have to be covered by drawing down the working capital in 1988. Unless further contributions are received this deficit is currently estimated to be in the order of \$2 million. The budget section for ongoing activities is fully funded, while the section for capital and special projects still shows a gap between income and planned expenditure of about \$6.9 million (see annex II). The effect of this shortfall in income is that much needed construction and renovation work on the Agency's education, health and relief facilities will have to be delayed until additional funds are made available. The effect of not implementing the education programme's construction plan is that operating costs will be higher than necessary, because school buildings will have to be rented that have not been built specifically for this purpose.

7. The Agency's financial situation is very sensitive with regard to changes in a mix of exchange rates. In this respect a number of currencies are of special importance as they affect either the Agency's income or its expenditures. In the latter half of 1988 the appreciation of the United States dollar has negatively affected the dollar value of most European contributions. However, savings have been made in expenditures due to the decreasing value of the Jordan dinar and the devaluation of the Syrian pound effective 1 January 1988. Through this devaluation the Syrian pound moved from 9.75 to 11.2 pounds per United States dollar. The current high cost of the Syrian pound inhibits the Agency's ability to raise funding for capital projects needed for the Agency's operation in the Syrian field. A more favourable exchange rate would help the Agency to raise more funds through special donations for construction work and decrease part of its own operating costs through various kinds of capital investment.

III. EMERGENCY OPERATIONS

8. Separate from the regular operations covered by the UNRWA budget, the Agency is currently running two supplementary budgets to cover emergency operations in Lebanon and in the occupied territories, the West Bank and the Gaza Strip. In 1988, planned expenditure for these operations amount to \$7.3 million for Lebanon and \$14.9 million for the occupied territories. To the extent that these operations will continue in 1989 they will be funded separately and not through the regular budget of the Agency.

IV. MEDIUM-TERM PLAN

9. The third annual review of the medium-term plan for UNRWA sets out the Agency's programme plans, operational work plans, and financial forecasts for the period 1989-1991 with an emphasis on its three substantial programmes - education, health and relief services. This plan presents long-term and specific short-term objectives, programme strategies and priorities, budgetary limitations and management directions to enable the Agency to carry out its mandate in the next few years ahead. The medium-term plan has formed the basis for the policies that have been applied in the preparation of the 1989 budget.

10. The plan, produced in 1988, differs from the previous two in several important areas: firstly, it presents an operational programme plan for 1988 as well as a medium-term plan for the period 1989-1991 in order to provide both operational

guidance for action and longer-term directions for the Agency. As in previous years, the plan outlines the projected income requirements of the Agency over the planning period. These income projections have been made with due regard to the levels of funding that the Agency can realistically expect to obtain over the next three to four years.

11. Following the practice adopted in 1985, the Agency's proposed 1989 budget estimates are being submitted during the forty-third session of the General Assembly in this addendum to the Commissioner-General's report. These estimates are subdivided into the following three sections: (a) General Fund, (b) funded ongoing activities and (c) capital and special projects.

V. BUDGET ESTIMATES FOR 1989

A. General Fund

12. The General Fund budget represents the minimum resources needed by the Agency to operate its major programmes and maintain its facilities. These recurrent costs for the education, health and relief programmes of the Agency include costs for staff, consumable materials, transportation, contractual services, grants and subsidies. Each of these main programmes is described in greater detail in the sections that follow.

13. For 1989 the General Fund budget estimates amount to \$202.6 million, of which \$185.5 million represents cash expenditure and \$17.1 million expenditures of donated food commodities and services. This is an increase of \$12.4 million or 6.5 per cent over the approved General Fund budget for 1988 (see table 1, sect. A).

B. Funded ongoing activities

14. The Agency's ongoing activities as shown in annex III are fully funded in 1988 by special contributions pledged by various donors. For these activities in 1989 it is estimated that \$16.4 million will be required, a decrease of \$2.2 million from 1988. This decrease is due to changes in the valuation of donated food commodities and the receipt of a one-time cash grant in 1988 from the European Community used in the reorientation of the nutrition programme (see table 1, sect. B).

	1988			1989		
	Approved budget			Proposed estimates		
	Cash	In kind	Total	Cash	In kind	Total
A. General Fund						
I. Education services						
Elementary education	53 470	16	53 486	56 989	21	57 010
Preparatory education	34 896	17	34 913	36 101	28	36 129
Vocational and professional training	6 980	778	7 758	7 145	904	8 049
Other activities	5 310	776	6 086	7 391	715	8 106
Total I	<u>100 656</u>	<u>1 587</u>	<u>102 243</u>	<u>107 626</u>	<u>1 668</u>	<u>109 294</u>
II. Health services						
Medical services	20 833	510	21 343	23 251	526	23 777
Environmental sanitation	6 383	522	6 910	6 619	455	7 074
Total II	<u>27 221</u>	<u>1 032</u>	<u>28 253</u>	<u>29 870</u>	<u>981</u>	<u>30 851</u>
III. Relief services						
Special hardship assistance	2 884	12 595	15 479	2 864	13 808	16 672
Relief and welfare services	3 941	1	3 942	4 590	1	4 591
Shelter	819	277	1 096	1 089	256	1 345
Total III	<u>7 644</u>	<u>12 873</u>	<u>20 517</u>	<u>8 543</u>	<u>14 065</u>	<u>22 608</u>
IV. Operational services						
Supply and transport services	10 404	334	10 738	8 760	338	9 098
Architectural and engineering services	4 437	0	4 437	4 407	0	4 407
Total IV	<u>14 841</u>	<u>334</u>	<u>15 175</u>	<u>13 167</u>	<u>338</u>	<u>13 505</u>
V. Common services						
General management	10 591	0	10 591	11 277	0	11 277
Administration	13 412	15	13 427	15 028	0	15 028
Total V	<u>24 003</u>	<u>15</u>	<u>24 018</u>	<u>26 305</u>	<u>0</u>	<u>26 305</u>
General Fund, total	174 365	15 841	190 206	185 511	17 052	202 563
B. Funded ongoing activities						
Education services	5 405	78	5 483	4 320	92	4 412
Health services	5 789	6 816	12 605	5 169	6 602	11 771
Relief services	470	1	471	210	2	212
Operational services	5	0	5	0	0	0
Ongoing activities, total	<u>11 669</u>	<u>6 895</u>	<u>18 564</u>	<u>9 699</u>	<u>6 696</u>	<u>16 395</u>
C. Capital and special projects						
Education services	10 452	0	10 452	10 938	0	10 938
Health services	3 082	0	3 082	3 098	0	3 098
Relief services	1 013	0	1 013	507	0	507
Operational services	265	0	265	0	0	0
Common services	81	0	81	55	0	55
Capital and special projects, total	<u>14 893</u>	<u>0</u>	<u>14 893</u>	<u>14 598</u>	<u>0</u>	<u>14 598</u>
Grand total	200 927	22 736	223 663	209 808	23 748	233 556

C. Capital and special projects

15. Owing to financial constraints in recent years, UNRWA has not been able to implement several needed construction projects. Resources are required in 1989 to construct schools, health clinics and other facilities to provide an acceptable standard of service to Palestine refugees. If fully implemented, this construction programme would enable the Agency to implement its programmes more efficiently and at lower costs in the future. In 1988 only part of the \$13 million requirement has been funded and, accordingly, a number of these projects will be carried over into 1989 for which the budget has been increased marginally over the levels of 1988 (see table 1, sect. C). If funds are not found to enable the Agency to build these much-needed facilities, additional buildings will have to be rented, which will increase the overall operating costs of the Agency.

D. Staffing

16. Staff costs make up a large part of the Agency's operational budget, as is illustrated in parts I and II of table 2. These costs are carefully controlled and monitored throughout the operational year. The planning assumptions for the 1989 budget were (a) to freeze staffing levels in the administration and support operations, (b) to allow an increase in the education, health, and relief programmes to meet additional requirements due to the growth in population and (c) to increase staffing in the health and relief programmes aimed at slightly improving the level of services provided by these programmes to the refugee population. Table 3 contains the staffing table of the Agency. It indicates the source of funding (United Nations regular budget and UNRWA budget) and shows the total number of staff employed. Efforts to improve the productivity of staff are continuing through the expansion of an Agency-wide training programme and the introduction of improved equipment and facilities.

17. At the time of the review of the 1989 budget, the total number of area posts in the Agency was 17,766. It is planned that this number will increase in 1989 through additional employment in the substantive programmes, education, health, and relief services, by about 206 posts.

Table 2. Summary of budgetary cost estimates classified by expenditure groups for the General Fund and funded ongoing activities

(Thousands of United States dollars)

	1988 appropriations	1989 estimates
<u>Classification of types of expenditure</u>		
I. <u>United Nations regular budget</u>		
Established posts		
International	6 552	7 534
II. <u>UNRWA budget (staff costs)</u>		
Established posts		
International	970	1 162
Locally recruited	136 042	144 713
III. <u>UNRWA budget (other costs)</u>		
Contract services	10 447	16 822
Operational expenses	667	876
Supplies	11 168	13 097
Building and equipment	10 599	5 674
Premises	2 533	2 822
Grants and subsidies	8 969	3 732
Reimbursements and transfers from production units	<u>(1 913)</u>	<u>(1 222)</u>
Subtotal	186 034	195 210
IV. <u>Supplies and services in kind</u>	<u>22 736</u>	<u>23 748</u>
Grand total	<u>208 770</u>	<u>218 958</u>

Table 3. Staff table

	Established posts United Nations regular budget		Established posts UNRWA budget		Posts provided by UNESCO and WHO		Grand total	
	1988	1989	1988	1989	1988	1989	1988	1989
Professional and above								
USG	1	1	-	-	-	-	1	1
ASG	1	1	-	-	-	-	1	1
D-2	1	1	-	-	2	2	3	3
D-1	10	10	1	-	-	-	11	10
P-5	16	16	2	4	5	5	23	25
P-4	36	36	8	4	19	19	63	59
P-3	15	15	-	3	-	-	15	18
P-2/1	2	2	1	-	-	-	3	2
Subtotal	82	82	12	11	26	26	120	119
General Service								
Other services	10	10	1	1	-	-	11	11
Subtotal	10	10	1	1	-	-	11	11
Area staff								
G-18			16	16			16	16
17			9	9			9	9
16			77	77			77	77
15			104	113			104	113
14			199	199			199	199
13			54	58			54	58
12			291	309			291	309
11			230	245			230	245
10			2 738	2 796			2 738	2 796
9			2 170	2 267			2 170	2 267
8			4 591	4 577			4 591	4 577
7			1 608	1 550			1 608	1 550
6			909	910			909	910
G-5			854	882			854	882
4			371	374			371	374
3			183	188			183	188
2			464	468			464	468
1	-	-	2 898	2 934	-	-	2 898	2 934
Subtotal	-	-	17 766	17 972	-	-	17 766	17 972
Grand total	92	92	17 779	17 984	26	26	17 897	18 102

NB: Twenty-eight international posts and seventy-five area staff posts are not included in this list for 1988. These are short-term posts and are paid out of extrabudgetary resources raised to cover the continuing emergency in Lebanon, the West Bank and the Gaza Strip.

E. Non-staff costs

18. Expenditures in 1989 will increase for the maintenance of buildings, facilities, supplies, replacement of unserviceable equipment and for subsidized hospital services in all fields. Estimated expenditure in 1989 for goods and services is \$65.5 million, as compared to \$65.2 million in 1988.

VI. PROGRAMMES

19. In 1989 the education programme accounts for about 53 per cent of the total budget, while health services represent 20 per cent, relief services 10 per cent, operational services 6 per cent, and common services 11 per cent. Each of these substantive operations is described below.

A. Education

20. The Agency's education programme includes elementary and preparatory schooling and vocational and professional training in Agency-operated training centres. A small scholarship programme is operated to help young refugee students seeking higher education in or near the Agency's area of operations. Currently the general education programme for elementary and preparatory age group students provides schooling for 350,200 pupils enrolled in 637 Agency schools supported by a teaching staff of 10,484. In addition to those pupils in Agency schools, there are 9,635 refugee students subsidized by the Agency enrolled in government or private schools in Lebanon. Projections for the 1989/90 school year indicate an increase of about 850 pupils, requiring about 13 additional teachers in the autumn of 1989.

21. The vocational and professional training programme operates out of eight training centres situated in the area of operations and provides 5,002 training places for Palestine refugee students. The type and content of courses are continually updated by the Agency so that students are provided with the best opportunity to obtain employment and participate in the continuing development of the region. In the current academic year, UNRWA awarded 400 scholarships for students to attend universities.

22. The policy initiatives taken in the 1989 general education budget for implementation during the 1989/90 school year are as follows:

(a) To increase the number of elementary and preparatory teachers, head teachers, and school supervisors necessary to cope with the natural increase in the school population;

(b) To expand the number of support posts in certain areas aimed at improving the effective use of existing resources in the education programme;

(c) To provide an enhanced vocational training programme by developing and introducing new courses and redeploying resources previously used in courses that are being stopped because they no longer provide students with the skills needed for employment.

Table 4. Education programme

A. General education

	Gaza	Lebanon	Syrian Arab Republic	Jordan	West Bank	Headquarters	Total
(Thousands of US dollars)							
1987 expenditure	25 229	3 177	9 526	40 630	14 028	1 714	94 304
1988 approved budget	31 758	4 391	10 024	41 265	15 562	1 823	104 823
1989 proposed budget	30 124	6 478	11 723	42 812	15 522	1 996	108 655
(Number of pupils/staff)							
Number of pupils							
1988/89	90 102	33 723	53 207	133 461	39 680	-	350 173
1989/90	90 703	33 723	54 087	133 094	39 411		351 018
Number of area staff							
1988	2 848	1 322	1 777	4 085	1 507	45	11 584
1989	2 864	1 326	1 810	4 081	1 502	45	11 628

B. Vocational and professional training

	Gaza	Lebanon	Syrian Arab Republic	Jordan	West Bank	Headquarters	Total
(Thousands of US dollars)							
1987 expenditure	2 469	556	1 254	3 984	5 166	973	14 402
1988 approved budget	1 740	944	1 021	3 655	4 947	1 049	13 356
1989 proposed budget	2 695	1 744	1 523	4 191	4 788	1 046	15 987
(Number of training places/staff)							
Number of training places							
1988/89	608	624	764	1 468	1 538	-	5 002
1989/90	668	676	760	1 464	1 574	-	5 142
Number of area staff							
1988	106	135	134	262	296	19	952
1989	112	143	135	263	299	19	971

B. Health

23. Primary health care is provided through curative and preventive medical care services and maternal and child health programmes. These programmes are operated through a network of 98 health centres/health points, polyclinics, hospitals, laboratories and rehabilitation centres, which provide services to about 1.9 million Palestine refugees eligible for health care.

24. UNRWA provides basic community sanitation services in 61 camp locations, housing Palestine refugees and displaced persons. These services cover the provision of potable water, sanitary disposal of solid and liquid wastes, drainage of storm water and the control of disease-carrying insects and rodents.

25. The policy objectives incorporated into the 1989 budget estimates have as their goals, first, improving the management of the health care programme, and secondly, introducing a number of new specialities for the prevention and control of non-communicable diseases, establishing physiotherapy centres and establishing pilot projects in mental health and health care for the elderly. These major developments are supplemental to other enhancements to the ongoing maternity, preventive and curative medical programmes. Finally, a major reorientation of the supplementary feeding programme that was started in 1988 will be accelerated in 1989 with the tripling of the number of health centres being converted to monitor and identify deficiencies in the development of children and to provide the necessary nutritional help to ensure their normal development.

26. Estimated costs for the health programme have expanded to cover the above initiatives and the increased costs that have occurred in the area of operations. The level of the 1989 General Fund budget is \$30.9 million, which is an increase of about 9 per cent over 1988. The spread of expenditure in the Agency's area of operations is illustrated in table 5.

Table 5. Health programme

	Gaza	Lebanon	Syrian Arab Republic	Jordan	West Bank	Headquarters	Total
(Thousands of US dollars)							
1987 expenditure	8 525	2 029	5 881	10 116	8 894	1 834	37 279
1988 approved budget	10 233	4 717	4 556	11 062	11 461	1 911	43 940
1989 proposed budget	11 767	6 021	4 951	10 429	11 056	1 496	45 720
(Number of beneficiaries/staff)							
Number of beneficiaries 1989	393 090	235 625	225 261	750 560	286 312	-	1 890 848
Number of area staff							
1988	773	515	409	765	595	14	3 071
1989	790	531	434	786	612	14	3 167

C. Relief

27. The major goal of the Agency's relief programme is to assist destitute refugee families through its special hardship case programme, which provides basic food needs, blankets, clothing and shelter. Currently, this programme services 135,400 beneficiaries. Limited cash grants are given to the special hardship cases and an adult training programme is operated aimed at improving the income earning ability of the family unit. Because of increased economic difficulties in the Agency's area of operations, the number of special hardship case applications is expected to increase in 1989 by 11,400. Food and clothing are distributed to the eligible refugees through a network of distribution centres and distribution points located throughout the camps, with food distribution being made either monthly or bimonthly, while clothing is distributed twice annually.

28. Expansion of the relief programme falls into two categories: first, the upgrading of current services provided to Palestine refugees by improving the quality of material benefits distributed to the most needy, and by improving the quality of staff employed by the Agency who provide these services; secondly, the expansion of current specialized programmes for the disabled to cover all areas in which the Agency operates and the concurrent expansion of the self-support programme aimed at helping the most needy generate part of their own financial support.

29. The General Fund expenditure for the relief programme is estimated to be \$22.6 million for 1989, an increase of about \$2.1 million over 1988, which is due to an increase in the number of special hardship cases and the planned expansions noted above. The spread of the planned expenditure throughout the Agency's area of operations is shown in table 6.

Table 6. Relief programme

	Gaza	Lebanon	Syrian Arab Republic	Jordan	West Ban'.	Headquarters	Total
(Thousands of US dollars)							
1987 expenditure	7 605	4 087	1 635	3 830	4 222	579	21 958
1988 approved budget	6 769	4 050	1 904	4 211	4 397	669	22 000
1989 proposed budget	6 552	4 925	2 102	4 943	3 950	855	23 327
(Number of beneficiaries/staff)							
Number of beneficiaries							
Regular category							
Refugees	319 863	241 632	231 493	772 630	290 299	-	1 855 917
Special hard- ship cases	44 500	36 300	13 100	30 700	22 200	-	146 800
Number of area staff							
1988	149	75	56	120	96	9	505
1989	161	78	66	130	104	11	550

D. Operational services

30. The three substantive programmes of the Agency are supported by a supply and transport operation and an architectural and civil engineering services group. The supply and transport operation provides procurement, freight, transport, and passenger transport services in all the areas of operations. In 1988, 46,928 tons of basic commodities and 5,000 tons of general cargo are handled through a network of central and satellite warehouses for final distribution to the beneficiaries of the services provided by the Agency's programmes. The logistic operations of the Agency are carried out by a fleet of vehicles that are used to transport commodities and general stores, for garbage collection, water distribution, and sewage clearance services, and for transport services required by the education and health programmes. In total, the Agency has a fleet of 604 vehicles. All of these vehicles are maintained by the Agency's vehicle maintenance staff. The proposed budget for this operation in 1989 is \$9.1 million, a decrease of \$1.6 million from 1988.

31. The architectural and civil engineering group is responsible for the design of all new Agency facilities and for the maintenance of existing Agency premises. In 1988 the staff worked on the design of buildings to the value of \$6.1 million, supervised construction worth about \$26.5 million and implemented a maintenance programme of about \$3.1 million. The budget estimate for architectural and civil engineering services in 1989 is \$4.4 million. The support costs associated with the construction of new facilities are, in most cases, recovered as a direct charge to the Construction Fund.

32. The cost of providing this support to the substantive programmes in the area of operations is illustrated in table 7.

Table 7. Operational services

	Gaza	Lebanon	Syrian Arab Republic	Jordan	West Bank	Head- quarters	Total
(Thousands of US dollars)							
1987 expenditure	1 407	691	1 160	1 726	1 492	3 064	9 540
1988 approved budget	4 687	1 140	1 478	2 449	2 268	3 422	15 444
1989 proposed budget	2 179	1 259	1 484	2 214	2 269	4 102	13 507
(Number of staff)							
Number of area staff							
1988	169	165	126	113	133	37	743
1989	169	165	126	113	133	37	743

E. Common services

33. Common services support all programmes run by the Agency and cover two distinct areas: general management and administrative services. General management consists of the Commissioner-General and the Deputy Commissioner-General, the offices reporting directly to them (the Executive Office and the Offices of the Co-ordinator of Operations, External Relations, Public Information, Internal Audit and Programme Planning and Evaluation, the Department of Legal Affairs and the offices of the directors in each field. Administrative Services include financial, personnel, and data processing functions.

34. The proposed budget for common services in 1989 is \$26.3 million, an increase of \$2.3 million over 1988. The costs of providing these services to the substantive programmes in the areas of operations is shown in table 8.

Table 8. Common services

	Gaza	Lebanon	Syrian Arab Republic	Jordan	West Bank	Headquarters	Total
(Thousands of US dollars)							
1987 expenditure	2 349	1 598	1 204	2 363	2 104	12 202	21 820
1988 approved budget	1 815	1 553	1 328	2 557	2 368	14 479	24 100
1989 proposed budget	2 083	1 766	1 543	2 879	2 673	15 416	26 360
(Number of staff)							
Number of area staff							
1988	148	174	102	148	191	148	911
1989	148	175	102	149	191	148	913

35. The consolidated budget as allocated among the Agency's areas of operations is shown in table 9.

Table 9. All services

	Gaza	Lebanon	Syrian Arab Republic	Jordan	West Bank	Head- quarters	Total
(Thousands of US dollars)							
1987 expenditure	47 584	12 138	20 660	62 649	35 906	20 366	199 303
1988 approved budget	57 002	16 795	20 311	65 199	41 003	23 353	223 663
1989 proposed budget	55 400	22 193	23 326	67 468	40 258	24 911	233 556
(Number of staff)							
Number of area staff							
1988	4 193	2 386	2 604	5 493	2 818	272	17 766
1989	4 244	2 418	2 673	5 522	2 841	274	17 972

VII. FINANCING THE 1989 BUDGET

36. The cash and in-kind income required to finance the 1989 budget is shown in the following table. As shown in table 1, the percentage increase for the General Fund in the 1989 budget over the budget estimates for 1988 is 6.5 per cent. The funded ongoing activities show a decrease of 11.7 per cent from 1988 and the budget for capital and special projects is at the same level.

(Thousands of US dollars)			
	Cash	In kind	Total
A. General Fund	185 511	17 052	202 563
B. Funded ongoing activities	9 699	6 696	16 395
C. Capital and special projects	<u>14 598</u>	<u>-</u>	<u>14 598</u>
Total	<u>209 808</u>	<u>23 748</u>	<u>233 556</u>

37. Apart from its limited working capital, UNRWA has no reserves on which to draw on to finance the 1989 budget. Funding of the operations of the Agency's programmes in 1989 will depend on the contributions received from donors. These contributions are normally made to the Agency in two forms: cash and in kind, which in most cases are donations of basic commodities and services.

A. Cash requirements

38. To continue its education, health and relief programmes in 1989, UNRWA will need \$185.5 million in cash for its General Fund. This compares with an estimated income in 1988 of \$172.7 million. Continuing support of about \$9.7 million is anticipated for the specially funded ongoing activities, which is about \$2 million less than in 1988. In addition to the above cash resources, a further \$14.6 million will be needed for capital and special projects in 1989. Special donations will be sought for these projects.

B. In-kind requirements

39. The in-kind requirements for 1989 are estimated to be \$23.7 million, representing an increase of about \$1 million over 1988. It has been customary for several donors to make in-kind contributions of basic commodities and services to UNRWA in the past and it is anticipated that these contributions will be adequate in 1989.

Notes

1/ Official Records of the General Assembly, Forty-third Session, Supplement No. 13 (A/43/13).

ANNEX I

Direct government assistance to Palestine refugees a/

(1 July 1987-30 June 1988)

Note. All data in the table below are shown as reported by the Governments concerned and are expressed in United States dollars computed by applying United Nations operational rates of exchange.

	Egypt b/	Israel b/	Jordan	Lebanon	Syrian Arab Republic
Education services			96 638 991		23 795 861
Social welfare services			4 491 894	600	1 291 974
Medical services			24 438 041		1 029 511
Housing			28 359 292	2 350	3 952 267
Security services			g/		2 737 661
Miscellaneous services			g/		22 026 682
Administrative costs			25 767 050	64 050	2 905 728
	_____	_____	_____	_____	_____
Total	=====	=====	<u>179 695 268</u>	<u>67 000</u>	<u>57 739 684</u>

a/ This assistance was rendered direct to the refugees, in addition to contributions to UNRWA (see annex II).

b/ Figures not received.

g/ Security and miscellaneous services are included in administrative costs.

ANNEX II

Contributions pledged for the 1988 budget (General Fund and
ongoing projects) as at 30 September 1988

(United States dollars)

Contributor	Cash	In kind	Total
I. Contributions from Governments			
Argentina	15 000	-	15 000
Australia	864 960	-	864 960
Austria	145 000	-	145 000
Bahrain	15 000	-	15 000
Belgium	501 333	-	501 333
Brazil	10 000	-	10 000
Brunei Darussalam	10 000	-	10 000
Burma	1 000	-	1 000
Canada	8 352 461	-	8 352 461
Chile	5 000	-	5 000
China	50 000	-	50 000
Colombia	2 000	-	2 000
Cyprus	2 151	-	2 151
Denmark	5 630 245	-	5 630 245
Egypt	4 348	-	4 348
Finland	2 189 097	-	2 189 097
France	1 545 161	3 000	1 548 161
Germany, Federal Republic of	5 989 112	-	5 989 112
Greece	70 000	-	70 000
Holy See	14 500	-	14 500
Iceland	9 500	-	9 500
India	18 000	-	18 000
Indonesia	8 000	-	8 000
Ireland	104 228	-	104 228
Israel	-	298 900	298 900
Italy	9 853 371	-	9 853 371
Japan	9 831 464	9 951 402	19 782 866
Jordan	-	588 599	588 599
Lebanon	-	700	700
Luxembourg	11 461	-	11 461
Malaysia	5 000	-	5 000
Maldives	1 000	-	1 000
Malta	1 190	-	1 190
Mauritius	1 313	-	1 313
Mexico	3 000	-	3 000
Monaco	2 947	-	2 947
Netherlands	3 062 747	-	3 062 747
New Zealand	80 460	-	80 460
Norway	9 761 171	-	9 761 171
Pakistan	20 000	-	20 000

Contributor	Cash	In kind	Total
Philippines	2 000	-	2 000
Portugal	15 000	-	15 000
Republic of Korea	10 000	-	10 000
Spain	1 567 797	-	1 567 797
Sweden	13 465 430	-	13 465 430
Switzerland	2 158 273	5 507 743	7 666 016
Syrian Arab Republic	-	119 896	119 896
Thailand	14 215	-	14 215
Togo	1 893	-	1 893
Tunisia	10 000	-	10 000
Turkey	29 868	-	29 868
United Kingdom of Great Britain and Northern Ireland	9 091 750	-	9 091 750
United States of America	61 300 000	-	61 300 000
Zimbabwe	9 000	-	9 000

Subtotal	145 866 446	16 470 240	162 336 686
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II. Contributions from
intergovernmental
organizations

European Community	26 857 525	15 423 012	42 280 537
AGFUND	496 000	-	496 000

Subtotal	27 353 525	15 423 012	42 776 537
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III. Contributions from
the United Nations
and United Nations
agencies

United Nations (from regular budget)	6 298 006	-	6 298 006
UNESCO	-	1 438 056	1 438 056
WHO	-	425 000	425 000

Subtotal	6 298 006	1 863 056	8 161 062
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Contributor	Cash	In kind	Total
IV. <u>Income from non-governmental sources and others</u>			
Arabian American Oil Company (ARAMCO) - Saudi Arabia	220 000	-	220 000
Australian Care for Refugees (Austcare)	7 166	-	7 166
Capen, Ms. Anna	10 000	-	10 000
Gaza authorities	-	68 339	68 339
Inter Development and Refugee Foundation (Canada)	28 260	-	28 260
Joint Jordanian Palestinian Fund	11 429	-	11 429
Members of Parliament, Italy	23 377	-	23 377
Mennonite Central Committee	9 390	-	9 390
National Federation of UNESCO Association - Japan	6 941	-	6 941
Near East Council of Churches	62 970	-	62 970
Norwegian Refugee Council	25 139	-	25 139
OXFAM - United Kingdom	19 300	-	19 300
Pontifical Mission for Palestine	100 006	-	100 006
Rissho Kasei Kai - Japan	10 009	-	10 009
Save the Children Fund - United Kingdom	8 963	-	8 963
Swedish Save the Children Fund (Rädda Barnen)	196 274	-	196 274
United Nations Associations of Japan	6 320	-	6 320
Sundry contributors	17 309	25 839	43 148
Subtotal	762 853	94 178	857 031
Total	180 280 830	33 850 486	214 131 316

ANNEX III

Ongoing projects that are fully funded by donors in 1989

	<u>Title</u>	<u>Thousands of United States doll</u>
1.	Supplementary feeding programme, funded by EEC	11 648
2.	Mobile health team, Gaza, funded by Rädda Barnen, Sweden	80
3.	Gaza Centre for the Blind, funded by the Pontifical Mission and other donors	212
4.	University scholarships, funded by ARAMCO	73
5.	Ramallah Men's and Women's training centres, funded by the Government of Denmark	2 691
6.	Mobile dental unit, Jordan, funded by the Near East Council of Churches	23
7.	Dental unit, Amman Polyclinic, Jordan, funded by NECC	20
8.	Gaza vocational training centre, funded by the Government of Italy	<u>1 648</u>
		<u>16 395</u>