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

Addendum

1. The present addendum to the report of the Commissioner-General of the United Nations Relief and Works Agency for Palestine Refugees in the Near East (UNRWA) to the General Assembly ^{1/} contains information on the financial results for 1989, an assessment of the current financial situation in 1990 and the Agency's budget for 1991. The 1991 budget will be further refined, finalized and approved as the operational budget of the Agency by the Commissioner-General for the appropriation of funds in 1991.
2. Direct assistance to the Palestine refugees is also provided by local Governments in the area of operations. Information on this assistance as provided by the Governments concerned is contained in annex I.

I. FINANCIAL RESULTS FOR 1989

3. The Agency's income to the General Fund amounted to \$210.9 million in 1989. Out of this amount the Agency re-allocated \$7.7 million to partially fund the emergency related programmes in Lebanon and the occupied territory and \$1.4 million to project funds mainly for the funding of urgent school construction in Jordan. This left the General Fund with a net income of \$201.8 million, which was fully expended in 1989 and thus the Agency's working capital reserve was not increased in 1989. Currently this reserve amounts to \$28.9 million, which is considered inadequate when measured against the size of the Agency's steadily growing operation and the manner in which it is funded. The Agency's financial position still needs strengthening.
4. Capital and special projects was budgeted at a level of \$12.6 million for 1989 (excluding programme support costs); \$1.7 million of this amount was funded by special donations and \$1.3 million from the General Fund. Therefore, budgeted projects were still unfunded by the end of 1989 by an amount of \$9.6 million.

II. FINANCIAL SITUATION IN 1990

5. The Agency's consolidated budget estimate for 1990 as presented to the General Assembly was \$242.3 million. Of this amount \$208.3 million was for the General Fund, \$19 million for funded ongoing activities and \$15 million for capital and special projects. The original budget was subsequently reduced to a level of \$230.6 million because of a shortfall in pledged income and was authorized for expenditure at the revised level by the Commissioner-General in December 1989. In May 1990 the Commissioner-General ordered the restoration of the budget to \$242.3 million because of a marked improvement in the Agency's income situation.

6. At the time of preparing the present report the Agency expects that total income will be sufficient to cover expenditure under the General Fund and funded ongoing activities, while the capital and special projects section of the budget has only been funded by external donations up to an amount of \$2.5 million. Because of the shortfall in external funding, it has been necessary to fund essential constructions amounting to \$5.8 million from internal resources leaving a shortfall in funding of \$6.7 million (see annex II for the total of income actually pledged against the entire budget). The effect of the shortfall in income for capital and special projects is that much-needed construction and renovation work on the Agency's education, health, relief and social service facilities will have to be delayed until additional funds are made available. This results in higher operating costs than would otherwise be necessary.

III. EMERGENCY OPERATIONS

7. Separate from the regular operations covered by the UNRWA budget, the Agency continued in 1989 to operate supplementary budgets to cover emergency operations in Lebanon, the West Bank and Gaza. These budgets were combined in 1990 to form one supplementary budget under the title Emergency Measures in Lebanon and the Occupied Territory (EMLOT). Total expenditure in 1989 for these activities amounted to \$34.4 million. The total 1990 EMLOT budget related to "core" emergency operations amounts to \$35.2 million and includes activities for which the Agency is actively seeking special funding. In addition to this, the Agency has received \$3.6 million in donations from external donors for activities and commodities that are not part of the "core" programme, but for which allotments have also been made. Because of a shortfall in funding for the "core" programme, however, the Agency may find it impossible to continue this extremely important activity at its present level (see para. 13).

8. Furthermore, the Agency is operating a second supplementary budget, the Expanded Programme of Assistance (EPA), comprising several projects aimed at improving the infrastructure in the refugee camps in the West Bank and Gaza. The Agency is seeking total donations of \$65 million to cover this programme; to date \$30.1 million has been pledged by various donors. Although the rate of receipt of new pledges has slowed considerably, several projects are funded and implementation of these projects will continue in 1991.

IV. GAZA HOSPITAL

9. Separate from the regular budget and emergency operations, the Agency is currently engaged in fund raising and preliminary planning for the construction of a general hospital in the Gaza Strip. Owing to the current international climate, however, fund raising is proving difficult for this badly needed facility. Consequently the Agency has found it necessary to slow the pace of implementation and the status of the entire project could be called into question if the present fund raising difficulties persist. The total cost of this project is \$35 million of which \$20 million represents construction and equipment and \$15 million represents the running costs for three years.

V. MEDIUM-TERM PLAN

10. The Agency's fifth annual review of the medium-term plan has set out the Agency's programme plans, operational work plans and financial forecasts for the period 1991-1993 with the emphasis on its three substantive programmes: education, health and relief and social services. The plan has outlined long-term and specific short-term objectives, programme strategies, priorities, budgetary limitations and management directions to enable the Agency to carry out its mandate during the next few years. The medium-term plan has formed the basis for the policies that have been applied in the preparation of the 1991 budget.

VI. BUDGET ESTIMATES FOR 1991

11. Following the practice adopted in 1985, the Agency's proposed 1991 budget estimates are being submitted during the forty-fifth session of the General Assembly in the present 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.

A. Background

12. The Agency's total regular budget for 1991, as presented in the present document, amounts to \$254.6 million, which is an increase of 5 per cent over the 1990 approved budget of \$242.3 million. The corresponding percentage for the cash portion of the budget is 5.4 per cent, while the in-kind portion, representing one ninth of the total budget, has increased by 2.1 per cent.

13. In addition to this, the Agency is actively seeking special funds to maintain its emergency operation under EMLOT in 1991 at about the same level as in 1990. This represents an additional need for funds in the order of \$35 million over and above the 1991 regular budget of \$254.6 million. UNRWA has no resources of its own to continue this operation. Therefore, if special donations are not forthcoming very soon, the Agency will have no choice but to reduce drastically the 1991 EMLOT operation. In such an unfortunate case, the Agency will, however, endeavour to retain some of the most important emergency activities by absorbing them into the regular budget. This would be possible only through equivalent compensatory reductions in the regular budget submitted in the present document. Since the detailed allocations of such reductions have yet to be determined they are not reflected here. A final decision in this regard will be taken in early December 1990 when more information is available regarding the Agency's income for 1991 and prior to the finalization of the Agency's operational budget for 1991.

B. General Fund

14. 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 and social services 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.

15. For 1991 the General Fund budget estimates amount to \$226.4 million, of which \$206.3 million represents cash expenditure and \$20.1 million expenditure on donated food commodities and services. This is an increase of \$18.2 million or 8.7 per cent over the approved General Fund budget for 1990 (see table 1, sect. A). Out of this increase, however, \$2.6 million represents the cost of staff posts under the nutrition and supplementary feeding programme that have been transferred from funded ongoing activities pending their elimination (see para. 16). In addition, funds amounting to \$3.1 million for the purchase of supplies to meet inventory requirements have been included in the operational services budget for the first time.

C. Funded ongoing activities

16. Ongoing UNRWA activities as shown in annex III are expected to be fully funded in 1990 by special contributions pledged by various donors. It is estimated that \$14.1 million will be required for these activities in 1991, a decrease of \$5 million, or 26.2 per cent from 1990. This decrease is due to the reorientation of the nutrition and supplementary feeding programme in 1991 with a consequent abolition of the subsidiary midday meal programme (see table 1, sect. B).

D. Capital and special projects

17. Owing to financial constraints in recent years, UNRWA has not been able to implement several needed construction projects. Resources are required in 1991 to construct schools, health clinics and other facilities to provide an acceptable standard of service to the Palestine refugees. If fully implemented, this construction programme would enable the Agency to implement its programmes more efficiently and at lower cost in the future. In 1990 only part of the \$14.9 million requirement has been funded, therefore a number of these projects will be carried over into 1991 (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 that will increase the overall operating costs of the Agency.

Table 1. 1990 approved budget and 1991 proposed budget estimates
(Thousands of United States dollars)

	1990 Approved budget			1991 Proposed estimates		
	Cash	In-kind	Total	Cash	In-kind	Total
A. General Fund						
I. Education services						
Elementary education	57 188	16	57 204	61 753	16	61 769
Preparatory education	35 357	19	35 376	38 576	26	38 602
Vocational and professional training	6 837	805	7 642	7 665	896	8 561
Other activities	6 011	799	6 810	5 474	796	6 270
Total I	105 393	1 639	107 032	113 468	1 734	115 202
II. Health services						
Nutrition and supplementary feeding				2 615		2 615
Medical services	23 655	678	24 333	22 248	584	22 832
Environmental sanitation	6 858	351	7 209	7 338	275	7 613
Total II	30 513	1 029	31 542	32 201	859	33 060
III. Relief and social services						
Relief services	3 984	16 112	20 096	7 846	16 557	24 403
Social services	4 872	1	4 873	1 857	1	1 858
Total III	8 856	16 113	24 969	9 703	16 558	26 261
IV. Operational services						
Supply and transport services	10 091	29	10 120	13 812	994	14 806
Architectural and engineering services	4 735		4 735	5 470		5 470
Production and self-supporting units	123		123			
Total IV	14 949	29	14 978	19 282	994	20 276
V. Common services						
General management	11 580		11 580	12 994		12 994
Administrative services	18 175		18 175	18 660		18 660
Total V	29 735		29 735	31 654		31 654
Total, General Fund	189 466	18 810	208 276	206 308	20 145	226 453

Table 1 (continued)

	1990 Approved budget			1991 Proposed estimates		
	Cash	In-kind	Total	Cash	In-kind	Total
B. <u>Funded ongoing activities</u>						
Education services	4 406	100	4 506	4 452	123	4 575
Health services	5 294	8 985	14 279	1 033	8 221	9 254
Relief and social services	244	2	246	244	1	245
Operational services	14		14			
Common services	22		22	4		4
Total, funded ongoing activities	9 980	9 087	19 067	5 733	8 345	14 078
C. <u>Capital and special projects</u>						
Education services	8 846		8 846	8 114		8 114
Health services	2 534		2 534	1 506		1 506
Relief and social services	1 247		1 247	1 501		1 501
Operational services	556		556	405		405
Common services	1 788		1 788	2 501		2 501
Total, capital and special projects	14 971		14 971	14 027		14 027
Grand total	214 417	27 897	242 314	226 068	28 490	254 558

E. Staffing

18. Staff costs make up a large part of the UNRWA operational budget, as shown in table 2, sections I and II. These costs are carefully controlled and monitored throughout the operational year. The planning assumptions for the 1991 budget were: (a) to allow an increase in the education, health and relief and social services programmes to meet additional requirements due to the growth in population; (b) to increase staffing in the health and relief and social services programmes aimed at slightly improving the level of services provided by these programmes to the refugee population; and (c) to allow a limited increase in staffing levels in operational and common services to cope with the increasing demands for programme support. Table 3 contains the staffing table of the Agency. It indicates the source of funding (regular budget and extrabudgetary funds) and shows the total number of staff employed. Efforts to improve the productivity of staff are continuing through the expansion of Agency-wide training programmes and the introduction of improved equipment and facilities.

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

(Thousands of United States dollars)

	1990 Approved budget	1991 Proposed budget
<u>Classification by expenditure group</u>		
I. <u>Regular budget staff costs</u>		
International	7 803	8 075
II. <u>Extrabudgetary staff costs</u>		
International	1 369	1 406
Locally recruited	145 049	157 616
III. <u>Extrabudgetary other costs</u>		
Services	17 899	17 024
Operational expenses	3 348	2 400
Supplies	14 999	15 865
Construction and equipment	5 453	5 883
Premises	2 725	2 695
Grants and subsidies	3 685	3 689
Reimbursements and transfers from production units	(2 884)	(2 612)
Subtotal	199 446	212 041
IV. <u>Supplies and services in kind</u>	27 897	28 490
Grand total	227 343	240 531

Table 3. Staff posts by grade

	Established posts United Nations		Established posts UNRWA budget		Posts provided by UNESCO and WHO		Grand total	
	1990	1991	1990	1991	1990	1991	1990	1991
Professional and above								
USG	1	1	-	-	-	-	1	1
ASG	1	1	-	-	-	-	1	1
D-2	1	1	1	1	1	1	3	3
D-1	10	10	-	-	1	1	11	11
P-5	16	16	7	7	8	8	31	31
P-4	36	36	6	7	10	10	52	53
P-3	15	15	-	-	-	-	15	15
P-2/1	2	2	6	6	1	1	9	9
Subtotal	82	82	20	21	21	21	123	124
General Service								
Other services	10	10	-	-	-	-	10	10
Subtotal	10	10	-	-	-	-	10	10
Area staff								
G-18			18	18			18	18
G-17			14	16			14	16
G-16			82	88			82	88
G-15			121	123			121	123
G-14			219	240			219	240
G-13			64	66			64	66
G-12			353	362			353	362
G-11			215	222			215	222
G-10			2 657	2 679			2 657	2 679
G-9			2 113	2 135			2 113	2 135
G-8			5 029	5 140			5 029	5 140
G-7			1 450	1 478			1 450	1 478
G-6			1 333	1 397			1 333	1 397
G-5			723	765			723	765
G-4			286	287			286	287
G-3			192	190			192	190
G-2			452	456			452	456
G-1			2 979	3 025			2 979	3 025
Subtotal	-	-	18 300	18 687	-	-	18 300	18 687
Grand total	92	92	18 320	18 708	21	21	18 433	18 821

Note: Some 36 international and 386 area staff short-term posts are not included in this listing in 1990 and are paid out of extrabudgetary resources raised to cover the continuing emergency in Lebanon, the West Bank and Gaza.

19. At the time of the review of the 1991 budget, the total number of area staff posts in the Agency was 18,300. It is planned that this number will increase in 1991 by about 387 posts.

F. Non-staff costs

20. Expenditure in 1991 will increase for the purchase of supplies, minor construction and the replacement of unserviceable equipment but is counterbalanced by reductions in planned expenditure on services and operational expenses. Estimated expenditure in 1991 for goods and services is \$73.4 million, compared to \$73.1 million in 1990.

VII. PROGRAMMES

21. In 1991 the education programme accounts for 50.2 per cent of the total budget, while health services represent 17.3 per cent, relief and social services 11 per cent, operational services 8.1 per cent, and common services 13.4 per cent. Each of these substantive operations is described below.

A. Education

22. The Agency's education programme consists of elementary and preparatory schooling and vocational and professional training in Agency-run 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 364,000 pupils, enrolled in 634 Agency schools, supported by a teaching staff of 10,630. In addition to those pupils in Agency schools, there are 9,700 refugee students subsidized by the Agency enrolled in government or private schools in Lebanon. Projections for the 1991/92 school year indicate an increase of about 6,200 pupils requiring 148 additional teachers in the autumn of 1991.

23. The vocational and professional training programme operates out of eight training centres situated in the area of operations providing 5,160 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 540 scholarships for students to attend universities.

24. The policy initiatives taken in the 1991 general education budget for implementation during the 1991/92 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 cancelled because they no longer provide students with the skills needed for employment.

25. Estimated costs for the education programme amount to \$127.9 million in 1991, an increase of 6.2 per cent. The decrease in the budget at headquarters is due to a reduction in the staff costs reserve. The spread of expenditure in the Agency's area of operations is shown in table 4.

Table 4. Education programme
(Thousands of United States dollars)

	Gaza	Lebanon	Syrian Arab Republic	Jordan	West Bank	Head- quarters	Total
1989 expenditure	30 687	8 813	17 407	32 853	16 639	2 397	108 796
1990 approved budget	32 920	10 756	17 179	29 791	16 018	13 719	120 383
1991 proposed budget	33 761	10 469	20 796	36 553	18 306	8 006	127 891
Number of students:							
1990/91	98 620	34 581	57 704	136 939	41 419	-	369 263
1991/92	100 669	35 226	59 069	138 983	41 649	-	375 596
Number of area staff:							
1990	3 077	1 467	1 941	4 380	1 805	64	12 734
1991	3 123	1 483	1 967	4 447	1 823	67	12 910

B. Health

26. 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 104 health centres, 2 Agency hospitals and 41 dental clinics, which provide services to about 2.2 million Palestine refugees eligible for health care. In addition the Agency will subsidize 476 hospital beds for refugees in private hospitals and offer health education in 634 UNRWA schools.

27. 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.

28. The policy objectives incorporated into the 1991 budget have been aimed at improving the health services offered to refugees by reducing morbidity and disability through implementing the survival strategies and approaches adopted by

the World Health Organization (WHO) for realization of the goal of Health for All by the Year 2000; expanding coverage and quality of maternal health care; introducing multidisciplinary programmes for the detection and management of physical disabilities and prevention and control of non-communicable diseases. As a result of a review of the effectiveness of the supplementary feeding programme, a decision has been made to substitute part of it, i.e. the midday meal programme, by an alternative strategy as from 1 January 1991. The cash resources released through the discontinuation of this activity will be used for improvements in the health, education and relief and social services programmes. Although cooked meals will no longer be provided, food commodities will still be distributed in the form of dry rations to those beneficiaries who have regularly attended in the past. This activity will be phased out over a period of three years.

29. Estimated costs for the health programme amount to \$43.8 million in 1991, which is a decrease of 9.4 per cent over 1990. This decrease is due to the reorientation of the nutrition and supplementary feeding programme with a consequent cessation of the subsidiary midday meal programme and the limitation of hospitalization costs to 10 per cent of the health budget. The decrease in the budget at headquarters is due to a reduction in the staff costs reserve. The spread of expenditure in the Agency's area of operations is shown in table 5.

Table 5. Health programme
(Thousands of United States dollars)

	Gaza	Lebanon	Syrian Arab Republic	Jordan	West Bank	Head- quarters	Total
1989 expenditure	11 978	6 215	7 366	8 980	9 980	1 228	45 722
1990 approved budget	11 428	7 517	6 453	9 068	10 300	3 589	48 355
1991 proposed budget	11 862	5 576	6 274	8 920	8 596	2 592	43 820
Number of beneficiaries:							
1990	432 212	261 898	251 460	845 436	319 761	-	2 110 767
1991	447 339	271 064	260 261	875 026	330 953	-	2 184 643
Number of area staff:							
1990	817	551	425	821	629	14	3 257
1991	834	593	437	869	653	14	3 400

C. Relief and social services

30. The major goal of the relief services part of the programme is to provide support to disadvantaged individuals and groups among the Palestine refugees and promote self-reliance. Limited cash grants, basic food rations, blankets, clothing and shelter are provided to the special hardship cases and an adult training programme is operated aimed at improving the income-earning ability of the family unit. About 7 per cent of the registered refugee population is in the special hardship case category. Because of increased economic difficulties in the Agency's area of operations, the number of special hardship case applications is expected to increase by 7,200 in 1991 to a total of 161,600. Food and clothing are distributed to the eligible refugees through a network of distribution centres and points located in the camps, with food distributed either monthly or bi-monthly and clothing distributed twice annually.

31. The social services part of the programme is adopting a multidisciplinary approach to the problems of disadvantaged families linking social workers, community health nurses, teachers and other front-line community workers. Increased opportunities are planned for refugees to support their families economically through income-generation projects and skill training. It is also planned to give greater support to refugee women in their roles in the family and community, and further promote community-based rehabilitation of the disabled.

32. Estimated costs for the relief and social services programme amount to \$28 million for 1991, an increase of 5.8 per cent over 1990. This increase is due to an increase in the number of special hardship cases and the planned expansion of the programme as noted above. The spread of expenditure throughout the Agency's area of operations is shown in table 6.

Table 6. Relief and social services programme
(Thousands of United States dollars)

	Gaza	Lebanon	Syrian Arab Republic	Jordan	West Bank	Head- quarters	Total
1989 expenditure	8 561	5 545	2 711	4 832	6 106	534	28 289
1990 approved budget	6 956	5 983	2 808	5 132	4 347	1 236	26 462
1991 proposed budget	7 825	5 938	2 996	5 283	4 752	1 213	28 007
Number of beneficiaries:							
Regular category refugees							
1990	349 417	260 713	252 816	852 538	324 654	-	2 040 138
1991	362 390	269 778	262 573	888 701	339 625	-	2 123 067
Special hardship cases							
1990	47 615	39 204	13 755	30 450	23 300	-	154 324
1991	50 993	38 851	15 158	29 718	26 855	-	161 575
Number of area staff:							
1990	198	85	58	122	121	10	594
1991	206	88	60	125	132	10	621

D. Operational services

33. 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, warehousing, freight transport and passenger transport services in all the areas of operation. In 1990, 96,500 tons of basic commodities and 6,500 tons of general cargo are being handled through a network of central and satellite warehouses for final distribution to the beneficiaries of the Agency's programmes. The Agency's fleet of vehicles is used to transport commodities and general stores, for garbage collection, water distribution, sewage clearance services and for the transport services required by the education, health and relief and social services programmes. In total, the Agency has a fleet of 678 vehicles. All of these vehicles are maintained by the Agency's vehicle maintenance staff. The proposed budget for the supply and transport operation in 1991 is \$14.8 million, an increase of 39.6 per cent over 1990. The increase in the budget is due mainly to the inclusion of a provision of \$3.1 million for the purchase of supplies for the replenishment of inventory, \$0.6 million for additional port charges in the Syrian Arab Republic and Israel and increased staff costs.

34. 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 1990 the staff are working on the design of buildings to the value of \$12.2 million, supervising construction worth \$34.1 million and implementing a maintenance programme of \$3.3 million. The budget estimate for architectural and civil engineering services in 1991 is \$5.9 million, an increase of 22.9 per cent over 1990. The increase is due to planned additional expenditure on the maintenance of Agency premises and increased staff costs. The increase in the support costs associated with the construction of new facilities is, in most cases, recovered as a direct charge to the construction funds.

35. The increase in the number of staff in operational services, mainly driver posts, is 2.7 per cent over the staffing level for 1990. The cost of providing this support to the substantive programmes in the Agency's area of operations is illustrated in table 7.

Table 7. Operational services
(Thousands of United States dollars)

	Gaza	Lebanon	Syrian Arab Republic	Jordan	West Bank	Head- quarters	Total
1989 expenditure	2 476	1 608	2 039	1 937	2 084	5 688	15 832
1990 approved budget	2 581	1 572	1 902	1 738	3 087	4 668	15 548
1991 proposed budget	2 943	1 739	3 087	2 606	4 116	6 190	20 681
Number of area staff:							
1990	197	181	140	110	140	47	815
1991	206	183	142	110	148	48	837

E. Common services

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

37. The proposed budget for common services in 1991 is \$34.1 million, an increase of 8.2 per cent over 1990. The increase in the budget provision is due mainly to an increase in staff costs because of exchange rate movements and salary increases. The increase in the number of posts is 2.1 per cent over the staffing level for 1990. The costs of providing these services to the substantive programmes in the Agency's area of operations is shown in table 8.

Table 8. Common services
(Thousands of United States dollars)

	Gaza	Lebanon	Syrian Arab Republic	Jordan	West Bank	Head- quarters	Total
1989 expenditure	1 971	1 788	1 769	2 024	2 831	13 991	24 374
1990 approved budget	2 261	1 935	1 860	2 213	2 476	20 821	31 566
1991 proposed budget	2 857	1 881	2 009	2 229	3 317	21 866	34 159
Number of area staff:							
1990	132	160	108	147	195	158	900
1991	135	162	109	148	203	162	919

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

Table 9. All services
(Thousands of United States dollars)

	Gaza	Lebanon	Syrian Arab Republic	Jordan	West Bank	Head- quarters	Total
1989 expenditure	55 673	23 969	31 292	50 601	37 640	23 838	223 013
1990 approved budget	56 146	27 763	30 202	47 942	36 228	44 033	242 314
1991 proposed budget	59 248	25 603	35 162	55 591	39 087	39 867	254 558
Number of area staff:							
1990	4 421	2 444	2 672	5 580	2 890	293	18 300
1991	4 504	2 509	2 715	5 699	2 959	301	18 687

VIII. FINANCING THE 1991 BUDGET

39. The cash and in-kind income required to finance the 1991 budget is shown in the following table:

	<u>Cash</u>	<u>In-kind</u>	<u>Total</u>
	(Millions of United States dollars)		
A. General Fund	206.3	20.2	226.5
B. Funded ongoing activities	5.7	8.4	14.1
C. Capital and special projects	<u>14.0</u>	<u>-</u>	<u>14.0</u>
Total	<u>226.0</u>	<u>28.6</u>	<u>254.6</u>

40. Apart from its limited working capital, UNRWA has no other financial reserves on which to draw to finance the 1991 budget. Funding of the Agency's programmes in 1991 will depend on the contributions received from donors. These contributions are normally made to the Agency in two forms: cash and in-kind, the latter in most cases are donations of basic commodities and services.

A. Cash requirements

41. To continue its education, health and relief and social services programmes in 1991, UNRWA will need \$206.3 million in cash for its General Fund. Continuing support of about \$5.7 million is anticipated for the specially funded ongoing activities, which is about \$4.3 million less than in 1990. In addition to the above cash resources, a further \$14.0 million will be needed for capital and special projects. Special donations will be sought for these projects.

B. In-kind requirements

42. The in-kind requirements for 1991 are estimated at \$28.6 million, representing an increase of \$0.6 million over 1990. It has been customary for some 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 1991.

Notes

1/ Official Records of the General Assembly, Forty-fifth Session, Supplement No. 13 (A/45/13).

ANNEX I

Direct government assistance to Palestine refugees a/

(1 July 1989-30 June 1990)

	Egypt	Israel b/	Jordan	Lebanon b/	Syrian Arab Republic
Education services	130 000 000		58 211 900		26 104 516
Social welfare services)					
Medical services)	7 000 000		2 815 725		1 329 183
Housing and public services)			13 858 531		1 059 155
Security services)			6 170 310		4 685 580
Administrative and other services)	285 000 000 c/		4 781 421		2 816 491
			5 343 048		27 612 830
Total	422 000 000		91 180 935		63,607,755

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

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

b/ Figures not received.

c/ Figure includes housing and public services, security, administrative and other services.

ANNEX II

Contributions pledged (or otherwise estimated based on earlier contributions) for the 1990 regular budget (General Fund, funded ongoing activities, capital and special projects)
as at 30 September 1990

(United States dollars)

Contributors	Cash	In-kind	Total
I. Contributions from Governments			
Australia	2 181 460	-	2 181 460
Austria	239 883	-	239 883
Bahrain	15 000	-	15 000
Barbados	1 000	-	1 000
Belgium	595 611	-	595 611
Brazil	10 000	-	10 000
Brunei Darussalam	10 000	-	10 000
Cameroon	4 000	-	4 000
Canada	8 407 080	-	8 407 080
Chile	5 000	-	5 000
China	50 000	-	50 000
Colombia	2 077	-	2 077
Cyprus	2 494	-	2 494
Denmark	5 011 401	-	5 011 401
Egypt	3 690	-	3 690
Finland	4 096 701	-	4 096 701
France	1 889 286	2 000	1 891 286
Germany, Federal Republic of a/	7 280 873	-	7 280 873
Greece	80 000	-	80 000
Holy See	20 000	-	20 000
Iceland	8 185	-	8 185
India	13 006	-	13 006
Indonesia	8 000	-	8 000
Iran (Islamic Republic of)	30 000	-	30 000
Ireland	117 038	-	117 038
Israel	-	68 900	68 900
Italy	14 183 620	-	14 183 620
Jamaica	3 000	-	3 000
Japan	10 129 539	4 879 000	15 008 539
Jordan	-	363 314	363 314
Kuwait	1 000 000	-	1 000 000
Lebanon	-	542	542
Libyan Arab Jamahiriya	1 000 000	-	1 000 000
Luxembourg	40 698	-	40 698
Malaysia	10 000	-	10 000
Maldives	1 000	-	1 000
Malta	1 000	-	1 000

Contributors	Cash	In-kind	Total
Mauritius	1 000	-	1 000
Mexico	2 127	-	2 127
Monaco	4 021	-	4 021
Myanmar	1 000	-	1 000
Netherlands	3 266 706	-	3 266 706
New Zealand	122 380	-	122 380
Norway	10 046 565	-	10 046 565
Oman	4 000	-	4 000
Pakistan	16 242	-	16 242
Philippines	2 000	-	2 000
Portugal	25 000	-	25 000
Qatar	100 000	-	100 000
Republic of Korea	10 000	-	10 000
Saudi Arabia	1 200 000	-	1 200 000
Senegal	2 000	-	2 000
Singapore	3 000	-	3 000
Spain	2 362 373	-	2 362 373
Sri Lanka	-	2 000	2 000
Sweden	15 686 248	-	15 686 248
Switzerland	2 541 093	4 468 084	7 009 177
Syrian Arab Republic	-	26 442	26 442
Thailand	12 973	-	12 973
Tunisia	10 200	-	10 200
Turkey	35 000	-	35 000
United Kingdom of Great Britain and Northern Ireland	9 274 135	-	9 274 135
United States of America	57 000 000	-	57 000 000
Venezuela	10 000	-	10 000
Subtotal	158 188 705	9 810 282	167 998 987
II. Contributions from inter-governmental organizations			
European Community	35 119 872	20 681 523	55 801 395
Subtotal	35 119 872	20 681 523	55 801 395

Contributors	Cash	In-kind	Total
III. Contributions from the United Nations and specialized agencies			
United Nations (from regular budget)	7 800 000	-	7 800 000
UNESCO	-	1 349 665	1 349 665
UNDP	39 300	-	39 300
UNICEF	8 000	173 623	181 623
WHO	35 000	609 660	644 660
Subtotal	7 882 300	2 132 948	10 015 248
IV. Other contributions			
American Near East Refugee Aid (ANERA)	-	6 353	6 353
Arabian American Oil Co. (ARAMCO), Saudi Arabia	220 000	-	220 000
Australian Care for Refugees (AUSTCARE)	49 623	-	49 623
Co-operation for Development, United Kingdom	46 874	-	46 874
Gaza Authorities	-	89 509	89 509
Mennonite Central Committee	10 448	-	10 448
Near East Council of Churches (NECC)	32 555	-	32 555
Norwegian Refugee Council	91 805	-	91 805
Pontifical Mission for Palestine	80 000	-	80 000
Prodonta, Switzerland	-	146 305	146 305
Red Crescent, Kuwait	-	66 404	66 404
Red Cross, German Democratic Republic ^{a/}	-	15 060	15 060
Rissho Kosei-Kai	89 310	-	89 310
Swedish Save the Children Fund (Rädda Barnen)	179 604	-	179 604
Swiss German Aid	10 000	-	10 000
Sundry contributors	1 004 972	15 698	1 020 670
Subtotal	1 815 191	339 329	2 154 520
Grand total	203 006 068	32 964 082	235 970 150

^{a/} With effect from 3 October 1990, the Federal Republic of Germany and the German Democratic Republic united to form one sovereign State under the designation "Germany".

ANNEX III

Ongoing activities, fully funded by donors in 1991

Title	Thousands of United States dollars
1. Supplementary feeding programme, funded by the European Community	9 017
2. Mobile Health Team, Gaza, funded by Rädda Barnen, Sweden	244
3. Gaza Centre for the Blind, funded by the Pontifical Mission and other donors	245
4. University Scholarships funded by ARAMCO	69
5. Ramallah Men's and Women's Training Centres, funded by the Government of Denmark	2 420
6. Mobile Dental Unit, Jordan, funded by the Near East Council of Churches	13
7. Dental Unit Amman Polyclinic, Jordan, funded by the Near East Council of Churches	15
8. Gaza Vocational Training Centre, funded by the Government of Italy	1 951
9. Qalqilia Hospital, West Bank	104
	<u>14 078</u>
